# Sustainable Transformational Network Leadership in Bahrain Energy sector: A New Framework in the Context of Contemporary Organisational and Climate Change Challenges

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Despite the United Nations General Assembly's September 2015 approval of global action plan to combat environmental, economical and social challenges affecting humanity and the adoption of the 17 United Nations Sustainable Development Goals (UNSDGs), the leadership practice needed particularly in the most affected energy sector is still lacking. Reducing hydrocarbon emissions to a more sustainable 2° level and achieving target Net-Zero by 2050 highlights one of  the energy industry's biggest challenge in achieving United Nations Sustainable Development Goal 13 (UNSDG13), alongside ensuring the continuous supply of energy sources at sustainable, affordable prices. To address this mammoth set of sustainability challenges for the global welfare of humanity, energy companies are required more than ever to practise a more sustainable form of leadership than the more traditional, individualised emphasis on personal characteristics of leaders.

This study focuses on addressing the leadership problem in Bahrain's energy companies and uses semi structured interviews to develop  a sustainable set of leadership practices, attributes and values in a way that recognises the collective network efforts of leaders in Bahrain's oil and gas sector to transform their companies from high to low carbon emissions integrated energy firms.  Therefore, from a Braun and Clarke's analytical and interpretivist position, combined with semi-structured narratives of key leaders in Bahrain's top energy firms, this paper identifies Network Leadership as a collective set of sustainable transformation leadership practices that facilitates the energy sector's efforts to reduce its fossil emissions through digitalisation. Through a critical and rigorous examination of the existing literature on leadership and particularly traditional forms of individual leader characteristics and thick, experiential leaders' descriptions, we develop Network Leadership from the experienced set of leadership attributes and approaches used by Bahrain energy sector leaders in ways that previous studies on the topic have not attempted thus far. The developed theory and practice was found not only to be an effective leadership practice that enhances the organisation's capacity to address a range of climate and energy sustainability challenges at the national and organisational levels concomitantly, but our additional development of a Sustainable Transformational Network Leadership Framework helps to highlight the urgent need in organisations to combine and coordinate such a leadership practice with aspects relating to digitalisation of energy companies. We argue that Sustainable Transformation Network Leadership is significantly effective in the energy sector's digitalisation, leadership transformation and collectivisation of network capabilities to give the human race better prospects in future.. The theoretical, methodological and practical implications of our two significant contributions, namely on Network Leadership and Sustainable Transformational Network Leadership Framework are further examined in the context of leadership studies more broadly and the energy sector particularly. The paper is structured in the following sequence:

Immediately following the introduction is the contextualisation of climate change SDG13 in the energy sector. This is followed by the literature on Network Leadership and Digitalisation, given the theoretical impact of the emerging importance of digitalisation in leadership debates and research. Next is the research methodology used to gather and analyse data. Based on the rich, experiential and descriptive findings, the authors articulate the benefits of their two discoveries for leadership studies, while articulating the study's limitations and future research directions.

Proposed Paper Abstract:

**Putting the S into ESG Reporting:**

**An investigation of director engagement with social responsibility in commercial entities**

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**ABSTRACT**

The ESG reporting framework has emerged as the preeminent guide for disclosing and reporting on corporate performance in the realms of area of environmental, social responsibility and corporate governance practices (Ailman et al., 2017).  However, there are growing signs of a backlash against the ESG framework, some of which has taken the form of blistering criticism that has been that is driven by a neo-conservatist ideology which attacks the fundamentally interventionist assumptions that underlie the framework (*The Economist*, 2022: Carter et al, 2022).

Another critique emanating from a quite different political realm has centred on the mismatch between the aspirational expectations of ESG reporting and the quality and quantity of actual reporting practices (Gillian et al, 2021; McKinsey, 2022). This is most substantially manifested in the relative paucity of company performance reporting of social responsibility activities and impacts compared to environment and governance performance (Etcheverry, 2022). This mismatch accords with the academic literature, where we have noted considerably greater attention being paid to conceptualising and implementing Environmental and the Governance monitoring and reporting compared to Social Responsibility reporting.

The research presented in this paper is part of a broader research projects that is striving to understand how, by taking a responsible leadership approach to governance, commercial businesses can play a leadership role in advancing shared social, economic, and environmental progress in cross-sectoral collaboration (Cikaliuk et al., 2022; Kempster & Jackson, 2021).  This study seeks to understand the perceptions and practices of non-executive directors of commercial entities in carrying out their firm's social responsibilities as guided by the ESG reporting framework. One of the primary aims of this study is to ultimately provide professional directors with better guidance on promoting social responsibility as an equally important component of ESG reporting.

