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Debating Bad Leadership

Reasons and Remedies

Edited by

Anders Örtenblad

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Palgrave Debates in Business and Management

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Foreword

Years ago, I wrote a short essay titled, "Hitler's Ghost: A Manifesto" (Kellerman 2000). I had two objectives. The first was to draw attention to the fact that though what I came to call the leadership industry was maturing, for some reason it was becoming lopsided. Both in theory and practice it focused nearly entirely on good leaders, while ignoring nearly entirely bad leaders. But, as the title of the essay suggested, this seemed to me to make no sense. All well and good to try to teach how to lead wisely and well, but not all well and good to pretend that leading wisely and well is run of the mill. That leading badly was not common practice and not, therefore, an issue that the leadership industry was obliged to deal with. As anyone living in other than a cave knows all too well, bad leadership is, it happens, everywhere. It slithers insidiously into the corridors of power, wherever they might be.

My second objective, as the phrase "a manifesto" clearly implied, was to try to turn this ship around. To try to get scholars and practitioners as well as teachers and students interested in bad leadership for the obvious reason it is so profoundly important. It is important because it is ubiquitous. And it is important because it is dangerous—if not dangerous to our physical health, then to our psychological health. "Bully bosses," for example. It is difficult if not even impossible for a subordinate to be happy in the workplace if his or her superior is in some way "bad," as in,

say, woefully inefficient, or miserably temperamental, or cruelly callous, or blatantly corrupt.

Alas, I cannot claim much success regarding either one of my two original objectives. The leadership industry remains largely divorced from the real world—continuing generally to focus on the bright side while continuing generally to ignore the dark side. And, in keeping with this imbalance of attention has been an imbalance in production. Overwhelmingly what is taught—with, I might add, dubious results—is how to be a good leader. And, overwhelmingly, what is researched is good leadership not bad. As if good leadership is the norm, as if bad leadership is an aberration, as infrequent and unimportant. And as if, for that matter, *good followership was not essential to dispensing with bad leadership.*

It gives me great pleasure, then, to provide for Anders Örtenblad's edited collection on bad leadership this Foreword. He and his contributors are to be congratulated for turning their attention to a corner of the leadership literature that, while being of the utmost importance, remains still sorely neglected.

It behooves me as well to say a few words about the timing. As I write this Foreword, in summer 2020, I cannot yet know the outcome of the American presidential election in November. What I do know is that since January 2017, the United States has been saddled with what in my view certainly is the worst leader in its history. President Donald Trump has been both miserably ineffectual and grossly unethical. What I similarly know is that those who view him similarly have been stymied. We followers, we tens of millions of Americans, have been at a loss for how to depose a leader who is so bad he threatens our democracy—not as was imagined over the years from without, but from within. It is an astonishing, depressing, conundrum about which the leadership industry has little that is useful to say.

I was heartened to read the essay by Professor George Goethals (Chap. 11 in this volume) that makes the critical point that "follower[s] must be vigilant about both the morality and the effectiveness of the leaders' initiatives." But, as Professor Goethals knows at least as well as I do, not only does the leadership industry pay nearly no attention to bad leaders, it pays nearly no attention to followers. That is, it pays nearly no attention to precisely those who have it in their power to

upend a bad leader. Unless and until these things change, it is hard to see how much of a contribution the industry can possibly make to rectify the imbalance to which I refer. Teaching, researching, good leadership is important. But teaching, researching, bad leadership is equally important. For it is, alas, endemic to the human condition.

I wrote in that original essay, "Hitler's Ghost cannot be nor should it be cleansed from our collective consciousness. If we insist on continuing to ignore what Bishop [Desmond] Tutu once called 'the depth of depravity,' or for that matter the far paler shadows thereof such as thoughtlessness, stupidity, and incompetence, Leadership Studies will atrophy" (Kellerman 2000). It is, in other words, up to the likes of those who contributed to this volume to save us from ourselves.

Cambridge, MA, USA Barbara Kellerman

Reference

Kellerman, B. (2000). Hitler's ghost: A manifesto. In B. Kellerman, & L. Matusak (Eds.), *Cutting edge: Leadership 2000* (pp. 65–68). College Park: Center for the Advanced Study of Leadership, James MacGregor Burns Academy of Leadership.

Preface

Some Truths About the Book

It is true that not all leaders are bad. Far from all, actually. But bad leaders are frequent enough to justify the existence of such a book as this one.

It is true that not even the academic world is free from bad leaders (far from all, though, are bad). For example, it happens that academic leaders put the formal grievance system out of play to protect themselves and their allies (or, put in other words, to save their own asses); it happens that academic leaders favor their own spouses at the expense of the other employees; and it happens that academic leaders take no interest whatsoever in the human aspect of leadership. If I had to choose, I would myself prefer to have leaders who know leadership—especially the human aspect of it—(but less about my work), rather than leaders who know my work (but less about leadership) (see also Örtenblad 2018a). Consequently, in *this particular respect* I am not against new public management, but that is a topic for another book.

It is true that it may very well be that I myself have been/am/would be a bad leader; I would at least most certainly not be as perfect as I myself and many others would want their leaders to be.

It is true that I have taken the initiative to and edited this book in order to help, in as constructive a manner as possible, to make the world a better place; leadership is such an important aspect of the organization of society, and of people's lives, that it deserves all attention and help it can get to improve.

It is true that one does not necessarily have to be an academic to get something valuable out of this book.

It is completely true that I myself learn new things each time I read this book.

It is true that this is not the first time I have gotten something published on why there are so many bad leaders. Actually, in a book in Swedish (Örtenblad 2008), with a title that if it was translated into English would read something like "The organization question book", I suggested a number of questions (along with a set of possible answers for each question) that could be asked and discussed among students, one of which was "why are there so many bad leaders?". The ten plausible explanations—or answers to the question—that I suggested in that book were:

1. The *power* explanation, that is, there are so many bad leaders because they are more interested in the incentives that leadership positions often come with—such as power, increased salary, and status—than conducting leadership
2. The *employment* explanation, that is, there are so many bad leaders because the existing bad leaders recruit people who are similar to themselves and, thus, those newly recruited will also be bad leaders
3. The *specialist* explanation, that is, there are so many bad leaders because the only way to be promoted in many organizations is to get a leadership position, something far from all good specialists can handle in a good manner
4. The *relaxation* explanation, that is, there are so many bad leaders because after a while leaders relax and are happy with the position they have, while they are less eager to perform good leadership
5. The *evolution* explanation, that is, there are so many bad leaders because as various contextual parameters change (such as the organization's size, financial situation, etc.), there is a need for another type or style of leadership, which the leaders are unable to provide

6. The *misfit* explanation, that is, there are so many bad leaders because their leadership was not apt in the first place for the organization they were recruited to lead
7. The *education* explanation, that is, there are so many bad leaders because leadership is something that has to be learnt and the leadership education that exists does not in an adequate way address the actual challenges anybody practicing as a leader will experience
8. The *shortage* explanation, that is, there are so many bad leaders because there is a shortage of people talented in leadership, and such talent is needed to conduct good leadership and it cannot be replaced by education, training, or experience
9. The *inhumanity* explanation, that is, there are so many bad leaders because the leadership role, as well as how leadership positions are designed, puts inhumane demands on those practicing leadership—demands that no (or at least very few) people can live up to
10. The *dismissal* explanation, that is, there are so many bad leaders because of system inertia—it is difficult to get rid of those who once were recruited as (maybe good) leaders, even when they start practicing bad leadership

In addition, I offered a counter proposition to the question asked, namely, that the very question—"why are there so many bad leaders?"—is based on a myth; people may *think* that their leaders are bad, but the leaders are just doing their job. They are not there to be liked, especially since at least parts of being a leader implies leading, controlling and putting demands on the employees, tasks that far from always are very popular among employees. Instead, leaders are often – unfairly – scapegoated, even in cases when the demands they put on employees are reasonable.

I authored that book in an effort to offer an alternative to all those "textbooks" that are used in academic education (not least at business schools), and which in my opinion are doing the students a bear's service, in that they to such an extent appear to offer definitive answers. Examples of other questions that were dealt with in that book are "why are organizations re-organized so often?"; "why is there still not equality in the working life?"; and "why are some better paid than others?" (the latter question resulted in the book *Debating equal pay for all: Economy,*

practicability and ethics, Örtenblad 2021). The organization question book (Örtenblad 2008) encouraged readers to question that which often is taken for granted and, thus, continue to ask questions, as well as learning to put intriguing questions. As I see it, the world is in need of people who can put good and provoking questions, rather than people who are able to come up with good answers (or, even worse, merely repeat textbooks' answers). The world is already full of "answer-ers." But that is a topic for another book.

It is completely true that this book to a large extent mirrors my own academic ideal, offering arguments from different standpoints and perspectives.

It is true that not all books that are published necessarily have to have the anatomy of debating, but it is also true that there at least is a need for *one* book series that publishes books with such an anatomy: *Palgrave Debates in Business and Management* (*Palgrave Macmillan* 2020).

It is true that this is neither the first nor the last book to be published in this book series, for which I am the editing founder. The first book in the series is about "equal pay for all" (Örtenblad 2021), and I have also edited another book with a debating format for the same publisher—on leadership as a profession (Örtenblad 2018b)—but at the time when it was to be published, the book series did not yet exist (it was when doing the book on leadership as a profession that I got the idea for the book series), which is the reason why it was not included in this book series.

It is true that I did not ask any of the contributors to this book to take on any particular standpoint; I openly invited people whom I thought would have something interesting to say about the frequent occurrence of bad leaders to contribute to the book. It is also true that I did not ask anyone to argue against the premise of the book; those who did that made it on their own initiative. It is also true that I was quick to welcome their criticism and to include it in the book. If I had not, I doubt that anyone would have taken the debating anatomy that this book has, seriously.

It is completely true that such a book as this one could not have been written by a single author, at least not by me. Even if somebody would have been able to come up with all the standpoints and arguments that this book contains, no single person would have what it takes to make all

standpoints and arguments justice. Thus, all contributors (inclusive, of course, of Barbara Kellerman who has authored the Foreword) deserve a very big THANK YOU and all appreciation they could possibly get.

Grimstad, Norway
31 August 2020

Anders Örtenblad

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Part I

Background and Introduction

1

Background and Introduction: Why Debating Bad Leadership?

Anders Örtenblad

Considering all leadership education, leadership training and development, leadership literature, leadership consulting, and so on that there is, and that has been developed and conducted throughout the years (see, e.g., Gurdjian et al. 2014; Kerns, Chap. 12 in this volume; Ladyshewsky and Litten, Chap. 15 in this volume), not least during the last few decades, one could assume that most leaders are good (or good enough) or at least that there are too few bad ones to make a big thing out of it. However, as is reported in many chapters in this book, the leaders that could be categorized as “bad” (at least temporarily) are rather *many* than *few*, just like the occasions that leadership could be categorized as “bad” are *many* rather than *few* (especially when including “soft types” of bad leadership; see Jiménez et al., Chap. 7 in this volume). The following are some of the many *examples* of bad leaders and/or bad leadership, conducted and/or caused by leaders, that are dealt with in the book (of which some are specific situations and others, more general):

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- BP oil tragedy
- Enron scandal
- Foxconn suicidal tragedy
- France Télécom suicidal tragedy
- Lehman Brothers bankruptcy scandal
- Nokia stumble
- Volkswagen diesel scandal
- Watergate scandal
- Destruction of value due to bad leadership at Yahoo
- Reduced levels of organizational success
- Declines in shareholder wealth
- Poor investment decisions
- Dumping of toxic waste materials
- Destruction of the rain forest in Brazil
- Inadequate treatment of climate changes in Australia
- Environmental degradation
- Organizational disfunction
- "Inappropriate behavior" by senior executives
- Workplace bullying and harassment
- Aggression
- Abusive supervision
- Subtle forms of mistreatment like indifference
- Workforce stress
- Diminished employee well-being
- Not taking care of one's followers
- "Everyday ethical failures", that is, breaking more informal, ethical expectations
- Nepotism
- Favoritism
- Fraud
- Corruption

We could also consider findings from others' research:

> Gallup's research reveals that about one in 10 people possess the talent to manage. … [C]ompanies miss the mark on high managerial talent in 82% of their hiring decisions. (Beck and Harter 2020)

> The present study shows that destructive leadership behaviour is very common. Depending on the estimation method, between 33.5% and 61% of all respondents report their immediate superiors as showing some kind of consistent and frequent destructive leadership during the last six months… (Aasland et al. 2010, p. 446)

> One of the aims of the survey was to assess the prevalence of bad leadership in the workplace. Three questions in the survey related to this issue. Collectively these questions provide support for the notion that bad leaders are not uncommon in the workplace. (Erickson et al. 2007, p. 37)

Whitehead (Chap. 2 in this volume) states, based on a study on the forcing out of CEOs, that bad leadership seems to be frequent, not least at the most senior levels of large companies.

If, instead of "leaders", it had been a question of "aircraft pilots" whose bad behavior had adventured the health of other people, aviation security organizations would immediately have stepped in to explore how this could happen in the first place and what exactly it would take to see that it never happens again. This is, at least, the impression one gets of what happens when an aircraft has crashed, when watching "Air crash investigation" on the TV channel "National Geographic" (*National Geographic* 2020). Even if bad leadership occasionally gains attention in the media, rarely does one hear that any "Leadership crash investigation" has been conducted which investigates in depth the reasons and suggests remedies. Such kind of investigations would be reasonable, considering that leadership just like "pilot-ship" can cause a lot of harm to many people, not to speak of the economic values and natural resources bad leadership may contribute in ruining (Pfeffer 2018; Schyns and Schilling 2013; Rose et al. 2015; Beck and Harter 2020; in this volume, see, especially, Blank, Chap. 9 in this volume; Kerns, Chap. 12 in this volume; Giberson, Chap. 14 in this volume). If there is any investigation at all, then it is to get the leaders in question convicted for any crime they may have

committed, not to improve conditions *in general*, which would have happened in the case of aviation security. Especially as long as "leadership" has not been professionalized (e.g., Kellerman 2018; Khurana 2007; Örtenblad 2018) one should perhaps not have very high expectations that any measures would be taken to improve leadership in general based on experiences from any particular leadership crash case.

It is almost as if all of us somehow have come to settle with and accept that many leaders typically do not deliver very good leadership. We should simply not have very high expectations of them. It is as if bad leadership is supposed to be forgiven. Again, if it was that only a few leaders were bad while the vast majority were good, or at least good enough, then that would have made perfect sense and there would not have been any actual, acute need to write a book such as this one. But how can one make sense of the fact that *so many* leaders are bad?

Is leadership such a difficult task to perform that it takes long training, education, and/or reflexive experience to master it, training/education/experience that too few leaders have? Are there severe shortcomings in existing leadership education and development programs, shortcomings huge enough to prevent current and future leaders from learning what they need in order to become good leaders? Are existing succession plans as well as recruitment and selection processes inaccurate to such an extent that the wrong people are hired for leadership positions? Are leadership positions typically designed in such a way that they come with demands on leaders that too few human beings realistically can fulfill? Do leadership positions often come with temptations that attract people who are not apt for leadership? Are people who are good specialists but bad at leadership far too often offered leadership positions, which they accept, since getting a leadership position is often the only career path there is? Or could the frequency of bad leaders be explained in any other way?

While the major part of leadership literature focuses on "good leadership" (Higgs 2009; Schyns and Schilling 2013), a stream of literature has appeared during, especially, the last two decades that focuses on bad leaders and the problems such leaders cause. Notable examples include Barbara Kellerman's *Bad Leadership: What It Is, How It Happens, Why It Matters* (Kellerman 2004) and Jean Lipman-Blumen's *The Allure of Toxic Leaders: Why We Follow Destructive Bosses and Corrupt Politicians – and*

How We Can Survive Them (Lipman-Blumen 2005a). Among earlier writings on bad leadership, Manfred Kets de Vries and Danny Miller's *The Neurotic Organization: Diagnosing and Changing Counterproductive Styles of Management* (Kets de Vries and Miller 1984) stands out. While these and many other studies of bad leadership help to understand why it occurs (see, e.g., Erickson et al. 2007), research on why there are *so many* bad leaders and what could be done about it is much more scarce (there are exceptions, though; see, e.g., Lipman-Blumen 2005b). This is the question that the present book deals with: as a matter of fact, this question has functioned as a common starting point for all chapters.

The general idea behind using, in the present book, the term "leader" instead of "manager", and "leadership" instead of "management", has been to avoid excluding those who have leadership positions/roles but would not call themselves—or be called by anyone else—"leaders". A typical example is political leaders; another is educational leaders. The chapter authors have been free to include other terms, such as "manager", and to use any definition of their preference for "leader" as well as for "leadership". For instance, some have preferred to focus on leadership as a process rather than as people (cf., Chandler, Chap. 19 in this volume; Little and Bendell, Chap. 20 in this volume), which makes the term "leader" less interesting.

"Bad" can, of course, mean different things to different people. It is also true to say that a leader who by one person is categorized as being a "bad leader" may very well be categorized as *not* being a bad leader—or even as a *good* leader—by another person. It may even be that the same leader in certain situations could be categorized as being a bad leader while in other situations be categorized as being a good leader—by the same categorizers and criteria (or even be both a good and a bad leader *simultaneously*). There is also a clear risk of subjectivity; for instance, leaders who may need to be a bit "pushy" in certain situations may become unpopular among the employees, but that does not necessarily mean that they are bad leaders from, for example, an employer's perspective (see, e.g., Boak, Chap. 6 in this volume; Blank, Chap. 9 in this volume; Ladyshewsky and Litten, Chap. 15 in this volume). In this book, the authors have, to a certain degree, been free to decide for themselves what they mean by terms such as "bad leader" and "bad leadership". Many

have, though, referred to and used the same or similar concepts, such as Kellerman's (2004) division of bad leadership into three subtypes of ineffective leadership (incompetent, rigid, and intemperate) and four subtypes of unethical leadership (corrupt, callous, insular, and evil). Others, such as Goethals (Chap. 11 in this volume), have divided between three kinds of bad leadership: *ineffective*, *incompetent*, and *abusive*. As a common frame of reference for the book, Wood et al. (Chap. 3 in this volume) suggest three concepts, *ineffectual leadership*, *dark leadership*, and *shadow leadership*, to be used for categories of leaders that are "not good".

The question that is asked and dealt with in the present book ("why are there so many bad leaders?")—and, thus, the very book—is based on the following presumptions:

1. Some leaders can be categorized as being "bad" (at least periodically or in certain situations).
2. There is such a big number of bad leaders that this is a problem.
3. Something can be done about it, that is, it is believed that a state could be reached where fewer leaders could be categorized as "bad" and/or the consequences from their bad leadership is decreased.
4. A reasonable point of departure for taking measures to improve the current situation is to first understand how it could occur in the first place.

As we will see, though, not all of these presumptions are shared by all of the contributors to the book, and some healthy and reasonable critique and criticism of these presumptions is, thus, also suggested in the book.

The overall aim of the book is to give attention to the frequent occurrence of bad leaders, to further explore it, and to enlighten readers, rather than to offer any definite answers. The particular anatomy of this book is dealt with in the next section of the chapter.

The Anatomy of the Book

Even if Popper might not agree with everything in this book, his following words say a lot about the spirit of the book:

> [T]he growth of knowledge depends entirely on disagreement. (Popper 1994, p. 34)

The anatomy or character of this book is one where different authors debate a certain subject, in terms of proposing their own answers to the question "why are there so many bad leaders?",[1] and putting forward arguments in support of the proposed answer and, thus, the position they take. Some do, of course, also argue – more or less explicitly – against other possible positions. Thus, in contrast to other books that contain debates (see, e.g., Örtenblad 2018, 2021), the debate taking place in this book is not one where authors argue for or against a certain statement, but one where different answers to the same "why-question" are being offered.

A number of scholars (and other "leadership thinkers") working in a variety of different academic disciplines were invited to suggest one or more answer(s) to the question at stake, and to argue for their preferred position. Their answers and arguments are more or less divergent, and put together the answers make up a set of possible, plausible answers and arguments from different perspectives to the question "why are there so many bad leaders?". This anatomy, which could be called a "debating anatomy", is a bit different from that of many other books, in that there are theses and antitheses but no syntheses (i.e., no common conclusion) in the book. Instead, readers are offered a variety of positions, as well as various kinds of arguments, and are thereby given the opportunity to make up their own minds. As Table 1.1 shows, some of the contributors suggest that we start to look—for an answer to the question "why are there so many bad leaders?"—among *people*, while other contributors suggest that we start to look for answers in the *leadership role*, in *organizational support* (or, rather, the lack thereof), or in *beliefs* about "leadership".

Nevertheless, it is also true that one *could* regard the chapters as complementary, and that, put together, they add a more complete picture of what there is a need to do to improve the current leadership situation (if so, a suggestion for a future study could be to consult experts on each of the solutions suggested—such as "improved selection", "improved leadership education", etc. (see Table 1.1)—and ask them to what extent

there is potential within their particular area to improve the situation, and there may even be room for empirical studies to investigate this further). The book per se could also be seen as an argument in the debate on "leadership" in general; the book thus argues that there are many bad leaders (at least the vast majority of chapters do) and that there is a need to explore and do something about the frequent occurrence of bad leadership.

As in any other book whose anatomy is characterized by debating (e.g., *Debating Equal Pay for All: Economy, Practicability and Ethics*, Örtenblad 2021) that wants to stimulate further, open debate, and where readers are supposed to gain *bildung*, there is definitely reason to include some healthy criticism[2] of the very premise that the book rests upon (see, e.g. Antonacopoulou 2010, p. S9; Hutchins 1936/1995), in this book too. For instance, it could be argued that this book adds to the problem it aims to solve—by continuing to focus on the divide between "leaders" and "followers" (cf. Wood and Liu, Chap. 10 in this volume)—rather than contributing to its solution. Another criticism is that the question dealt with in this book adds to the myth of leadership (cf. Little and Bendell, Chap. 20 in this volume), and yet another that the debate on bad leaders reveres "leaders" (cf. Chandler, Chap. 19 in this volume). One could also argue that the badness should not be blamed on the individual leaders and that it is thus misleading to ask why there are so many "bad leaders" (cf. Ladyshewsky and Litten, Chap. 15 in this volume). It could also be argued that there aren't as many bad leaders as this book wants to claim, or at least that bad leaders do not cause as much harm as this book suggests. Furthermore, "bad leader", which is the term used in the main question dealt with in this book, may give an impression that the problem lies in the individual, while "bad leadership" instead would mean that there are bad processes and/or bad relations between followers and leaders, which is a perspective that some prefer over "individualization" (cf. Little and Bendell, Chap. 20 in this volume). One could also argue that the followers "make" their leaders and that the main problem therefore lies with the followers, rather than with the leaders (cf. Goethals, Chap. 11 in this volume; Blank, Chap. 9 in this volume).

On the Chapters in the Book

Considering the character of the debate that this book employs, there is little or no reason to comment on or evaluate the individual chapter contributions, or even to present their content in detail. The contributors' suggested explanations as to why there are so many bad leaders stand on their own as arguments. Nevertheless, a very short presentation of the book content may be helpful for the readers. In addition to Chap. 1, there are two more chapters in the first part of the book, both of which offer a background for and introduction to the remainder of the book, in which the very debate takes place. In Chap. 2, "Is 'bad leadership' a problem worth addressing?", Jo Whitehead offers evidence that there are many "bad leaders", thereby underlining especially one of the four presumptions the book rests upon (see earlier). Whitehead has, in others' as well as his own empirical studies, looked at the frequency with which CEOs are forced out, the reasons why, and the resulting costs, and found that bad leadership seems to be frequent, persistent, and costly. In Chap. 3, "Defining the good, the bad, and the evil", Jack Denfeld Wood, Alyson Meister and Han Liu offer a framework to what bad leadership may be. They suggest a division of "leadership" on the basis of two dimensions: leadership may be (1) more effective or more ineffective, on a functional dimension of leadership, and (2) more moral or more immoral, on a relational dimension of leadership. Combining these two dimensions, Wood et al. end up in four categories of leadership, which they term "integral leadership" (i.e., moral and effective), "ineffectual leadership" (i.e., moral and ineffective), "shadow leadership" (amoral and effective), and "dark leadership" (immoral and ineffective).

Table 1.1 presents the remaining chapters of the book. Some explanations of Table 1.1 may nevertheless be helpful:

- The "*Type of leaders*" column refers to the group/category of leaders that are dealt with in the chapters, respectively: organizational leaders

Table 1.1 An overview of the chapters in Parts II, III, IV, V, VI, and VII (Chaps. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20)

Part	Chapter	Type of leaders	Sense of "bad"	Main posited rationale for the occurrence of so many bad leaders
Part II. People: leaders-to-become	4. *How so many toxic employees ascend to leadership* Boddy, Boulter and Fishwick	Organizational	Psychopathic	Psychopathic personality helps people to become leaders, but also to become *bad* leaders
	5. *Ethical failure and leadership: treatment and selection* Flanigan	Organizational; Political	Unethical, especially narcissistic, Machiavellian, and psychopathic	Leadership attracts people who are prone to ethical failure
Part III. People: acting leaders	6. *Shining a light on toxic leadership* Boak	Organizational	Narcissistic, Machiavellian, and psychopathic	The leadership role is designed in such a way that it offers toxic persons opportunities to abuse their position
	7. *From bad leadership to responsible leadership: the revolution of motives among leaders* Jiménez, Chinchilla, and Grau-Grau	In politics; the corporate world; media; science; in our homes	Many forms, from the most explicit (e.g., fraud and corruption) to the most implicit (e.g., silent forms of mistreatment)	Many leaders are motivated by getting results and self-interest, at the expense of others' needs
	8. *Why bad leaders? A perspective from WICS* Sternberg	Political leaders	Unwise, toxic leader behavior, especially uninterest in seeking a common good, leading to eroding democracy and limited freedom	Through modern technology and communication forms, leaders who prioritize the interest of themselves and their tribe can more efficiently seduce and dominate other people, and thereby reach and convince others to become (bad) leaders

Where, primarily, to look for reason for the occurrence of so many bad leaders?						Solution	Criticism of the book's premise (explicit and/or implicit)
People: leaders-to-become	*People: acting leaders*	*People: followers*	*Role/Role expectations*	*Organi-zational support*	*Beliefs*		
X						Improved selection	
X				x		Improved selection	
	X		x			Increased control; psychological development support	
	X		x	x	x	Change of belief system in decision-making, toward increased awareness of motives and toward considering others' needs, through, for example, organizational measures and education	
x	X	x			x	Increased wisdom, intelligence, and creativity	

(*continued*)

Table 1.1 (continued)

Part	Chapter	Type of leaders	Sense of "bad"	Main posited rationale for the occurrence of so many bad leaders
Part IV. People: followers	9. *What explains the quality of today's leaders?* Blank	Anyone who has willing followers	Ineffective and unethical	Followers are focused on their own subjectively defined interests and are also cognitively biased when choosing to follow a leader
	10. *Failure in leadership: the deeper psychosocial currents* Wood and Liu	General/Not specified/ Examples from various sectors	Immoral dark and amoral shadow	It is human nature to see one's own shortcomings in others and to blame them—followers and leaders unintentionally keep bad leadership going
	11. *Bad followers create bad leaders* Goethals	General/Not specified/ Examples from various sectors	Ineffective and unethical	Followers empower leaders who in return help to fulfill the followers' needs, a symbiotic and corruptive process that makes leaders especially vulnerable to corrosive effects of powerfulness

Where, primarily, to look for reason for the occurrence of so many bad leaders?						Solution	Criticism of the book's premise (explicit and/or implicit)
x	x	X				More objective, rational approaches, especially by followers	A more relevant question is "why do people follow someone?"
	x	X	x		x	Increased self-awareness; changed beliefs about leadership	"Why so many bad leaders?" rests on a binary assumption that does not include *us*
	x	X	x		x	Increased vigilance, self-awareness, and knowledge (primarily among followers)	A more relevant question is "why are there so many bad *followers*?"

(*continued*)

Table 1.1 (continued)

Part	Chapter	Type of leaders	Sense of "bad"	Main posited rationale for the occurrence of so many bad leaders
Part V. Role/Role expectations	12. *Bad leaders: some realities, reasons and remedies* Kerns	General/Not specified/ Examples from various sectors	Ineffective, incompetent and abusive	Policy level inattention; overlooking the downside of high performance practices; a weak linkage between leadership effectiveness and organizational outcome metrics; insufficient recruitment, selection, and onboarding practices; and a leadership development–leadership ineffectiveness disconnect mainly contribute to bad leadership
	13. *Harried or myopic leadership: an undue bias for action* Paukku and Välikangas	General/Not specified/ Examples from various sectors	Ineffective and nonreflective	There is a misguided perception in many organizations that only (hasty) action equals determined and good leadership
	14. *Heads above the rest: the cognitive demands of leading the modern organization* Giberson	Organizational	Ineffective (not engaged in engaging people)	Many leaders have a consciousness and skill set that make them unfit for postmodern life or leader positions where such consciousness is needed
Part VI. Organizational support	15. *Review, reflection, and coaching: developing "good" leadership and management practices in middle managers* Ladyshewsky and Litten	Middle managers in the corporate sector	Ineffective; psychopathic	Many organizations are not good at recruiting the right persons, developing their leaders, or convincing their employees that leaders sometimes need to implement unpopular decisions
	16. *Why companies stumble: the role of bad leadership* Whitehead and Bistrova	CEOs	Ineffective	Inadequate organizational support for leaders in situations where personal characteristics align poorly with the required role

Where, primarily, to look for reason for the occurrence of so many bad leaders?						Solution	Criticism of the book's premise (explicit and/or implicit)
x	x		X	x	x	Repositioning leadership role; fostering leader high performance/ well-being; aligning virtuous values with virtuous leader behavior; improving leadership development/ education; engaging policy makers and boards of directors	
			X	x	x	Change of belief system, toward "active waiting"	
	x		X	x	x	Improved selection; more relevant leadership development	
x	x	x	x	X		Improved selection; better leadership development; more adequate organizational procedures for support of leaders	Sometimes leaders are not "bad" at all, instead the organization does not offer them effective leadership development and support
	x		x	X		More adequate organizational procedures for support of leaders; leadership education	

(*continued*)

Table 1.1 (continued)

Part	Chapter	Type of leaders	Sense of "bad"	Main posited rationale for the occurrence of so many bad leaders
Part VII. Beliefs	17. *Explaining versus responding to ethical failures in leadership* Price	Not specified	Unethical	Leadership increases opportunities for rationalization for all people (also for "good" people)—some of which is self-interested
	18. *The culture of toxic organization leadership in Sub-Saharan Africa: why contexts matter* Abdulai	Organizational leaders in Ghana	Toxic (behaving egoistically whilst influencing followers to believe that their behavior is OK)	The sociocultural circumstances in the Ghanaian society in general is an environment for toxic leadership to thrive
	19. *Analyzing bad leadership through a critical leadership theory lens* Chandler	General/Not specified/ Examples from various sectors	Those leaders who do not aim for human flourishing	Understanding of "leadership" in most leadership education assists in constituting systemic oppression and gives rise to those labelled as "leaders" being rewarded for marginalizing others
	20. *One reason there are many bad leaders is the misleading myth of "leadership"* Little and Bendell	General/Not specified/ Examples from various sectors	Superficial, insecure, and narcissistic	The myth of leadership affords and excuses bad behavior by those labelled as "leaders"

Source: author

Where, primarily, to look for reason for the occurrence of so many bad leaders?					Solution	Criticism of the book's premise (explicit and/or implicit)
	x	x		X	Improved education/ training (e.g., to include what happens to people who take on leadership positions)	
		x		X	Change of belief system by doing away with favoritism, toward where constructive criticism of and unbiased feedback to leaders is OK; publicly exposing toxic leaders; improved selection; leadership education, training, and mentoring to acting and future leaders	
x		x		X	Improved leadership education (inclusion of critical leadership theory and focusing on human flourishing)	The debate on why there are so many bad leaders continues to revere "leaders"
				X	Reimagine "leadership": challenge the popular literature version, treat "leading" as an active verb for accepting common humanity and intervening to encourage dialogue	The debate on why there are so many bad leaders adds to the myth of leadership, rather than disclosing it

and/or political leaders (and/or other leaders), or if no specific group/category is referred to.

- The "*Sense of 'bad'*" column refers to how "bad" is defined and, thus, which category of "bad leaders" is discussed: unethical, ineffective, or both (or, alternatively, any other type of "bad leaders").
- The "*Main posited rationale for the occurrence of so many bad leaders*" column refers to the editor's interpretation of the authors' main replies (respectively) on the question "why are there so many bad leaders?".
- The "*Where, primarily, to look for reason for the occurrence of so many bad leaders?*" column refers to the editor's interpretation and categorization of where the authors (explicitly or implicitly) suggest one could start looking for an answer to the question "why are there so many bad leaders?": among people who are to become leaders, among those who already are leaders, among the followers, in the leadership role (and/or the very expectations on those who play the leadership role), in (the lack of) organizational support, or in common beliefs of "leadership". Note that the larger cross refers to where the editor thinks the chapter at stake puts the main focus.
- The "*Solution*" column refers to the solutions that the authors explicitly list in their chapters.
- The "*Criticism of the book's premise (explicit and/or implicit)*" column refers to the editor's interpretation of criticism, if any, that the authors put forward, explicitly or implicitly, of the book's main premise.

