

Meeting the Ethical Challenges *of* **LEADERSHIP**

Second Edition

**CASTING LIGHT
OR SHADOW**

Craig E. Johnson



*Meeting the Ethical
Challenges of Leadership:*

Casting Light or Shadow
Second Edition

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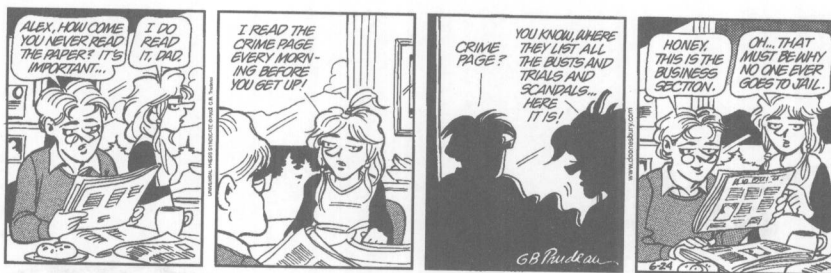
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Part I



The Shadow Side of Leadership



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Introduction

Fallen Heroes

In the introduction to the first edition of this text, I noted that the heroic leader was alive and well in popular culture. Not any more. The image of the leader as hero has been shattered by one ethical scandal after another. Wherever we turn—military, politics, medicine, education, religion—we find fallen heroes. Nowhere is this more apparent than in business. Just a few years ago, the business section of the local Barnes & Noble or Borders bookstore told glowing stories of dynamic leaders who rescued their corporations from financial ruin. Now the same bookshelves are filled with volumes describing the downfall of these same leaders and their companies.

Fallen heroes pay a high price for their ethical failures. Nearly all sacrifice their positions of leadership as well as their reputations. Many face civil lawsuits, criminal charges, and jail time. The costs can be even greater for followers:

- Thousands of employees lost their jobs as well as their retirement savings when Enron and WorldCom filed for bankruptcy.
- Investors lost billions when accounting scandals caused the stock market to plunge. They lost millions more when brokerages and mutual funds gave them bad advice and overcharged them.
- Hundreds of children suffered sexual abuse at the hands of Catholic clergy. Victims' lawsuits could bankrupt some dioceses.
- Seven Columbia space shuttle astronauts died when NASA officials ignored safety concerns.
- Female cadets at the Air Force Academy dropped out when top officials mishandled their sexual assault complaints.
- Healthy patients at the Mercy Medical Center in Redding, California, underwent needless heart surgeries to boost the hospital's profits.
- Public confidence in the American and British governments dropped due to allegations that the Bush and Blair administrations overstated the risk posed by Saddam Hussein to justify the invasion of Iraq.

The misery caused by immoral leaders drives home an important point: ethics is at the heart of leadership.¹ When we assume the benefits of leadership, we also assume ethical burdens. I believe that we must make every effort to act in such a way as to benefit rather than damage others, to cast light instead of shadow. Doing so will significantly reduce the likelihood that we will join the future ranks of fallen heroes.

You should find this book helpful if you are a leader or an aspiring leader who (a) acknowledges that there are ethical consequences associated with exercising influence over others and (b) seeks to develop the capacity to make more informed ethical choices and to follow through on decisions. There is no guarantee that after reading the following chapters you will act in a more ethical fashion in every situation. Nor can you be sure that others will reach the same conclusions that you do about what is the best answer to an ethical dilemma. Nevertheless, you can increase your ethical competence. This book is dedicated to that end.

Whatever the specific context, leaders face similar kinds of ethical choices. For that reason, I draw examples from a wide variety of settings—business, coaching, education, government, nonprofit organizations, the military. Most are based on actual events, but I don't hesitate to draw from fictional sources as well. Literature and drama can give us rich insights into reality. Cases play an important role in this edition, as they did in the first. There are two cases at the end of each chapter, with the exception of Chapter 7. Look for these in addition to the cases included in the chapters. Once again, you'll find a feature entitled "Leadership Ethics at the Movies." Each of these short summaries introduces a feature film that brings important concepts "to life." Analyzing these DVDs and videos on your own, or better yet in a group, will deepen your understanding of leadership ethics.

Three other features are also found in every chapter. The first, "Self-Assessment" (new to this edition), measures your performance on an important behavior, skill, or concept discussed in the chapter. The second, "Implications and Applications," reviews key ideas and their ramifications for you as a leader. The third, "For Further Exploration, Challenge, and Assessment," encourages you to engage in extended reflection and self-analysis.

Readers of the first edition will note that this version of *Meeting the Ethical Challenges of Leadership* is considerably longer than its predecessor. Additional cases and examples account for some but not all of the new material. In the pages to come, you'll find new and expanded coverage of moral imagination, character, ethical perspectives, decision-making formats, dialogue, healthy ethical organizational climates, globalization, and other topics.