Interviews were conducted with 17 independent directors based within New Zealand who collectively served on 70 commercial boards alongside 20 not-for-profit and public-sector boards. The key questions that we raised included: How are the boards you serve on discussing and addressing their social responsibilities to the communities they serve?  What are the core governance mechanisms you have observed being utilized when engaging with social responsibility? How do you think boards can better engage with their social obligations? How are you and your professional colleagues developing your knowledge and skills regarding ESG reporting.  In your professional circles, what is the nature of discussions regarding the ESG reporting framework?

A key finding from the study to date has been that while ESG represents a strategic concern amongst directors, how it has been adopted into the commercial entity provides a significant contention locus within the board's dynamics. Furthermore, while these directors acknowledged the potential for ESG reporting to support the adoption of social sustainability in their commercial entities' annual plans, the means to do this in a systematic and meaningful way was still largely elusive. The reason for this condition will be discussed on the paper. However, our confirms the general consensus that progress on reporting the 'S' component of ESG reporting significantly lags behind the progress that is being made on the 'E' and 'G' components.

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# Leadership development *for* system change

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*Contemporary leadership development predominantly focuses on the individual and increasing their capacity and capability to lead. Judged by this metric there is much effective practice going on. However, what if the purpose of leadership development is less about enhancing individual capabilities and more about a route to wider system level change? What then does effective leadership development look like?*

A just and sustainable response to the climate and biodiversity crisis is the leadership challenge of our generation. It is a challenge that can only be met by a transformation in the way we as governments, organisations and communities live. It requires a 'socio-technical transition' (Geels 2011) particularly around the three core systems of energy, transport and agri-food. That is, a transformation in technology, policy, markets, consumer practices, regulation, cultural meaning, and scientific knowledge (Geels 2011). Basically, a transition in everything. And that is going to require leadership.

(Note: in this paper we allow ourselves the conceit that, however chaotic and unmanaged these system-transitions turn out to be, there will be many attempts to get a grip, and much talk about leaders and leadership).

The transition to sustainability is not like other historical transitions. Not just because it requires change across such a range of dimensions and places but because the transition to sustainability requires us as organisations governments communities and individuals to take responsibility for 'collective goods' – often the very things we have long externalised. And most of the time there just are not the necessary incentives, at any level, for us to do that.

If this transition is the leadership challenge of our generation, and if it is like nothing we have ever led *for* before, this begs the question of what sort of leadership development is needed? What sort of leadership development is effective when the nature of the leadership challenge is so important so urgent and so shared? What sort of leadership development supports people to take on, and effectively act on collective goods? What prepares and enables them to do so in multi-party settings where they have no formal hierarchical authority? (Bolden et al. 2023)

A systems lens tells us that context matters. It tells us that the connections between actors, and not just the actors (individual or institutional) matter. There are a number of key features to this: firstly, many connections between actors are unconscious: 'systems psychodynamics' reveal ways in which leaders are constituted as such by collective psychological responses to shared context – they lead a sentient system as much as a task system. These two systemic functions might be harmonised, but are often at odds.  (Stacey, 2012; Lawler & Sher, 2023).

Secondly, Complexity theory tells us that no two problems are the same across space and time. It tells us that the way to work with complex problems is with deep contextual insight and a willingness to adapt because all actions (and thoughts, emotions, dreams and fears) are part of the complexity: if there is a 'balcony' above a 'dance floor', it is nonetheless part of the prom (Uhl-Bien, 2007). Thirdly, if we accept that a just and sustainable response to the climate and biodiversity crisis is going to need system level change, it will be a contested and politicised process and that will throw up leadership and leaders. So we need to ask what does a leadership development approach *for* system change need to look like? What if the traditional individual focused, context agnostic approaches are inadequate? What might an approach that was specific to context, worked to strengthen interconnections and also enhanced the incentives to take on collective good challenges look like? (Gosling, 2023)

To date leadership development has predominantly focused on the individual. Development may take different forms – it may be individual (such as through coaching) or done in groups; it may be offered 'on the job' or by stepping away from the job and into new and unfamiliar contexts. Whatever the methods the dominant assumption is that the individual is the vehicle to be developed and that as a consequence of this work (and the acquired mindsets, skills sets, behaviours values and so on) individuals will act on the organisational systems around them and create a desired impact. This approach centres the individual. It is largely agnostic about the context or the problem set that the developed leader will lead on. It often doesn't engage with what change they will lead *for*.