The "Where, primarily, to look for reason for the occurrence of so many bad leaders?" column has been the basis for categorizing the chapters into different parts. Thus, Part II of the book contains chapters that suggest that it is reasonable to start looking for reasons for the frequent occurrence of bad leaders among *people*, in terms of *leaders-to-become*. There are two such chapters in this book: Chap. 4, "How so many toxic employees ascend to leadership", authored by Clive Boddy, Louise Boulter, and Simon Fishwick; and Chap. 5, "Ethical failure and leadership—treatment and selection", authored by Jessica Flanigan. Three other chapters suggest, in Part III, that one instead starts looking for reasons among *acting leaders*. This part of the book contains Chap. 6, "Shining a light on toxic leadership", authored by George Boak; Chap. 7, "From bad

leadership to responsible leadership: the revolution of motives among leaders", authored by Esther Jiménez, Nuria Chinchilla, and Marc Grau-Grau; and Chap. 8, "Why bad leaders? A perspective from WICS", authored by Robert J. Sternberg. There are more chapters that suggest that one primarily looks for reasons among *people*; in Part IV, three chapters suggest that one looks for reasons among *followers*, rather than leaders: Chap. 9, "What explains the quality of today's leaders?", by Warren Blank; Chap. 10, "Failure in leadership: the deeper psycho-social currents", by Jack Denfeld Wood and Han Liu; and Chap. 11, "Bad followers create bad leaders", by George R. Goethals.

The three remaining parts of the book all suggest that the primary source for the frequent occurrence of bad leaders is elsewhere than among the people who are or will become leaders, or among followers. In Part V the authors of the three chapters suggest that it is reasonable to look for reasons within the *leadership role* and/or in the *expectations* that come with such a role: Chap. 12, "Bad leaders: some realities, reasons and remedies", by Charles D. Kerns; Chap. 13, "Harried or myopic leadership: an undue bias for action", authored by Markus Paukku and Liisa Välikangas; and Chap. 14, "Heads above the rest: the cognitive demands of leading the modern organization", by Tom Giberson. In Part VI, the authors instead turn to the *lack of organizational support* as a reasonable reason for the occurrence of so many bad leaders. In this part, Richard K. Ladyshewsky and Verity E. Litten have authored Chap. 15, "Review, reflection and coaching: developing 'good' leadership and management practices in middle managers", and Jo Whitehead and Julia Bistrova have authored Chap. 16, "Why companies stumble: the role of bad leadership". There are four chapters in the final part of the book, Part VII, all of which suggest the current *beliefs* about (mainly) what leadership is and may be, as the primary source for the frequent occurrence of bad leaders. The first chapter in this part, Chap. 17, "Explaining versus responding to ethical failures in leadership", is authored by Terry L. Price; the second chapter, Chap. 18, "The culture of toxic organization leadership in Sub-Saharan Africa: why contexts matter", is authored by Muhammed Abdulai; the third chapter, Chap. 19, "Analyzing bad leadership through a critical leadership theory lens", is authored by Jennifer L. S. Chandler; and the fourth and final chapter in this part—as well as the final chapter

of the whole book—Chap. 20, "One reason there are many bad leaders is the misleading myth of 'leadership'", is authored by Richard Little and Jem Bendell.

It should be noted, however, that many chapters do not contain only one single answer to the question at stake, and the content of the book is, thus, much more complex than merely some chapters focusing on people while others are focusing on other explanations as to why there are so many bad leaders. This is visible in Table 1.1 in terms of the smaller crosses that, for most of the chapters, complement the larger cross (in the "Where, primarily, to look for reason for the occurrence of so many bad leaders?" column).

Reader Guidelines

Table 1.1 not only presents the chapters of the book but also assists readers in choosing which chapter to start reading as well as in which order, in general, to read the chapters. In a book such as this one, each chapter stands on its own and the chapters can be read in practically any order.

The book should not be regarded as an end point; rather, it encourages further debate, both on whether at all there is reason to further explore and do something about the frequent occurrence of bad leadership and, if so, what are the main *reasons* and which are the *remedies* that need to be followed to make things improve. The book, with its debating anatomy, could be placed within the academic tradition of *critical thinking*. "Being critical" is here defined in accordance with what Mingers (2000, pp. 225–226, emphasis in original) suggests:

> [E]valuate whether people's arguments and propositions are sound in a logical sense … sceptical of conventional wisdom … taking less for granted and questioning deeper the more fundamental assumptions that we usually make … sceptical of one dominant view … as opposed to a plurality of different but valid perspectives … sceptical of information and knowledge … questioning the validity of the knowledge and information that is available, and recognizing that it is *never* value-free and objective.

Readers are encouraged to critically examine each of the answers—along with their supporting arguments—that are proposed in the book, in an effort to make up their own minds about which answers and arguments are the strongest and most convincing ones. For example, readers could contemplate on and discuss—for each proposed answer and argument—why the opposite could not be true (see Ohlsson and Rombach 2015). In this way, the answers to the question "why are there so many bad leaders?" suggested in this book would function as a basis on which readers could further debate this question. Thus, this book is, at least to some extent, in line with the kind of critical thinking that could be said to be the mission of universities, something which, for instance, is expressed in *The Swedish Higher Education Act* (chapter 1, section 8)[3]:

> First-cycle courses and study programmes shall develop:
>
> the ability of students to make independent and critical assessments,
> the ability of students to identify, formulate and solve problems autonomously.
>
> (*Swedish Council for Higher Education* 2020; see also, e.g., Calhoun 2009; Kolakowski 1997; Ryan 2009)

Various groups could, of course, get different things out of this book. Students, studying leadership, could favorably read and use this book as a starting point for a discussion/debate on how they in their future careers would (help to) avoid bad leadership. Business schools—and others educating leaders-to-become—may get some inspiration to revise the education that they offer. Politicians and policy makers could read and think about what they could do to ensure that the conditions for people to perform good leadership are as favorable as possible. Leader unions, employer organizations, and other organizations which focus on supporting leaders could also read and contemplate on what they could do to help—maybe they would make efforts to professionalize leadership? Anyone—or any group of people—could use this book as a starting point for debating why there are so many bad leaders and what could be done about it. Or the book could be used as something to argue against.

A Conclusion (Sort of)

Even if there are no common "conclusions" from this book, there is nevertheless reason to list the answers to the question "why are there so many bad leaders?" that are offered in this book. Table 1.2 contains an overview of (a somewhat modified version of) a set of explanations that were previously suggested as plausible explanations for the frequent occurrence of bad leaders—explanations A–J (Örtenblad 2008, Preface in this volume)—and indicates which of these explanations the chapters in Parts II, III, IV, V, VI, and VII (Chaps. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20) explicitly or more implicitly touch upon (but not necessarily agree with), along with some new explanations deduced from the chapters (explanations K–V). Each explanation could be assumed to imply a certain remedy or set of remedies (which, however, may not always be the case; see Price, Chap. 17 in this volume), but which here are left implicit.

The following list provides the full set of explanations from Table 1.2 and presents them in some more depth, categorizing them according to the main problem they address (the letter after each explanation refers to the letters used to order them in Table 1.2):

- RECRUITMENT-related explanations for the frequent occurrence of bad leaders:

  - The *likeness* explanation: existing bad leaders recruit people who are similar to themselves and, thus, those newly recruited will also be bad leaders (B).
  - The *specialist* explanation: the only way to be promoted in many organizations is to get a leadership position, something far from all good specialists can handle in a good manner (C).
  - The *selection* explanation: there is generally an ability to detect those people that are not apt for leadership or occupying leadership positions, during the recruitment process (K).

- The *inaccuracy* explanation: leaders are selected for the wrong reasons, for example, less relevant traits are looked for in the recruitment process (L).

- ROLE-related explanations for the frequent occurrence of bad leaders:

  - The *inhumanity* explanation: the leadership role, as well as how leadership positions are designed, puts inhumane demands on those practicing leadership, demands that no (or at least very few) people can live up to (I).
  - The *role* explanation: the character of leadership roles and positions attracts people who are not apt for leadership (N).
  - The *corruption* explanation: the leadership role includes power, which corrupts those acting as leaders (i.e., "power corrupts") (R).
  - The *demand* explanation: there are generally too few demands on leadership roles and positions (V).

- PEOPLE-related explanations for the frequent occurrence of bad leaders:

  - The *shortage* explanation: there is a shortage of people talented in leadership, and such talent is needed to conduct good leadership and it cannot be replaced by education, training, development, or experience (H).
  - The *follower* explanation: various explanations having in common that the followers create/justify/need (or the like) the bad leadership that bad leaders perform, such as that many people have psychological needs that only bad leaders can fulfill (S).

- PEOPLE–ROLE MISFIT-related explanations for the frequent occurrence of bad leaders:

  - The *attractiveness* explanation: people are more interested in the incentives that leadership positions often come with—such as power, increased salary, and status—than in conducting leadership (A).

Table 1.2 Explanations for the frequent occurrence of bad leaders (according to the interpretation of the book editor)

Explanation	Chapter							
	4. Boddy et al.	5. Flanigan	6. Boak	7. Jiménez et al.	8. Sternberg	9. Blank	10. Wood and Liu	11. Goetha
A. The *attractiveness* explanation	x	x	x	x	x			x
B. The *likeness* explanation					x			
C. The *specialist* explanation								
D. The *relaxation* explanation		x						
E. The *evolution* explanation								
F. The *misfit* explanation								
G. The *education* explanation		x		x				
H. The *shortage* explanation								
I. The *inhumanity* explanation								
J. The *dismissal* explanation								
K. The *selection* explanation	x		x					
L. The *inaccuracy* explanation		x			x	x		
M. The *lawlessness* explanation		x	x	x		x		
N. The *role* explanation		x	x					
O. The *cultural* explanation				x	x	x		
P. The *dissemination* explanation					x			
Q. The *speediness* explanation						x		
R. The *corruption* explanation								x
S. The *follower* explanation			x		x	x	x	x

12. Kerns	13. Paukku and Välikangas	14. Giberson	15. Ladyshewsky and Litten	16. Whitehead and Bistrova	17. Price	18. Abdulai	19. Chandler	20. Little and Bendell
			x		x	x	x	
						x		
		x	x					
		x		x		x		
x		x	x			x		
x	x	x	x	x	x	x	x	x
		x						
				x	x			
				x				
x		x	x	x	x	x	x	
x		x	x		x	x		
x				x	x			
			x		x			x
x						x		
x	x		x					
					x	x		
					x	x	x	

(*continued*)

Table 1.2 (continued)

Explanation	Chapter							
	4. Boddy et al.	5. Flanigan	6. Boak	7. Jiménez et al.	8. Sternberg	9. Blank	10. Wood and Liu	11. Goethal
T. The *knowledge* explanation								
U. The *support* explanation								
V. The *demand* explanation								
W. The *attention* explanation								
X. The *labeling* explanation								

Source: author

– The *relaxation* explanation: after a while leaders relax and are happy with the position they have, while they are less eager to perform good leadership (D).
– The *evolution* explanation: as various contextual parameters change (such as the organization's size or financial situation), there is a need for another type or style of leadership, which the leaders are unable to provide (E).
– The *misfit* explanation: the leadership conducted by those having such positions is not apt in the first place for the organization they were recruited to lead (F).

• ORGANIZATION/SOCIETY-related explanations for the frequent occurrence of bad leaders:

– The *dismissal* explanation: it is difficult to get rid of those who were once recruited as (maybe good) leaders, even when they start practicing bad leadership (i.e., system inertia) (J).
– The *lawlessness* explanation: there is a lack of control on leaders in many organizations (M).

12. Kerns	13. Paukku and Välikangas	14. Giberson	15. Ladyshewsky and Litten	16. Whitehead and Bistrova	17. Price	18. Abdulai	19. Chandler	20. Little and Bendell
x								
x		x	x	x		x		
x								
						x		
							x	x

– The *cultural* explanation: there is or develops a culture, in many organizations (and societies), in which bad leadership is not being questioned or even being legitimized (O).
– The *speediness* explanation refers to the short time leaders nowadays often have to prove they are good, leading to a short-term perspective in decision making and leadership in general (Q).
– The *support* explanation: a lack of adequate organizational support for leaders (U).
– The *labeling* explanation: labeling only some people as leaders (while the rest are "followers"), and overemphasizing their importance, implies that only few are responsible and this, in turn, leads to an increasingly frequent occurrence of bad leaders (X).

- MASS COMMUNICATION–related explanations for the frequent occurrence of bad leaders:

– The *dissemination* explanation: bad leadership can nowadays, in a globalized world and via the Internet, travel much faster and spread more easily (P).

- The *attention* explanation: good and bad examples of leaders do not get enough public attention, leading to a lack of direction for future leaders (W).

- LEARNING-related explanations for the frequent occurrence of bad leaders:

  - The *education* explanation: leadership is something that has to be learnt and the leadership education (and/or training, development programs) that exists does not in an adequate way address the actual challenges anybody practicing as a leader will experience (G).
  - The *knowledge* explanation: a lack of trustworthy, validated knowledge on leadership, such as on how leaders can take care of their own well-being (which, in turn, affects the well-being of the employees) (T).

One theme that is dealt with in quite a few chapters is the need to avoid a situation in which leaders are given opportunities to see too much to their own interests, at the expense of the humans they lead and the organizations they are employed by. This theme gives rise and input to another, similar debate: "whom/what are leaders for?". Leadership education institutions are encouraged to bring up this issue with their students, not in terms of offering any prescription in this regard, but as a topic for discussion, or even for *debate*. It is plausible, or at least possible, that leaders would act differently, in their leadership roles, if they would understand that the leader is primarily there to serve customers, than if the leader primarily is there to support their own leaders, or to serve their followers, or to maximize their own benefits.

Notes

1. Examples of similar questions that could be dealt with in other, similar books include "why don't children learn more in school?" or "why do humans continue to destroy Nature?". In this book, though, the theme is "leadership" and, in particular, *why there are so many bad leaders*.

2. Inspired by one of the main theses in Ohlsson and Rombach's constructively provocative text, in which they suggest that we always consider why it could not be the other way around or, in their own terms, "why not the opposite?" (Ohlsson and Rombach 2015, p. 151).
3. Sweden is the home country of the book editor.

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2

Is "Bad Leadership" a Problem Worth Addressing?

Jo Whitehead

This book is about bad leadership. Before plunging in it is worth stepping back and asking: is bad leadership a problem worth addressing? How widespread is bad leadership and how significant is its effect?

This introductory chapter answers these initial questions by looking at the frequency with which CEOs are forced out, the reasons why, and the resulting costs. Focusing on CEOs provides an interesting test because they are among the most important of all leaders and might reasonably be expected to be particularly good at leadership. Furthermore, there are databases available that allow this question to be answered quantitatively, albeit with some interpretation.

CEO departures are remarkably frequent and costly, suggesting that bad leadership is a topic that merits further understanding and discussion. Furthermore, forced CEO turnovers represent only the tip of the "bad leadership" iceberg, supporting the need to understand bad leadership in more detail.

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The Frequency of Forced CEO Turnover

A remarkably high percentage of CEOs—about a third—are forced out of their role. Such a high percentage suggests an alarmingly high level of bad leadership. Readers will no doubt want some evidence to support this surprising assertion. This section presents evidence from three different sources. As will be seen, each source takes a slightly different approach and some interpretation is needed to draw general conclusions:

- The first source for this estimate is an annual survey of CEO turnover at the world's 2500 largest public companies by Strategy&, PwC's strategy consulting business (Karlsson et al. 2019). Strategy& analyzes the reasons for turnover, using a combination of press reports and contacts in their own offices, grouping turnovers into three categories. Over the 2000–2018 period, an average of 24% of CEO turnovers were forced dismissals, 15% were due to mergers and acquisitions (M&A), and 61% were due to planned turnovers. If we exclude turnover due to M&A on the assumption that in these instances it was due to external forces, and thus not indicative of good or bad leadership, 28% of the remainder (24% as a percentage of 24%+61%) were forced.
- The figure of 28% is likely to be an underestimate because some apparently planned departures were, to some extent, forced. Some less-than-perfect CEOs may eke out a final year or two because the costs of an earlier transition are too high. A separate analysis by Strategy& suggests that this is the case (Karlsson et al. 2015). In this study they looked at the percentage of external CEOs appointed. One reason why an external hire is made is that the company's current leadership team is not performing well. Strategy& analyzed all the planned CEO turnovers over the 2004–2015 period. When the company had been performing poorly (in the bottom quartile), 26% of these planned turnovers were followed by an external hire, versus 18% when it had been performing in the top quartile. The higher level of external hires for poor-performing, planned CEO departures suggests that the board had some concerns about the previous CEO. Overall, this suggests that some of Strategy&'s planned exits were, to a degree, forced.

- The second source is exechange, a private company that scores CEO departures by reviewing publicly available information, to produce a "Push-out" Score of 0 to 10. This approach recognizes that there are varying degrees to which CEOs are forced out. A score of 0 indicates that the executive's departure was almost certainly voluntary, a score of 10 represents an openly forced exit, and anything over 5 suggests that the CEO left under some sort of a cloud (*exechange* 2019). exechange analyzes companies in the Russell 3000 index, 3000 of the largest public US companies, representing approximately 98% of the investable US equity market.
- Over a two-year period exechange analyzed 515 CEO departures. Of these 14.4% of departing CEOs scored 10 and a further 37.5% scored between 6 and 9, and thus left under some sort of a cloud (Daniel Schauber, exechange owner, personal communication, August 2019). Thus, between 14.4% and 51.9% of CEO turnovers were to some degree forced rather than planned, which is consistent with the estimate of 28% from Strategy&.
- A third source of data is the Conference Board's 2019 CEO Succession Practices report, which estimates that 23% of S&P 500 CEOs were fired for poor performance between 2009 and 2018 (Lambert 2019). While this appears lower than the Strategy& estimate of 28%, the sample is more focused on large US firms. The estimate is actually higher than the 19% forced turnovers in Strategy&'s sample of US and Canadian large companies over the same period. Furthermore, the Conference Board's estimate is an underestimate of poor leaders, because the focus is on financial underperformance and excludes CEOs who might have been fired for other reasons, such as unethical behavior (specifically, they identify all CEOs under 64 who leave after an industry-adjusted TSR in the bottom quartile of all S&P 500 companies, which means that CEOs fired for reasons other than poor performance might be excluded).

Put together these three surveys suggest that around a third of all CEOs are forced out. Strategy&'s figure of 28% is an underestimate because a portion of the CEO departures that they classified as planned were, to some extent, forced. exechange's approach reflects that there are

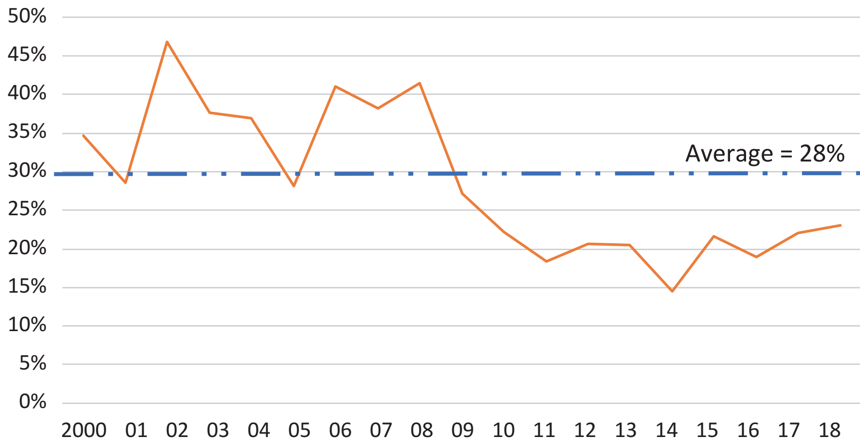

Fig. 2.1 Forced turnover as percentage of "forced" plus "planned", for world's 2500 largest public companies. (Source: Karlsson et al. 2019)

degrees of being fired, and that 54% left under some sort of a cloud. The Conference Board only looked at large US companies and came up with a higher figure than the respective number from Strategy&. Furthermore, this estimate of the frequency of "bad" leadership represents a bottom limit because we have focused only on those instances where the CEO's leadership was bad enough for them to be forced out. There is likely to be a lot more "bad" leadership going on than that suggested by our results—just not bad enough to result in the CEO losing their job.

A reasonable question to ask is whether the frequency of bad leadership is getting better or worse. There was a reduction in forced turnovers after the casualties of the financial crisis were cleared away, but the rate has been climbing again in recent years, suggesting that the problem of bad leadership is persistent and pressing (see Fig. 2.1).

The Reasons for Forced CEO Turnover

Having estimated the extent to which CEOs are forced out we turn now to the reasons why, to begin to understand how the problem might be addressed. Work by Strategy& and exechange, coupled with our own

research, provides some hints (information provided to the author by Strategy&, January 2020; Daniel Schauber, exechange owner, personal communication, August 2019; Barber et al. 2019). As with the data on the frequency of forced turnover, each survey takes a slightly different approach and therefore needs some discussion for summary conclusions to be drawn. Exechange reports only what companies *say* were the reasons (Strategy& does some interpretation of the facts). As a consequence, whereas in exechange's survey "[n]o reason" was given for forced departures in 30% of cases, the equivalent figure in Strategy&'s survey is 10% (information provided to the author by Strategy&, January 2020). Overall, with some interpretation of the different sources of data, the conclusion is that forced turnovers are primarily due to a combination of poor performance and, increasingly, ethical issues—what Wood et al. (Chap. 3 in this volume) describe as "functional" and "moral". A smaller proportion are due to disagreements with the board.

Strategy& found that poor financial performance has fallen from being responsible for 52% of forced turnovers in 2008 to 35% in 2018 (information provided to the author by Strategy&, January 2020). exechange's figure for the 24-month period between mid-2017 and mid-2019 is 28% (Daniel Schauber, exechange owner, personal communication, August 2019). Given the 30% of the companies in exechange's survey who provided no reason for the departure, the figure of 28% is likely an underestimate and is thus comparable to the 35% found by Strategy& for the same period.

We conducted our own survey of a sample of CEOs, focusing exclusively on those forced out due to significant performance problems. We evaluated all CEO departures at the 268 public companies which appeared in the annual list of the largest 100 companies in both the US and European capital markets between 2007 and 2016 (Barber et al. 2019). Of the 336 departures, 55 turnovers, or 16% of the total, were due to performance problems. To get to the equivalent figure from Strategy& needs some manipulation of the available data. In total, 24% of CEO departures over the 2007–2016 period were forced and, as described earlier, the percentage that was due to performance problems during a similar period fell from 52% to 35%. Multiplying these percentages by the 24% of forced departures implies that a total of 8–12% of all

turnovers were due to performance issues—a little lower than the figure of 16% we found.

Strategy& found that instances of CEOs being forced out due to ethical lapses have increased from 10% to 39% between 2008 and 2018. Such lapses are defined as the result of a scandal or improper conduct by the CEO or other employees; examples include fraud, bribery, insider trading, environmental disasters, inflated resumes, and sexual indiscretions (information provided to the author by Strategy&, January 2020). exechange's figure for the 2017–2019 period is 20%—with the proviso described earlier this is likely an underestimate.

Finally, disagreements between the CEO and the board are reported to be the reason behind a minority of forced CEO departures. Strategy& estimates that this number fell from 35% to 13% over the period of their survey and exechange's more recent estimate is 7%.

Root Causes of CEO Turnover for Performance Problems

The root causes of bad leadership clearly extend deeper than high-level categories such as "performance problems" and "ethical lapses". Here we focus on the underlying causes of performance problems which, unlike the Strategy&, exechange, and Conference Board analyses, our survey investigated.

The case studies from our research suggest that leaders fail to perform when their impressive leadership qualities are no longer appropriate to the current challenges facing them and their organizations. For example, Chuck Prince was an experienced lawyer who was well positioned to deal with a number of regulatory and legal problems facing Citigroup when he was appointed CEO in 2003. Unfortunately, his skills and experience were not as relevant to managing the financial risks that ballooned up on Citigroup's balance sheet in the financial crisis. By the end of 2007, Citigroup's market value had plunged by more than 90% and Prince lost his job (Dash and Creswell 2007).

Most of the CEOs in our sample had strong track records. This is unsurprising, because most senior leaders, including CEOs at large organizations, reach their position after many years of demonstrable leadership success. Our data suggest that a common situation in which problems arose was when leaders were presented with new challenges that they had not previously experienced and consequently were ill-prepared to deal with.

If bad leadership is, in part, due to leaders lacking the capabilities to deal with new challenges, then we would expect to find an increasing number of “bad” leaders in industries undergoing significant advancement and change. This indeed appears to be the case. For example, in 2018 the rate of forced turnover in Information Technology was almost twice that of companies in Consumer Staples (Karlsson et al. 2019). This is consistent with other research which has found that CEOs have greater than average impact in certain industries—for example, those that are fast growing (Finkelstein and Boyd 1998). In such industries there is a higher risk that a CEO will lack the required capabilities and, consequently, will be forced out.

Our case studies also highlight that biases leading to poor decisions was another root cause of “bad” leadership. The two most common were a bias to overconfidence and a bias to growth. These can afflict even the most capable and experienced of leaders. For example, Robert Rubin was on the board of Citigroup, and had appeared to have appropriate experience for guiding Citigroup through crises, having been co-senior partner and co-chairman of Goldman Sachs from 1990 to 1992. As described in the Wall Street Journal,

> Mr. Rubin was deeply involved in a decision in late 2004 and early 2005 to take on more risk to boost flagging profit growth, according to people familiar with the discussions. They say he would comment that Citigroup’s competitors were taking more risks, leading to higher profits. Colleagues deferred to him, as the only board member with experience as a trader or risk manager. “I knew what a CDO was,” Mr. Rubin said, referring to collateralized debt obligations, instruments tied to mortgages and other debt that led to many of Citigroup’s losses.

> Mr. Rubin said the decision to increase risk followed a presentation to the board by a consultant who said the bank had committed less of the capital on its balance sheet, on a risk-adjusted basis, than competitors. "It gave room to do more, assuming you're doing intelligent risk-reward decisions," Mr. Rubin said. He said success would have been based on having "the right people, the right oversight, the right technology." (Brown and Enrich 2008, p. A1)

Unfortunately for Citigroup, taking on more risk is only sensible if the organization is able to manage the risk. Rubin pushed the bank to take on more risks but was overconfident in assuming that they were being properly managed.

A third root cause of bad leadership we identified was that leaders lacked information. For example, Prince was unaware of the size of the potential losses until late 2007, by which time they were probably unavoidable (Dash and Creswell 2007). Competitors such as Goldman Sachs and JPMorgan Chase had been aware of the issue at the most senior levels since late 2006 (Ellis 2009; *Newsweek Staff* 2009).

These varied root causes, including missing capabilities, biases, and inadequate information, suggest that dealing with bad leadership requires multiple approaches. The capabilities of the senior team will need to adjust to changes in the current context. Boards need to look out for overconfidence and biases to growth. Early warning systems need to be developed and used.

The Costs of Forced Turnovers

Forced turnovers may be frequent, but how much do they cost? Both Strategy& and our own study provide estimates of the cost to shareholders and they are significant:

- Strategy& measured the drop in market capitalization from one year before to one year after the CEO exiting (Favaro et al. 2014). They estimate the incremental losses to shareholders of a forced turnover versus a planned turnover at 13.6% of market capitalization—an aver-

age of $1.8B per company. This equates to an annual total cost of $112B for all forced turnovers in their sample.

- Our study estimated the costs to be somewhat larger. The average loss was 40% relative to the local market index, with an average of about $20B a company, or $110B per year for the sample of 55 companies that we reviewed. Our cost per company is likely higher because we focused on companies with significant performance problems whereas the Strategy& sample also includes CEOs forced out for other reasons. Also, we looked at underperformance two years prior to the CEO departing, rather than one year for Strategy&.

A legitimate challenge is to ask whether all these losses can be attributed to bad leadership. For example, our case studies highlight that losses were often amplified by factors such as cyclical downturns or compliance failures in the organization. However, these factors were, in virtually all cases, highly visible to the leadership team and managing exposure to them was clearly part of the responsibility of the CEO. Comparisons between companies where the CEO was and was not forced out suggest that, at least in some cases, the leadership quality of the CEO and the senior team more broadly had a significant impact. For example, as described earlier, Chuck Prince lost his job when Citigroup suffered large and unexpected losses in the financial crash. During the same period other CEOs enhanced their reputations. JP Morgan Chase and Goldman Sachs have been mentioned earlier and their CEOs (Jamie Dimon and Lloyd Blankfein respectively) both kept their jobs. In both cases their leadership teams were instrumental in flagging up and dealing with the risks of the crisis about a year before Prince even realized that there was a problem.

Focusing on the costs of forced CEO turnover offers insight into the true cost of bad leadership. However, the true costs of bad leadership must be even higher. Any organization is made up of leaders at multiple levels, thus bad leadership is not confined to senior management. Leadership involves not only decision-making, but also employee engagement, and commitment to action (Bungay 2019). Therefore, there are many ways in which bad leadership, at many levels within a company, has the potential to negatively impact company turnover and income. The

data presented here do not account for these more intricate and lower-level leadership problems. Arguably, the true costs of bad leadership are further underestimated because these data only consider the impact on the stock market value of the company and fail to take into account the cost to other stakeholders, including customers and employees.

Conclusions

The overall picture from these studies is that bad leadership appears to be a frequent, persistent, and costly problem—certainly at the most senior levels of large companies. About a third of companies experience problems with the CEO that are bad enough to result in a forced dismissal. The cost depends on the reason for the departure (higher for losses due to performance problems) with a minimum estimate of around 15% of market capitalization, at a total annual overall cost to shareholders of hundreds of billions of USD. Critically, the frequency and cost of CEO departures revealed by these studies is likely to be the tip of a much larger iceberg of bad, weak, and mediocre leadership.

Addressing this problem is not just about spotting the "bad apples". Even CEOs with a strong track record may become bad leaders if they face challenges for which they are ill-prepared, overconfident, and ill-informed. There is no doubt that "bad" leadership is a significant and continuing problem for businesses, and it is crucial that the causes and accompanying solutions are dissected carefully so that the challenge can be properly understood and addressed.

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3

Defining the Good, the Bad, and the Evil

Jack Denfeld Wood, Alyson Meister, and Han Liu

Enlightenment writers like Voltaire (1774/2008, p. 32) and John Locke have admonished authors and readers alike that for fruitful discourse, one must first define one's terms. Accordingly, we begin this chapter by exploring the central definitions of this book. The principal question addressed, "Why are there so many bad leaders today?", pivots on one's understanding of two words—"bad" and "leader"—and what that understanding implies. Without an agreed-upon framework to explore "bad leaders" it's doubtful whether we can arrive at a shared understanding of how to approach the question, much less address why there currently appear to be so many around the globe.

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In our attempt to address the question, we've split it into two distinct parts. The first is "What do we mean when we use the word 'bad'?" and the second is "What do we mean when we use the word 'leaders'?". We're looking at the intersection of both facets—the practical effectiveness of leading in accomplishing a task, and the moral elements at play in leader–follower relations during the leadership process, that is, whether there's a compassionate awareness of the consequences of one's actions, or not, for those leading *and* following.

In defining leadership, we distinguish between "a leader" (a formal or informal role) and "leadership" (a complex sociopsychological behavioral process). We suggest that virtually all leadership is exercised within a small-group context, even leadership exercised in large organizations. We further suggest that the question "Why are there so many bad leaders today?" conflates effective leadership with morality, and we offer a framework for understanding leadership that distinguishes a *functional* (effective) from a *relational* (moral) dimension.

A Word About Good and Bad, Moral and Immoral

> Each individual possesses a conscience which to a greater or lesser degree serves to restrain the unimpeded flow of impulses destructive to others. But when [a person] merges into an organizational structure, a new creature replaces the autonomous [human being], unhindered by the limitations of individual morality, freed of humane inhibition, mindful only of the sanctions of authority. (Milgram 1974, p. 188)

People use "good" and "bad" to evaluate in two different ways—*functional* and *moral*—and we need clarity on which sense of the words we're using.

The *functional* sense of good and bad is concrete and practical: "That's a good (bad) pizza, painting, car, school, flashlight, engineer, leader, etc.". Good tools work well. Good telescopes are clear and accurate. Good leaders get the job done.

In this chapter, "good" and "bad" are not moral judgments. We are not saying the Prime Minister is a good, decent, virtuous, and benevolent leader, or that the CEO is a bad, dishonest, corrupt, and malevolent one. We're using good and bad leader in the sense of efficacy in accomplishing some designated collective goal—to win an election, to finish the project, to increase a company's earnings, to educate our children to be responsible citizens, and so on.

Good leaders are *effective* at attaining an explicit group goal and bad leaders are *ineffective* at it. Our focus, however, is on both the functional *and* the moral dimensions of leadership. Whether good leaders—those who achieve their group goal(s)—exercise leadership *morally* is another question entirely. Effective leaders can be amoral or even immoral—and many are. *Immoral* people can make remarkably effective leaders, whereas *moral* people can make remarkably ineffective ones.

Ethical and moral are often used interchangeably (e.g., Treveño et al. 2000). Kellerman (2004, p. 34), for example, suggests that unethical leadership "fails to distinguish between right and wrong". But ethical and moral are not *precisely* the same thing. Put simply, *ethical* behavior is acting in accord with accepted, *objectively* defined principles of right and wrong, such as professional standards in law, medicine, and business, whereas *moral* behavior arises from one's conscience or one's *subjective* sense of right and wrong (*The American Heritage Dictionary of the English Language* 1970, p. 852).

