

LEADERSHIP AND THE BETTER PERSON

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Does leadership require us to be a better person?

I ask this question because from time to time I receive emails from senior managers who previously have participated on leadership development programs with me, and they will reassure me that they are still working at being a better person since our course. In one sense this surprises me because I try to avoid being prescriptive or preachy on my courses, and certainly never holier-than-thou since that is unlikely to be the truth. But in another sense I understand it well because I believe that leadership does require us to be a better person - that it is a value laden activity that does require us to accept new responsibilities and to be bigger than our regularly self-absorbed self.

Recently I was working with the Executive of an aquaculture company which is the largest private employer in its region. The company is expanding rapidly now but it has been bankrupt once before and its current accountant CEO was responsible for its recovery. During our workshop the CEO spoke incessantly about cost control, sales figures, profit margins, revenue growth and the share price. And he did also talk about aspects of the welfare of the workforce and about some of the company's impacts on the natural environment. In my experience, successful private sector CEOs and executives regularly do need to obsess about financial matters. This is the number one concern of the shareholders and the board of the company. I am not sermonising here but merely being descriptive - there may be individual or institutional investors who have broader interests, but they all share this one prime interest. And most of the customers who largely live outside the region primarily care about the quality and price of the product and little else.

So who is going to care about the people in the company? The shareholders may care about the quality of the top ranks but that is probably the extent of their knowledge. Who will care about the local communities which are

economically dependent on the company? Who will care about the extremely sensitive environment and natural resources upon which the company relies and which many of the locals love? In truth, although pressure and regulations may come from various sources on these issues, it still comes down to the choices made by senior management and to their level of accepted responsibility. It will also depend on their courage, because they will need to convince those neutral shareholders and customers that they can at a minimum meet their specific agendas and attend to these broader needs. It takes well rounded CEOs and senior managers to do this and some simply lack the maturity or character for the task.

Some of you may have doubts about this proposition. What about shareholder value, you are thinking? Surely the sole responsibility of a manager is to obey the law and to ensure that they are producing a better return on the shareholders' capital than they can gain from investing somewhere else? I always thought the shareholder value revolution, while perhaps providing a necessary correction, was simplistic and doctrinaire to the point of denying the choices and responsibilities of leaders. I note that one of its founding fathers from Harvard Business School is now preaching a message of "integrity" to corporations having realised after his estrangement from his own daughter that he possibly tended to understate the importance of people in his thinking.

Ross Gittins, the Economics Editor for the Fairfax Media in Australia, has recently argued that for two hundred years practising Christians and Christian Ethics provided the foundations and internal glue of the business world in Australia (I think this argument may be exaggerated and understates the role of other organised groups in pressuring business). Others have noted that Adam Smith who was one of the first to advocate for capitalism and free markets in the "Wealth of Nations", always assumed that these would be accompanied by an active Christian concern for the welfare of the disadvantaged. But as Gittins reports, in Australia only 8% of the population participate in any kind of religion on a regular basis, and 40% of Australians report in the latest Census that they do not subscribe to any religion. Meanwhile the financial and corporate community is racked with scandals and systematic greed, ranging from explosive revelations about the tax holidays of the wealthy and of multinationals, to the bribes paid to global bagmen, to the

poor behaviour of the insurance arm of our very own Commonwealth Bank. Endemic corruption is a recipe for ending up a Third World economy.

So am I advocating a return to old time religion? Not really. For many, our disillusionment with religion is greater than our disillusionment with the business world or politics or any of the other great institutions. I have just returned from watching the new film “Spotlight”, encouraged to attend by a lifelong mate of mine who is also a Catholic priest. The film documents the efforts of the Boston Globe to uncover the large scale sexual abuse of children by clergy in the Boston region and the systematic cover up of it by the hierarchy in the institutional church. And it chronicles the resistance and pressures and costs incurred by those attempting to reveal it. Again the question it raises is: Who is looking after the children? The really disturbing element of the story is how so many parts of the system were looking the other way for so long and did not want to know – the hierarchy of the church, the police, the courts, the media, the government and even the devout parents of abused children who did not want to undermine their own faith or their own church. Exercising leadership in this context does not involve a simple once off choice, but it is difficult and it requires courage and a very strong personal compass.

Indeed one of the great religious and humanitarian leaders of our time has had the courage to say humanity needs more than religion to solve its current problems, and that we need to go beyond religion and develop a secular ethics. He is not disowning his religion, he is simply saying that there are not enough people in the world who believe in religion anymore. The Dalai Lama has written a terrific book which is titled “Beyond Religion: Ethics for a Whole World”. He writes: “Science, for all the benefits it has brought to the external world, has not yet provided scientific grounding for the development of the foundations of personal integrity – the basic inner human values that we appreciate in others and would do well to promote in ourselves.” And later he writes: “I am confident that it is both possible and worthwhile to attempt a new secular approach to universal ethics. My confidence comes from my conviction that all of us, all human beings, are basically inclined or disposed toward what we perceive to be good.” He proposes that compassion and kindness lie at the heart of this new secular ethics. In a follow up book written

by his friend Daniel Goleman of emotional intelligence fame, and called “A Force for Good”, the Dalai Lama argues that private meditations and good intentions are not enough because the times call for each of us to exercise leadership and to become a force for good in the world. In a similar vein, it seems to me that more people are paying attention to the current Pope because he has returned to the founder’s core mission: look after the poor and disadvantaged.

It is ironic that it is a religious leader who is urging us to adopt a non-religious set of ethics. Secular philosophers used to try to teach us how to think well, act well and live well. But modern philosophers have largely abandoned this task and satisfy themselves now with crumbs left over from the table of science. Fifty thousand people turned out for the funeral of the philosopher and novelist Jean Paul Sartre, because he had actually tried to influence how they lived their daily lives. The political leader and humanitarian Eleanor Roosevelt actually did make a big difference back in the twentieth century too when she advocated for the adoption of the Universal Declaration of Human Rights.

I have avoided using the word Ethics before now and I deliberately did not include reference to ethics in the title of this Article. Why? Because I hoped to encourage more of you to read the Article through to the end! The problem many of us have with the notion of ethics is that it seems to be steering us back into that world of “shoulds and judgementalism” which we already find so disempowering. Or it represents a return to the world of “sanctimonious hypocrisy”. But that is to think of ethics as an external code only. I believe that it is more valuable for leaders to think of ethics as an internal guide, a compass or a path which is shared by others. It can provide some certainty in the midst of what is essentially an uncertain act, the business of leadership. It can point a finger in the direction of what is needed for you to be a bigger and better person who exercises leadership often and effectively.