Through this paper we will explore two examples of leadership development programmes that explicitly bring a system-based perspective to the practice of leadership development; yet both of which do so by engaging primarily with individuals deemed to be leaders. One programme starts with a focus on the system to be transformed. The other focuses on a 'cadre' of influential people across multiple organisations, requiring them to identify what to change. Both are specific in their context and in the system level impact that they are developing leadership for. In the paper we subject both programmes to a critical analysis and comparison, aiming to elucidate the questions raised above.

**The African Food Fellowship** – is active in Kenya and Rwanda (with plans for expansion to other countries in the region). Its purpose is to transform national level food systems to produce healthier, more equitable and more sustainable outcomes. At the heart of the fellowship is a 10 month leadership development programme. Participants apply and are selected on the basis of their existing role within the national food system (and a set of sub impact areas – for example in Kenya aqua culture, fin-tech, horticulture). A 50 / 50 split of men and women and a spread across government, civil society, academia and private business is curated. Fellows then work together to better understand their food system and lead, together and with others, for change. The essence of the fellowship is to enhance the connections across the food systems and develop a shared vision for transformation. Personal leadership development is achieved through this collective enterprise.

**The Forward Institute Fellowship –** is a UK-oriented initiative that aims to promote 'responsible leadership' amongst members of the UK establishment elites. Participants are nominated by their employers and required to address a 'responsible leadership challenge' in their organisations. The reasons for this are multiple: it gives visible pay-back to the sponsoring organisation; they can focus on an area in which they have some kind of positional, symbolic, or knowledge-based authority; there is a hope that such local actions might spark improvements in other areas, perhaps system-wide or even systemic. However there is (by explicit choice) no attempt to define a system or a change 'ex ante' the programme.

The authors of this paper are complicit to varying degrees in the conceptualisation and enactment of these programmes. The paper is therefore a reflexive exercise, drawing 'evidence' that includes personal hunches, considered opinion, selective memories and unconscious omissions. Our 'findings' are offered as working hypotheses that we hope contribute to a more rounded appreciation of what is involved in system-oriented leadership development.

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# Decolonising the food system: food free from systems

By Yori Kamphuis, Rick Koster, Maarten van der Kamp,
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Humans have colonised the lifeworld, Habermas said. He didn't mean that people were sent to live and govern another country, but that humans have started to control the lifeworld, and subdued the lifeworld into our systems. This colonising of the lifeworld clearly isn't only having positive effects. The consequences of the climate crisis are an existential threat. PFAS chemicals are being present in each of 30,000 samples of umbilical cord blood. And the probability of synchronous crop failure is rising to almost 50% in the 2040s. And it's all related to what and how we eat. Yet, colonising the lifeworld implies it is possible to *de*colonise the lifeworld as well.

## Systems thinking: food

A systems thinking approach allows us to explore the dynamic interdependencies through which the world is constituted. People have a human need to order the world we live in. The food system can be defined as the complete set of people, soils, organisms, institutions, activities, natural and artificial processes, and infrastructure involved in producing and consuming food for a given population.

On the highest, most abstract level, the food system includes also the frameworks, belief systems, and paradigms that define its rules and invisibly influence its functioning. These drive us towards regulating, optimising and controlling the food system. They influence us in extreme, 'invisible', far-reaching and sometimes even perverse ways. In economic terms, such unintended consequences are often in the category of externalities: effects that occur beyond the purview of the market. As far as we can tell, many of today's systems are in essence:

- extractive (of nature)
- exploitative (of people)
- extrinsic (of value)

This has led to expulsions: small agricultural businesses are being outcompeted by megafarms and continue to disappear. Pollinators die off as monoculture reduces biodiversity and neonicotinoids and pests affect their ability to fly and defend themselves, just to name two examples.

Systems approaches have been very useful to challenge the linear and compartmentalised ways of organising food supply chains, to expose the interdependence of factors such as weather, finance, soil, cultural beliefs and nutritional values. Systems thinking can be comforting because it gives us a sense that we can maintain a grip on life. Yet not everything that affects a system can be controlled: there's more to life than these systems. We will always miss something in how we bring different parts of our lifeworld together to reshape the food system to be more sustainable and fairer.

We can also take a slightly different approach and look at natural food systems. A natural food system (Figure 1) has several distinct common characteristics, which makes it stand apart from the extractive, exploitative and extrinsic consequences:

- Redundancy. Crises or interferences have less impact. A natural system is less 'lean' than our organised food system. There are back-up systems and spare capacity.
- Rhythm. Seasonal rhythm, as certain production happens in the flow of the seasons. This means there's a certain degree of modularity and asynchronicity. Modularity and back-up systems together act as circuit breakers. (Monbiot, 2023, The Hunger Gap)

- Simplicity. In a natural food system, there are no 'consultants' or 'food marketing department' or 'food sales or food purchase department'. In a natural web, food is attractive enough in itself.
- Self-regulation. A food web is in a dynamic equilibrium of diversity and every push to get out of that equilibrium is initially corrected by the system itself.Why decolonising the system?