In behaving ethically, one follows accepted rules; one needn't be aware of the implications of one's actions. Conformity is enough. In contrast, behaving morally implies grappling subjectively with vague feelings and intuitions of what actions are "better" and "worse", and attempting to integrate rational principles with emotional imperatives. Erich Fromm's description of a "humanistic" conscience highlights the difference between ethical and moral:

> Humanistic conscience is not the internalized voice of an external authority whom we are eager to please and afraid of displeasing; it is our own voice, present in every human being and independent of external sanctions and rewards. … Humanistic conscience represents not only the [instinctual] expression of our true selves; it contains also the essence of our moral

> experiences in life … those principles which we have discovered ourselves as well as those we have learned from others and which we have found to be true. (Fromm 1947/1969, pp. 162–163)

In following ethical codes people are inevitably confronted with moral decisions. Ethical principles and moral imperatives can be in conflict. If you follow the rules regardless of the consequences, you may find yourself behaving ethically *and* immorally: obeying orders and waterboarding defenseless prisoners; selling products you know are toxic to consumers because they're profitable, they increase shareholder value, or your CEO told you to; or following a president who demands illegal behavior or orders actions that will result in the unnecessary suffering of immigrants.

Effective (good) leaders can be amoral or even immoral. How you resolve whatever dissonance you may feel exposes the social–psychological nature of dysfunctional leadership to greater scrutiny. And, incidentally, reveals what kind of follower and leader you are in that context: moral or immoral.

Great Leaders

> The actions are almost always justified in terms of a set of constructive purposes, and come to be seen as noble in the light of some high ideological purpose. (Milgram 1974, p. 187)

People generally tend to mystify leadership, whether they are ordinary citizens or academic researchers. For over a century, there has been a relentless search and considerable confusion about what makes for "great leaders". Perhaps the nature of leadership fascinates and mesmerizes people to force the definition of leadership into some comfortable cognitive box. For example, some believe that leadership is by definition virtuous and therefore cannot be immoral or unethical. Typical of those who equate—or rather conflate—morality and effective leadership is an executive interviewed by Treveño et al. (2000, p. 129):

> I don't think you can distinguish between ethical leadership and leadership. It's just a facet of leadership. The great leaders are ethical, and the lousy ones are not.

That's a nice thought, but is it true?

In decades of working with international executives in leadership development programs, we've often asked a question something like this (Wood 1996a/1997): "In the long sweep of history, name individuals whom you consider to have been 'great leaders'." The list invariably includes names such as Gandhi, Mandela, Hitler, Stalin, Caesar, Genghis Khan, Lincoln, Mao, Katherine the Great, Deng Xiao Ping, JFK, Putin, Pol Pot, Margaret Thatcher, Xi Jining, Saladin, Churchill, Nefertiti, and so on.

Consider the list, or simply your personal experience, and you'll confront an array of humane and moral leaders, as well as immoral or arguably evil individuals who nevertheless accomplish what they aimed to accomplish—at least for a while. Conversely, history and personal experience provide countless examples of ethical and emotionally intelligent leaders who were nevertheless unable to accomplish much of anything noteworthy.

So one is left to ponder: "Why do 'nice' people so infrequently occupy prominent positions of leadership?" Or perhaps more disturbingly (see Baviak and Hare 2006; Hare 1993): "Why are so many psychopaths in prominent leadership positions?"

Leadership in Social Systems: Role and Authority

> Leadership by the mentally disordered is by no means always incompetent – far from it. (Bion 1961, p. 123)

Leader and *leadership* are different words and, although related, can be approached as distinct concepts. Whereas "a leader" is an explicit *role* within some structured social system, the phenomenon of "leadership" is a more elusive behavioral *process*. Attempting to understand leadership by

looking only at the individual leader is like trying to understand the moon and its orbit without considering the gravitational forces exerted by the earth and the sun. Leadership is a function of the larger system in which it is exercised.

Leadership is a ubiquitous sociopsychological process organizing and directing a human social system. We propose that all human systems operate in a similar manner and are subject to the same kinds of structural roles and sociopsychological imperatives and processes found in the smaller groups of which they are composed. The smallest social system encompasses a *couple* of individuals deciding, say, where to go for dinner. The smallest *group* is a triad, with dynamics distinct from a pair's. Larger *groups* reveal identical dynamics that are manifest in triads, and might include a family planning a vacation; a faculty designing a curriculum; a factory producing automobiles; a nation-state launching a trade war; or an organization of nation-states, such as the EU and NATO, trying to work out how to structure collective trade, pandemic policy, or mutual defense.

The former British military officer and leadership theorist, John Adair, wrote the following:

> Having just used the word role I should say up front that I regard it as the key concept for understanding leadership. … There is a case for saying that it is the expectations of [other] people that determine a particular role in a human group or society. (Adair 2010, p. 1)

Leadership is not an individual phenomenon; it's a social–psychological one. The leader *role* may function as the central point of reference for followers, but it's the expectations and attributions of the followers that authorize—or de-authorize—the exercise of leadership in that social system.

Consider a behavior that's often associated with competent leadership—"takes initiative", as in "Sally takes initiative". Let's say Sally takes some psychometric tests and "takes initiative" is among the traits in which Sally scores high. In one group in her organization, Sally may be authorized to take initiative and lead; but in another group or in another organization, Sally won't have a chance. *Sally* hasn't changed. Neither has her

"takes initiative" score. Why can't she lead in the second case? Because she's not authorized to lead by *followers* in the second group.

How effective you are in exercising leadership is a function of your immediate social system. To be effective, your leadership needs to be authorized by the others in the context in which you find yourself.

Two-dimensional Leadership: Functional and Relational

Ralph Stogdill, after reviewing almost a century of leadership theory and research, remarked (1974, p. vii):

> The endless accumulation of empirical data has not produced an integrated understanding of leadership.

Confusion about leadership is one of the things that hasn't changed. In his textbook exploration of leadership, Peter Northouse (2016, p. 5) concluded: "After decades of dissonance, leadership scholars agree on one thing: They can't come up with a common definition for leadership."

Northouse does, however, offer a helpful working definition:

> ***Leadership*** is a process whereby an individual influences a group of individuals to achieve a common goal. (Northouse 2016, p. 6, italics and bold in original)

Note that for Northouse, leadership is a *process* of individual influence, but that influence is not attributed a priori to the role or person of the formal leader. Note also that leadership is oriented toward the accomplishment of a *common* goal, not simply a goal set by the formal or even the informal leader.

The leadership model that's emerged from decades of our empirical work with groups and organizations includes six functions and offers support for the widely acknowledged *two-factor* model of earlier experimental research (Stogdill 1974; Wood 1996b/1997), and can serve to orient those researching or exercising leadership. We have named these

two dimensions *functional* and *relational*, but each of these two dimensions includes multiple interrelated elements.

Functionally, the leadership process mobilizes some human collectivity to effectively move (literally or metaphorically) from point A to point B, that is, to accomplish some conscious overall goal or objective task—usually while balancing the inherent tension between stability and change. The four functional elements of good leadership that must be addressed for effective leadership are (1) *vision*—formulating a clear and compelling goal; (2) *communication*—of that vision to others in a simple, clear, credible, and persuasive manner; (3) *motivation*—the power and drive to mobilize the energy in oneself and others, to convert and channel that energy into action, typically by applying some combination of the positive "carrot" of reward or the negative "stick" of coercion; and finally (4) *control*—guiding or steering the group to achieve the goal (Wood and Petriglieri 2004a). Bad (ineffective) leadership fails to accomplish these. Task accomplishment, however, is only one of the two fundamental leadership dimensions.

Relationally, the leadership process includes *how* the group is actually conducted in accomplishing the goal—the means employed—to move from point A to point B, that is, either in a moral, humanistic, mostly conscious, and emotionally intelligent manner (e.g., Goleman and Boyatzis 2017), or in a mostly immoral, instrumental, unconscious, or emotionally oblivious way.

Our two *relational* functions of leadership include (1) the *situational awareness* of the layered social *and* material realities external and internal to the group, that is, the recognition of, and psychological integration of, the socio-emotional field (the human element) with the concrete technical task requirements; and (2) the *self-awareness* and self-management of one's capacities and limitations—both practical and emotional.

We are saying that even as leaders articulate a *vision*, *communicate*, *motivate*, and *control*, how *aware* or mindful leaders *and* followers are of the moral consequences of their actions determines the ultimate effectiveness and duration of that exercise of leadership.

Figure 3.1 postulates an association between "ends and means" in the exercise of leadership: a *functional* dimension (effective/ineffective "ends") and a *relational* dimension (moral/immoral "means"). The functional

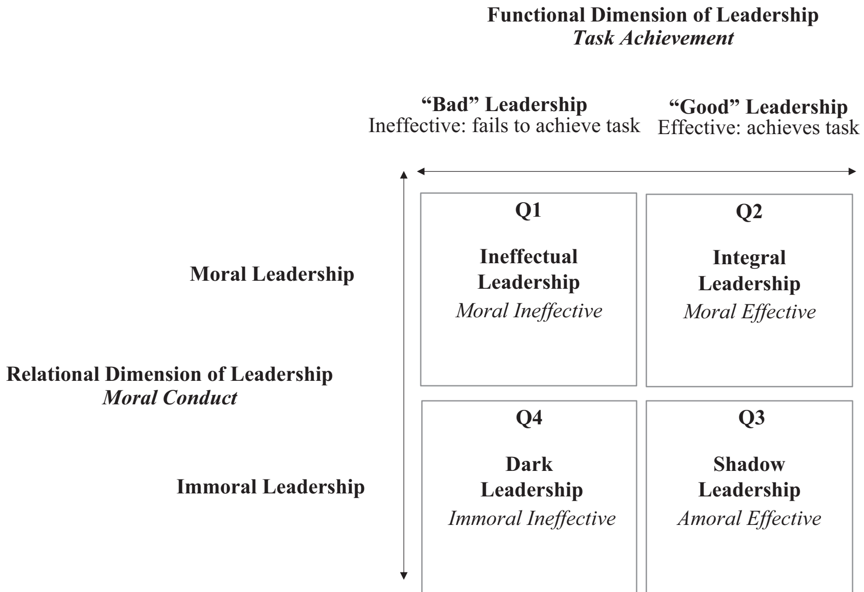

Fig. 3.1 Functional and relational dimensions of leadership. (Source: Authors')

dimension indicates *whether* the principal goal of the group is accomplished and therefore whether the leadership is good or bad. The relational dimension indicates *how* the principal goal is to be accomplished and therefore the degree to which the leadership is moral or immoral.

Task achievement (good leadership) is the "bottom line" for many corporate and political organizations, and whether their leadership is particularly moral or not is often of secondary concern. Morality, however, defines *how* one leads. Morality is eventually felt by others inside and outside the group and so morality has profound implications for the long-term viability of one's authority to exercise leadership.

"Bad" leadership falls into the two left-hand quadrants: "Ineffectual" and "Dark". In our framework as long as you're *ineffective* you're a bad leader. One can be a bad leader by failing to accomplish the goal while leading in a moral, benevolent manner (*ineffectual leadership*) *or* while leading in an immoral, malevolent manner (*dark leadership*).

"Good" leadership falls into the two right-hand quadrants: "Integral" and "Shadow". In our framework, as long as you're *effective* you're a good leader. One can be a good leader, however, by successfully accomplishing the task while leading in either a moral, humanistic, and benevolent manner (*integral leadership*) *or* in an archaic, autocratic, and amoral manner (*shadow leadership*).

Types of Leadership and Leaders: The Quadrants

> It is ironic that the virtues of loyalty, discipline, and self-sacrifice that we value so highly in the individual are the very properties that create destructive organizational engines of war and blind men to malevolent systems of authority. (Milgram 1974, p. 188)

The success or failure of leadership is the outcome of broad systemic contextual factors. Changes in these systemic factors determine in which quadrant a particular exercise of leadership, and leader, falls. We believe that the quadrant in which someone lands is less a consequence of their individual traits than of the psychosocial context in which they and their followers reside.

Ineffectual Leadership

Ineffectual leadership includes those who (1) generally lead in a moral, humanistic manner, yet (2) are insufficiently authorized by their group and therefore (3) are ineffective in accomplishing their group's goal.

Hillary Clinton and Barack Obama were, in the end, *ineffectual leaders* because their leadership was not sufficiently authorized to accomplish their goals. Why? For systemic reasons—they both stood at the epicenter of a dialectical tug of war between conflicting cultural narratives. Even before its founding, during European colonization, the fundamental American split has always been between an open, enlightened, humanistic tradition and a closed, archaic, authoritarian one.

Clinton, during her failed presidential campaign, announced: “You could put half of Trump’s supporters in a basket of deplorables” (Reilly 2016). She jubilantly proclaimed to cheering crowds at her rallies: “The future is female” (Mettler 2017). It was even written on banners behind her, in case anyone missed her meaning. Clinton’s impact was predictable: she had explicitly disenfranchised half the electorate, the men, and a significant percentage of the other half, those women who did not buy into the subtext of her divisive political messaging. Contrary to simplisitc statistical reporting of social opinion results, had Clinton not alienated so many *female* voters, Donald Trump—ironically—would not have been elected president.

Clinton’s glaring lack of emotional intelligence—of *self-awareness* and *situational awareness*—and her appearance of pushing a caricature of liberal values that many voters considered a preachy and moralistic appeal to a narrow feminist constituency alienated those she needed to elect and fully authorize her leadership. Being *moralistic* is not the same thing as being *moral*.

Barack Obama, on the other hand, was a moral and intelligent president, and sensitive to social and cultural nuances. Obama worked hard at resolving these conflicting currents because he carried them within himself—black African father of Muslim descent, white American mother of Christian descent—and so he became a synthesizer, a mediator, a searcher for the elusive midpoint of balanced resolution amid the straining polarities of black and white. It didn’t work.

Obama’s aloof and cerebral presidency served as a magnet for those whose mentality was similarly liberal, universalist, and inclusive, but as a lightning rod for those whose mentality was viscerally conservative, parochial, and exclusionary—who saw him as accepting a Nobel Peace Prize he had done nothing to deserve. Unable to bridge the fundamental contradiction embodying American culture, Obama’s legacy had been enthusiastically dismantled by the nationalist Republican cult surrounding Donald Trump. In a poetic irony worthy of Shakespeare, Trump’s legacy would in turn be dismantled by the incoming Democratic administration of Joseph Biden and Kamala Harris.

Perhaps Clinton and Obama never really had a chance, given the depth of irrationality, racism, chauvinism, and xenophobia fueling America’s

fundamental liberal-humanistic and rigid-autocratic split. But in any case, they both misread the collective psychic tides, and so misread how to communicate, mobilize, and guide the entire country safely into a peaceful harbor. The American "culture war" has only intensified. And *that*, despite exceptional personal abilities, is *ineffectual leadership*.

Integral Leadership

Integral leadership includes those who (1) generally lead in a moral, humanistic manner, and (2) have been sufficiently authorized by their group so they (3) can be effective in attaining their group's goal.

Nelson Mandela and Mohandas Gandhi were *integral leaders* because they were sufficiently *self-aware* and *situationally aware* of their own and others' rational and irrational motives to be fully authorized in their leadership roles. They were inclusive, competent, humane, trustworthy, and conscious of how to integrate that awareness into constructive action.

Nelson Mandela was at first a defiant young man. A socialist and lawyer by training, he was initially committed to nonviolent change, but at the age of 44 he was sentenced to life imprisonment for supporting a militant campaign against the apartheid government. Imprisoned and initially outraged, Mandela grew aware that his anger was toxic to himself. Curious to better understand the motivations of the white minority in creating and sustaining the ideology of apartheid in South Africa, Mandela began having conversations with his white jailors and discovered that the oppression was driven by the *fear* in the white minority.

Released after 27 years in prison, Mandela was urged by his angry supporters to revenge the century of white injustice—to confiscate property and chase whites out of the country. He rejected retribution based on anger and historical prejudice. He was determined to address the fear within the white minority, not the hatred within the black majority. He subsequently established a Truth and Reconciliation Commission to defuse racial suspicions, received the Nobel Peace Prize in 1993, was elected president in 1994, and *voluntarily* relinquished power in 1999 at the height of his popularity to manage his charitable foundation as an elder statesman.

Besides Gandhi and Mandela, we'd include Angela Merkel, the American "Founding Fathers", Abraham Lincoln, and Franklin Roosevelt as *integral leaders*—moral and effective—because their legacies still profoundly influence their countries in a positive way.

It's enlightening to contrast the *integral leadership* of Nelson Mandela with the *dark leadership* of Robert Mugabe. Robert Mugabe was the second president of Zimbabwe—formally South Rhodesia—like South Africa, a legacy state of British colonialism with white apartheid government. Their exercises of leadership, and the stability and prosperity of South Africa compared to the ensuing chaos in Zimbabwe, couldn't provide a better illustration of the differences between integral and dark leadership.

Dark Leadership

Dark leadership includes those who (1) lead in an immoral, evil manner to retain power, privilege, and control, and so (2) are insufficiently authorized and (3) are ineffective in accomplishing their group's *overt* goal without destroying the integrity of their own group.

Mugabe unabashedly followed an autocratic, despotic playbook—he was divisive not inclusive. An ardent nationalist and Marxist, he supported armed struggle, including torture, voter intimidation, and terror. Mugabe clung tenaciously to power for 30 years— from 1987 to 2017— by encouraging violence, attacking political rivals, holding fraudulent elections to manipulate a legislative majority, making constitutional changes to control the judiciary and supreme court, confiscating the assets of white landowners, and suppressing dissent. He mismanaged the economy with land seizures, patronage, and corruption and left the country in shambles. By leading immorally, Mugabe alienated so many citizens that he was not fully authorized by the population. Starting with similar political and socioeconomic circumstances as Mandela had in South Africa, Mugabe instead squandered Zimbabwe's resources and led it into darkness.

Dark leadership is essentially criminal. Because there's a fine line separating *shadow* and *dark* leadership, those leaders who cross over that line

provoke substantial counter-resistance and sooner or later their regimes collapse. Like Robert Mugabe, Donald Trump offers a striking tutorial in shifting seamlessly from amoral/effective *shadow leadership* into immoral/ineffective *dark leadership*—in only four tumultuous years.

Besides Mugabe and Trump, the long list of political *dark leaders* would include Kim Jong Un, Bashar al-Assad, Hugo Chavez, Nicolás Maduro, Idi Amin, Pol Pot, Adolf Hitler, Josef Stalin, and so on.

Shadow Leadership

Shadow leadership includes those who (1) lead in an amoral/immoral, archaic, and autocratic manner, yet (2) have been authorized sufficiently so they (3) can effectively accomplish their group's goal.

The list of *shadow* leaders includes many contemporary heads of state. One is Prime Minister Narenda Modi, whose leadership presents a painfully sharp contrast to that of the "Father of India", Mohandas Gandhi. A cult of personality is coalescing around Modi, who has been instrumental in the rehabilitation of the reputation of Nathuram Godse, the Hindu nationalist who assassinated Gandhi in 1948 and was executed in 1949.

Modi's Bharatiya Janata Party (BJP) is the political arm of a hardcore Hindu paramilitary group known for admiring Hitler's policy of racial purity. BJP followers demonize Gandhi and deify Modi and Godse:

> Across the country, more than a dozen statues to Gandhi's killer have been erected. Several Hindu temples are being converted to Godse temples. … The availability of cheap mobile data plans in much of the countryside has helped create an ecosystem of disinformation in which it is difficult to sift facts from fiction. … Public meetings eulogizing Gandhi's killer are also used to spread lies and justify the murder. … The idea is to present Mr. Godse as a visionary for Hindu nationalism and one of the drivers behind the creation of a Hindu nation. (Yasir 2020, p. A11)

One Godse worshiper, Pooja Panday, was quoted as saying that Gandhi was a traitor, deserved to be shot in the head, and that she would have

shot Gandhi herself if she had been born then. Ms. Panday has a mathematics PhD and is currently a university professor (Yasir 2020).

Another Godse fan is BJP nationalist Pragya Thakur, who was arrested in 2008 and charged with a mosque bombing that killed ten people. Modi's government dropped charges against her, and she was overwhelmingly elected to parliament in 2019.

The BJP's most recent maneuver is the promotion of a citizenship law that blatantly discriminates against Muslims. Hindu temples are being built on the sites of centuries-old mosques. A Nationwide Register of Citizens (NRC) requires residents to document citizenship. Undocumented residents are considered illegal immigrants. The poor and illiterate, many of them Muslims whose families have lived in India for generations, don't have documentation because of the sheer size and inefficiency of the Indian state. A second bill, the disingenuous Citizen Amendment Bill (CAB) allows everyone back on the registry—*except* undocumented Muslim residents, who are prosecuted as "illegal immigrants".

Modi's party is building detention facilities—prisons—for the expected flood of "illegal" Muslim residents. India's 1.4 billion people has the second highest Muslim population in the world, 176 million. If they constituted a state, they would rank eighth in the world, ahead of countries like Russia, Japan, and Germany. That's a humanitarian disaster waiting to happen. And Modi and his supporters are all set to make it happen.

Modi's closest confidant, Home Minister Amit Shah, is shown at a BJP rally saying: "The [Muslim] infiltrators are sucking the blood of this country like parasites" (Oliver 2020). Shah has also boasted: "We are capable of delivering any message we want to the public, whether sweet, sour, true or fake" (Abi-Habib 2020, p. A6).

The *shadow leadership* category—effective and amoral—also includes Andrzej Duda (Poland), Boris Johnson (UK), Dick Cheney (US), Vladimir Putin (Russia), Jair Bolsonaro (Brazil), Recep Erdogan (Turkey), Rodrigo Duterte (Philippines), and Viktor Orbán (Hungary).

Summary and Conclusion: Refining the Definition of "Bad" Leadership

> When politicians and administrators have no other aim than to sell their leadership to the public, they deprive themselves of intelligible standards by which to define the goals of specific policies or to evaluate success or failure. (Lasch 1978, p. 78)

The leadership industry (Kellerman 2004; Wood and Petriglieri 2004b) has dedicated enormous resources in the last forty years to presenting leadership with a bright and sunny façade, one that politicians, CEOs, lobbyists, and their public relations and corporate handlers spend massive sums of money promoting, while "spinning" events to fit an imaginary narrative of strong, responsible leadership. But this *image* of leadership is not leadership itself. It's an illusion that much of a population may be eager to buy, but it's a mirage that obscures the underlying sources of leadership failure.

In exploring these failures we've attempted to clarify definitions that create confusion and contribute to misunderstanding of leadership. Management literature, for example, invariably pushes the upbeat idea that leadership is primarily concerned with *change* (e.g., Kanter 1983; Kotter 1990). A kind of "change is good" mantra has emerged and found its way into the fashionable enthusiasm for "disruption" (e.g., Bower and Christensen 1995). Maintaining *stability*, however, requires as much effective leadership as implementing change. And upon reflection, it should be obvious that some change and disruption is beneficial while some is disastrous: empires collapse, companies and countries fall apart, people die unnecessarily. And that's due to failures in leadership.

Kellerman (2004) identifies seven types of "bad leaders" that fall into two categories that resemble our *functional* and *relational* dimensions: three types of *ineffective leaders* (incompetent, rigid, intemperate) and four types of *unethical leaders* (callous, corrupt, insular, and evil). While these types are generally compatible with our model and would fall into the three quadrants of *ineffectual*, *shadow*, and *dark*—perhaps with "incompetent" falling into *ineffectual* and "evil" falling into *dark* leadership—our lens offers a somewhat different perspective.

As we've shown, moral persons can be "bad" (*ineffectual*) leaders. Conversely, amoral persons can be "good" (*effective*) leaders. In our experience, individuals who behave in an archaic, amoral, and even immoral *shadow* manner are quite successful and well-represented in corporate and governmental life. Corporate executives and public officials, for example, who prioritize their own wealth over the health and well-being of their customers and citizens can be very effective in accomplishing their goal. They may even follow ethical guidelines, overtly maximizing shareholder value while covertly boosting their own wealth, for example, the big Wall Street banks (Lewis 2010); or awarding a government contract to a "low bid" corporation in which they were formerly CEOs, for example, Dick Cheney (MacKay 2018). These are effective leaders in a narrow sense, just not morally responsible ones.

Our *shadow leadership* quadrant comfortably incorporates Kellerman's classification of rigid, intemperate, callous, corrupt, insular, and even evil individuals. As long as they accomplish their group's goal, they're effective and therefore "good" leaders—until that veiled immorality is exposed to a functionally independent system of justice. With exposure, *shadow leadership* becomes noticeably *darker* and those leaders become explicitly de-authorized.

We can see this drift over time from amoral *shadow leadership* into immoral *dark leadership*, as events expose the more autocratic and corrupt tendencies of *shadow* leaders to scrutiny. The list of leaders hovering uneasily on the fluid boundary between *shadow* or *dark* leadership, for example, would include the American presidents Richard Nixon and Donald Trump. Where each would ultimately fall rests on the durability of their visions and legacies. History may eventually rehabilitate Richard Nixon's reputation; we doubt if Donald Trump's can ever be.

Morality counts. If we remain unaware of the nature of good and bad leadership, and unable to manage and develop a leadership infused with *integrity*, the drift of our corporate and political leadership into ineffectiveness, immorality, and evil becomes all but inevitable. The ultimate measure of leadership *effectiveness* may be the longevity of a leader's legacy; unfortunately, the legacy of *dark* leadership can last centuries. The ultimate measure of corporate or governmental integrity is the degree of humanity inherent in the *effective* and *moral* exercise of leadership.

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Part II

People: Leaders-to-Become

4

How So Many Toxic Employees Ascend to Leadership

Clive Boddy, Louise Boulter, and Simon Fishwick

Introduction

No matter which sector organizations occupy, a generic factor that middle managers identify as being critical to success is effective leadership. Notwithstanding, Hogan puts the base level of ineffective leadership at around 65% (Hogan 1994). This is to the extent that up to 70% of employees would take a pay cut if their immediate superior was fired (Hogan 2019). Moreover, between 60% and 75% of employees report that the worst part of their job is dealing with their superior (Hogan 1994), who is thus the main influence on employee job satisfaction.

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While leadership is acknowledged as being a key determinant of organizational success and employee well-being, it appears that toxic or "dark side" personalities—experts in political, influencing and manipulation skills—are wrongly perceived as "having what it takes" to be an effective leader. This can, unfortunately, play a role in determining who rises to leadership. Of note is that toxic leaders tend to be inept because they are promoted above their real ability levels.

Following Lipman-Blumen, we envisage toxic leaders as those individuals who occupy key decision-making positions and who exhibit destructive behavior and dysfunctional personal characteristics incorporating the infliction of serious and enduring harm on the people, groups and nations they lead (Lipman-Blumen 2004). As workplace/corporate (subclinical) psychopaths have been described as archetypal toxic leaders they are used as a prime example of toxic leaders in this chapter. However, many toxic leaders may personify elements of the overlapping personalities of the narcissist, psychopath and Machiavellian, referred to as the "dark triad" of personalities (Paulhus and Williams 2002). There is general agreement among scholars that psychopathy is the darkest of those toxic personalities. While Narcissists and Machiavellians may use the same cunning to get ahead, they are not in the same league, in terms of sheer ruthlessness, as psychopaths. To that end, the focus of this chapter is on the subclinical psychopathic leader, variously and more or less interchangeably known as a primary, successful, corporate, executive, industrial or organizational psychopath.

Psychopathic leadership is defined as organizational governance by ruthless and manipulative individuals who are without conscience, regret, care, responsibility, empathy, compassion or truthfulness (Boddy 2017a). The subclinical psychopathic personality is rapacious, seeking out the power, prestige and money that are offered in the ranks of senior management (Chiaburu et al. 2013). Increasingly fast staff turnover, a common feature of contemporary organizations, makes an ideal environment for this personality type to thrive. In this respect employees only know each other superficially in the workplace and the seemingly charming, but highly manipulative subclinical psychopath makes their identification nearly impossible prior to appointment. Despite their apparent and perceived ability, subclinical psychopathic leaders are associated with

incidents of what can only be described as severe bullying, reduced levels of organizational success and declines in shareholder wealth. Subclinical psychopathic leaders make poor investment decisions (ten Brinke et al. 2018), are more likely to illegally dump toxic waste materials (Ray and Jones 2011) and are less likely to be viewed as engaging in responsible corporate citizenship behavior (Boddy et al. 2010). The remainder of this chapter examines, firstly, the importance of leadership and then the individual, organizational, environmental and cultural factors which aid these psychopathic toxic leaders in reaching the highest ranks of organizations.

The Importance of Leadership

Whether toxic and psychopathic employees ascend to leadership positions is important because of the significance of leadership itself and the power of leaders over organizational outcomes. Leadership is also important because it influences organizational culture; organizations are reported to be reflections of the types of people that the organization contains and it is the people within an organization who create the culture: the norms, ways of doing things and the outcomes of organizations (Schneider 1987).

Leaders especially set the "tone at the top" (Weber 2010); the ethical culture of an organization and their behavior and attitudes as role models ripple through an organization in what may be called a "leader multiplier effect" which influences ethics and productivity throughout an organization, for good or ill. Thus, in a paper discussing personal morality and psychopathy, Francis and Armstrong (2008) argue that selection of senior leaders is important because they set the tone and standards for an organization which mark it as trustworthy or otherwise. Furthermore, moral leadership is consequential for organizational success and longevity (Francis and Armstrong 2008) while organizational decline is associated with dark and psychopathic organizational leaders whose personality characteristics lead to poor leadership decisions, alienated employees and undermined work teams (Kaiser and Hogan 2007).

A key component of selecting and developing future leaders is to design processes that will positively impact on the organization achieving its long-term goals. Criteria used for selection and development should be informed by values, cultures and preferred leadership styles that will influence employee behavior. Contemporary leadership approaches focus on behaviors that are fundamentally different from those associated with psychopathic leaders and adopting servant (Spears 2010) or transformational (Bass and Avolio 1993) leadership could provide a mechanism to reduce the likelihood of appointing those with a psychopathic personality.

With recent findings that psychopathy facilitates personal hierarchical success in the workplace (Pavlić and Međedović 2019) but is associated with unethical and suboptimal decisions (Shank et al. 2019; Van Scotter and Roglio 2018), employee bullying (Valentine et al. 2018) and burnout (Oyewunmi et al. 2018), the topic of leader psychopathy has been re-emphasized as an important area of study in management. The influences on the rise of psychopathic leadership are outlined in the following section.

Individual Factors

Psychopathic personality is marked by commonly recognized features including lack of empathy, guilt and remorse; emotional shallowness, glibness, egocentricity; and pathological lying (Cleckley 1941/1988). While criminal (unsuccessful) psychopaths score higher on antisocial characteristics (Mullins-Sweatt et al. 2010) core psychopathic personality traits do not differ between successful and unsuccessful psychopaths (Benning et al. 2003). In particular, the deficit in affective processing is shared (Osumi et al. 2007). Several studies reveal that empathic and affective dysfunction in clinical psychopathy can be generalized to subclinical psychopaths (Seara-Cardoso et al. 2012). Both groups are found to have significant problems in accurately detecting and discerning facial expressions of fear. Recent work in this respect reports problems for both clinical and subclinical samples with affective but not cognitive empathy (Tamura et al. 2016). This manifests as having little interest in other

people and a general failure to feel, identify and lend any importance to emotional events whatsoever. Thus, corporate psychopaths are callously indifferent to what happens to their colleagues, employers or to society. However, propelled by a lack of inhibitions, a willingness to mislead people, a manipulative and ruthless personality and the desire for power and prestige, psychopathic leaders appear charismatic by promising a positive and persuasive vision of unlimited success. Cases in point are the organizational leader Bernard Madoff, who promised investors unending growth in financial returns, or the political leader Adolf Hitler, who promised a thousand years of glory (Rees 2012). Having no conscience, psychopathic leaders have no qualms in promising what they cannot realistically hope to deliver. Nonetheless, because of people's desire for security, inclusion and acceptance some people are prepared to follow a toxic leader who appears strong, authoritative, knowledgeable and determined. Thus, toxic leaders can gain some measure of popular organizational or political support.

Psychopaths are thus the apparently charming, totally ruthless people who lack emotion and empathy and comprise about 1% of the general population (Kiehl and Buckholtz 2010). A minority of people (e.g. circa 23% of men in one sample) also have psychopathic traits while not being categorically psychopathic (Levenson et al. 1995), and these traits may predispose them to selfishness. Disposed to lie to and manipulate others to accomplish self-oriented aims and self-serving behavior (Barelds et al. 2018), they camouflage their emotional deficit with their engaging allure and complete lack of self-doubt, neuroses or fear (Kiehl and Buckholtz 2010). Facilitating their apparent sociability, subclinical psychopaths are able to feign emotions more convincingly than other people (Porter et al. 2011).

It has been hypothesized that these abilities to lie convincingly and feign emotions are two of the skills which allow subclinical psychopaths to excel in job interviews and gain promotion over other people (Boddy 2011a). This in turn is theorized to explain the increased incidence of corporate psychopaths at the top of organizations relative to the bottom (Boddy 2011a). Being emotionless they do not appear to suffer from the minor neuroses, depressions, pangs of conscience and self-doubt that many people experience from time to time. This makes them look

confident and poised and they can be viewed as embodying leadership potential.