The first two chapters focus on the "dark side" of leadership in the belief that the first step in mastering the ethical challenges of leadership is to recognize their existence. Chapter 1 outlines common shadows cast by leaders: abuse of power

and privilege, deception, misplaced and broken loyalties, inconsistency, and irresponsibility. Chapter 2 explores the reasons why leaders cause more harm than good and introduces the ethical capacity model. At the end of the second chapter, we'll pause to preview the remainder of the text. You can read the chapters in any order you wish, but they are designed to build on one another.

Defining Terms

Because this is a book about leadership ethics, we need to clarify what both of these terms mean. *Leadership* is the exercise of influence in a group context.² Want to know who the leaders are? Look for the people having the greatest impact on the group or organization. Leaders are change agents engaged in furthering the needs, wants, and goals of leaders and followers alike. They are found wherever humans associate with one another, whether in a social movement, sports team, task force, nonprofit agency, state legislature, military unit, or corporation.

No definition of leadership is complete without distinguishing between leading and following. Generally leaders get the most press. The newfound success of a college football team is a case in point. A head coach gets the lion's share of the credit for changing a losing team into a winner, but the turnaround is really the result of the efforts of many followers. Assistant coaches work with offensive and defensive lines, quarterbacks, and kicking teams; trainers tend to injuries; academic tutors keep players in school; athletic department staff solicit contributions for training facilities; and sports information personnel draw attention to the team's accomplishments.

In truth, leaders and followers function collaboratively, working together toward shared objectives. They are relational partners who play complementary roles.³ Although leaders exert a greater degree of influence and take more responsibility for the overall direction of the group, followers are more involved in implementing plans and doing the work. During the course of a day or week, we typically shift between leader and follower roles, heading up a project team at work, for example, while taking the position of follower as a student in a night class.

Moving from a follower role to a leadership role brings with it a shift in expectations. Generally, we ask leaders to take more responsibility for the overall direction of the group, whereas followers are more involved in implementing plans and doing the work. Important leader functions include establishing direction, organizing, coordinating activities and resources, motivating, and managing conflicts. Important follower functions include carrying out group and organizational tasks (engineering, social work, teaching, accounting), generating new ideas about how to get jobs done, working as a team member, and providing feedback.⁴

Viewing leadership as a role should put to rest the notion that leaders are born not made. The fact that the vast majority of us will function as leaders if we haven't already done so means that leadership is not limited to those with the proper genetic background, income level, or education. Many ordinary people emerged as leaders during the horrific events of September 11, 2001, for example. Office workers in the World Trade Center calmed victims and bandaged their wounds. They formed human chains to walk down the stairs in the smoke and darkness, assisting those who had difficulty navigating the steps. At the same time these workers were headed down, firefighters of all ranks were rushing up the staircases to help. A paramedic driving near the Pentagon took his bag out of his car, doused burn victims with saline, and got others to drag victims to safety. Passengers on hijacked United Flight 93 rushed the attackers and prevented the plane from striking its intended target.

Leadership should not be confused with position, though leaders often occupy positions of authority. Those designated as leaders, like a disillusioned manager nearing retirement, don't always exert much influence. On the other hand, those without the benefit of a title on the organizational chart can have a significant impact. Lech Walesa was an electrician in a Polish plant. Nonetheless, he went on to lead a revolution that culminated in the overthrow of the nation's communist government.

Human leadership differs in important ways from the pattern of dominance and submission that characterizes animal societies. The dominant female hyena or male chimpanzee establishes rule over the pack or troop through pure physical strength. Each maintains authority until some stronger rival (often seeking mates) comes along. Unlike animals, which seem to be driven largely by instinct, humans consciously choose how they want to influence others. We can use persuasion, rewards, punishments, emotional appeals, rules, and a host of other means to get our way.

Freedom of choice makes ethical considerations an important part of any discussion of leadership. The term *ethics* refers to judgments about whether human behavior is right or wrong. We may be repulsed by the idea that a male lion will kill the offspring of the previous dominant male when he takes control of the pride. Yet we cannot label his actions as unethical because he is impelled by a genetic drive to start his own bloodline. We can and do condemn the actions of leaders who decide to lie, belittle followers, and enrich themselves at the expense of the less fortunate.

Some philosophers distinguish between "ethics," which they define as the systematic study of the principles of right or wrong behavior, and "morals," which they define as specific standards of right and wrong ("Thou shall not steal." "Do unto others as they would do unto you."). Other scholars use these terms interchangeably. I will follow the latter course.

With these preliminaries out of the way, we're now ready to take a closer look at some of the ethical hurdles faced by leaders.