Where colonisation of the food system led to a system being optimised for certain types of efficiencies in production and finance and for an output of limited scope and an eventually finite supply, a decolonised system would be optimised along a different axis. Instead of having an extractive, exploitative and extrinsic optimisation nature, a decolonised system has a generative, interdependent and intrinsic nature. See Table 1.

Table 1 – A colonised vs a decolonised system

|  | Nature | Relationships | Values |
|---|---|---|---|
| Colonised system | Extractive | Exploitative | Extrinsic |
| Decolonised system | Generative | Interdependent | Intrinsic |

Decolonising the food systems may be associated with the rewilding of systems; rather we treat it with a more loosely held sense of productivity. Yields per hectare can be much higher over a longer period in a system with more biodiversity, but these are not easy to manage nor will its productivity be expressed purely by food output. But it could be timber, the presence of life in whatever form it is, nature to enjoy or just a space where life could go its course.

Such a transition has implications for many of the systems' elements. We have gathered various elements that will be affected, which ranges from variety to yield, structure, redundancy, susceptibility to crises, harvestability, rhythm and degree of control. As these elements change, this impacts power dynamics around food systems, as there will be far more players in the system. Diets would become more seasonally & regionally determined. The main reward of such a system is that it contributes to biodiversity and resilience, rather than purely production and financial figures.

## Paradoxical challenges for systems leadership

If, on a conceptual level, decolonisation seems an idea worthwhile pursuing, how should we approach it? The current social structures are reproduced by the activities they organise: they cannot be simply reimagined and changed because we feel like it. As such, decolonisation is a radical agenda that requires action on many different levels to reshape even relatively small aspects of everyday life.

We want to focus on leadership as a key form of action. Leadership can challenge some entrenched notions of how the food system is shaped and can envision new configurations of how food is produced and consumed. One cannot lead a system however, but there certainly can be leadership within systems. Adding another paradox to systems thinking is that these approaches are anthropocentric, human centred in nature. But nature isn't. We need systems leadership, but paradoxically, there is the danger of tricking ourselves into believing that we can or are having everything under our control.

As there is not just one perfect way of looking at our world, this frees ourselves in the sense that we can choose which of multiple lenses we choose to look at a food system. See Figure 2. It invites us to consider multivocality and look beyond our own sphere of influence: who should join in the conversation? Are other voices and sounds accepted and taken into account as well? Asking ourselves these question helps us decolonise our own system and allow other ideas to emerge.

### Limitations of language

Returning to older notions of leadership as a predominantly white, male remit tied to seniority is the opposite of what we are aiming for. Rather, inclusivity, multivocality and a focus on regeneration should be the cornerstones on which to build any decolonisation effort. How do we ensure that we pursue an approach that incorporates new analyses and insights about the "situated interrelations and intersecting practices of leaders and followers and managers and workers in all their ambiguous, paradoxical and contradictory forms," as Collinson put it?

### Limitations of narrative

There is a solid body of work that describes system innovation and which can both define innovation spaces and form the basis for a range of experiments to decolonise certain niches. Yet how do we communicate in clear and simple terms about the mechanisms and results of any experiment attempting to decolonise parts of the food system? Moreover, if the ambition is to achieve systemic change, how can we make sense of those attempts that are, necessarily, context-bound, pragmatic and limited in scale?

### The paradox of time

The climate crisis, biodiversity loss, population growth, energy crisis and other interrelated mega-forces are putting intense pressure on leaders to act 'now'. Yet, to think about decolonisation and to set up, run and evaluate experiments requires time. How do we combine thoughtful leadership with practical action, while limiting the inevitable unintended consequences? In other words, how do we work with the paradoxical aspect of time?

## Going forward

Changing the goal of a system is an effective way for intervening in a system. Redefining the goal of our food system towards producing food for everybody while remaining within planetary regeneration boundaries, would lead to drastic changes of our production and consumption methods. Yet this would require all actors to be aware of what they self-organise towards, taking into account both human and non-human actors such as viruses, bacteria, fungi, plants and animals. But this remains an instrumental way of looking at our food system nonetheless.

Stepping away from the accepted systems, welcoming multivocality and questioning systems' intended purpose, allows us to see our world in a different way. We would then still choose a paradigm to use, one way of describing our world, but we would at least be aware of its limitations. Decolonising is accepting that our systems have a limited scope in which they can work for us.