Personal explanations for toxic leadership ascension are associated with individual personality traits and the desire to gain money, power and prestige, alongside a ruthless willingness to acquire these by any means available. The subclinical psychopath's lack of moral agency includes a willingness to be untruthful about career accomplishments and academic qualifications, including falsely claiming to have originated the good work of others (Torrie 2014). These ruthless individuals are adept at upward impression management, giving those above them a misleading perception of their true character, experience and abilities (Babiak 1995).

These personal characteristics enable the toxic leader to ascend, regardless of their toxic identification by peers and subordinates (Boddy 2011b). Thus, these subclinical psychopaths may not be incarcerated, yet the consequences of their reported behavior in leadership roles are pernicious.

Corporate psychopaths spend their time networking, grandstanding and promoting themselves rather than trying to be effective at their jobs. This use of impression management techniques gets them noticed and getting noticed helps getting promoted. Corporate psychopaths are thus adept at reaching senior hierarchical management positions more frequently than their incidence in the population would indicate (Babiak et al. 2010) and their fearlessness and lack of neuroses (Dutton 2016) together with a lack of conscience helps them get there. Their initial charm is also advantageous and psychopaths can be so engaging that they are named "Man of the Year" at Chambers of Commerce (Kiehl and Buckholtz 2010).

The subclinical psychopaths' ability to gain leadership positions amplifies their negative influence on organizations and on society because of the financial and social power of the organization. Finally, being emotionally detached means that they attach no importance to relationships and so psychopathic employees do not have the affective claims on their time from family and friends that others have. They can thus devote themselves entirely to their careers and this perceived dedication again aids their progression.

Organizational Antecedents

Organizational causes of toxic leadership ascension incorporate insufficiently thorough and relatively shallow personnel selection processes and a reliance on the job interview as a main tool for selection (Hogan and Hogan 2001). Psychopathic candidates' use of impression management tactics and the researching of corporate plans, documents and the speeches/writings of key executives permit mirroring behavior of key words and phrases and even copying styles of dressing. This allows the unemotional psychopathic personality to ostensibly outperform other contenders via their unflappable presentation styles (Ray and Ray 1982), apparent sartorial and intellectual suitability and untruthful claims of competency. In shallow selection processes the untruthful nature of qualification and experience claims remain unchecked. This shallowness allows CV fraud and fallacious competency claims to go undetected (Boddy et al. 2015). Their entry into organizations and rise within them is thus expedited. Furthermore, some organizations unwittingly or deliberately use psychopathic traits as descriptors of the types of employees they want to attract. For example, a broadcast and media agency reported that it wanted psychopathic people as new recruits (Rodionova 2016) supposedly because such people are deeply driven and will do whatever it takes to be good salespersons. In another example, a corporate bank was reported to have used a measure containing psychopathic traits to attract new recruits during the events leading up to the 2007 global financial crisis (GFC) (Basham 2011). Recent research supports this because corporations have been found to be recruiting successful psychopaths into their businesses via the use of psychopathy-related character descriptions in executive career advertisements. This helps to explain the outstanding levels of greed, risk-taking with other people's money and lack of integrity that characterized employees in the corporate banks involved in the GFC. Findings demonstrated that corporations were seeking the characteristics that are synonymous to the personality traits of the primary psychopath, which would tend to increase the propensity of successful psychopaths being present in the workplace (Hill and Scott 2019).

On the other hand, research which investigated workplace accomplishment and psychopathy determined that employers should embed a tool for assessing psychopathy into employee selection procedures to keep psychopaths out of key positions because of the excessive risks involved in appointing them (Blickle et al. 2018). Commentators write that as people who are high in psychopathic traits are to be found in management (Board and Fritzon 2005), psychopathy measures designed for use in corporate settings could be utilized in suitable recruitment and screening procedures (Fritzon et al. 2016). Similarly, in considering psychopaths for the financial sector, a somewhat understated recommendation has been made for finance firms to be more adroit at hiring people with good morals (DeCovny 2012). Furthermore, reviewers of the literature on workplace psychopathy conclude that due to the chaos created by such unethical people in management, it is necessary for organizations to use selection tools aimed at identifying psychopaths (Spencer and Wargo 2010). In particular for those in potentially high positions, it is even more important to screen candidates for psychopathy.

Suggestions from psychopathy researchers are that candidate choice procedures should try to identify the psychopathic and screen out people who embody such traits. For leadership scholars Kaiser and Hogan (2007) the easiest way to minimize the impact of toxic leaders is reportedly to identify them in employee selection processes. This may entail the use of extensive checks into candidate backgrounds, including getting references from previous subordinates (Kaiser and Hogan 2007), because these are the people who typically first notice that a psychopathic supervisor has abusive, bullying and unscrupulous characteristics.

While Highhouse and Brooks (2017) argue that senior and critical positions in organizations are often filled using informal procedures with low validity in terms of recruiting the best people, other commentators have explored methods used to assess people for high-potential programs involving accelerated development to executive positions. The major factors used were past and current performance, assessment centers and level of mobility. The performance evaluations were largely drawn from senior managers who tend to value short-term outcomes and rely on information provided by the psychopaths themselves. Assessment centers can advantage people who are extroverted and adept at using impression

management tactics (Posthumus et al. 2016). As psychopaths use techniques to inflate their contribution to team success, group exercises in assessment centers are also likely to produces results favoring them. Also, as psychopaths are highly ambitious, they exhibit high levels of mobility to fast-track their careers. Such high levels of mobility also mean that they can move position before the negative impacts of their bullying and toxic behavior become evident to their superiors.

More recently, Rotolo et al. (2018) discussed how areas such as talent management for employee development are replete with fads, fashions and new terminology. Psychopaths use mirroring behavior and language as part of impression management, being early adopters of the latest fads and language being used by CEOs and other executives. This increases visibility and increases the probability of being identified as high-potential and thus being selected as part of key projects and being given preferential staff development such as secondments and places in international executive programs.

Environmental Influences

Environmental influences which permit subclinical psychopaths to occupy leadership positions include a rapidly changing workforce where personnel are not adequately acquainted with coworkers to recognize and alert others to the more hidden and unsavory characteristics of some of their numbers (Boddy 2011a). Additionally, as large numbers of colleagues quit the affected work environment (Webster et al. 2016), there are decreasing numbers of employees who are sufficiently aware of the personality of the toxic leader to give accurate assessments of their workplace efficiency. All these factors aid the toxic, subclinical psychopaths' ascent to a leadership position.

Toxic leaders such as subclinical psychopaths are reportedly often promoted but rarely challenged in their climb to senior organizational levels (Pech and Slade 2007). They are promoted because they are wrongly perceived as being committed to an organization and due to their finely tuned upward impression management skills which lead senior managers to believe they are exemplary, productive and attractive employees who

are ideal for leadership positions. Such toxic leaders are rarely challenged because they manipulate their workplace environment and use a bullying persona to discourage closer examination of what they are doing. In particular, through abusive supervision and extreme bullying (Boddy et al. 2015), they generate a culture of fear in the workplace environment they rule, with the result that most employees do not dare challenge them (Boddy 2017b).

Recent employee recruitment research indicates that initial impressions are important in selection processes as they make an impact on the final impressions that selectors have of candidates (Carnes et al. 2019). Thus, the ability of the psychopath to create favorable initial impressions through self-promotion and ingratiation facilitates their hiring and ascendance.

An interview provides an environment in which psychopaths can excel as they are discussing their favorite subject: themselves. Therefore, they are likely to perform comparatively well, particularly providing socially desirable responses (Nikolaou and Georgiou 2018). Research on people with psychopathic tendencies found a positive correlation between narcissism and socially desirable responses (Kowalski et al. 2018). Further, literature on the impact of impression management suggests that decisions in interviews are typically made in the first 5 minutes and that untrained interviewers are drawn to intuitive conclusions in the opening minutes of an interview (Board 2016). Furthermore, interviewers are typically unable to accurately perceive when candidates are using impression management tactics and thus the manipulativeness of corporate psychopaths goes undetected at the selection stage. This lack of depth in employee selection procedures aids the ascension of psychopaths.

Corporate psychopaths can also manipulate their environment via organizational restructuring and re-staffing exercises which are used as camouflage for replacing potential opponents with compliant colleagues and obedient followers. Boards of strong, independent directors are replaced with friends, favorites and collaborators.

Cultural Influences

Cultural factors influencing toxic leadership ascension comprise the value some organizations and societies attach to individualism and the pursuit of profit (Bakan 2004). Further, a relative unawareness of the presence of individual employee malevolence allows toxic employees to remain unrecognized and unchallenged until large damage becomes evident (Kaiser et al. 2008). Psychopathic and other related personalities dress to impress (Holtzman and Strube 2013) and this image of a smartly dressed and apparently successful individual appeals to the organizations' image of itself as thriving and victorious.

Psychopaths, conclude Holtzman and Strube (2013), construct their personal image, via the effective adornment of high-quality clothing, which acts as a signal or "social lure" (p. 1) toward the unwary. Cultural influences also include the development of what has been described as "a culture of fear" within organizations managed by toxic leaders. Fear induces cognitive paralysis in subordinates and reduces the effectiveness of intellectual and emotional responses to the presence of the toxic leader (Webster et al. 2016). This facilitates their maintenance of power.

Corporate psychopaths present themselves as people with traits that are viewed as desirable by HR specialists. Qualities such as coolness under pressure, confidence and persuasiveness are regarded as desirable within employees whereas other psychopathic traits such as untruthfulness may simultaneously be present but are less easy to spot at interviews (Hill and Scott 2019; Tudosoiu et al. 2019). This results in the hiring of corporate psychopaths, their continued ascension within organizations and their eventual attainment of leadership position. Woodrow and Guest (2014) found that HR departments are reluctant to challenge behavior such as bullying as the culprits are in strategically important positions as well as being perceived as popular and protected by more senior executives.

Cultures which encourage and celebrate individuality, self-promotion and a heroic view of leadership tend not to notice when these become pathological. Aggression is written off as competitiveness and bullying as forcefulness. Thus, as Levenson and colleagues reported in 1995, the

commonplace nature of psychopathic attitudes in a minority of the population is easily overlooked (Levenson et al. 1995).

Conclusions

Toxic leaders ascend to leadership aided by the extent of their psychopathic characteristics. Such subclinical psychopaths at work progress to the top because they are determined to obtain the power, money and prestige that these positions can offer. Ruthlessly, they lie, cheat, manipulate and thereby outmaneuver their colleagues in the competition for advancement. This is unwittingly abetted by the shallow and ineffective selection, recruitment and promotion practices that organizations follow and by the unwillingness of HR departments to challenge abusive and bullying behavior in some managers.

Furthermore, the rapid turnover of personnel in modern workplaces makes it easier for the psychopath to hide in plain sight. Typically, many of their colleagues do not get to know them well enough to realize that something is seriously amiss with their attitudes to their fellow employees, corporate social responsibility and the legal requirements for engaging in commerce. Corporate psychopaths look and sound successful and, to those above them, appear to be "star" managers and employees who are worthy of further promotion. Arguably, the result of all this is the crisis of leadership and sustainability that the world is now facing.

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5

Ethical Failure and Leadership: Treatment and Selection

Jessica Flanigan

Leadership is a modern-day *Ring of Gyges* (Ludwig and Longenecker 1993). Plato speculated that the wearers of the Ring of Gyges, which brought the power of invisibility, would commit injustice because they could get away with it. So too, contemporary leadership scholars speculate that leaders act unethically because they can get away with it. For example, in Ludwig and Longenecker's (1993) influential analysis of the Bathsheba syndrome, they argue that modern-day leaders, like the Biblical King David or the wearers of the Ring of Gyges, are subject to ethical failure because they think they can get away with it. Moreover, Ludwig and Longenecker (1993) argue that leaders also lose professional focus and develop an inflated sense of their agency once they are successful, which compounds the risk of ethical failure.

Or, maybe leadership is more like a blindfold, which makes even well-meaning leaders blind to the demands of morality. Terry Price (2000)

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pursues this explanation when he argues that leaders are disposed to ethical failure, not because of their intrinsic immorality or weakness of will, but because they develop false beliefs about the scope of moral requirements. Namely, leaders begin to believe that the rules do not apply to them or that they are above the law. Leaders are especially vulnerable to this sort of ethical failure because, in many ways, they are exceptional, so it can be difficult to tell when they are permitted to hold themselves to distinctive moral standards and when they aren't.

A third explanation of ethical failure in leadership is that the stakes are simply higher, so ethical failure is more spectacular and harmful when it inevitably occurs. Everyone messes up sometimes, but when political and business leaders make mistakes, entire communities and organizations bear the costs. The higher the stakes, the higher is the moral risk, and leadership is also morally risky because it can be unclear which moral reasons a leader should consider when they're making decisions that affect everyone. These three explanations for ethical failure in leadership diagnose the problem of ethical failure as a problem with the leadership role. I call these treatment-based explanations.

In this chapter, I offer an alternative, though complementary, diagnosis of ethical failure in leadership: leadership is a filter, and it selects for people who are prone to ethical failure. My argument for this diagnosis goes like this. First, leadership always involves some form of relational inequality. People who are comfortable with assuming unequal relationships with people may display this disposition more robustly. In other words, the seeming correlation between leadership and ethical failure is often a result of selection effects for leadership positions rather than exposure effects related to the demands of leadership. Though my analysis is primarily aimed at enriching our existing understanding of ethical leadership, I also propose that this argument yields useful hypotheses for further social scientific research about failure and leadership more generally.

In the first three sections, I describe the treatment-based explanations for leaders' ethical failure in more detail. While there is some truth to these explanations, they also fail to fully explain the phenomenon and they have morally troubling implications with respect to leaders' blameworthiness. I then propose a selection-based explanation for ethical failure that further explains why leaders act unethically. In this section, I

sketch a philosophical argument that people who pursue leadership positions may make a moral mistake just through the act of self-selection for leadership. Next, I show that there is social scientific support for the selection-based explanation. In the last substantive section, I discuss potential institutional remedies to the moral problems of self-selection and areas for further research.

Ethical Failure and Willpower

The Biblical story of King David is a paradigmatic example of leaders' ethical failure. As a young Shepard, David gains fame and influence after he kills Goliath. He ultimately becomes a successful King until he commits adultery with his soldier Uriah's wife, causing him to arrange for Uriah to die in battle. Because of David's infidelity, he then suffers a series of personal misfortunes and political losses.

In a seminal paper about ethical failure in leadership, Ludwig and Longenecker (1993) argue that David's story illustrates a deeper problem with leadership and how people prepare for leadership. Namely, leaders are not equipped to deal with professional success. David only encountered Bathsheba because he was home during the springtime rather than fighting a defensive war. Many of his moral mistakes were a consequence of his success—he only killed Uriah because he had military authority that enabled him to. He had few constraints on his resources too, which made him think he was more in control over outcomes than he actually was. They point out that leaders' immoral behavior is often unambiguously wrong, and it's not committed in the face of any particular competitive pressures. Instead, successful leadership seems to be an impediment to ethical leadership.

Ludwig and Longenecker (1993) then offer a causal story that explains why professional success and leadership can cause ethical failure. First, leadership can be psychologically costly, not just because it is stressful to be in charge but also because it is isolating and lonely. Second, successful leaders may be "emotionally expansive" after working to achieve a position of authority, meaning that they require evermore risk and achievement in order to feel emotionally satisfied. Third, leaders may also lose

touch with reality if they only interact with subordinates in their organizations. Finally, leaders may develop big egos after experiencing so much praise and accomplishment. All of these ingredients combine to make a recipe for ethical failure.

To remedy these hazards of leadership, Ludwig and Longenecker suggest that either leaders constrain themselves or other people in an institution constrain a leader preemptively, subjecting even a leader to monitoring and questioning from other people in the organization. This can be difficult to achieve in some contexts because not all good leaders are receptive to monitoring and transparency, and in some cases, excessive oversight and feedback in an organization can impede efficiency. On the other hand, a proponent of Ludwig and Longenecker's (1993) view may reply that even if it is inefficient to monitor and constrain an effective leader, ethical failure can be catastrophically costly to an organization. Therefore, putting some limits on leaders' ability to do or get what they want could be a sensible insurance policy against ethical failure.

Ethical Failure and Moral Knowledge

An alternative explanation of ethical failure in leadership diagnoses bad leadership as a failure of understanding, rather than a failure of willpower.[1] Terry Price advances this explanation as an alternative to Ludwig and Longenecker's (1993) diagnosis of leaders' shortcomings (Price 2000). In Price's view, at least some ethical failures in leadership arise because leaders have distinctive epistemic challenges associated with their role as leaders. Returning to the example of Bathsheba, Price points out that David realized his ethical failure through an argument by analogy. When the prophet Nathan describes someone who stole from a man who was comparatively worse off, David recognizes the injustice in the story. Nathan then suggests that the crime of the man in the story is the same as David's mistreatment of Uriah.

Price (2000) argues that the fact that David was surprised that Nathan's argument applied to him indicates that David was not aware of his ethical failure beforehand. A proponent of Ludwig and Longenecker's position may reply that David did know he was acting wrongly because he

attempted to conceal his misconduct. But Price responds that this observation only establishes that David was aware that other people would think he was acting wrongly, not that he was acting wrongly. On Prices' diagnosis, David must have thought that he was exempt from moral requirements in virtue of his role as a leader.

This argument generalizes to other contexts as well. It is not necessary that leaders develop mistaken views about the content of moral requirements. Rather, they overlook the fact that they are subject to moral requirements. Leaders are especially vulnerable to making these kinds of mistakes about the scope, rather than the content, of morality because they are often exempt from other requirements, such as legal requirements or institutional norms, in virtue of their role as a leader. As Price (2000, p. 182) writes, "leadership begins with the justification that the leader is permitted to do myriad things that others are not permitted to do," which can stir up an attitude of moral exceptionalism.

Price's (2000) analysis is, in some ways, sympathetic to leaders who make moral mistakes. As Price argues, it can be difficult for a leader or a bystander to tell when leaders' exceptional status is justified. In general, if it is difficult for someone to know the morally relevant information in a situation, then they are less blameworthy for making a mistake than they would be if they knew all morally relevant information and acted otherwise. To the extent that blameless ignorance can mitigate blame for wrongdoing, leaders may be less blameworthy for their unethical behavior in light of the cognitive challenges they face.

On the other hand, it is not always clear that leaders' ignorance about the scope of moral requirements is blameless. After all, people are rarely born leaders, so they have an opportunity to scrutinize the ethics of leadership before they become leaders. And knowing the moral risks of leadership, people who become leaders may have a duty to take steps to ensure that they do not lose sight of their moral obligations when they occupy a role that enables them to make exceptions for themselves. For example, leaders may have a duty to surround themselves with people who will hold them accountable and to openly seek scrutiny and criticism. Just as David gained relevant moral knowledge from Nathan's council, modern-day leaders can look to subordinates as well as external critics to scrutinize leaders' claims of moral exceptionalism.

Ethical Failure and Moral Risk

A third reason that leaders may be prone to ethical failure relates to the nature of leadership itself. Whether morality requires that leaders promote good consequences or avoid violating people's rights, leaders are at a greater risk of ethical failure in virtue of their role because, in both business and government, leaders occupy a position of responsibility for an organization. This means that in addition to personal responsibility for their own conduct, leaders may reasonably be held responsible for other people's behavior if they failed to prevent wrongdoing or if they tolerated unethical practices. Leaders' ethical mistakes are also potentially costlier or worse in other ways, simply because their decisions affect more people.

Consider first the idea that people are morally required to promote good consequences. People who occupy leadership roles make decisions that are more consequential than everyday choices because they affect more people. The norms for moral deliberation that can be helpful in interpersonal cases may also not be as helpful when people are deciding for an entire organization or political community. For example, the philosopher Robert Goodin argues that while respecting people's presumptive rights against interference may be required for people acting in an individual capacity, it is impossible for political leaders to comply with a moral requirement to refrain from interference (Goodin 1995). Instead, Goodin argues that political leaders should aim to promote the best consequences. Yet it is often difficult to know whether a course of action will have good consequences on balance, in addition to the difficulty leaders face in knowing whether and to what extent consequentialism is warranted.

Alternatively, many ethicists believe that people should respect others' rights, rather than bringing about the best state of affairs. But on this ethical theory as well, leaders are more at risk of ethical failure because leadership typically involves hierarchical relationships that could potentially violate followers' rights. In political contexts, citizens do not consent to leaders' interference, and many political philosophers have therefore argued that a lot of government action violates people's rights. In economic contexts, political philosophers have argued that managers

and bosses violate employees' entitlements to be given a voice and treated with respect. Even if these views of leadership ethics are false, they are at least plausible. And the mere risk that political or economic leadership violates people's rights or fails to respect them means that leadership is associated with a heightened degree of moral risk.

Ethical Failure and Self-selection

The previous three explanations for leaders' ethical failure, leaders' lack of willpower, leaders' lack of relevant moral knowledge, and the moral risks of leadership depicted ethical failure as a consequence of the leadership role. An alternative explanation for leaders' ethical failure identifies it as a consequence of how leaders are selected. Namely, leaders may be prone to ethical failure because people who self-select into leadership roles are more likely to make moral mistakes and because people who are selected by others may be more prone to moral mistakes. I will describe these two mechanisms in the next two sections.

People who become leaders are generally more ambitious than average. On its own, ambition needn't be inconsistent with ethical behavior. For example, a morally ambitious person may be distinctively committed to promoting justice or achieving a social good. A creatively ambitious person who is exceptionally devoted to making great art may not be prone to ethical failure. In contrast, there is evidence that people who have ambitions to become leaders are more likely to have other traits that make them prone to ethical failure.

Psychologists have identified three distinct personality traits—Machiavellianism, narcissism, and psychopathy—which are consistently linked to malevolent behavior, such as crime, conflict, dishonesty, and causing organizational dysfunction (Spain et al. 2014; LeBreton et al. 2018). These three traits, known as the "dark triad," are correlated with a lower incidence of positive or pro-social traits, such as agreeableness, empathy, and compassion (Furnham et al. 2013).

Within workplaces, people who possess dark triad personality traits are more likely to acquire leadership positions or other influential roles (Furnham 2016). In a meta-analysis, researchers find that people with

dark triad personality traits are often charming and conducive to success (Jonason et al. 2012). Elsewhere, researchers find that people with these personality traits are potentially overrepresented among upper management and CEOs of firms (Boddy et al. 2010a,b). In some estimates, rates of psychopathy are three times higher on corporate boards than in the general population (Chamorro-Premuzic 2015). More generally, there are more people with psychopathic tendencies among the ranks of top executives and political leaders than in the general population (Ronson 2012). People with these traits are also paid more (Spurk et al. 2016). Other studies contradict this finding about psychopathy, but find that Machiavellianism is positively correlated with attaining a leadership position (Spurk et al. 2016). Other aberrant personality traits are correlated with leadership at work as well (Wille et al. 2013).

Dark triad personality traits are also correlated with political leadership. In general, people who are politically ambitious are more likely to be Machiavellian, narcissistic, or psychopathic (Peterson and Palmer 2019). Narcissism is especially overrepresented among political leaders (Post 2014). More extreme political leaders are more likely to display dark triad personality traits (Duspara and Greitemeyer 2017).

In addition to dark personality traits, the gendered dimensions of self-selection for leadership also align with leaders' potential for ethical failure. There is a substantial body of evidence that women are less prone to a range of ethical failures (Casal 2013). In leadership contexts, organizations are very plausibly harmed by the underrepresentation of women in leadership roles (Zenger and Folkman 2019; Eagly and Johnson 1990). There is some evidence suggesting that women are more likely to be effective political leaders, though they do not perceive themselves in that way (Fox and Lawless 2010). There is also evidence suggesting that female leaders will focus more on providing public goods (Duflo and Topalova 2004; Chattopadhyay and Duflo 2004).

Yet women are less likely to decide to pursue leadership positions in organizations, for a variety of reasons (see, e.g., Bierema 2016; Brands and Fernandez-Mateo 2017; Ryan et al. 2016; Fernandez-Mateo and Fernandez 2016). In political contexts, women are less likely to run for office, partly because they perceive themselves as being unqualified whereas men are not deterred by a lack of qualifications (Kanthak and

Woon 2014). Men may also be more likely to self-select into leadership roles in politics for reasons of personal ambition rather than for policy-related reasons (Schneider et al. 2016). Taken together, these considerations suggest that while women may have some advantages in avoiding ethical failure as leaders, self-selection factors prevent women from occupying leadership positions in workplaces or in government.

Ethical Failure and Other-selection

In addition to self-selection factors, the ways that followers and elites select leaders also exacerbates the risk of ethical failure. For example, in political contexts, party elites have institutional incentives to promote polarization even though polarization makes voters less capable of evaluating leaders and policies on the basis of the relevant evidence (Druckman et al. 2013; Bisgaard and Slothuus 2018). For this reason, elites are more likely to support more ideologically extreme leaders because voters select leaders who respond to appeals to the partisan ideologies of their subgroup rather than selecting centrists who may better advance the interests of the whole constituency (Broockman et al. 2019). These selection pressures may also partly explain why political leaders are more likely to be politically extreme and partisan. This dynamic is a problem for ethical leadership, however, because people who reason on the basis of a broadly partisan ideology are more likely to unfairly discount other points of view and to engage in motivated reasoning about contested moral issues (Anson 2018).

More generally, there is a growing body of evidence that suggests that people select leaders on the basis of considerations that potentially set leaders up for ethical failure. For one thing, people typically do not select leaders on the basis of moral considerations but rather on the basis of partisan identities and in-group loyalties (Mason 2018). For example, Achen, Larry, and Bartels (2017) argue that voters make decisions on the basis of their political identities and not on the basis of policy or political effectiveness. As a result, leaders are selected on the basis of their ideological purity, their ability to express a particular identity or group's values,

the appearance of loyalty, or what they signify, rather than on the basis of their credentials or capacities as leaders.

Even when leaders seem to quite obviously violate moral requirements, such as the requirement of truth-telling, followers may nevertheless select unethical leaders if they perceive the broader system as illegitimate (Hahl et al. 2018). Followers are also unlikely to punish leaders or change their feelings toward them (Swire-Thompson et al. 2020). And voters across party lines who are themselves high in dark personality traits favor leaders with dark personalities, which could further contribute to the selection of leaders who are prone to ethical failure (Hart et al. 2018).

More generally, people select leaders on the basis of factors like social similarity, nepotism, and charisma, even though these considerations are generally not the best predictors of a person's capacity to lead ethically and effectively. In any organization, it is difficult to effectively screen out leaders who are prone to ethical failure partly because people who are prone to ethical failure can successfully deceive people (Boddy et al. 2010b).

Mitigating Selection Problems

The foregoing analysis of ethical failure in leadership paints a somewhat grim picture for leaders' moral prospects. In response to the crises that result from ethical failure, scholars have proposed remedies such as leadership education, increased transparency, and oversight through corporate boards (see, e.g., Chen 2018; Taştan and Davoudi 2019; Vollmer 2018). These remedies address some of the treatment-based causes of ethical failure, but they are insufficient remedies for the selection-based sources of ethical failure. In this section, I will describe three mechanisms that could potentially address selection-based reasons for ethical failure in leadership. These include selection procedures that limit the role of personality-based qualifications, reducing partisans' or constituents' influence, and making leadership less prestigious relative to other roles.

The first selection-based mechanism for reducing leaders' tendency toward ethical failure is broadly consistent with calls for more oversight and training. In addition to oversight during a leaders' tenure, people

who are engaged in a selection process should aim to emphasize performance over personality. People are more likely to focus on traits like charisma when a leaders' performance or the relevant performance outcomes are unclear (Jacquart and Antonakis 2015). And structured interviews and work sample tests can ensure that all potential leaders receive equal treatment, and thereby serve as a potential corrective to partisan influences or biases that motivate people to de-emphasize qualifications or the content of what a leader is saying (see Bateson et al. 2013; Bohnet 2016). Even better, if possible, selecting leaders on the basis of criteria that are as de-personalized and adopting clear and transparent benchmark-based performance standards would result in finding leaders who excel in their role, rather than selecting people who have a desire to take on a leadership role.

Second, procedures that automate or externalize the selection of leaders can mitigate self-selection and other-selection effects. For example, where possible, organizations can adopt procedures that require people to opt out of consideration for a leadership role rather than opt-in procedures that reward people who desire a leadership role even if they aren't the most qualified. Or, in some industries, it may be feasible to outsource recruitment of leaders to search firms or external committees. Of course, search firms and external committees are susceptible to many of the selection-based challenges that members of an organization face; they have stronger reputational incentives to find leaders on the basis of performance-based traits.

Third, I have argued that democratic selection procedures do not effectively deter ethical failure and they may contribute to ethical failure in some cases. Yet organizations and political communities can adopt alternative democratic procedures that avoid some of these problems. For example, changes to voting procedures can mitigate polarization and so discourage the demagoguery and open deception associated with partisan voting.[2] In response to concerns about polarization, some political philosophers have also advocated for lotteries as a way of fairly selecting leaders (Stone 2011; Guerrero 2014). Others support using small, randomly selected deliberative communities to avoid selecting leaders on the basis of partisan or motivated leaders (Landemore 2018). These

institutional alternatives can potentially diminish the selection effects that contribute to leaders' ethical failure.

Conclusion

Leadership development professionals and commentators sometimes write about leadership and ethical failure as if they can avoid it through better training, job descriptions, oversight, or institutional incentives. To some extent, this may be true. Yet the problem runs deeper, as I've argued in this chapter. Leadership attracts people who are prone to ethical failure. Perhaps this is because leadership itself is morally fraught. Because leadership involves power, hierarchy, status, and prestige, it attracts people who are comfortable with inegalitarian, potentially subordinating relationships that aim to advantage a particular group. But freedom, equality, and the consideration of all interests are fundamental principles of ethics. In this way, the norms that structure contemporary leadership may select for leaders who are less sensitive to ethical considerations than most people, even when leaders take themselves to be morally motivated. And as leadership scholars have argued, once a person becomes a leader, it becomes even more challenging to avoid ethical failure.

By drawing attention to the selection effects at play in bad leadership, I am not denying the fact that holding a leadership role can also contribute to a person's ethical failure. I also acknowledge that all leadership roles are morally risky. But selection effects make a dangerous situation worse, morally speaking, because the kinds of people who are likely to succeed at obtaining a leadership position may, for the same reasons, be those more likely to make moral mistakes as well. Acknowledging this dynamic as a contributing factor for bad leadership does not discount the value of moral education for leaders or programs that aim to constrain the moral risks of leaders once they are selected. Rather, an acknowledgment of selection effects highlights the need for leadership ethics before a person's experience as a leader even begins.

Notes

1. Ludwig and Longenecker (1993) also develop a version of this explanation when they speculate that leaders who make serious moral mistakes may do so because they come to overidentify with their institutional role or their status as leaders, which causes them to overlook their moral obligations.
2. For example, organizations could adopt ranked-choice voting or approval voting, which some speculate could reduce polarization. On the other hand, the evidence is mixed with respect to whether voting procedure reforms would effectively reduce polarization and partisanship in selecting leaders. For an overview of some of these issues, see Livni (2019).

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Part III

People: Acting Leaders

6

Shining a Light on Toxic Leadership

George Boak

Introduction

The term "toxic leadership" was first coined by Jean Lipman-Blumen in 2005. A number of research papers since then have focused on the unethical behaviors of some leaders and managers, and explored the associated "dark" characteristics, such as narcissism, Machiavellianism and psychopathy. The topic has been given extra relevance by corporate scandals, such as Enron, Tyco and Worldcom. Reflecting on the role of business education in these scandals, Ghoshal (2005) wrote that "by propagating ideologically inspired amoral theories, business schools have actively freed their students from any sense of moral responsibility" (p. 76).

This chapter reviews the academic literature on the dark side of leadership, explores the possible origins of the apparent rise of toxic leadership and asks whether shining a light on toxic behaviors is likely to inhibit these practices, or whether this exposure may simply reinforce and habituate them.

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Toxic Leadership

While Lipman-Blumen (2005) is credited with coining the term "toxic leadership" she was not the first to shine a light on the dark side of leadership behavior. Adorno et al. (1950) put forward the idea of the authoritarian personality and its negative influence on the behaviors of leaders in organization. Christie and Geiss (1970) developed the concept of Machiavellian behaviors and attitudes of leaders in organizations. Kets de Vries (1985) identified a "dark side" in some entrepreneurs, which manifests itself in particular as their business grows: with a strong need for control, a suspicion of others and a desire for social approval, such people can suffer mood swings and make poor assessments of events, leading to bad decisions and mistakes. Conger (1990) discussed the dark side of visionary leadership, and the way some leaders may seek to manipulate others through impression management and communication skills.

Lipman-Blumen (2005) defined toxic leaders by reference principally to their destructive behaviors:

> *those individuals who, by virtue of their destructive behaviours and their dysfunctional personal qualities or characteristics, inflict serious and enduring harm on the individuals, groups, organizations, communities and even the nations that they lead.* (p. 2, emphasis in original)

Thoroughgood et al. (2012a) distinguish between destructive leader behavior (bad behavior by an individual) and destructive leadership (a process that is damaging to the group and organization). They say "destructive leadership entails control, coercion and manipulation" (p. 899) and is essentially selfish in nature.

Higgs (2009) reviews the literature on "bad" leadership and suggests the central themes are behaviors that involve (1) abuse of power, (2) inflicting damage on others, (3) over-exercise of control to satisfy personal needs, and (4) rule-breaking to serve one's own purpose.

Thoroughgood et al. (2012b), in a piece of inductive research, identify a range of behaviors that are perceived by employees to constitute destructive leader behavior, including those directed against subordinates, those that disadvantage the organization and those related to sexual harassment. The behaviors range from open criticism of others to ignoring phone calls or emails, and discounting feedback or advice from subordinates; behaviors disadvantaging the organization include stealing, and otherwise breaking the law while at work.

Three main reasons are put forward for the increasing interest in the dark side of leadership. First are the studies of derailment, which identified patterns of behavior that derailed the careers of hitherto promising and successful executives. Kaiser et al. (2015) suggest the origins of this research lie in the 30-year study of failed executives in the US retail chain, Sears, Roebuck and Company by Bentz (1967, 1985), which influenced further studies in the 1980s on managerial derailment at the Center for Creative Leadership (McCall and Lombardo 1983). Derailment is usually associated with executives failing before they reach the top of their organization, but Kets de Vries (1989) asked what makes some leaders "derail" when they reach chief executive positions. He argued that despite the considerable pressures that come with this position, some individuals are able to "stay in touch with reality" (p. 7) whereas personality factors mean that others are not able to do so.

Two other reasons have been proposed as stimulants of interest in this area: Schyns and Schilling (2013) argue that interest in patterns of destructive leader behavior has been sparked by evidence that abusive supervision is commonplace, and has damaging effects on employees. Finally, the prominent failure of large organizations such as Enron, Tyco and Worldcom which caused Ghoshal (2005) to lament the amoral management education provided by business schools has also been linked to a greater interest in the dark side of senior executives' behavior and character (Higgs 2009).

Bentz's (1985) analysis led him to the conclusion that the underlying cause of failure for the Sears, Roebuck executives was related to personality defects. The derailment studies at the Center for Creative Leadership also identified certain negative personality factors, and this stimulated increasing interest in dark side traits from the 1980s onward (Benson and

Campbell 2007; Harms et al. 2011; Kaiser et al. 2015). Studies of destructive leader behavior quickly moved beyond identifying harmful behavior patterns into considering underlying causes in the personalities of leaders (Hogan et al. 1994; Goldman 2006).

One of the main approaches to identifying the personality factors that give rise to toxic leadership focuses on the "dark triad" of narcissism, Machiavellianism and psychopathy (Paulhus and Williams 2002; Schyns 2015; Boddy et al. Chap. 4 in this volume; Flanigan, Chap. 5 in this volume). The other common approach is the 11 dark side personality dimensions framework developed by Hogan Assessment Systems (Hogan and Hogan 2001).

Dark Personality Traits

In researching personality traits that are associated with toxic leadership, writers have drawn on the ideas and language used to describe clinical personality disorders, but as Paulhus (2014) explains, in the organizational context these are

> socially offensive traits falling in the normal or "everyday" range. Rather than being incarcerated or under clinical supervision, such individuals manage to survive, and even flourish, in everyday society. (p. 421)

These are "not clinical personality disorders because they do not impair significant life functioning as required for a clinical diagnosis" (Kaiser et al. 2015, p. 58).

The "dark triad" of the traits of narcissism, Machiavellianism and psychopathy is one of the main frameworks used in this context. The traits are seen as presenting along a continuum, so that an individual may be high, medium or low in each of them (Fatfouta 2019). Paulhus (2014) argues that high scores in these traits are marked by a common lack of empathy or a "callousness" regarding the welfare of others, but in other respects they are quite different.

High narcissists are characterized by "grandiosity, arrogance, self-absorption, entitlement, fragile self-esteem, and hostility" (Rosenthal and

Pittinsky 2006, p. 671). High narcissists continually seek attention (Paulhus 2014) and exhibit "an unusually high level of self-love, believing that they are uniquely special and entitled to praise and admiration" (Judge et al. 2009). It is argued that narcissism entails a clash between a grandiose projection of identity and underlying feelings of inferiority and insecurity (Jones and Paulhus 2014; Kets de Vries 2014), which can lead to narcissists being hypersensitive to criticism (Rosenthal and Pittinsky 2006). However, narcissism is also associated with charismatic and visionary leadership that can inspire others (Maccoby 2000) and enable leaders to act confidently (Kets de Vries 2014).

Machiavellianism is named after Niccolo Machiavelli, the sixteenth-century Florentine author of *The prince*, a commentary on the acquisition and use of political power (Christie and Geis 1970). The key elements of Machiavellianism are manipulativeness, a lack of empathy, and a calculating and instrumental approach to relationships (Jones and Paulhus 2014). Those high in Machiavellianism are unethical, dishonest, seek to enhance their own power and are motivated by the prospect of personal benefit (Judge et al. 2009).

Subclinical psychopathy, exhibited by "corporate psychopaths" (Boddy 2015; Boddy et al., Chap. 4 in this volume), is typified by a lack of conscience. Corporate psychopaths "have been referred to as successful psychopaths due to their ability to avoid confrontation with legal authorities" (Cheang and Appelbaum 2015a, p. 167). They behave in abusive, impulsive ways toward others. Behaviors include "glibness, manipulativeness, extreme dishonesty, and grandiosity … lack of empathy, lack of emotion and affect, lack of remorse, and a failure to accept responsibility" (Cheang and Appelbaum 2015b, p. 237).

In an alternative approach, the 11 traits in the Hogan Assessment Systems framework are aligned to the Axis II personality disorders defined in the Diagnostic and Statistical Manual of Mental Disorders IV, published by the American Psychiatric Association (*APA* 2000) but, as with the dark triad, they are conceived as operating in a subclinical form, as part of normal personality. The traits are excitable, cautious, skeptical, reserved, leisurely, bold, mischievous, colorful, imaginative, diligent and dutiful (Hogan and Hogan 1997; Harms et al. 2011; Furnham et al. 2012; Gaddis and Foster 2015). There are close similarities between three

of these traits and the dark triad traits: between bold and narcissism, mischievous and psychopathy, and skeptical and Machiavellianism.

Other approaches to identifying or defining dark traits include the study of hubris, "overconfidence mixed with excessive pride" (Picone et al. 2014, p. 447). Leaders high in hubris overestimate their own abilities, ignore advice from others and set overambitious goals (Sadler-Smith et al. 2017; Sadler-Smith 2019).

Effects of Dark Personality Traits

An emerging area for discussion has been the effect of these dark personality traits on the success and effectiveness of leaders. They were identified from the 1980s onward, as factors that give rise to destructive behavior, failure and derailment (Hogan and Hogan 2001; Harms et al. 2011), yet they have been observed to be common among managers, including those at executive level, and therefore have not damaged the careers of these individuals, at least not in the short term (Babiak and Hare 2006; Babiak et al. 2010; Boddy 2015; Kaiser et al. 2015; Flanigan, Chap. 5 in this volume). Kets de Vries and Balazs (2011) state that "[a] solid dose of narcissism is a prerequisite for anyone who hopes to rise to the top of an organization" (p. 389). In a similar vein, Lipman-Blumen (2005, p. 2) argues that "saints are not likely to elbow their way to the front of the leadership queue". Those high in corporate psychopathy "present well and look good" (Boddy 2015, p. 2410) and high narcissists "come across as assertive, competent, and likeable at short-term acquaintance" (Fatfouta 2019, p. 4). Grijalva et al. (2015) found that extraverted narcissism was positively related to leader emergence (i.e. being appointed to leadership positions) but that high levels of narcissism were negatively related to performance: "narcissists generally make a positive first impression, as others preliminarily perceive them to be charming and self-confident; but over time more negative qualities such as arrogance, exploitativeness, and self-centeredness damage narcissists' relationships" (Grijalva et al. 2015, p. 3). Den Hartog et al. (2020) suggest that

> those high on narcissism tend to more often emerge as leaders in groups because they possess traits such as authority, confidence, dominance, decisiveness, and high self-esteem, which are the ingredients people tend to look for in a leader. … However, while narcissism relates positively to leader emergence, overall it does not relate positively to leader effectiveness. (p. 264)

Grijalva et al. (2015) observe that, while the Center for Creative Leadership studies on derailment made no explicit reference to narcissism, many of the characteristics that gave rise to derailment overlapped core elements of narcissism, such as being insensitive, cold, aloof, arrogant, betraying trust and being overly ambitious. Benson and Campbell (2007) view the "derailing traits" as factors affecting leadership performance that may be effective in the short term, but "ultimately erode trust and support from those around the leader and become dysfunctional in the long term" (p. 236). Schyns (2015, p. 5) argues that high narcissism is

> linked to bad decision-making (due to overconfidence and impulsivity), higher counterproductive work behaviour, inflated self-ratings, as well as lower performance where performance is linked to maintaining positive relationships.

Focusing on corporate psychopaths, Cheang and Appelbaum (2015a) give the example of Foxconn, a company where a number of employees committed suicide in 2010, citing their fear of the abusive behavior of their managers. Boddy (2015) relates abuses in healthcare organizations to corporate psychopaths, and also comments that "[f]inancial insiders as well as psychologists and management researchers agree that corporate psychopaths within banks were linked to the global financial crisis" (p. 2413). Claxton et al. (2015) identify hubris in the behavior of the CEO of Lehman Brothers.

Other examples of abusive behavior by senior managers include the case of France Télécom, where a court found that 19 employees committed suicide between 2008 and 2011, and 12 attempted suicide. Three senior managers, including the chief executive of the company at the time, were found guilty in court of running a callous campaign of

psychological harassment against employees (Waters 2020). Other recent cases of unethical executive behavior include the scandal that emerged in 2015 involving Volkswagen, where the company programmed the software of diesel cars to cheat emissions tests. In the USA, recent court cases concerned senior executives in pharmaceutical companies who illegally conspired to increase sales of addictive medications (e.g. Emanuel and Thomas 2019). The collapse of Steinhoff International Holdings in 2017, at that time one of the largest retailers in the world, has been attributed to the overambitious and unethical actions of a small team of senior managers, led by a charismatic CEO (Naudé et al. 2018) displaying classic symptoms of hubris. Since 2017 the #metoo movement has revealed widespread sexual harassment in the workplace by senior managers against more junior members of their companies or industries.

The dark personality traits are linked with selfishness, callousness and unethical behavior. Narcissism and hubris also influence the leader's decision-making capabilities. Maccoby (2000) argues that narcissists can fail to analyze situations realistically and may take too many risks in order to expand: They can be "out of touch with reality" (p. 75). Risk-taking is also a consequence of hubris. Picone et al. (2014, p. 450) argue that "individuals affected by hubris lose contact with reality".

However, some writers have explored the potential positive effects of leaders with dark traits. Maccoby (2000) suggested that there is a type of "productive narcissist" who is potentially positive and effective—such people are visionaries who can inspire others. Fatfouta (2019) provides a list of positive and negative narcissist behaviors, from analyses of published papers. Judge et al. (2009) also suggest that moderate levels of "dark side" traits can aid leader effectiveness. Grijalva et al. (2015) reviewed a range of studies of narcissism and leadership, some of which found that narcissism was positive to leadership performance, while others found that it was negative. Grijalva et al. (2015, p. 18) conclude that "narcissism is a potentially positive trait, when it is expressed in moderation". Benson and Campbell (2007) also argue there is a nonlinear relationship between "dark side" personality traits and leadership performance: too little or too much of a dark trait can be damaging to performance, but there is an optimum, middle level that can give rise to effective behavior.

Kaiser et al. (2015), using the Hogan dimensions, also found that high or low degrees of dark-side traits were associated with ineffective leadership behaviors, but that a mid-range of dark-side traits was associated with effective leadership behaviors. They argue that whether "dark-side" characteristics have positive or negative effects may depend on (1) the strength of the characteristic; (2) the extent to which the individual feels under threat (which makes them more likely to revert to the characteristic under pressure); and (3) the ability of the individual to self-regulate. They argue that individuals high on emotional stability (a recognized personality trait) are more likely to be able to self-regulate.

Contexts for Toxic Leadership

While researchers have focused to a great extent on the behavior and characteristics of toxic leaders, it is accepted that the context in which they operate, and the behavior of those whom they lead, contribute to developing and sustaining their destructive behavior. Lipman-Blumen (2005) sought to make the main issue of her paper the reasons why followers so frequently accept, favor and even create toxic leaders. She suggested that we look to leaders to fulfill psychological needs, or to cope with situational fears, and we get taken in by the grand illusions set out by toxic leaders. When they let us down, we rationalize why we can't resist them.

Padilla et al. (2007) talk of a triangle of leader dispositions, susceptible followers and conducive environments. Conducive environments include instability, perceived threat, cultural values (such as those that promote avoidance of uncertainty, collectivism and high power distance) and absence of checks and balances on a leader's power. It is argued that the pride and overconfidence associated with hubris are boosted by previous success and by occupying a position of power (Sadler-Smith et al. 2017) and with an absence of checks and balances (Claxton et al. 2015).

Susceptible followers have been categorized as "conformers" (people who go along with the destructive leader out of fear) or "colluders" (those who are attracted by the prospect of personal advantage) (Padilla et al. 2007). Thoroughgood et al. (2012a) expanded this taxonomy: types of conformers

are described as "Lost Souls", "Bystanders" and "Authoritarians"; types of Colluders are called "Acolytes" and "Opportunists".

Distance may also influence follower support. Nevicka et al. (2018) found that when followers were socially distant from their leader, they perceived

> leader narcissism was positively related to perceived leadership effectiveness and job attitudes. However, when followers had more opportunity to observe their leader, the positive relationship disappeared. (p. 703)

Why Are There So Many Toxic Leaders?

Organizational leadership, by nature, involves influencing others to carry out actions they might not otherwise undertake, ostensibly for the good of the organization. It is not always possible to proceed by consensus on what needs doing or how to achieve it, and sometimes leaders need to use their power to press for a particular course of action (Flanigan, Chap. 5 in this volume). There are inevitable inequalities of power between leaders and others, and this provides opportunities for leaders to abuse their position to behave destructively toward individuals and organizations.

A certain proportion of people with the dark traits discussed in this chapter are interested in the power and other privileges that accrue to leaders. Narcissists and corporate psychopaths may charm and scheme their way into leadership positions. High Machiavellians may be promoted to such positions when they prove themselves adept in situations requiring negotiation, complexity and strategy. Research into executive derailment revealed patterns of managers who were initially judged to be successful, and so were placed in positions of responsibility, only later to demonstrate damaging weaknesses.

How many toxic leaders are there? There is a dearth of reliable statistics. Three studies cited by Schyns and Schilling (2013) found that, in the Netherlands, 11% of employees had experienced destructive leadership, in a study in the USA the proportion was 14% and in research in Norway 33% of respondents had "often" experienced it. Boddy (2015) cites three

very small studies that indicate subclinical psychopaths are more common in senior executive positions than in the population at large. Beyond these statistics are individual examples: the 2019 annual report for the Institute of Crisis Management, for example, found that in the previous year an increasing number of senior executives left their post for "inappropriate behavior", including the CEOs of Texas Instruments, Intel and Nissan, and eight senior executives had been dismissed for sexual misconduct, including at CBS and Disney (*ICM* 2019, p. 5).

Are toxic leaders in organizations any more common today than they were 60 years ago? In many Western professional organizations, there is an expectation of less directive, more consultative leadership now than there was then, and in many countries there are more protections for workers' rights. Yet abusive leaders still gain and hold power, with damaging consequences for the people who work for them, and sometimes for the organizations they lead. Some individuals exploit the opportunities for abuse of power that exist in many management positions, with the additional dynamic in more modern times, in the West, of growing inequality that has given rise to a sense of entitlement. Increasing business complexity may also increase opportunities for covert unethical behavior.

Shining a Light on Toxic Leadership

Will shining a light on toxic leadership inhibit its practices? Or will this exposure simply reinforce and habituate these toxic behaviors? It is difficult to assess the impact of the prosecution of a senior executive on the motivation of other executives who are high in narcissism, psychopathy, Machiavellianism or hubris: perhaps the lesson they will draw from the experience of those who appear in court is to be sure to avoid apprehension. However, the value of shining a light on this toxic behavior may be that it alerts those who structure corporate environments, and those who work within them.

Where checks and balances can be put in place—where it is not too late—they may help senior executives keep "in touch with reality" (Kets de Vries 1989, p. 15). Strengthening governance arrangements may

protect organizations from the excesses of warped individual decision-making. Strengthening grievance procedures may have some impact on abusive managerial behavior. Help can be provided to leaders enduring the potential destabilizing effects of a volatile business environment (Padilla et al. 2007; Goldman 2006).

Those who recruit and select others to leadership positions should take warning of the dangerous charm of the high narcissist and the corporate psychopath who can excel in interviews through their "excellent communication and lying skills" (Babiak et al. 2010, p. 190), but who have "less substance behind this façade than first appears" (Boddy 2015, p. 2410). Such charm can be counteracted by taking measures such as placing a greater emphasis on assessing results of past performance—examining hard facts and figures—gathering feedback from individuals' line managers, colleagues and subordinates, and more use of probationary periods in new posts (Fatfouta 2019).

Where individuals with dangerous or destructive traits are willing to change, organizations may have success in providing guidance and support for development. Part of the Center for Creative Leadership work on derailment includes a detailed example of how an abrasive and self-centered executive was helped to change their patterns of behavior (Lombardo and Eichinger 1989). Goldman (2006) provides a detailed case study of a highly talented executive with borderline personality disorder—which involves instability and impulsivity—who undertook development and learned to manage his mood swings and destructive impulses. Kets de Vries (2014) also provides case studies of how individual senior executives were helped to manage their dark characteristics. Each of these examples features feedback from work colleagues, acceptance by the individual of the need to change and extensive one-to-one development work.

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7

From Bad Leadership to Responsible Leadership: The Revolution of Motives Among Leaders

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Is There Bad Leadership?

The study of leadership dates back to ancient times, through both Eastern and Western classical writings (Bass 1990), and it has accumulated a century of scientific studies (Antonakis and Day 2018). Despite the abundant academic literature generated during this time, the richness and complexity of the term makes its definition difficult. In this sense, Fiedler (1971) pointed out that

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> there are almost as many definitions of leadership as there are leadership theories, and there are almost as many theories of leadership as there are psychologists working in the field. (Fiedler 1971, p. 1)

Leadership has been usually positively associated with a positive bias (Kellerman 2004), with a clear emphasis on effective leadership, strong leadership, or inspirational leadership (Gallagher 2002). In fact, we read books from good leaders, not from bad ones. In this sense, we may consider bad leadership as an oxymoron. However, we can also agree that in order to understand leadership, we need to examine good and bad leadership; if not it would be like medical scientists focusing on health, but neglecting illnesses and diseases (Erickson et al. 2007).

So, why are there so many bad leaders? Today, unfortunately, we are still witnessing bad leaders and bad management in crucial public and private realms, such as politics, the corporate world, media, and science, as well as in our homes. Bad leadership can take many forms from the most explicit, visible, and illegal ones like fraud (Zahra et al. 2005), corruption (Greve et al. 2010), environmental degradation (Hoffman 1999), or even aggression and sexual harassment (O'Leary-Kelly et al. 2000) to the most invisible, silent, and non-punishable forms of mistreatment like indifference (Melé 2014).

The determinants and antecedents of bad leadership are multidimensional, and there is a clear consensus that bad leadership is affected by multiple systems operating at different macro-, meso-, and micro-levels. As an illustration, Zahra and his colleagues identified four levels of antecedents that enhance or neutralize the likelihood of top management fraud (Zahra et al. 2005), including societal-level antecedents (e.g. differential association, criminal behaviors, aspirations), industry-level antecedents (e.g. industry cultures, norms and histories, industry concentration, environmental hostility, and heterogeneity), firm-level composition (e.g. board composition, senior leadership, organizational culture), and individual-level moderators such as self-control or experience.

Ashforth and Anand also argued using three mutually reinforcing processes of how an initial act of corruption might be normalized in organizations (Ashforth and Anand 2003). These three phases are institutionalization, where corruption becomes embedded in the organizational structures and processes; rationalization, where narcissistic

ideologies justify corruption; and socialization, where newcomers are *invited* to view corruption as permissible. Mishina and his colleagues (Mishina et al. 2010) used three psychological theories to explain the paradox of how "good firms" do bad things (e.g. corporate illegality): loss aversion (Kahneman and Tversky 1979), the house money effect (Thaler and Johnson 1990), and executive hubris (Hayward and Hambrick 1997). Their study reveals that performance above internal aspirations and external expectations increases the likelihood of engaging in illegal activity (Mishina et al. 2010).

Anyone can easily argue that the darkest, punishable, and illegal side of bad management (corruption, fraud, aggression) is minimal, residual, and exceptional in our daily lives. Even if this is true in some contexts, there is another *soft* and subtle side of the bad management which continues to be present in the corporate world under different levels. An empirical study of the antecedents and outcomes of bad leadership found that more than one third of the sample with participants from the United States and Australia identified their supervisors as bad leaders, by evaluating behaviors like showing favoritism, whispering about employees, using an employee's idea as his or her own, or berating employees in front of coworkers (Erickson et al. 2007). Two conceptual examples of this *soft* type of bad leadership are *abusive supervision*, which is defined as "subordinates' perceptions of the extent to which supervisors engage in the sustained display of hostile verbal and nonverbal behaviors" (Tepper 2000, p. 178), and *narcissistic leadership* (Rosenthal and Pittinsky 2006), which is a leadership style that puts admiration and power before the need of others (an authentic concern and care for others and for the institutions he or she represents). These *soft* forms of bad leadership share a common feature with the other aforementioned forms: they consider the others as a means instead of an end.

From the previous text, it can be deduced that there is a lot of evidence of bad leadership and the negative impact it produces both in organizations and in people who depend on a bad leader. If, as we have seen, leadership can be classified as good and bad leadership, what are the elements that contribute to bad or good leadership? To answer this question, we divide the rest of the chapter into four sections: The Misuse of Power, the intentions of the leader, the negative learning and the revolution of motives, all of which are based on the theory of human action by Juan Antonio Pérez López (1934–1996) (Pérez López 1991, 1993). The three

first sections (the misuse of power, the intentions of the leaders and the negative learning) explain why there are so many bad leaders, while the last section offers a solution to reverse the situation.

The Misuse of Power

The nature of the dark side of human action has been a topic addressed systematically throughout the history of thought. Two clear examples are *Leviathan* (1651/1909), written by the English philosopher Thomas Hobbes (1588–1679) and *The Prince* (1515/1947) by the Italian political theorist Niccolò Machiavelli (1469–1527). However, understanding the dark side of human action is still a contemporary theoretical challenge. In the organization and management literature, there has been a recent effort to comprehend why employees, managers and organizations behave badly (Ashforth and Anand 2003; Greve et al. 2010; Kellerman 2004). According to Kellerman (2004), in both academic and business arenas, bad leaders are often defined as "power wielders". However, power is not only held by bad leaders, since, as we will see below, it is a concept that is closely linked to leadership. Leaders can use power as a means to achieve the objectives of the group (Lunenburg 2012). If power is vested in both good and bad leaders, the key is to understand the misuse of power by bad leaders.

Companies can be described as human organizations where people's actions need to be coordinated to achieve a purpose that is in everyone's interest, although such an interest is explained by different human motivations (Pérez López 1993, 2014). Human organizations can range from large corporations to small businesses, sports clubs, neighborhoods, or cities, among many other types. For a human organization to exist, it is not enough to have a group of people with a certain purpose. It requires coordination. This task is assigned to the directors, managers, or leaders of each organization, regardless of its size, its scope, or the sector in which it operates. Thus, the main aim of a leader is to use the power given by the human organization to coordinate people's actions to achieve a particular purpose.

This aim can be divided into three main tasks: the formulation or description of the results to be achieved, the communication of the tasks assigned to each participant to achieve the set objectives, and the motivation for the people involved to achieve the assigned tasks (Pérez López 1993, 2014). These tasks are always dynamic, in constant construction, and conjugated in the present continuous tense (formulating, communicating, motivating).

In this sense, the leader must be aware that there are two "living" systems, which coexist in parallel in every organization: a formal system and an informal system (Pérez López, 1993, 2014). The formal system, which has been widely researched, is constituted by the functions of each participant, the description of their roles, the hierarchy, as well as the incentives needed for each participant (Mintzberg 1979). However, there is a second "living" system known as an informal or spontaneous system, which has been less explored in the academic literature. This informal system is constituted by the spontaneous relations generated from the spontaneous actions of each participant in the organization, which affect not only the final achievement of the purpose, but also the long-term sustainability of the organization (Morand 1995).

Spontaneous actions are often treated as something accidental and anecdotal that cannot be understood scientifically. Recently, however, these informal realities have proved to be a crucial element for organizations' long-term survival. It is like the great variety of invisible microorganisms that determine the future life of rivers. If, in the rivers, the microorganisms determine the future life, in organizations, this is explained by the invisible part of human relations that always escapes the formal system, such as organizational citizenship behavior (Smith et al. 1983) or gratitude (Fehr et al. 2017). Bad leaders tend to unconsciously neglect the invisible part of human relations. Their obsession with the formal system and its effectiveness causes them to ignore the importance of the spontaneous system for the sustainability of the organizations.

As well as ignoring the importance of the spontaneous system in any organization, bad leaders tend to misuse power. Evolutionary theories of prestige (Henrich and Gil-White 2001) suggest two approaches to power and leadership: dominance (status by force) and prestige (freely conferred status through achievement). The leader gains prestige to the extent that

he or she correctly uses a given power. It is the good use of this given power that generates authority or prestige in the leader, a freely conferred status given voluntarily by others (Pérez López 1993, 2014). According to Pérez López (1993, 2014), there are at least three types of misuse of power that make bad leaders lose their prestige. The first type of misuse of power is the useless use of power, which consists of not using power when one is obliged to do so. An example would be not defending an unfair treatment of one team member by another one. Not using the given power to reverse the situation would make the leader lose his or her prestige, authority, and trust among the team members. The second type of misuse of power is the unfair use of power, which usually happens when the leader imposes useless restrictions on his or her subordinates in order to enhance his or her position. The third type of misuse of power is abuse of power, by which the leader uses his or her dominance to obtain personal benefits through others' efforts. The latter two forms of misuse of power involve the use of power by force, by the threat of force, or by selfish manipulation (Maner and Mead 2010). In this line, Ashforth (1994, 2009) describes "petty tyrants" as leaders who exercise a tyrannical style, involving an oppressive, capricious, and vindictive use of formal power that reveals the arbitrariness of the leader. In short, bad leadership appears when one of these three forms of misuse of power takes place in organizations, resulting in the leader's loss of prestige, authority, and trust between him or her and the persons whose actions need to be coordinated.

If prestige and authority are obtained through the correct use of power, what leads a leader to misuse it?

Leader's Intentions

As we have seen in the previous section, the use of a given power by a leader determines their good or bad leadership. The different behaviors that lead to one type or another of leadership are organized around an underlying construct called intention (Boyatzis 2011).

To understand intentions, it could be interesting to examine the social impact that some business decisions have had in recent years. Examples of companies such as Enron or Lehman Brothers show how their leaders

were able to sink their companies due to the mistrust they generated in investors, customers, and employees by making public the (bad) methods used to achieve the results. This mistrust occurs when, among different "value scales", effectiveness becomes the sole criterion of the company.

Effectiveness assesses members of the organization from a single point of view: achieving economic goals, which is a necessary but insufficient criterion for the sustainability of an organization in the long term. Empirical evidence has repeatedly shown us how a company that simply seeks economic profit, ignoring the human and social costs, can be unsustainable in the long term.

Along with effectiveness, it is necessary to evaluate efficiency, which is the value of the learning of the person taking a decision as a result of such interaction. It is the degree to which the interaction contributes to the skills development of the decision-maker (Pérez López 1993, 2014). When the motivation, that is the force that pushes humans to act, is only moved by extrinsic (effectiveness) and intrinsic (efficiency) results, the leader prioritizes his or her own benefit over the interests of the group, and becomes a bad manager. In this sense, bad leaders are the only ones who focus all of their attention on effectiveness and efficiency, ignoring other crucial criteria for sustainable decisions like consistency (considering others' needs).

Motivation is one of the key aspects to understand why there are so many bad leaders today. The academic literature has dealt with understanding this concept, but it is insufficient to only understand the decision-making process of a decision-maker. Along with motivation, it is necessary to understand the motives, which are the intentions that lead people to act (Deci and Ryan 1985; Grant 2007).

According to Cox and Klinger (2004, p. 124), motives are the value (intrinsic and subjective value) assigned to what people want to achieve—what motivates them—and they provide the energy or force that drives them toward a certain behavior. In the literature we found three types of potential motives including extrinsic motives, which seek to get extrinsic results (e.g. increasing economic benefits); intrinsic motives, which seek to gain intrinsic results (e.g. the learning of a particular skill); and transcendent motives, which seek to obtain external results (e.g. helping others) from each action (Batson 1987; Batson et al. 2008; Grant 2007,

2008; Grant and Gino 2010)—the latter are also known as prosocial or altruistic motives.

Intrinsic motives are related to learning, challenge, and skills development, while extrinsic motives are associated with rewards that are obtained from an external domain such as notoriety, fame, or remuneration. Gagné and St Père (2001) measured these two types of motives separately and showed that it is possible to simultaneously pursue both at work. However, these two types of motives focus exclusively on intentions aimed at achieving personal interests that move away from behaviors that protect and promote social justice and human well-being, or stop providing a service that benefits other people (Folger and Salvador 2008; Meglino and Audrey Korsgaard 2004; Perry and Hondeghem 2008; Shamir Boas Shamir 1991). Bad leaders are, precisely, those who forget to incorporate those behaviors and intentions that protect and promote human well-being and social justice. In short, bad leaders are leaders who have not considered prosocial or transcendent motives—the need to help and benefit others—in their decision-making process (Grant 2007, 2008). In contrast, good or responsible leadership consists in incorporating consistency as a criterion in each decision, where consistency is understood as the implications for others of every decision taken. In other words, responsible leadership consists in considering the implications for others in any potential alternative in a decision-making process.

For that reason, it is very important to understand the motivational structure of a leader, the weight that each actor assigns to the three aforementioned motives (extrinsic, intrinsic, and transcendent). Being aware of the motivational structure of the leaders in an organization is a positive way for organizations to detect bad leadership, as we will present in the last section. However, how is it possible to generate a motivational structure in a leader that is detached from the general interests? Can a person learn to be a bad leader?

Negative Learning

Let's continue with the example of Enron, a famous case study cited in both the best financial magazines and the most prestigious business schools. What type of organizational dynamic generated the fall of the company? In August 2001, the price of Enron's shares began to fall. Sherron Watkins, Vice President of Corporate Development, sent a letter to the company's CEO and founder, Kenneth Lay, warning him of accounting irregularities that could endanger the company (Li 2010).

The first suspicions came with the so-called Vahalla scandal. Through an anonymous complaint it was discovered that one of the commercials, Louis Borget, and other operators had manipulated and destroyed documents. In addition, Borget had deposited approximately three million dollars in personal accounts (McLean and Elkind 2013). In 1990, Borget, together with his accomplice Thomas Mastroeni, pleaded guilty to conspiracy to defraud and to file false tax returns (Fox 2003a).

Kenneth Lay was aware of the fraud. Despite this, not only did he do nothing to change the situation (*useful use of power*), but he also encouraged its operators to make the company earn more and more money (*unfair use of power*). In Borget's absence, Lay contacted Jeffrey Skilling, who applied a system that allowed him to reserve future profits, and left the door open to more manipulation. Andrew Fastow, the Chief Financial Officer, was in charge of filling the financial holes; he had an extraordinary ability which allowed them to keep stock prices high (effectiveness). At the same time, they stimulated the rest of the staff to commit similar types of fraud (Cherry 2004; Fox 2003b). This is one of the ways—socialization—in which an initial act of corruption or fraud is normalized in organizations (Ashforth and Anand 2003).

This case shows us how repeated irregularities committed by a team were the result of "learning" from activities that were "useful in deceiving" shareholders, customers, and employees. Following Pérez López (1993, 2014), this could be a clear example of "negative learning", where the leaders learn negatively, deteriorating their decision-making process and, in turn, their moral quality. These habits also influence the

leaders—whether they are aware of it or not—in regard to their way of perceiving other people.

This example also shows that the misuse of power leads people to become uninhibited (Anderson and Berdahl 2003; Galinsky et al. 2003; Keltner et al. 2003), and to act only on the basis of their own preferences and goals (Galinsky et al. 2008; Guinote 2007), ignoring the implications of their decisions for others. When leaders are only moved by effectiveness and efficiency without considering consistency (the impact on others), negative learning begins, as the result of a spontaneous motivation for purely extrinsic or intrinsic motives. This spontaneous motivation fosters and encourages spontaneous behaviors toward personal interest (Maner and Mead 2010), which ends up producing a vicious circle by which the bad leader ignores the needs of others.