Lastly, we need to remember that leadership is only one of the elements at play. Leadership influences management, power, group work, peer influencing and autonomy. In that way, leadership might be part of the problem: it's an idea and way of thinking that's intrinsically colonising. Yet leadership has a part to play in making a contribution towards decolonising the system: it should also be about being humbler.
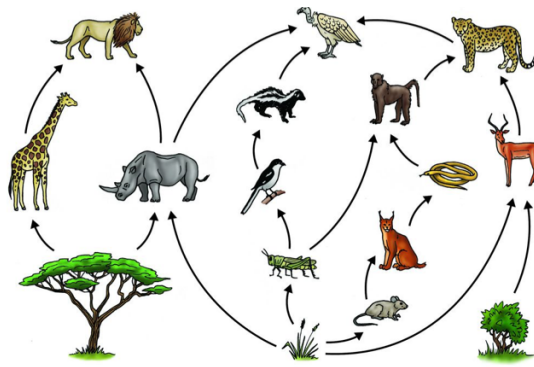
# Pictures



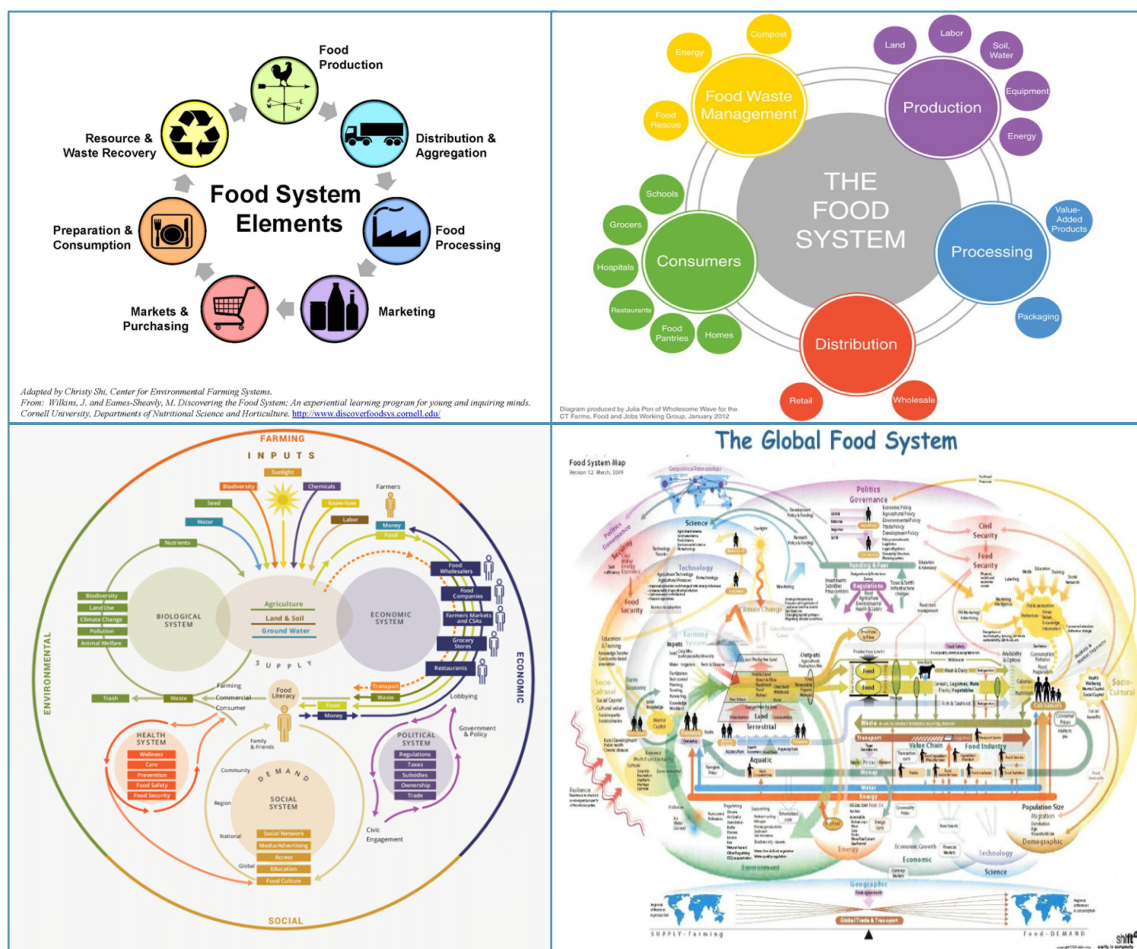Figure 1 - A representation of a natural food web



Figure 2 - Different representations of a food system, each pinpointing different aspects of the food system, and leaving other aspects unrevealed.