The Revolution of Motives

Throughout the chapter, we have explored relevant concepts in the academic literature that can help us understand why there are good and bad leaders. Among these concepts we have seen how one of the central tasks of a leader is to coordinate people's action to improve group success (Van Vugt et al. 2008), within a formal and spontaneous system. We have seen that a bad leader uses power for a selfish purpose, which is to satisfy his or her personal desires (Keltner et al. 2003; Kipnis 1976), and we have tried to understand the motivational structure of managers (Carver and Scheier 1998; Pérez López 1993), which explains, in some sense, the way they act, and defines the motivational quality of good or bad decision-makers. Finally, we have seen the criteria that need to be considered in each decision (effectiveness, efficiency, and consistency) in order to avoid bad leadership.

As Table 7.1 summarizes, this conceptual toolbox could be useful to understand some elements that "invite" people with a given power to become good or bad leaders.

As Table 7.1 shows, it is important for leaders to take into account the coexistence of a formal system and an informal system in organizations (Pérez López 1993, 2014). Together with the description of the roles, the

Table 7.1 Bad leadership versus responsible leadership

	Bad leadership	Responsible leadership
System	Formal system	Formal and informal system
Power	Bad use of power (unfair use, no use, or useless use)	Good use of power (fair use, use when need, and useful use)
Learning	Negative learning	Positive learning
Motivation and motives	Spontaneous motivation and rational motivation by extrinsic and intrinsic motives	Rational motivation by transcendent motives
Evaluation criteria in every decision	Efficacy, efficiency	Efficacy, efficiency, consistency
Focus	Self	Others
Modus vivendi	Transactions	Relations
Others as	Employees	Persons
Person conception	Means	Ends

Source: Authors

organization chart, and the incentive policy, the leader must value the informal system that is generated from the spontaneous actions of each of the participants in the organization. These relationships range from friendship to indifference, or from gratitude to lack of respect. Bad leaders focus only on the formal system, forgetting the importance of taking care of the informal system. Good leaders are aware of the importance of the formal system, but also of the spontaneous one, allowing participants to openly show their transcendent motives toward the other members of the organization.

As we reviewed, the concept of power is closely linked to leadership, which implies achieving the purpose of a human organization. To carry out this task, the leader enjoys a given power, the use of which will determine their good or bad leadership. Bad leaders appear when the use of a given power is unfair, useless, or abusive. Responsible leaders, by contrast, emerge when the use of a given power is fair, helpful, and responsible. These different actions will generate in the leader motivational learning that can be negative or positive.

Bad leadership produces negative learning. Another example that could be useful for understanding the concept of negative learning is the owner of a souvenir shop in an exotic country. The shop owner, faced

with a lack of perception of the real price of a particular souvenir desired by the tourist, may be tempted to cheat the tourist. If the owner decides to cheat the tourist, the consequence is not only that the tourist will never return to the shop if he or she discovers that they have been cheated, but also that the shop owner will learn to cheat (Argandoña 2008; Pérez López 1991). The owner will learn negatively, deteriorating his or her own decision-making process and, in turn, his or her moral quality. If the owner repeats this type of behavior, he or she will become a bad leader. By repeating this type of behavior, the owner will become increasingly blind to other people's needs.

Finally, we reviewed the academic literature concerning the motives that lead a leader to act in a specific way. Motives can be summarized in three groups: extrinsic, intrinsic, and transcendent (Batson 1987; Batson et al. 2008; Grant 2007, 2008; Grant and Gino 2010). Transcendent motives can be understood "as the desire to bring about a certain outcome not in the agent who acts, but in the other" (Argandoña 2011, p. 79). While the first two motives focus on oneself, the transcendent motives are related to the needs of others, to the spirit of service. Bad leaders only take into account their extrinsic and intrinsic motives, ignoring the transcendent motives, and therefore ignoring the criterion of consistency in their decision making.

Thus, a revolution of motives is needed. This revolution consists of being aware of the intentions that move us when we act and of the impact that our decisions have on others. Grant (2007) defined "perceived impact" as the degree of awareness that one's actions have on others and their direct and indirect consequences. So, in order to avoid being a bad leader, it is necessary to evaluate the implications of every decision for others.

This evaluation process is what we call rational motivation, which consists in taking into account the different alternatives that every decision entails and choosing the one that has the most transcendent motive among the options with enough efficiency and effectiveness. In contrast to rational motivation, spontaneous motivation is an automatic way of making decisions based on the attractiveness and satisfaction of the extrinsic and intrinsic motives. In order to foster responsible leadership and to avoid bad leadership, it is necessary to invite leaders to reflect on

how their decisions affect others, and how incorporating a third criterion in the decision-making analysis (consistency) could be completely relevant for the sustainability of their human organizations. Therefore, a revolution of motives implies incorporating rational motivation by transcendent motives among all of the decision-makers in a human organization.

In this line, it is important to emphasize that the three types of motives—extrinsic, intrinsic, and transcendent—can be simultaneously present in any decision we make. And our call is to include transcendent motives in every decision; in other words, to reflect a priori on the possible implications that our decisions will have a posteriori for others. Each person has a motivational structure that is determined by the weight that each of us gives to each of these three motives. To break the negative learning circle that occurs when bad leaders prioritize their personal interest over the interests of the group, one has to choose from the different alternatives with enough efficiency and effectiveness, the one that contemplates a greater transcendent result. This revolution of motives requires stopping the impulse of spontaneous motivation through rational motivation by transcendent motives.

Implications

We think that our reflections in this challenging debate on why there are so many bad leaders have at least four implications: one for the leaders themselves, one for organizations, one for business schools, and one for researchers.

The first implication, for the leaders, is to think that every decision they make has an impact on the rest of the people involved. Responsible leadership consists of reflecting on the direct and indirect implications that the decisions taken using a given power have on others. This requires incorporating rational motivation by transcendent motives in each decision.

The second implication of this chapter is for organizations and it is the need *to identify the motivational structure of managers* and employees. We are never completely aware of the motives that lead us to take our daily

decisions in different realms. In a context like the corporate one, defined by the constant achievement of goals, it is *understandable* that some managers use effectiveness and efficiency as the only criteria in their decisions (Chinchilla and Grau 2013). Organizations should understand the current motivational structure of their managers and include consistency as a crucial criterion of every decision-making process, in order to avoid bad leaders and generate good ones.

The third implication is for business schools. There has been an impressive advancement in terms of how business schools teach their students to increase the effectiveness of their decisions (Pérez López 1991). They also learn this in their workplaces. However, the real challenge still concerns the consistency of each action, which means to take into account that each decision implies at least three results: the satisfaction of the interaction (extrinsic results), the learning process of the decision-maker (intrinsic results), and the learning process of the reactive agent (external results). *Business schools should clearly teach that every decision-making process implies not only the decision-makers' needs, but others' needs* as well.

Finally, the fourth implication is for scholars. We usually assume that only the quality of a tangible object can be measured (Melé 2014). It is rare to measure the quality of the relations. The quality of a country is explained by the quality of its relationships, the quality of an organization is explained by the quality of its relationships, and the quality of a family is explained by the quality of the relationships between the family members. Through new measures, empirical studies, and new theories scholars need to help to develop a new gaze (Donati 2019) toward relationality in order to fully comprehend the importance of the high-quality relationships in our lives.

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8

Why Bad Leaders? A Perspective from WICS

Robert J. Sternberg

The following are some quotes from the 2017–2020 President of the United States. In the first, he questions whether the United States should be a democracy. In the second, he advocates violence against people who oppose him. In the third, he is overtly misogynistic. In the fourth, he suggests, perhaps correctly, that if he murders someone, his supporters won't care (all quotations and situational descriptions quoted from Kurtzman 2018):

> We should just cancel the election and just give it to Trump. (Speaking at a rally in Toledo, Ohio, October 27, 2016)
>
> You know what I wanted to. I wanted to hit a couple of those speakers so hard. I would have hit them. No, no. I was going to hit them, I was all set and then I got a call from a highly respected governor. … I was gonna hit one guy in particular, a very little guy. I was gonna hit this guy so hard his

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> head would spin and he wouldn't know what the hell happened. … I was going to hit a number of those speakers so hard their heads would spin, they'd never recover. And that's what I did with a lot – that's why I still don't have certain people endorsing me: they still haven't recovered. (Reacting to the Democratic National Convention, July 29, 2016)

> I think the only card she has is the women's card. She has got nothing else going. Frankly, if Hillary Clinton were a man, I don't think she would get 5% of the vote. And the beautiful thing is women don't like her, ok? (Victory press conference, New York, April 26, 2016)

> I could stand in the middle of Fifth Avenue and shoot somebody, and I wouldn't lose any voters, okay? It's, like, incredible. (Speaking at a rally in Sioux Center, Iowa, as the audience laughed, January 23, 2016)

As of October 14, 2019, Donald Trump had made 13,435 false statements during his presidency (Kessler et al. 2019). Meanwhile, on January 3, 2020, Trump oversaw the assassination of an Iraqi military general, Qassem Soleimani (Haberman and Edmondson 2020), effectively declaring war on Iran. In a sampling of political science scholars at universities, Donald Trump was ranked dead last as the worst president in US history (Eady et al. 2018). Nevertheless, as of December 2019, his national support was at 45% (*Gallup* 2019). If the United States were the only country electing a bad leader and, in many cases, proud of it, perhaps one would assume that a single country is merely going through a period of instability, mass psychosis, or whatever. Unfortunately, that is far from the case. There are other leaders who have competed with Trump for being unusually malicious, incompetent, and, most of all, dangerous.

In the United Kingdom, Boris Johnson and his colleagues whipped up support for Brexit basically by lying about its consequences (Quinn 2019). In India, as I write, there is widespread rioting as a result of two policies of Prime Minister Narendra Modi: revocation of Kashmir's special status and his pushing of a law that hinders the right of Muslims to become citizens of India (Gettleman and Raj 2019; Hanif 2019). In Brazil, President Jair Bolsonaro has openly expressed admiration for the previous dictatorship (Reeves 2018). He is now encouraging settlement and farming in the Amazon, which is contributing to destroying the rain forest at an unprecedented level and posing a severe danger to the population of the world as deforestation increases carbon emissions (Ortiz

2019). In Hungary, Prime Minister Victor Orban has returned the country to authoritarian days not all so different from those of the country when it was under the control of the Soviet Union (Lendvai 2019). In Poland, freedom also has eroded notably under the government of the so-called Law and Justice Party (*United Nations Human Rights: Office of the High Commissioner* 2018). In Venezuela, freedoms are so eroded that the country has become an outright malevolent dictatorship (Aleem 2017). China is becoming, and in some parts like Xinjiang, has become a *1984*-like surveillance state with freedom to criticize the government extremely severely restricted (Buckley and Mozur 2019). Meanwhile, while Australia was having the worst wildfires in the history of the country, its prime minister, Scott Morrison, continued to minimize their importance and even went on vacation to Hawaii, returning only when the threat became overwhelming and the death toll climbed to levels even he considered problematical (Scott 2020). In early 2021, Senator Ted Cruz of Texas vacationed in Cancun, Mexico, while people in his state lacked electricity and, in some cases, died. He blamed his daughter.

These examples represent only a small fraction of the severe leadership failures being experienced in countries around the world, including the United States. I simply do not have space to give more of the abundant examples available. Clearly, something is very wrong, and it is global, not limited to the illiberalism of Trump in the United States, the neofascism of Nicolas Maduro in Venezuela, or the frightening attempts at total mind control in parts of China.

The world is seeing a severe erosion of democracy in many countries, spread out around the world, and not necessarily predictable on the basis of recent history (as in the case of the United States) (Levitsky and Ziblatt 2018; Mounck 2018). In 2018, *Freedom in the World*, an organization that monitors freedom around the world, noted the 13th consecutive decline in freedom worldwide (*Freedom House* 2019).

What Is Wrong?

Freedom can slide in any one random year. But 13 years in a row is a pattern. The chances of getting tails repeatedly in flipping a coin 13 times (or looking at whether democracy increases or declines worldwide 13 years

in a row) are 1 in 8192. That certainly does not sound like a random event. (Those who believe it is a random event might want to consider a special sale discount for buying the Brooklyn Bridge!) Something is wrong, but what?

Whatever is wrong is not a single problem, but an unfortunate historical conjunction of problems that, together, are leading the world toward worse and worse outcomes for democracy and for political (and other forms of) leadership.

Forgetting or Not Learning the Lessons of Two World Wars

Few people alive today lived through World War II and probably only a minuscule number lived through World War I. Those who did live through World War II were, for the most part, so young that they may remember it only as a blur. Although it is always nice to be spared bad memories, in this case, the worldwide forgetting of the lessons of the world wars is truly unfortunate. Why? Because the post–World War II generation learned through direct personal and often painful experience of the dangers of unscrupulous populist leaders who claimed to represent the "true" people of a country. Hitler supposedly represented the "true" Aryan Germans, Hirohito the "true" Japanese, and so forth. The result is the horror of the genocide that has become known as the Holocaust. Although that genocide possesses unique features, genocides continue, as in present-day Myanmar against the Rohingya (*Human Rights Watch* 2020). But forgetting the lessons of the world wars is not the only problem.

The Internet, in General

When I was young, if one wanted to learn the news, one's options were somewhat limited. One could tune in to nightly news on ABC with Howard K. Smith, or on NBC with Chet Huntley and David Brinkley, or on CBS with Walter Cronkite. The styles of the newscasters differed somewhat, but they all carried roughly the same information and the

same message. Newspapers had different slants in their editorial pages but the news they reported was, more or less, the same.

The news the networks reported may not have been correct: Governments lied then as they did today. As it turned out, much of what we were told by the government then about the Vietnam War was not true, much as what we have been told about the war in Afghanistan has not been true (Whitlock 2019). Governments lied then; they lie now. What has changed is the extent to which those responsible for communicating the news willfully and shamefully lie.

If you read the websites for Fox and CNN, you will get not only very different editorial voices, but different facts. The reporting of Fox News closely resembles that of the government and of Donald Trump, who, as noted earlier, is a serial liar. It appears that Trump sometimes gets his lines from Fox and at other times, Fox gets its lines from Trump. But lately, Fox has occasionally departed from the Trump program, resulting in Trump bitterly criticizing it as a source of news (Rupar 2019). If Fox were to disappear, however, any of a number of other ideologically motivated sources of news, such as the Sinclair Group on the right or Raw Story on the left, would keep the polarization going that has afflicted the United States.

The Internet presents news so fast and furiously, and with so much emotion, that people often can no longer distinguish truth from falsehood. Many of them do not seem to care, preferring ideological commitment to critical thinking. The appalling support of evangelicals for Trump, who has lived a life as far removed from Christian principles almost as one can live, shows that, in the end, ideology trumps not only critical thinking, but also religious doctrine, or the pretense of it. There are exceptions, such as an editorial in *Christianity Today* pointing out what almost everyone knows—that Trump is about as far from a Christian as one possibly can be. There is nothing in the Bible about separating immigrant families or detaining children in cages. The editorial showed the lack of Christianity in Trump's governance (Galli 2019) but not only do many white evangelicals seem not to care; nearly 200 leaders of the Christian evangelical movement signed a statement supporting Trump and bitterly criticizing the editorial (Stracqualursi 2019).

The lies and the abhorrent treatment of migrants do not seem to bother the evangelical Trump supporters, although Jesus was himself a migrant (Cornell 2014). Or if these facts are bothersome, it is not at a level that would lead them to sacrifice far-right conservative judges on the various US courts who, they hope, will overturn rights to abortion, gay marriage, and other elements of the supposedly liberal agenda. Of course, questionable adherence to religious precepts occurs in all religions. The Prime Minister of Israel has sought immunity from prosecution (Lieberman and Tal 2020), with at least the hope that ultrareligious parties will support him.

Social Media, in Particular

Wherever the Internet reaches, individuals or groups can reach audiences throughout the world without worrying about reviewers, editors, and moderators. In past times, accusations that someone was a witch (as in Salem, Massachusetts) or that someone was a Communist (as in the early 1950s by US Senator Joseph McCarthy) diffused slowly. Word-of-mouth accusations of witchcraft spread fairly quickly locally, but usually did not penetrate over a widespread area. McCarthy had available to him newspapers, radio, and television, but editors first had to agree to publish the accusations. In contrast, social media spread information very quickly. The good thing about such a diffusion rate is that someone with a good new idea who lives in an obscure place that few people know about can reach a large audience rapidly. The bad thing is that if that same individual has a bad idea, this too can reach a large audience quickly.

On the one hand, traditional outlets for communicating new ideas—books, newspapers, magazines, journals, and the like—have been useful because they filtered out bad, inconsequential, or repetitive ideas. On the other hand, they also sometimes have filtered out ideas simply because those ideas were novel or contrary to vested interests. Today, ideas that are not ready for prime time spread quickly and are then picked up by others, often unthinkingly. And some of the ideas are plain bad.

Unfortunately, people who are conventionally intelligent, or believe that they are, often also believe they could not possibly be foolish (Aczel 2019; Aczel et al. 2015; Sternberg 2004, 2018b) or propose foolish ideas.

As a result, they become susceptible to acting even more foolishly than others do who are not as intelligent, or who believe they are not.

Political leaders and other leaders have taken to using social media to spread their messages. Through extremely selective targeting of messages based on information people have made available about themselves through websites, the leaders are able to target their messages with precision. These leaders also realize that emotion and ideology are much more potent forces than is critical thinking. The result has been a general and fairly severe dumbing down of the messages from leaders and of the body politic (Lanier 2018). The level of critical thinking in both leaders and followers has thus reached levels perhaps lower than those that have been seen in contemporary times.

Unfortunately, falsehoods and negative posts of all kinds tend to spread faster on social media than do the truth and positive posts (Vosoughi et al. 2018). Gosoughi and colleagues found that false reports spread more quickly than did true reports. Whereas the top 1% of false news reports reached between 1000 and 1,000,000 people, true reports usually did not reach even 1000 people. To the leader whose main goal is to stay in power, the rewards come not with speaking truth, but rather with emphasizing falsehoods or emotionally arousing stories rather than factually balanced ones.

The dark side of creativity is at least as relevant to politics as are the other cognitive and personality characteristics behavioral scientists study (Runco 2017, 2018). In politics, the dark side of creativity has been fully expressed, as history teaches us. Social media amplify the infiltration rate in society. Because social media lack any kind of meaningful filter, social media have degenerated into an "anything-goes" basis for political and other forms of communication. Not only is there no meaningful filtration of misleading, false, or inflammatory statements; such statements garner more attention and diffusion.

Surveillance

Modern techniques of surveillance are making it increasingly easy for bad leaders to dominate the populations they purport to lead. Orwell's (1950) *1984*, mentioned earlier, was regrettably prophetic of modern times.

Rudolph Giuliani, President Trump's personal attorney, stated: "Truth isn't truth" (Giuliani 2018). This statement followed Trump's senior counsellor Kellyanne Conway's assertion of January 22, 2017, of "alternative facts." It is hard to be more Orwellian than that.

To make sure that citizens accept the preferred "facts" (whether or not they truly are facts), governments in recent years have used far more sophisticated techniques of surveillance than have been possible in the past. The main ones are via the Internet, where through social media and clicks on various websites, people reveal far more about themselves than they realize. But China has taken surveillance to new heights, and other countries may soon follow suit, whether with cameras, inspections, surveillance of the Internet, spies embedded in opposition groups, or whatever. The increased means of surveillance make bad leaders' jobs easier, and citizens' jobs of ensuring honest and transparent government much harder.

Discouragement of Potentially Good Leaders

When one looks at candidates for political (and other kinds of) leadership, one may be taken aback by their obvious flaws. Sometimes I have found myself asking "Is this really the best we can do?"

A problem many societies now face is that the rewards for leadership are diminished. Except in the corporate, IT, and health sectors, salaries are often not particularly high, especially given the responsibility the jobs entail. The Internet has made it extremely difficult to hide or even obscure any negative information about one's background. Moreover, Internet trolls, often having little or nothing positive to contribute to society, try to build themselves up by tearing others down. Whereas at one time, such behavior might have been recognized as the last refuge of those with nothing to offer who are desperate for attention, today's culture seems to reward such trolling, including by the current President of the United States (at the time this essay was written), who sets a particularly and even uniquely toxic role model (*Time* 2017).

Not only is trolling worse than at any previous point in our lifetimes, but the costs of doing the right thing are also greater. When people are

trolled on the Internet, those who would agree with the targets of trolling are often afraid to say anything for fear that they themselves will then be trolled. So, victims often find it hard to find support as others want to keep their heads down to prevent themselves from suffering the same fate. Such a poisonous culture makes it difficult for many people to want to subject themselves and their families to the harsh treatment they are likely to receive if they even seek out positions of leadership. To take an extreme example, Donald Trump has spent a major portion of his presidency trying to hide information about his past, tying up the information in numerous court battles. How many people have the resilience, or the funds, whether earned or, as in his case, largely inherited, to support anything close to such an endeavor?

Toxic Leadership as a Contagion

A related problem is that toxic leaders tend to choose as associates and staff members others who are either toxic themselves or who are obsequious and will cater to whoever is in power in order to advance themselves. The result is that those in training tend themselves to be either toxic or obsequious.

Worse, toxic behavior is contagious. People often choose toxic leaders when they feel that the kinds of leaders they have had before have been ineffectual, have not looked out for their interests, or have served groups other than their own (cf. Lipman-Blumen 2006). These were the kinds of conditions that led to the election of Donald Trump, but also other toxic, incompetent leaders, such as Hugo Chavez and his hand-picked successor, Nicolas Maduro, and Victor Orban, Jair Bolsonaro, and Boris Johnson among many others. When leaders see that being toxic leads to electoral success—no need for ugly coup d'états anymore—they imitate the behavior that led to the election of other leaders, and soon, more and more toxic leaders appear.

The likelihood of election of toxic leaders has increased because (a) immigration, legal and illegal, as well as increased attention to minority rights; (b) decreasing proportional population of majorities; and (c) staggering income inequality between the "haves" and the "have-nots" have

led some members of dominant groups to want to elect someone who will assert what they believe are their rights. Unfortunately, the result has been chaos, as these leaders may be good at appealing to the raw emotions of their followers, but rarely appeal to those who do not follow them and indeed gain their followers by antagonizing members of other groups.

What Makes for Bad Leadership?

I have proposed a model for leadership—Wisdom–Intelligence–Creativity Synthesized (WICS) (Sternberg 2003, 2007, 2008)—according to which leadership can be understood in terms of a synthesis of skills. In particular, leaders need creativity to generate new ideas; analytical intelligence to ascertain whether the ideas are good ones; practical intelligence, or common sense, to translate the ideas into action and to persuade followers of the value of the ideas; and wisdom to ensure that the ideas help to achieve some kind of common good, over the long-term as well as the short-term, through the infusion of positive ethical values.

The WICS model operates through stories of leadership (Sternberg 2008). Some of these stories are generally positive, such as "the communicator," the leader who frequently communicates effectively with diverse followers; other stories are generally negative, such as the "warrior chieftain," the leader who will lead followers to fight, defensively or offensively, real or imagined enemies, whether seen or unseen. Sometimes, a nation might need a warrior chieftain, such as George Washington. But too often, warrior chieftains spend their time creating enemies, who they then spend resources fighting off. And sometimes those enemies are not only imagined, but internal—people who should be embraced rather than viewed as enemies. Donald Trump's war on immigrants of various kinds is a case in point. The danger of a warrior chieftain is that, if there is not an obvious war to fight, they will instigate one.

There are many different theories of bad leadership (e.g., Kellerman 2004; Lipman-Blumen 2006). In this chapter, I present the WICS theory and how it applies to bad leadership.

Creativity

The first element of WICS, in terms of leadership, is creativity. Leaders need to be creative to come up with new ideas, especially when the ideas that have been around for some time have been failing. The failure of Scott Morrison, Prime Minister of Australia, to deal adequately with the effects of climate change (Fuller and Kwai 2020) is a rather astonishing example of lack of creativity in a leader. In the face of fires that, as of January 3, 2020, have burned more than 12 million acres, Morrison does not yet seem to realize that the same old is just not enough (Gunia 2020).

Creativity is hard to put into practice, first, because it requires a leader who wants to think in new ways, and second, because the reaction of many people to creative ideas is, at least initially, to reject them. In particular, creativity involves defiance of three elements: the crowd, oneself, and the Zeitgeist (Sternberg 2018a).

Defying the crowd entails generating ideas that are not currently favored by others and that are likely to be looked at, initially at least, as unsuitable or even harmful. It is hard to defy the crowd, as a leader, because the crowd may put a leader into office, but may also put the leader out of it.

Defying oneself, for a leader, typically is even harder than it is for other people, because it requires the leader either to admit that they have been wrong or to hope that followers will not notice the change in position—something that is typically unlikely. Opposition leaders are likely to point out that one is inconsistent and thus cannot be trusted.

Defying oneself, especially in politics, is not always creative. More often, it is a matter of political expediency, as in the case of the numerous "never-Trumpers" who, after Trump was elected, competed to show who could be most servile to him. This phenomenon, of course, is not limited to politicians or to people in the United States. After Hitler was elected, many of those who opposed him also accommodated to him, with disastrous results. The question with regard to defying oneself, therefore, is whether one does so creatively—in coming up with a new way of looking at things—or simply to join the crowd, in which case defying oneself is not creative at all.

Defying the Zeitgeist requires questioning assumptions that one often does not even know one has. In the United States, for example, the culture is extremely individualistic and any policy proposal that smacks of "socialism," such as governmental health plans, or even seeking a common good, is often instinctively questioned, without any real reflection or inquiry into whether the idea is a good one. Government-sponsored health plans work in other countries but are seen by many conservatives and some others as "un-American." Another aspect of the Zeitgeist in the United States is the capitalist economic system, and proposals that question the value of capitalism are often rejected. Defying the Zeitgeist often requires courage, a characteristic that is not necessarily common in political and other leaders. I say it "often" requires courage because populists typically defy the Zeitgeist not out of creativity or to be courageous, but rather to appeal to people's base instincts. The current genocide in Myanmar appears to be a contemporary example of such defiance (Beech and Nang 2019), as is the action of the ultranationalist government in India to make it difficult for Muslims to gain Indian citizenship (Gettleman and Raj 2019).

Intelligence

The theory of successful intelligence posits that intelligence comprises four aspects: creative intelligence, analytical intelligence, practical intelligence, and wisdom (Sternberg 2020). Creative intelligence is part of creativity, which is considered in the preceding section, and wisdom is considered separately in the next section, so I will consider here the two other aspects, analytical and practical intelligence.

Analytical Intelligence Analytical intelligence involves one's skills in analyzing, critiquing, judging, comparing and contrasting, and evaluating. It is a crucial ingredient of critical thinking. It is also important for successful leadership (see review in Northouse 2019). If there is one thing that has *not* been notable in leaders, at least political ones, it is critical thinking. Donald Trump ordered the assassination of the top general without any apparent consideration of its possible and, indeed, likely consequences (Toosi et al. 2020). Unfortunately, his lack of critical think-

ing is matched by the utter obsequiousness of many senators who support him, so it is not clear that there is any good way of avoiding a series of tit-for-tats and, possibly, outright war.

Practical Intelligence Practical intelligence, or common sense, is the use of one's skills to adapt to, shape, or select environments. It is largely based on tacit knowledge, or what one needs to know in order to make things work in the world, that one is not explicitly told and that often is not even verbalized (Sternberg in press; Sternberg et al. 2000). A leader who has been notable for practical intelligence has been Angela Merkel, Chancellor of Germany, although some would argue that her handling of migration issues represented a lapse and has resulted in her soon having to step down. That said, she started her chancellorship in 2005, and it is rare for a leader of a truly democratic country to last 15 years in power. Leaders who remain in power that long, such as Vladimir Putin, generally manage to do so by rigging elections.

Common sense has always been uncommon, but today it seems less common than at any point in many of our lifetimes. Why? I believe all the aforementioned reasons apply. But I also believe there is another reason. The standardized tests many countries, including the United States, use to measure achievement do not measure common sense. They measure knowledge and an academic, abstract analytical aspect of intelligence. As a result, test-takers are placed in a societal funnel that rewards abstract analytical thinking but not the kind of practical thinking that is needed for leadership. Multiple-choice tests may select for people who can solve relatively well-structured problems that converge on a single solution. They do not select well for people who have the common sense to deal with relatively ill-structured problems that present themselves to leaders (Sternberg 1997).

Wisdom

Wisdom is the use of one's knowledge and skills to achieve a common good, by balancing one's own with others' and with higher order

interests, over the long as well as the short term, through the infusion of positive ethical values (Sternberg 2019a). Historically, there have been some notable examples of wise leaders: in politics, Winston Churchill, Nelson Mandela, George Washington, Abraham Lincoln, and perhaps Franklin Roosevelt; and outside of politics, Martin Luther King and, among the young, Greta Thunberg.

Why are so many leaders of today lacking in wisdom—not to mention creativity and common sense as well? Some of the reasons have been mentioned earlier, such as the rise of the Internet. But another reason is increased tribalism, where leaders seek not the common good, but only the good of the tribe with which they self-identify (Packer 2018). The divisive politics of Narenda Modi, Donald Trump, Boris Johnson, Jair Bolsonaro, and other populist leaders illustrate the trend. The leaders have gone tribal, not even pretending to favor groups other than their own. If this is the future of leadership, then the world is in trouble indeed.

Conclusion

Leadership today is in a period of crisis. In many instances, it shows a lack of wisdom, intelligence, and creativity, at least in comparison with leadership of the immediate post–World War II era. People seem, at best, to have forgotten the lessons of the world wars and, at worst, never to have learned them in the first place. The Internet, social media, and the rise of populism have qualitatively changed the nature and quality of leadership we are seeing in the world.

There are other reasons for the sad predicament we are in. Chamorro-Premuzic (2019) has suggested, for example, that our situation with regard to bad leadership stems in part from our having too many male leaders. According to Chamorro-Premuzic, males are more likely than females, on average, to show some of the worst leadership characteristics, such as (a) extreme overconfidence, which is disguised as competence; (b) narcissism; (c) psychopathy; and (d) charisma. I agree with this analysis. But the traits themselves are not the problem, unfortunate though they may be. Rather, the problem is what they lead to—leader behavior that is not only unwise (i.e., foolish), but often toxic (Sternberg 2019a, b). That

is, these people are uninterested in, and perhaps because of their psychological dispositions incapable of seeking, a common good. They are not balancers—that is, they are not balancing their interests with other people's interests and larger interests. They are looking out only for themselves. They are seeking to advance only their own interests, trying as hard as they can to give the impression that they actually are looking out for the interests of their followers, or at least those followers whom they view as loyal to them. Their intelligence and creativity are directed not toward improving any common lot, but toward improving their own. Their psychological traits make them good at fooling people, but ultimately, it is their toxic behavior, not their traits, that destroys their leadership.

The problem with leadership today, though, is not just with leaders but also with followers. If one observes some of the political rallies currently being held in the United States and elsewhere, one can hardly help but be frightened. The rallies look too much like those Adolph Hitler held in Nazi Germany. Today's leaders of those rallies may be better, but by how much and for how long? They may never reach Hitler's level of toxicity, but danger to society starts at a much lower level of toxicity. Some followers do not seem to care if they are narcissistic, psychopathic, or whatever. Worse, in many cases, the followers claim to be highly religious, but they seem instead to be longing for and focusing on an authoritarian, faux-religious leader who will tell them what to think and what to do.

In an era of fascism, or at least pre-fascism, we see more and more people falling prey to a way of thinking we might have thought the world had left behind. It is a sort of hive mentality, where people engage in mass groupthink (Janis 1972) rather than thinking for themselves. One is too much reminded of the fictional Borg in the Star Trek franchise, who utterly lacked independent thought and sought only to conquer and absorb others to their way of thinking, willingly or not.

Things well may change for the better, but the way things are looking, it is only through utter disasters that some people will come to their senses. Oddly, even the record-setting fires in Australia seem to have little altered the thinking of the Prime Minister, although fortunately, they seem to have altered the thinking of at least a large share of the population. If we wait too long, it may be too late. We can all do better. Will we?

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Part IV

People: Followers

9

What Explains the Quality of Today's Leaders?

Warren Blank

Introduction

I apply the leader label to those who have willing followers. From this definition, I ask the question "why do people voluntarily follow another?" and offer three interrelated points to explain the quality of today's leaders (i.e., why there are so many bad ones):

1. Leader quality depends on follower support and perspective. Leaders are certainly responsible for their actions. Yet, leaders can only have impact when they gain the support of a critical mass of committed followers. From the willing followers' perspective, the quality of *their* leaders is positive. Non-followers can perceive the quality of *the same leaders* as negative. Followers make the leader.
2. Leader quality depends on acceptance of influence tactics used on non-followers. Followers give some leaders positions of formal authority (i.e., make them "boss"). Some bosses resort to command, control,

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and even coercive tactics (i.e., "worst boss" behaviors) to influence non-followers, which has negative effects. Worst-type bosses can exist because they retain the support of a critical mass of willing followers. Followers enable worst-boss behavior towards non-followers.

3. Leader quality depends on followers' assessment and selection process. Followers typically assess leaders' credibility based more on internal, subjective reference points than on external, objective ones. Followers face risk and uncertainty when selecting leaders so they often default to using mental shortcuts that can be unconsciously, cognitively biased and irrational. As a result, followers support leaders they perceive as worthy while a more objective, rational analysis would evaluate leaders differently.

I suggest a typology, leaders can be "the good, the bad, and the ugly," to describe how these three points taken together illustrate the kinds of leaders we have today.

Leader Quality Depends on Follower Support and Perspective

> Those who think they are leading and have no one following are only taking a walk. (Malawian proverb, see *Quotescover* 2020)

Most leader definitions focus on what leaders "ought" to be (e.g., noble, honest, and visionary) rather than what leaders are and what makes the leader role unique. I propose that a person becomes and is a leader *because* others *willingly follow.* The committed support of followers is the one common factor that leaders in all contexts and across all scales have (Blank 1995). Leaders' actions do not occur in a silo. They must be understood as an interaction with followers. Whether the quality of leaders' actions and impact is perceived as honorable or shameful, appropriate or questionable, positive or negative, and even lawful or illegal, depends upon the perspective of their followers. Some people follow leaders whom others perceive as ignoble, untruthful, and lacking vision. Consider how followers colluded to cover up the illegal deeds done by executives at

Toyota, Enron, and Volkswagen (Chung 2015), and by the administration in the Watergate scandal (Bernstein and Woodward 1974). Recognize that corporate boards frequently protect, even coddle, and give a free pass to leaders who sexually harass employees (Wickre 2017). Leaders are and can only be a reflection of the perspectives of their willing followers. Follower support makes the leader. As Benjamin Disraeli noted, "I must follow the people. Am I not their leader?" (Disraeli 2020).

Leaders have impact only when they attract a *"critical mass" of followers* (CMF). The CMF is what counts because leaders need "enough" and/or "key" followers to implement their strategies or establish their policies (Blank and Brown 2011). *Enough* means a sufficient number of followers (e.g., the most votes to get selected or elected). The *key* followers are the essential decision makers in a group. Just one person could be the essential follower, or it could be a select few. Imagine you could gain the willing support of a company CEO or the members of a corporate board. This would essentially enable you to have impact upon an entire organization. A combination of enough key followers is required to be elected President of the United States (i.e., the electoral college). A CMF gives leaders power or the capacity to influence others. Therefore, a leader could have impact even when behaving in ways non-followers perceive as inappropriate as long as the leader maintains the support of a CMF.

Leader Quality Depends on Acceptance of Influence Tactics Used on Non-followers

> Power is neither good nor evil. It just is. It's what people do with power that matters. (*The traitor prince* by C. J. Redwine, see *Book Dragon Lair* 2018)

Follower motivation to support leaders is based on "influence beyond authority" (Katz and Kahn 1978). I call this "person power," influence that creates follower commitment which comes from two sources. It "tunes in" to followers' frequency of "WII-FM" (What's In It For Me) to meet needs (e.g., provide jobs), support interests (e.g., increase profits), and reinforce core values (e.g., home-based products first or pro- versus

anti-gun legislation). Person power also creates a follower–leader relationship based on rapport (i.e., compatibility, commonality) and trust.

In contrast, a "person in charge," the "boss," has "position power" established by formal authority. When someone says "Follow orders!" what they actually mean is "Obey." Being the person in charge does not make someone a leader; willing followers do. However, being put in charge *begins* with gaining willing followers. When a corporate board selects a CEO, or organizational members promote a person into a managerial role, or people vote for a candidate, their decision essentially means "we want to follow you."

People who do *not* select, promote, or elect a person may *not be* or *ever become* willing followers. Commitment cannot be commanded. Followership is voluntary. No one has to *willingly* follow another. However, a person in charge can demand compliance from subordinates. Compliant subordinates may accept the person in charge's formal authority and work diligently to support an organization's goals. However, some persons in charge over-rely on compliance-based influence. Such persons in charge often bark commands such as "do what you are supposed to do," to fulfill an organization's "prescribed path" (i.e., established strategy, goals, and plans) and to carry out existing organizational processes (i.e., rules, regulations, policies, and procedures). They adopt a "what I say goes because I'm in charge" influence posture. This limits the person in charge's capacity to gain the commitment of non-followers while existing followers often welcome this approach because the leader's path and behaviors meet their needs.

Excessive use of compliance-based influence creates a "go along, get along" response in subordinates. It deadens their engagement (i.e., an emotional attachment to the job, colleagues, and the organization) and destroys a sense of ownership for positive results. Unbridled use of compliance-based influence also appears to be fairly commonplace in today's organizations. Consider Gallup's *State of the global workplace* report that indicates 85% of employees are *not engaged* or are *actively disengaged* at work (*Gallup* 2017). Disengaged employees' performance is much lower compared to those who are engaged. Gallup's database shows business units in the top quartile of engagement, compared to the bottom, score 10% higher in customer metrics, have 17% higher

productivity, 20% higher sales, and 21% higher profitability. Organizations at the top of engagement achieve four times more earnings per share growth than their competitors (Harter 2019). Low levels of engagement and its impact on performance should be an obvious indicator of a deficient leader. Yet, the Gallup data reinforce how followers "make" the leader because persons in charge who overuse compliance-based influence can *only* remain in power if they retain a CMF. Similarly, when politicians discount citizen groups who are their non-followers, they alienate them and demolish the participative nature of the democratic process. This causes voters to feel estranged or disaffected from the system that is supposed to represent them (Glasberg 2011). Yet, on average, from 1964 to 2018, 90% of the U.S. House of Representatives members are reelected and 80% of U.S. Senators are reelected (*Center for Responsive Politics* 2020). Followers make the leader. People reelect those whom they perceive as meeting their needs and as trustworthy.

Heavy reliance on compliance to "carry out orders" related to established plans and processes becomes even more problematic when change occurs. No organization can create a foolproof, prescribed path that covers every contingency or establish failsafe systems to effectively guide behavior for every possibility. At any moment, unexpected obstacles can arise that block established paths and create a mismatch with existing processes. Valuable opportunities can emerge that are not addressed by parts of prescribed plans and cannot be explored based on current processes. These situations are what I label the "leadership arena," circumstances that create the "need to lead" (Blank 2006). In these situations, people cannot rely on "this is what the plan or established requirements indicate we're supposed to do" to achieve success. When people in such situations don't know what to do on their own, they look to others to be led. They want someone they trust to step up and offer a "non-prescribed path" that provides an adjustment to or abandonment of an existing path or creates a new path that matches their WII-FM.

However, authority-based power persons in charge frequently do not engage non-followers to create mutually satisfying non-prescribed solutions in the face of change. Instead, they become "worst bosses" who resort to coercive influence tactics. The person in charge forces, manipulates, and even bullies non-followers to submit to what he or she demands.

The person in charge threatens, adopts a "my way or the highway" approach, and embraces Machiavelli's perspective: "the ends always justify the means, no matter how cruel." Power-abusive persons in charge create fear in subordinates and disdain, anger, and disgust in voters. Such persons in charge can do this as long as a person in charge (e.g., senior management, a corporate board, or absolutely loyal voter "base") continues to willingly support the persons in charge. Non-followers recoil when a CMF continues to support the tactics of such persons in charge. Lord Acton's insight rings true for non-followers under these conditions: "absolute power corrupts absolutely" (*Acton Institute* 2020).

The decision process followers use to select leaders often results in choosing poor quality leaders.

Leader Quality Depends on Followers' Assessment and Selection Process

> Magic mirror in my hand, who is the fairest in the land? (from *Snow White,* see *Novum Experience* 2020)

The world is as we are. We understand our outer world based on our internal frame of reference or our "self-referential" points of awareness. We use our self-referential perspective to make decisions that we believe are "credible," "believable," "appropriate," "right." Looking in a mirror illustrates how "self-referential credibility assessments" guide action. We look in a mirror to self-refer, "refer back," to our physical appearance. We compare our image with our reference points of how we want to look. We either accept our mirror image because we believe it matches our desired reference points, or we make adjustments until we decide that "this look works for me now" or "this is the best I can do now."

In the same manner, followers refer back to their inner frame of reference when deciding whether or not to support a leader. They use their self-referential credibility assessments to evaluate if a leader's path matches their WII-FM, is practical, and to determine whether they believe a leader is trustworthy. Followers' overall self-referential credibility assessments

result in either willing followers (i.e., a good leader), support for a time and then withdrawal of commitment (i.e., a bad leader), or a non-follower response even though others do follow (i.e., an ugly leader).

Self-referential credibility assessments can be made from reference points based on objective, observable, measurable, "hard" information. For example, followers can evaluate factual details about a leader's path, and can use objective data to assess the leader's credentials, experience, expertise, and previous results. Consistent and uniform use of hard reference points would be expected to result in followers making rational, logical decisions. Leader quality could then be clearly assessed and agreed upon across the board as competent, appropriate, and noble or inept, unsuitable, and dishonorable. Yet, that is not the reality. Follower self-referential credibility assessments are also made based on subjective, "soft" reference points formed by expectations, beliefs, and attitudes.

Furthermore, subjective self-referential credibility assessments often *override* objective ones which result in irrational and faulty choices and flawed action. For example, say these words out loud:

Once
upon a
a time

If you said "once upon a time," you missed the observable second "a" (read the words again more carefully). Given that you have probably seen or heard the "once upon…" phrase many times, your *subjective expectation* caused you to miss the second "a." We often perceive what we expect to perceive not what is objectively there.

In addition, people override verifiable information by ignoring or discounting it based on *subjective beliefs*. For example, according to NASA (Milman and Harvey 2019), there is a greater than 95% probability that the increase in global warming in the past 60 years is the result of human activity. Yet, percentages of respondents from Indonesia (18%), Saudi Arabia (16%), and the United States (13%) indicate they believe human activity is *not at all* responsible for global warming (Milman and Harvey 2019). Some even deride global warming as a hoax or socialist scam.

Subjective attitudes also impact how people view their world and make choices. Consider attitudes about women as leaders. Women make up approximately 50% of the human population. Yet, as of 2019, less than 10% of companies from over 40 countries have women CEOs (Hora 2019). Furthermore, since 1964, the number of U.S. women voters has exceeded the number of male voters. Yet, as of 2019, the U.S. House of Representatives has only 23% women and the U.S. Senate has 25% women (*Pew Research Center* 2019). Leaving male voters aside, if U.S. women alone had different attitudes about women as leaders, they could control every level of government.

Subjective self-referential credibility assessments often dominate followers' choices. How else can we explain a politician who made over 15,000 objectively verifiable false or misleading statements during the first three years in office (i.e., almost 15 per day), never admitted to any of them, and still maintained a strong voter approval rating throughout that time (Mindock 2019). Risk and uncertainty skew followers to rely more on subjective than on objective reference points.

As described previously, people do not need to be led when they know what to do. They look to leaders to chart *non-prescribed* courses of action because they do *not* know how to respond in the leadership arena. They cannot rely on "This is what the plan indicates" because change, ambiguity, and unanticipated events invalidate the established path's utility. Followers frequently default to subjective reference points when they make the voluntary decision to support a leader because today's context is fraught with high levels of risk and uncertainty.

By definition, risk-based decisions mean all possible actions and their outcomes and probabilities can be identified, anticipated, and calculated with a degree of control. Risk involves "known unknowns" (e.g., the probability of a 7 when rolling dice). Today's intensive time demands make decisions under risk difficult for followers. They lack the luxury to calculate and consider all knowable possibilities. "Hurry up" competitive demands and the general fast pace of life demand immediate action. Consider that, in 1961 when the Berlin Wall went up, President John Kennedy did not even issue a comment for ten days (O'Brien 2005). Followers expect today's senior executives and top government officials to respond almost immediately to issues much less weighty. Consider that

78% of CEOs indicate they only have a 90-day window to prove themselves (Sachs 2019). This drives them to place primary focus on short-term tactical wins to demonstrate the necessary credibility to gain/maintain their CMF, that is, shareholders, employees, and customers who, likewise, are impatient to get good results (Sachs 2019). This short-term attention span negatively impacts followers' capacity to make rational decisions that result in sustainable progress.

Uncertainty in the leadership arena creates a deeper layer of difficulty for followers. Uncertainty means future events are not known and cannot be well measured. Meaningful probabilities cannot be assigned with confidence. Control is minimized because there are "unknown unknowns." Today's world creates complex, unwieldy uncertainties that often seem unmanageable and ungovernable. Environments are less and less tractable today because of the multiple, competing demands of the global competitive landscape. Customers and voters represent evermore diverse interest group needs. Markets are highly volatile, and environmental conditions are often extreme and unpredictable (e.g., earthquakes, floods, hurricanes).

The context of heavy time demands and restricted control capacity also impacts followers' cognitive clarity. The never-ending flood of data from the 24/7 news cycle and the demand to be "always on" create stress that debilitates rational thinking. Research indicates that stress actually increases the size of the amygdala, the brain's emotional response center, which increases moodiness and results in less mental clarity. Stress also causes the prefrontal cortex, the brain's cognitive functioning center, to shrink, which negatively impacts memory, attention, and executive decision-making ability that are necessary for rational choice making (Thorpe 2019).

Today's risky, uncertain context causes followers to rely more on subjective reference points (expectations, beliefs, and attitudes) and use mental shortcuts, or "heuristics" to make choices. Heuristics are only partly rational and often subject to "bounded rationality" (Simon 1957): alternatives that "satisfice" (i.e., satisfy and suffice or are "good enough"). Heuristics are designed to meet minimum requirements and not guaranteed to yield optimal conclusions. These thinking shortcuts are practical in some cases and can render useful results. For example, people might

automatically vote for a somewhat unknown candidate from their political party rather than do a deep analysis of the candidate's background and ideas. They would rely on the mental shortcut "vote with the party," because, overall, the party platform fulfills at least most of their basic interests, and they believe and expect the candidate will support those interests.

Heuristics become problematic when they result in choices that do not even allow for the recognition of alternatives. This is known as "cognitive bias": the systematic pattern of deviation from logic, calculation, and probability that results in suboptimal, irrational decisions (Ariely 2008). Cognitive bias causes followers to support leaders who, from an objective perspective, may not seem worthy. Follower choices stray further from rational analysis because most people do not believe they are prone to the warping impact of cognitive bias on their choices (Korteling et al. 2018). Over 100 cognitive biases have been identified (White 2018). Five that illustrate how followers make irrational self-referential credibility assessments about leaders are described here.

Confirmation Bias

Followers filter information to match existing beliefs and to confirm information that is already known and/or discount information that does not confirm what is already known. Voters demonstrate this bias when they pay more attention to news channels that confirm their political ideology. A 2019 study revealed 53% of Fox News viewers are Republicans while only 17% of MSNBC viewers are Republicans. In contrast, 62% of MSNBC viewers are Democrats and only 23% of Fox News viewers are Democrats (Wilson 2019). It is no wonder that just 29% of Fox News viewers supported the 2019–20 presidential impeachment and removal process compared to 70% who watch MSNBC (Murray 2019). Confirmation bias limits followers taking a rational approach to seek and carefully consider multiple points of view and to challenge their existing perspective with objective, verifiable information. They make poor choices about whom to follow.

Spurious Causality Bias

Followers associate or recognizes patterns that may be accidental or not causally connected (Tversky and Kahneman 1983). For example, research shows that 58% of Fortune 500 CEOs are 6′ or taller while only 14.5% of all U.S. men are that tall (Gladwell 2007). And 30% of CEOs are 6′2″ or taller compared with only 3.9% of men in the general U.S. population (Gladwell 2007). Height may have been an advantageous factor in hunter-gatherer times when being tall signaled being stronger, more fit, and more able to survive in physically demanding situations. However, choosing to follow someone because of their height is not a rational decision choice.

Illusion of Control Bias

Followers overestimate the degree to which someone has control over situations (Langer 1975). For example, consider the reactions of some in the United States to changes in their economic stability (e.g., loss of jobs) and social status (e.g., equality is perceived as a threat). It is easy for followers to embrace a leader's simplistic solution that blames these challenges on the "evils" of "foreign" businesses and immigration. It takes a careful, comprehensively measured, rational analysis to consider the realities of these changes over the long and the short term, on the "big picture" and focused action level, and to calculate and integrate the increasing impact of global competition, technological advances, and shifting demographics.

Anchoring Bias

Followers depend too much on an initial piece of information (the anchor) to make a decision, whether or not it is relevant. Once an anchor is set, all future information is considered based on that anchor (Furnham and Boo 2011). For example, people might refuse to follow someone or continue to follow someone based on initially given information even

when the information is later revealed as objectively false. Investors believed in and followed Bernie Madoff for years because his initial financial results were so positive.

Availability Bias

Followers focus on limited amounts of information that can be easily accessed and ignore less consistent but larger amounts of data (Kahneman and Tversky 1973). For example, a corporate board decides to support a manager's plan to enter a new market based on the knowledge of a key competitor's sales success in that market. The board does not explore multiple other more complex reports about market entry challenges based on local licensing and franchising needs and customer preferences, and so on.

These cognitive biases can occur simultaneously. For example, people continuously listen to political news and business reports that confirm what people already believe (confirmation bias), indicate a person's experience in one area automatically translates into competence in another (spurious causality), indicate a politician or business head has matters "well in hand" based on catchy slogans and simple assertions of capacity (illusion of control bias), repeat an initial piece of information as "truth" despite its validity or relevance (anchoring bias), and promote one or two simple ideas from a candidate rather than seek out the person's full agenda (availability bias).

Leaders Can Be "the Good, *and* the Bad, *and* the Ugly"

> No man is good enough to govern another man, without other's consent. (Abraham Lincoln 1854)

Cognitive bias can cause followers to support leaders who perform poorly (i.e., do not meet standard, objective measures—stock price, profit, market share) or who behave inappropriately (i.e., violate obvious

ethical/moral standards—malfeasance, sexual harassment, coercion). Followers often do not recognize the irrationality of their choices because their support and perspective are based on subjective assessment and selection reference points. I suggest a topology of leaders that integrates how these factors explain the quality of today's leaders: "the Good, the Bad, or the Ugly." Everyone has experience with these three categories. The "good": think of a person you voted for in an election and then you *voted for the person again*. For YOU, this person is a "good leader" *because* you continued to offer your willing followership. The "bad": recall someone you initially followed (you were a willing follower), yet after a period of time, you chose *to no longer follow*. For YOU, this is a "bad leader." CEOs or managers who are fired or people who are not reelected are examples of "bad leaders" for their initial willing followers. And think of individuals whom you do not follow yet who *do* have the support of a CMF of others. These are the "ugly" leaders for YOU. Ugly leaders are typically derided by non-followers as autocratic, dictatorial, incompetent, untrustworthy, and "con artists" who swindle their willing followers. Non-followers often cannot understand the support given to ugly leaders. Those whose initial support is withdrawn from bad leaders also often feel violated by such leaders.

The good, bad, and ugly categories reinforce that leaders are a mirror of their CMF, and the importance and responsibility followers have for leader quality. Kerry Sulkowicz, managing principal, Boswell Group LLC, noted: "When boards fire a CEO, they need to take a look at their own failure. They're always complicit in the failure of CEOs because they hired them" (Sahadi 2019). Similarly, voters are responsible for the candidates they put into office.

Four scenarios can illustrate the interaction of these categories and their relation to leader quality. Assume a CMF selects, promotes, or elects person "X" (i.e., X *becomes* a leader) and X also has formal authority (i.e., is a person in charge). Their CMF's assessment and decision process are often subjective and unconsciously, cognitively biased because of their risky and uncertain context. Yet the CMF feel positive about their choice (they have a "good" leader).

Scenario 1: X leads with generally positive interpersonal skills along the prescribed purpose and path and achieves expected results. The CMF

continue their enthusiastic support of X (a good leader for them). Most subordinates, who are not overt willing followers, are "positive compliants." This means they accept X's prescribed purpose/path because it matches their WII-FM, and they have a "comfortable" although not committed relationship with X (i.e., X is an acceptable boss). Some subordinates may be less than compliant and even overt non-followers (e.g., disgruntled employees and/or those who dislike X) which makes X an ugly leader for them.

Scenario 2: X's direction along the prescribed purpose/path does *not* achieve desired performance levels. X's behavior violates relationships and/or X resorts to command-and-demand influence tactics with subordinates. Some of the CMF abandon X (now a "bad" leader for them). Some subordinates become only minimally compliant, and the non-follower group grows. Yet, there is still a CMF who support and retain X as the person in charge based on the CMF subjective reference points and a lack of awareness of how cognitive bias impacted their choice.

Scenario 3: A problem occurs or opportunity arises that requires X to initiate non-prescribed action. Some of the CMF *disagree* with X's actions. They become non-followers or part of the compliant or minimally compliant subordinates. X resorts to coercive influence on them to force them to accept X's non-prescribed action path. They become disengaged, which results in further performance lapses. Yet, a CMF *continues* to support X as a person in charge based again on the CMF subjective reference points and being unaware of their cognitive bias.

Scenario 4: X loses the support of a CMF because of poor performance results or personal behavior that is no longer acceptable. The CMF adopt different reference points and revise their selection process to embrace rational measures and standards. X is typically fired (i.e., no longer a leader or person in charge) or not reelected.

In every scenario, the degree of X's impact *depends upon* followers' support/perspective, acceptance of worst-boss influence tactics, and subjective assessment/selection decision processes.

Conclusion

I believe there are evil, crazy, and stupid people in the world who create many kinds of difficulties. Some become leaders who have impact because they gain the willing support of a CMF, which illustrates the subjective, cognitively biased process followers use to assess and choose leaders. Leader quality is in the eyes of the beholder: good, bad, or ugly. An emphasis on more objective, rational approaches could enhance leader quality. A starting place to make that transition could be for everyone to consider "who do you follow and why?"

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10

Failure in Leadership: The Deeper Psychosocial Currents

Jack Denfeld Wood and Han Liu

Introduction

A poem written in the midst of the cataclysm of World War I, "The Second Coming" by William Butler Yeats, hints at an answer to the vexing question posed by this book: why so many bad leaders today?

> "The Second Coming"
>
> Turning and turning in the widening gyre
> The falcon cannot hear the falconer;
> Things fall apart; the centre cannot hold;

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> Mere anarchy is loosed upon the world,
> The blood-dimmed tide is loosed, and everywhere
> The ceremony of innocence is drowned;
> The best lack all conviction, while the worst
> Are full of passionate intensity.
>
> Surely some revelation is at hand;
> Surely the Second Coming is at hand.
> The Second Coming! Hardly are those words out
> When a vast image out of *Spiritus Mundi*
> Troubles my sight: somewhere in sands of the desert
> A shape with lion body and head of a man,
> A gaze blank and pitiless as the sun,
> Is moving its slow thighs, while all about it
> Reel shadows of the indignant desert birds.
> The darkness drops again; but now I know
> That twenty centuries of stony sleep
> Were vexed to nightmare by a rocking cradle,
> And what rough beast, its hour come round at last,
> Slouches towards Bethlehem to be born? (Yeats 1916/1976, p. 108)

Failure in leadership brought about World War I, the war to end all wars. It didn't turn out that way. World War I was just a warm-up for yet another century of human suffering. Humanity periodically finds itself shocked and shaken by violent convulsions. Something destroys our secure and easy comfort. It might be plague. It might be war. It might be corporate greed and dissolution. Whatever the source, some force awakens populations and frightens us into selecting and following bad leaders to destruction. Only later, when the dust settles, does the mirror of history confront us with our complicity in another primitive exercise of leadership.

All human groups require leadership. Because humans possess both "good" and "bad" traits, and because fundamental human nature hasn't changed in millennia, the nature of "good" and "bad" leadership remain timeless and universal. Bad leadership is "built in". It's part of us. Whether taking the terrible form of Yeats' invisible *Spiritus Mundi* or the enchanting form of the Pied Piper's music, demonic forces periodically awaken, terrify, or seduce us to follow and lead us deep into the darkness. How

does this keep happening? How do we let it happen? Can we even stop it? Approaching these questions is important, basic, and elusive.

Leadership evolved from an instinctual survival imperative to protect humans from anxiety-arousing threats. Because the leader–follower bond traffics in shared anxiety, bad leadership exists because humans continue to respond to anxiety in irrational ways. By irrational we don't mean "crazy"; by irrational we mean not readily accessible to conscious, logical reasoning (Wood 1999). Groups select leaders to serve as conduits for their emotions and as "objects" to act out followers' irrationality. Leaders then collude with followers to take over and manage their distress. So while the potential for bad leadership resides in all of us, bad leaders take initiative and "act it out". An essential element of leadership is to contain and work with emotions, that is, to metabolize a group's anxiety constructively. *Integral* leaders build that capacity in themselves and in their followers. *Shadow* and *dark* leaders exploit that anxiety while covertly employing amoral, immoral, and even evil means to retain personal power and privilege. This keeps happening because people remain unaware of leadership's deeper psychosocial mechanisms. Our chapter examines the instinctual mechanisms overlooked in most cognitive attempts to understand bad leadership.

Putting Leadership Under a Social "Systems Psychodynamics" Lens

> [Mankind] is by nature a political animal. … A social instinct is implanted in all. … For [a human], when perfected, is the best of animals, but, when separated from law and justice … is the most unholy and the most savage of animals. (Aristotle 328BCE/1979, pp. 8–9)

Bad leadership is embedded in human nature. Leaders embody the deeper psychological state of their followers, and vice versa. The mentality of leaders and followers is congruent and symbiotic. The basic *dis-ease* of leadership is an archaic, reciprocal, and unconscious tie of authority and obedience – of dominance and submission. Anxious individuals readily lead. Followers dependently attach to those leaders for protection

and reassurance from their own inexplicable anxiety. Irrationally anxious and disturbed groups recruit irrationally anxious and disturbed leaders; fascist followers select fascist leaders; angry, hateful followers select angry, hateful leaders; greedy corrupt billionaires bankroll greedy corrupt politicians.

A "systems psychodynamics" lens exposes the unconscious sources of bad leadership. Systems psychodynamics is an early interdisciplinary marriage between "open systems theory" and talented psychoanalytically oriented practitioners affiliated with London's Tavistock Clinic and Institute. It has never received wide acceptance from academia, partly because it draws on early psychoanalytic insights that have fallen out of intellectual fashion, but also because—for most groups—self-awareness is problematic. Facing the darker side of human nature disturbs one's self-image and is subversive to established cultural narratives. The Tavistock researchers were not armchair theorists, however, but active practitioners working clinically with individuals and groups in various military and civilian organizations. They sought to integrate their experience and education. Wilfred Bion, for example, had experienced the irrational horror of World War I as a British army tank commander before attending university, medical school, and psychoanalytic training. He and his colleagues elaborated a psychological understanding of seemingly inexplicable social and political phenomena: Why does humanity continue to destroy itself? What forces compel us to elevate not just "bad" leaders but "mad" leaders generation after generation?

Our principal proposition is this: We're *social* animals and so the human psyche is built for *group* survival. Group survival is an instinctual, primal imperative. Leadership therefore rests on the primitive, largely unconscious, foundation of group survival. Failure in leadership is universal because the same instinctual patterns occur across all cultures and all times. To the extent that a group—both leadership and membership—acts wisely from an *awareness* of these archaic phenomena will the leadership be *integral*, that is, effective and moral. Conversely, to the extent that a group is unaware of, or cynically manipulates, these instinctual phenomena will leadership reveal its *ineffectual*, immoral *dark*, or amoral *shadow* face (see Wood et al., Chap. 3 in this volume).

Systems psychodynamics terminology—"splitting and projection", "projective identification", "object relations", and so on (Gould et al. 2001/2018)—may sound fanciful and obscure, but the process is relatively simple and works like this: We humans are incredibly binary. We think in polarities—good and bad, left and right, male and female, yang and yin, yes and no, strong and weak, winners and losers, angels and demons, predator and prey, approach and avoidance, and so on. Just like the split black-and-white feminine roles of "evil stepmother" and "fairy godmother" found in fairy tales, and the split masculine roles of "bad-guy gunslinger" and "good-guy sheriff" found in Hollywood Westerns, we instinctively divide roles in our families (Mum and Dad), in our work groups (leaders and followers), and in our organizations (management and workers)—usually with one role carrying predominantly positive associations (ours) and the other role carrying predominantly negative ones (theirs). This divisive dynamic operates on various systemic levels of analysis, for example, intrapsychic, intragroup, intergroup.

Intrapsychic If we're honest most of us can admit that we're a mixture of positive and negative features—we have our assets and liabilities, our strengths and weaknesses, our angels and demons. That we possess both angels and demons is not the problem. The problem arises when our angels and demons possess us. The moment we identify only with our angels—the things we like to imagine about ourselves—is the moment we lose contact with and become possessed by our potentially demonic *shadow* (Jung 1917/1990). Dwelling on our demons is unpleasant, however, so we push them away. We suppress our "bad" from conscious awareness, that is, we *repress* it into the *shadow* of our "personal unconscious": the potentially knowable layer just above the deeper "collective unconscious" of universal instinctual archetypal forms, images, and behavioral patterns (Jung 1927/1987, p. 151). Repression appears to protect us from the conscious confrontation with our now subliminal *shadow* attributes. That doesn't make them disappear, however, but simply removes them from consciousness where they are now free to stir up mischief by being attributed (projected) onto others—other persons, groups, races, religions, or nationalities. We divide what we come to believe are our virtues and vices, disown those we dislike, repress those we

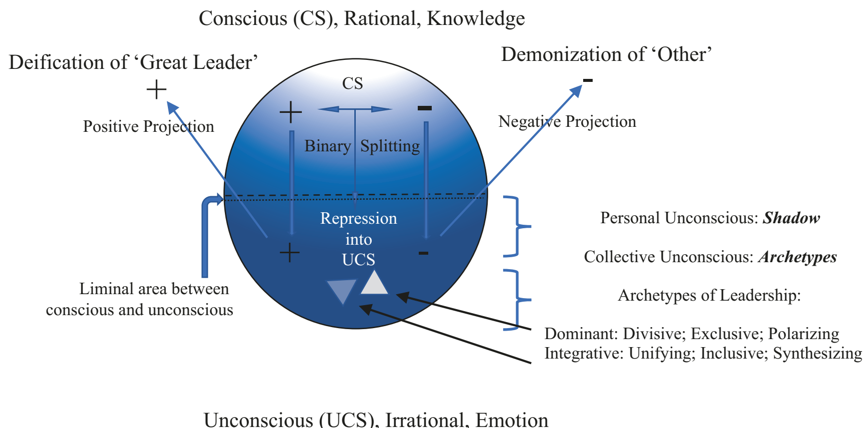

Fig. 10.1 The psychodynamic process of splitting and projection. (Source: Authors)

disown, and project them onto others. This is the process of *splitting and projection* (see Fig. 10.1). This repression—this "split"—also includes positive attributes that for one reason or another we prefer to see in others, not ourselves. Much of what sustains leadership are the attributions of the followers' "better" selves. Followers, like celebrity audiences, attribute their own positive attributes (talent, courage, intelligence, ability to initiate action, charisma) to the leaders with whom they identify. Leadership theorists commonly believe "charismatic leadership" is an individual trait, but that's a mirage. Charismatic leadership is a *social* phenomenon, not an individual trait; it's suffused and sustained by the emotional projections of followers. Watch films of the collective hysteria surrounding Adolf Hitler at his Nürnberg rallies. The charisma originates in and is sustained by follower emotions.

Intragroup The same psychodynamic pattern of splitting and projection operates *within* groups. In the archetypal group, the family, these split roles often arise between two sons or two daughters, one of whom becomes the "bad one" (the black sheep or scapegoat) and the other becomes the "good

one". Because it's a universal archetypal pattern, you find it elaborated in fairy tales and myths: Cain and Abel, Gilgamesh and Enkidu, Esau and Jacob—the list goes on and on. These archetypal splits are still evident in today's organizational settings.

In the British navy, for example, the two senior officers on a warship are *formally* allocated to two different hierarchical roles that informally (i.e., unconsciously) garner emotionally loaded projections. It's been observed that sailors tend to experience the First Officer as an unbearably strict, unyielding, and rigid disciplinarian, whereas the Captain is experienced as the benevolent, brave, wise, and protective commander they psychologically need to feel secure. Subsequently, when First Officers take over command of their own ships, they find themselves in the role of the wise and benevolent Captain. The *experience* of those roles by both the officers and the complement of sailors is determined less by the formal job descriptions or personal traits of the officers than by the sociopsychological imperative of the group of sailors: their need to manage their psychic distress. The existential anxiety and fear of death associated with their mission mobilize the unconscious attributions of the crew (Jaques 1953).

Intergroup In the naval example above, the good and bad within the ship are initially split between Captain and First Officer, but the *really* evil attributes are reserved for an external "enemy". We and our group become virtuous; they and their group become evil. Ronald Reagan called the Soviet Union the Evil Empire. Ayatollah Khomeini called the United States the Great Satan. George W. Bush called Iran, Iraq, and North Korea the Axis of Evil. Donald Trump has called Barack Obama, Hillary Clinton, the Democratic Party, civil servants, governmental agencies, decorated veterans, and the major news media all corrupt liars and losers. The angry chants at Trump's rallies always place the criminality and evil in others. Psychological splitting creates tension. When the tension cannot be contained within a group, conflict erupts, and good and bad are split again, with the bad projected outside "our" group. "Traitors" are expelled. Outgroups are demonized.

All in-group/out-group phenomena (nationalism, ethnocentrism, parochialism, racism, religious fundamentalism, paternalism, male sexism, radical feminism, etc.) express the same psychosocial pattern of *splitting and projection*. This splitting mechanism constrains and distorts the comprehension of reality, preventing leaders and followers from relating to others reasonably and compassionately. The pattern was identified millennia ago. The ancient Biblical admonition—to remove the log from one's own eye before criticizing someone else for the speck in their eye—is one example. Another is the Chinese admonition "Sweep the snow from your own doorstep instead of nitpicking others for the frost on their roof"[1] (Chen 1492, p. 49). The more binary the thinking, the more regressive it is. The more polarized and infantile a group's engagement with itself and the outside world, the more archaic, primitive and dysfunctional is its leadership.

The Instinctual Dis-Ease of Leadership: Collusion, Anxiety, Authority, and Structure

> This [instinctual obedience to authority] is a fatal flaw nature has designed into us, and which in the long run gives our species only a modest chance for survival. (Milgram 1974, p. 188)

Our social structures are built upon the emotional foundations of authority and obedience, and so leadership rests ambivalently on an unconscious and disturbing psycho-social dialectic of conflict and cooperation, destruction and creation. *Collusion* normally means a conscious but secret agreement with dishonest intent. Psychologically, however, collusion means an *unconscious* pattern of mutual influence, where leaders and followers unknowingly provoke one another into behaving in a manner that covertly serves some darker purpose. Because the essence of leadership is more an emotional than a rational process, collusion functions to manage a system's emotional disequilibrium. Since followers want to be liberated from their distress, they project savior properties onto leaders. This represents a "religious" function of leadership: our leader will save us. Collusion occurs when leaders internalize follower distress,

amplify it, and export it back to the followers. Pathological collusion occurs with emotional escalation, that is, when groups load leaders up with their distress so that they don't have to carry it, and overloaded leaders in turn amplify that irrational emotional distress and redirect aggression against a hapless external enemy. Leaders who adopt follower projections act out their desires and are therefore *authorized* to lead. Those who resist adopting follower projections are eventually *de-authorized* from leadership. Collusion needn't bring about bad leadership, however, *if* leaders and followers are able to work effectively with the newly unearthed emotional material (Petriglieri and Wood 2003). A shared awareness of the processes of collusion is helpful for *effective* and *moral* leadership—for leader, follower, and social system(s). If left unaware of unconscious material, however, leader and follower collude, anxiety and fear increase, and the leadership becomes destructive.

Anxiety and Fear The unconscious emotional collusion in leadership builds imaginary worlds. But these imaginary worlds yield real-world outcomes. Take vision. A powerful leader who effectively communicates a delusional vision unleashes devastating consequences. The global communication evolution of misinformation and disinformation and the pervasiveness of internet propaganda infuse toxicity into social systems and seal them closed to rational leadership. Divisive propaganda occurs everywhere bad leadership is found, even in "democracies". Rupert Murdoch's Fox News empire misrepresents events to increase followers' ignorance and anxiety. This ensures an authoritarian leadership's amoral or immoral grip on power and control. The warnings have been with us all along.

The mission of The Ministry of Truth in George Orwell's 1949 dystopian classic *1984* (Orwell 1949/1962) was to propagate lies and disinformation. One of its principal slogans was "IGNORANCE IS STRENGTH". Drawing on propaganda patterns, Orwell exposed the psychological fusion of follower, leader, and enemy in his description of a "Two Minutes Hate" ritual—a kind of mandatory and scripted political rally where the group is required to sit before a giant TV screen, first with an image of their external enemy, then with the image of their exalted leader:

> [T]he figure of a Eurasian soldier who seemed to be advancing, huge and terrible, his submachine gun roaring … the hostile figure melted into the face of Big Brother … full of power and mysterious calm. … The little sandy-haired woman had flung herself forward over the back of the chair in front of her. With a tremulous murmur that sounded like "My Savior!" she extended her arms toward the screen. Then she buried her face in her hands. It was apparent that she was uttering a prayer. (Orwell 1949/1962, p. 17)

Orwell's haunting, 70-year-old passage reveals the same underlying binary emotional phenomenon of "splitting and projection" found in political rallies—whether in Nürnberg, Panmunjom, or Philadelphia—that draws upon instinctual anxiety and transforms it into fear and hatred toward the "other" object/group. For followers, the bargain is an enchanted reassurance and joyous liberation from anxiety, fear, and personal responsibility in exchange for a devout obedience to the deified leader/messiah.

Leadership regulates the invisible emotional economy within social systems. It serves as a conduit through which emotions are channeled back and forth among followers and leaders. One cannot grasp bad leadership—specifically ineffective and immoral leadership—without acknowledging the centrality of emotions, especially anxiety and fear. Because we live in groups and all groups need leadership, we are all susceptible to collective anxiety and psychic infection. Bion (1961) believed that the existential anxiety of death provoked in all human systems an unconscious reciprocal interdependency between leader and follower. Humans create social structures—organizations and institutions—in part to mediate this collective anxiety (Menzies 1960).

Anxiety is generally felt as an ambiguous and undifferentiated kind of fear. *Fear*, on the other hand, is normally associated with something specific—a fear of heights, of open spaces, of strangers, and so on. The most economical way of managing anxiety is a mechanism that externalizes a group's internal distress: the social system unearths a leader who mobilizes and transforms the anxiety into fear and directs aggression against dehumanized outside "objects". Groups then coalesce around the leader with reassuring symbols that elicit congruent subliminal (unconscious)

emotional affiliations: logos, flags, anthems, religious icons, an uplifting if profoundly dishonest national narrative—all positive associations—which redirect negative aggression onto out-groups. Anxiety is then no longer inexplicable. Followers no longer wrestle morally within themselves. The anxiety has been transformed into aggression against a clear enemy located and identified by the leader.

People may *consciously* want leaders who have the same values and beliefs as they do, but they are *unconsciously* drawn to leaders—and leaders to followers—who share their most archaic, instinctual, emotional desires and psychic disorders. Bion observed that groups tend to select as leaders those who are *the most psychologically disturbed*. Anxious or disturbed individuals readily take on leadership. While organizing, controlling, and structuring the social system around them, they are in reality attempting to manage their own and their followers' pathology. Anxious followers dependently identify with their anxious leaders. Followers attribute—surrender—their own anxiety, ambitions, talents, responsibility, and psychological integrity and put themselves in the hands of a glorified leader. This deification is a primitive phantasy, and facts not in accord with the basic assumptions of leader infallibility are denied (Bion 1961, pp. 119–122). We *identify* with our leaders because they have the same mentalities that we do. Their similarity reassures us. We see our own self-image reflected in them.

If coping with anxiety through identification with one's leader is a magical attempt to ward off death and oblivion, the unfortunate result is psychic contamination and the fusion of leader and follower within a shared delusional framework. Orwell's primitive rally ritual exposes this unconscious dynamic. The crowd shares and amplifies the leader's attacks against imaginary enemies. Fictitious threats are elaborated, and demonized enemies excoriated. If the pathology is lethal enough, the imaginary enemies become real ones, war erupts, and an illusory struggle transforms into a real fight to survive. It's completely irrational, and the larger the group, wrote Jung, the more irrational it becomes:

> If it is a very large group, the collective psyche will be more like the psyche of an animal, which is the reason why the ethical attitude of large organizations is always doubtful. The psychology of a large crowd inevitably sinks

> to the level of mob psychology (Le Bon, The Crowd). If, therefore, I have a so-called collective experience as a member of a group, it takes place on a lower level of consciousness than if I had the experience by myself alone … a proposal backed by the whole crowd, and we too are all for it, even if the proposal is immoral. In the crowd one feels no responsibility, but also no fear. (Jung 1939/1990, pp. 125–126)

Authority and Social Structure The glue that holds a group together is the emotional link fusing anxiety and conformity to the instinctual leadership archetype of dominance and submission. If one closely observes social life, one can infer an emotional field of archaic and largely unconscious mutual attributions (projections) in which people involuntarily externalize their repressed *shadow* onto others, who in turn either defend themselves against those attributions and counterattack, or internalize (introject) those attributions and feel and behave accordingly. When the police officer stops your car, or the President pounds on the table and criticizes you publicly at a meeting, you feel as if you've done something wrong, like a child, even if you haven't. Those anxious feelings are not rational. But those feelings *are* very real. And their origins are instinctual and unconscious.

The leadership default, so to speak, is collective psychic regression to authoritarian social structures. Authoritarian structures rest on archaic foundations of authority and obedience, of dominance (from the Latin: *dominus*, meaning "lord and master") and submission. *All* of our institutions are built on hierarchies of authority and obedience—our families, churches, schools, and organizations are fundamentally authoritarian structures. Many in the West mistakenly believe that we live in democracies. We don't. Voting every few years doesn't give us much control over our daily lives or our ultimate destinies. *Dark* leaders are democratically elected. We pass our time in what are essentially a series of interlocking feudal cultural subsystems in which leadership defaults to the archetype of authority and obedience. It's no coincidence that the original sin in the Biblical garden of Eden was *disobedience to the Father* in the autonomous human pursuit of the *knowledge of good and evil*.

The "bad news" is that living within a shared delusional system "absorbs energies of the group which might have [more productively] been devoted to the external realities of group security" (Bion 1961, p. 121). With no valid reality check, facts are eclipsed by opinion, logic by emotion, reason by passion, *integral leadership* by a carefully orchestrated leadership image that veils a darkening *shadow*. Disinformation passes as facts. Opinion passes as knowledge. Conformity is experienced as freedom from personal responsibility. Groups irrationally follow their leaders to destruction because immediate emotional relief from transferring one's distress via a leader onto an external object overpowers any independent rational appraisal of reality. Thoughtfulness is clearly too inconvenient for many people, because thinking is more difficult than simplistic answers that followers demand and *shadow* and *dark* leaders readily supply.

The "good news", if there is any, is that the immorality of *shadow* and *dark leadership* carries the seeds of its own destruction. Human systems possess an inherent balancing mechanism, and sooner or later immoral leadership activates a corrective movement in the opposite direction. The increasing social disorder and destruction emanating from immoral leadership triggers inevitable disenchantment with, and demonization of, the leaders themselves. The dialectical cycle describing the rise and fall of empires rests on the same psychodynamic leadership forces as political, religious, corporate, and secular cults do that swell, explode, and disintegrate.

Because the instinctual nature of leadership is essentially emotional and irrational, even the appeal of moral and effective leaders is emotional and irrational. All leaders who rouse whole nations to action are addressing the deeper psychic and emotional needs of themselves and of their followers: Emperor Caligula no less than Marcus Aurelius; Hitler no less than Churchill; Donald Trump no less than Jack Kennedy.

Evil Is Built into Leadership

> The [leadership] dilemma posed by the conflict between conscience and authority inheres in the very nature of society and would be with us even if Nazi Germany had never existed. (Milgram 1974, p. 179)

While human failures are ultimately failures in leadership, people virtually always attribute these failures to a lack of knowledge or intelligence: if only we'd *known* that this particular leader would emerge, if only we'd *known* more about the causes, meticulously assembled more *facts*, been more *aware* of ideological conflict, been more *conscious* of the dangers of ethnocentrism, we would have been able to prevent the disasters into which we keep stumbling. Rational analysis alone has never worked; highly intelligent people select leaders who facilitate extraordinarily evil ends.

This chapter has explored the kinds of social systems psychodynamics mechanisms that allow us, within the same train of thought, to relieve ourselves of responsibility, self-justify our behavior, and rationalize our complicity in malevolent leadership. The reason for so much *shadow* and *dark leadership* is that seeing in others our own shortcomings and blaming them is in our nature: followers and leaders unwittingly keep bad leadership going. It continues because we remain individually and collectively unaware of, and therefore unable to alter, the instinctual leadership archetype driven by the archaic emotional pattern of dominance and submission.

One of the authors of this chapter received the following quotation from his daughter following her visit to the holocaust museum in Berlin, Germany, where she was pursuing postgraduate studies. It's taken from a letter written by Austrian police secretary Walter Mattner to his wife, dated 5 October 1941. Mattner was relating to his wife, who was at home with her two infants, his experience during a recent incident:

> I have something else to tell you. I was actually involved in the great mass killing the day before yesterday. In dealing with the first truckloads, my hand shook slightly when I fired, but you get used to it. When the tenth load arrived, I was already aiming steadily, and I fired consistently at the many women, children, and babies. I reminded myself that I have two babies of my own at home, and that these hordes would do the same to them, if not ten times worse. We gave them a nice, quick death. (…) Babies flew through the air in a wide arc, and we picked them off in flight, before they fell into the pit and into the water.

Mattner reasoned that his act was humane and better than what the innocent civilian men, women, children, and infants would have done to his own babies had they had the opportunity. This glimpse into his mentality shows what happens when followers' psychological structure is congruent with that of their leaders. Followers then authorize their leaders and subsequently conform obediently to collectively sanctioned behavior that is essentially evil. What to do?

Understanding and improving the exercise of leadership is the concern of this book. An array of professional areas—political scientists, sociologists, psychologists, management academics—address the same underlying human reality in their particular voice and idiom. Historians see through the lens of "great" individual leaders and sweeping historical events: World War II, we are told, was because of Hitler. Political scientists see through institutional lenses: the Allies demanded unconditional surrender and reparations from the Germans following World War I, leaving them desperate. The causes of the holocaust have been variously attributed to the peculiarities of German history, cultural envy, ideological fanaticism, or the rise of nineteenth-century European nationalism. As helpful as peering through different historical, political, and economic lenses can be in alerting us to malevolent leadership, awareness and knowledge are not enough to prevent it.

While the opportunity exists to share and integrate different lenses, Milgram's gloomy prognosis for the species, "only a modest chance for survival" (1974, p. 188), finds support even in academic squabbling. The archaic, authority/obedience structures of our institutions and the binary and polarizing psychosocial "splitting" patterns we've elaborated in this chapter occur even among the scholarly professions, with different academic camps extolling their own optics and arguing and bitterly disparaging those of their presumed rivals. Even the theme of this book—"Why so many bad leaders?"—arguably rests on an unconscious binary assumption on the part of the contributors that the category of "bad leaders" does not include *us*; that is, that *they* (the people we write about) are the bad leaders. We're unaware we're part of the problem. And that fundamental problem is psycho-social.

The history of psychoanalysis itself makes it all too clear that a cognitive and theoretical awareness of these psychic mechanisms nevertheless

leaves one vulnerable to them. The discovery of unconscious processes is routinely attributed to Freud but they were first identified by his predecessors and also elaborated by gifted contemporaries (Ellenberger 1970). The well-documented split of Freud's most talented followers rather nicely illustrates the binary nature of "systems psychodynamics" processes and the inherent "dis-ease" of leadership. For the past century, Carl Jung, Alfred Adler, Otto Rank, and others have been *personae non gratae* among orthodox Freudian analysts. Although ostensibly expelled for theoretical differences, their departure was arguably a manifestation of unconscious and irrational systemic emotional undercurrents, like envy, jealousy, and archetypal fantasies of sibling rivalry and rebellion against 'the father' within the early psychoanalytic movement, including Freud's feeling that his *authority* was threatened (Jung 1961/1973, pp. 181–182).

At the end of his life, Jung offered a reflection on the nature of evil and on one's personal responsibility:

> Therefore the individual who wishes to have an answer to the problem of evil, as it is posed today, has need, first and foremost, of self-knowledge, that is, the utmost possible knowledge of [one's] own wholeness. [One] must know relentlessly how much good [one] can do, and what crimes [one] is capable of, and must beware of regarding the one as real and the other as illusion. Both are elements within [one's] nature, and both are bound to come to light in [oneself], should [one] wish – as [one] ought – to live without self-deception or self-delusion. (Jung 1961/1973, p. 330)

We delude ourselves when we pretend that bad leadership is a characteristic of an individual leader, or that we need only to submit leadership to a conscious, rational, logical analysis, that is, that we can reason and assemble facts and rationally direct our social enterprises and educational institutions without working with and integrating the unconscious, irrational, emotional *shadow* origins of our own behavior. *Integral* leadership, that is, leadership that is both *moral* and *effective*, cannot be learned in a classroom, or from lectures, or from YouTube TED Talks. Without sustained psychological training to integrate knowledge with a personal and visceral awareness of the irrational emotional sources of leadership, and above all the collective self-discipline to navigate this irrationality and

move beyond unconscious polarization (Wood and Petriglieri 2005), leadership will continue to fall prey to humanity's own worst nature.

When individuals try to understand and reflect on unconscious dynamics, they develop their sense of agency, and can work more effectively with the projective and collusive processes to develop good instead of bad leadership. Nelson Mandela refused to act out the country's anger and blame. He understood the real problem was anxiety, fear, and projected aggression from all sides. Instead of escalating and retaliating within the polarization, Mandela built unity. This *integral leadership* requires psychological awareness, acceptance of human nature, and action: to develop the capacity to submerge oneself in a system's irrationality without being captured and immobilized by it, and to then surface with a deeper understanding and a resolve to exercise leadership responsibly for the greater good. Good leadership is the ongoing *practice* of developing the personal capacity to accept and work with one's own and others' irrationality, to differentiate moral from immoral authority, and to take personal responsibility to act morally, not from instinctual obedience to authority but from psychological self-awareness and situational awareness of the nature and consequences of human behavior—within and between individuals, groups, organizations, and nation-states.

Note

1. Author's (Han Liu) translation. Original: "自家扫取门前雪，莫管他人屋上霜".

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11

Bad Followers Create Bad Leaders

George R. Goethals

The character Captain Ahab in Herman Melville's (1851) classic American novel *Moby-Dick* is in many ways an impressive, even exemplary leader. He was undoubtedly effective in gaining the allegiance of his crew. He convinced them that they were capable of making real his quest to hunt the white whale to his death, and he persuaded them that their joint mission was a noble one. Yet, he led himself and his entire crew—save one—to their deaths. To some extent, several of the specific aspects of Ahab's leadership that we would critique reflect his personal characteristics. We might, for example, note Ahab being blinded so much by resentment that he overlooks the ethical imperative of taking care of his followers. But we also have to confront the fact that his followers lacked the combination of wit and courage that would have enabled them to stop him, one way or another. For example, we could fault the crew for being so easily hoodwinked by Ahab. But the leader–follower dynamic Melville describes

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is very common. It's easy for skilled leaders to persuade followers that they are embarked on a moral quest, and that they are a valued part of something great. So followers are at fault, but it's hard to blame them, since being taken in is completely understandable in terms of the way human leader-follower relationships seem to have evolved (Heifetz 1994; van Vugt 2006).

We might also criticize the one member of the crew who realizes fully the folly of Ahab's quest, the first mate, Starbuck. He knows that diverting the expedition to chase one whale doesn't make sense. But Starbuck is unable to do what he knows needs to be done to stop Ahab and his madness. He simply lacks the personal power or the power to persuade others. So neither the crew as a whole, who adopt Ahab's quest as their own, nor the first mate, who doesn't know how to resist, can deter their captain. In a wonderful passage, Melville, writing from the viewpoint of the book's narrator Ishmael, ponders the meaning of Ahab being captain of a crew of "mongrel renegades, and castaways, and cannibals" who are "morally enfeebled … by the incompetence of [Starbuck's] mere unaided virtue" (Melville 1851, p. 251). But surely Melville hints that he himself would yield to such a leader without the capacity of one well-placed follower to resist effectively. Starbuck is found wanting as that effective follower, but Melville signals that there are in fact few such individuals.

We see then that Ahab deserves blame for blindly pursuing his obsession, but also that he is enabled by his followers, both by those who understand that they are being led badly and by those who do not. So followers are part of the problem. But there is another side to bad leadership. Once followers empower leaders, they pave the way for those leaders to behave quite badly. We explore this later. For now, we get a hint of what often happens from Lord Acton's famous quote: "Power tends to corrupt, and absolute power corrupts absolutely" (Moreell 2010).

In this essay, we will explore both how and why followers enable leaders to be bad and what happens when they fully empower leaders. So while it is the leaders who end up doing bad things, it is the followers who give them the latitude to do so. We'll begin by outlining the seven different types of bad leadership identified by Barbara Kellerman in her book *Bad Leadership* (2004). We'll see that Kellerman attributes each kind of bad leadership to some bad followers. Next we'll explore the

dynamics of the leader–follower relationship. What is it like, and why is it like that? In that section, we'll review Sigmund Freud's analysis of leadership both in mob or crowd situations and in organized groups, such as the military or the church. Freud's analysis tips us off to the importance of understanding human needs and how leaders' ability to satisfy those needs leads followers to empower them in return, such that, corrupted by increased power, leaders are more likely to behave badly. We will consider in particular how the need for significance and self-worth helps account for followers going along with leaders. After fully considering how follower needs empower leaders, and in many instances support bad leader behavior, we will consider how power itself makes bad leadership more likely. The overall theme throughout this discussion is that bad leadership owes much to followers being all too willing to grant potentially corrupting power to leaders.

Kellerman's *Bad Leadership*

Barbara Kellerman's treatment of bad leadership in her 2004 book is important in understanding what both leaders and followers contribute to bad leadership. Very usefully, she distinguishes ineffective from unethical leadership, describing three kinds of ineffective leadership and four varieties of unethical. The three ineffective types are incompetent, rigid, and intemperate. The unethical are corrupt, callous, insular, and evil. All of her specific descriptions of these types implicate followers. For example, in the case of incompetent leadership, she writes that "the leader and at least some followers lack the will or skill (or both) to sustain effective action" (Kellerman 2004, p. 40). Intemperate leadership involves leaders who lack self-control and are "aided and abetted by followers who are unwilling or unable effectively to intervene" (Kellerman 2004, p. 42). A final example is corrupt leadership in which "the leader and at least some followers lie, cheat, or steal" (Kellerman 2004, p. 44). In these and other examples, the leaders' weaknesses are magnified by followers who are also immoral or lack, as we argued earlier, the wit or will to stop or divert the bad leadership. Importantly, in all seven types of "bad leadership,"

followers play a role in enabling the bad leader. In one way or another, they authorize bad leadership.

While Kellerman's typology of bad leadership is useful, at present the more important takeaway is her insight that (bad) followers contribute to bad leadership. We get a clearer picture of why this is so by viewing the leader–follower dynamic from the perspectives of several important theories of leadership. As we shall see, all of these theories highlight the point that followers grant leaders tremendous power and authority. Empowering leaders in this way makes them vulnerable to some of the corrosive effects of feeling powerful, which we will discuss later.

Leaders and Followers

One of the earliest treatments of the leader–follower dynamic is Sigmund Freud's (1921) essay on group psychology. Freud was highly influenced by Gustave LeBon's (1896) somewhat frightening description of how people in crowds can be transformed such that their feelings of power and anonymity free them from the constraints of everyday morality and allow an ugly and aggressive suppressed self to emerge, a self that often directs its unleashed rage toward people in outgroups. Crowds release the everyday checks on many impulses, such that behaviors such as assault and rape became more common. Extreme examples of these dynamics are seen in lynch mobs and some combat units in wartime. But there are also instances of such crowd dynamics in ordinarily formal, decorous venues. Former FBI Director James Comey, a nemesis of President Donald Trump, discussed the wild cheering that accompanied Trump demonizing those who had turned against him after he was acquitted in his 2020 impeachment trial:

> The important thing was what happened in the audience, where there were plenty of intelligent people of deep commitment to religious principle. They laughed and smiled and clapped as a president of the United States lied, bullied, cursed and belittled the faith of other leaders. (Comey 2020)

Comey wrote further that

> like all people, they too easily surrender their individual moral authority to a group, where it can be highjacked by the loudest, harshest voice. … We all tend to surrender our moral authority to "the group," to still our own inner voices … [and act] as if the group is some moral entity larger than ourselves. … [The demagogue] knows that good, principled people – who would never lie, curse or belittle the faith of another person – will go along. … They will still their inner voices. (Comey 2020)

Comey's account is a good illustration of Freud's and LeBon's overall point that followers will go along with and reinforce what leaders do when the emotional ties between members of the group, and the group's ties to the leader, cause individuals to put their personal morality aside for the morality of the leader and the group. In such contexts, there is almost no way to protest what the leader is saying and the way the group is being swept up. The only alternatives are going along with the crowd or leaving the group. The first is much easier. For our purposes, the most important takeaway is that followers give their moral judgment over to leaders, empowering them in ways that lead to significant elements of bad leadership.

Just what is it about the crowd dynamic that produces these effects? Freud (1921, p. 81) argues that the group is "an obedient herd" that has "a thirst for obedience." He also argues that the group's needs "carry it half-way to meet the leader, yet he [sic] too must fit in with it in his [sic] personal qualities" (Freud 1921, p. 81). These comments raise three questions. First, what should we make of the comment that a crowd has a thirst for obedience? Second, what are the personal qualities that meet that need? And third, what is the nature of the resulting meeting of those needs with the person who has the desired personal attributes?

Is Freud's (1921) characterization of human beings as having a thirst for obedience or "the need for a strong chief" (p. 129) in a crowd generally accurate, and does such a characterization highlight an important quality of human interaction and group dynamics? Studies and observations of crowds in lynch mobs, theater fires, political rallies, or soccer matches suggest that the answer is yes. One manifestation was seen in the crowd that gathered in 1974 to watch Evel Knievel attempt to ride his motorcycle over the Snake River Canyon in Idaho. The campsite near the

launching ramp was a scene of sexual debauchery, drunkenness, drug use, and violence directed at reporters and innocent bystanders, including teenage girls in high school marching bands. One interesting dynamic was the spreading of rumors, which released constraints on the crowd. People are looking for direction from leadership or some other strong signal. A rumor, or an individual shouting a slogan, can serve as such a signal. It is difficult to deliberate or even to think in crowd situations of high arousal and excessive stimulation, so individuals typically have a need or thirst for some kind of guidance or direction in such situations. Even if they are able to think for themselves about how to act under these circumstances, it may be nearly impossible to engage in reasoned discussion or debate in a crowd, or to challenge the group as a whole or whomever has assumed a leadership position, however briefly. Therefore, people will follow directions even if they have no deep or general need for direction, never mind a thirst for obedience.

Is there a need for obedience or for a strong chief in ordinary situations, that is, situations that are not dominated by the strong conformity and obedience pressures of a mob? There are several theoretical perspectives that suggest, again, that the answer is yes. Mark van Vugt and William von Hippel have studied leadership from an evolutionary perspective and note that human beings' success as a species derives from a remarkable ability to cooperate, aided by, among other things, language (van Vugt 2006; von Hippel 2018). But cooperation requires some kind of coordination. This can be achieved through rules or through authority structures (Tyler and Lind 1992). In order for an effective authority structure to evolve, one that can foster group coordination, there needs to be some optimal mix of leaders and followers. If everyone attempts to lead, or if everyone waits to follow, nothing or little can be achieved. Therefore, leadership and followership have evolved in humans in order to best solve the challenges of coordination. Van Vugt (2006) asks the important question as to how the right mix of leaders and followers is achieved. He suggests two factors. One is that most people have enough flexibility in their interpersonal styles to either lead or follow, depending on the situation. This flexibility has been noted in some of the earliest leadership research (Bales 1958). Another possibility is "frequency-dependent selection," which yields a mix of essentially born-leaders and

born-followers in a useful ratio. The combination of some people who pretty much always lead, others who pretty much always follow, and a hefty majority who are flexible enough to do either can produce the right mix of leading and following in any given situation. These considerations don't necessarily mean that people crave obedience, but they do mean that we are generally willing to be led and that once we are in the follower mode, we will, in fact, follow. The strong inclination to follow, then, empowers leaders, increasing the potential for bad leadership.

Given that evolution has prepared most of us to follow as well as lead, what kinds of individuals are most likely to compel others to follow? Freud (1921) notes three qualities. First, a leader "must possess a strong and imposing will" (p. 81) that imposes itself on the group. Second, he or she (generally he in Freud's view) must "be held in fascination by a strong faith (in an idea) to awaken the group's faith." That is, "leaders make themselves felt by means of the ideas in which they themselves are fanatical believers" (Freud 1921, p. 81). Third, the leader must "possess the typical qualities of the individuals concerned in a particularly clearly marked and pure form" (Freud 1921, p. 129). In more modern parlance, the leader must be "prototypical" (Hogg 2001). Each of these ideas about the personal qualities of leaders has found its way into more recent approaches to leadership. And as we shall see, all of these approaches have implications for the idea that by so willingly granting power to personally compelling leaders, followers pave the way for the abuse of power, that is, bad leadership.

First, the idea of "strong and imposing will" finds its way into Terror Management Theory, which proposes that at least under some circumstances, "an individual who exhibits an 'unconflicted' personality – in the sense of appearing supremely bold and self-confident" will emerge as a leader (Solomon et al. 2015, p. 117). This is especially true when such an individual

> performs a striking initiatory act that shines a magnifying light on him [sic], makes him [sic] seem larger than life, and enthralls followers who wish they had the courage to follow suit. (Solomon et al. 2015, p. 117)

These ideas are essentially reworkings of Weber's idea of the charismatic leader who is "set apart from ordinary men and treated as endowed with supernatural, superhuman, or at least specifically exceptional powers or qualities" (Weber 1922, p. 358).

Second, the idea that such a person must have "a strong faith (in an idea)" (House and Shamir 1993, p. 81) that can awaken the group's faith is developed in House and Shamir's (1993) approach to charismatic leadership. They argue that charismatic leaders articulate a vision for their followers that describes a better future for their group, one that they are morally entitled to. Such leaders engage their followers' self-concepts so that their sense of both morality and competence (self-worth and self-efficacy) is dependent on putting their personal objectives aside for the group mission. This greatly empowers leaders in ways that tempt them to behave badly.

Third, the idea that the prototypical individual emerges as a leader is developed in the social identity theory of leadership (Hogg 2001). Such persons exert great pressure on less prototypical individuals' thoughts, feelings, and behavior. They are also accorded high status and set apart from the group as a whole. This granting of power and special status to the most prototypical group member opens the way to exploitation and the abuse of authority. Soon the person who became the leader because he or she embodied so well the ideal group characteristics is "set apart," in Weber's terms (Weber 1922, p. 358), and seen as belonging to a different elite group that has the power to lead in a much less democratic way, opening the way to corruption in ways we will touch on later.

What is the nature of the relationship that emerges from the meeting of people's need for leadership and the appearance of strong, charismatic, and prototypical leaders? Again, Freud (1921) is relevant. He describes followers as held in fascination by such leaders, who have the effect of hypnotists and can direct groups to do things that they wouldn't ordinarily do, to take action that they wouldn't if they were thinking carefully and weighing consequences. Followers tend to look at such leaders as they do love objects and shield them from all criticism. Again, the consequence is that followers do not do much thinking about where the leader is taking them and give leaders extraordinary latitude to do as they wish, often for the worse, resulting yet again in bad leadership.

One way of thinking about this dynamic is in terms of the concept of legitimacy. The combination of the leadership needs of followers and leaders' strength and charisma grants leaders tremendous legitimacy, legitimacy which enlarges the scope or range of actions that the leader can take and that followers will undertake on the leaders' behalf. Edwin Hollander (1993) captures this element of leadership in his concept of *idiosyncrasy credit*. He suggests that the charismatic leader is one with a high degree of idiosyncrasy credit. In general, idiosyncrasy credit is built from being competent in fulfilling the group's needs and from conforming to group norms, so as to signal that the group's values are good or right. Such credit, or legitimacy, is "the latitude followers provide a leader to bring about change" (Hollander 1993, p. 36). The more the credit, the more the leader can "get away with," and the further the followers can be led in ways that the leader wants. Thus, like many other aspects of the leader–follower dynamic, idiosyncrasy credit empowers leaders and paves the way for them to lead badly.

Hollander describes idiosyncrasy credit, or legitimacy, operating "in relatively noncoercive, less power-oriented situations" (Hollander 1993, p. 36). It produces voluntary compliance. In fact, in power-oriented situations, where an authority or leader uses reward or coercive power, legitimacy may quickly erode, and followers will not willingly continue in the direction that the leader points. The interplay or trade-off of legitimacy and coercion is well illustrated in John Keegan's (1987) book on military leadership, *The Mask of Command*. Keegan discusses the idea that leaders, especially military commanders, must give followers what they need and expect in order to enlist followership. He argues that reward and punishment are necessary, along with elements such as charisma, to maintain influence. But he cautions leaders and authorities to be judicious and sparing in their use of coercion, lest they lose their legitimacy, and thus their ability to elicit voluntary compliance. He warns leaders that the abuse or overuse of coercive power undermines "the mystification of [their] role" and destroys their "power, essentially an artificial construct" (Keegan 1987, p. 324). In other words, legitimacy is very much a psychological construction, and power very much depends on this construction, as followers "accord or withdraw support to leaders" (Hollander 1993, p. 29) on the basis of their judgments of legitimacy.

The Needs of Followers

Hollander's analysis of idiosyncrasy credit, or legitimacy, claims that it is accorded to leaders to the extent that leaders satisfy group needs. In Hollander's theory, those needs include positive social identity and the achievement of group goals. Several other theories have specified further some of the group needs and goals that leaders help followers achieve or satisfy, thereby strengthening follower attachment and leader power. In outlining some of these theories, we underline the very tight, nearly symbiotic, nature of the leader–follower relationship. Leaders satisfy important follower needs. In return, followers grant leaders legitimacy and, with it, power. The power that followers give leaders increases the probability of a range of bad leader behavior, which is to be discussed.

One highly relevant approach to leadership usefully underlines followers' utter dependence on leaders, in ways that are similar to Freud's analysis of group behavior. The book *Leadership Without Easy Answers* by Ronald Heifetz (1994) argues that in many difficult situations, people look to leaders to provide an easy answer, to take care of the problem, by devising a simple solution. The questions that followers want easy answers for relate to needs for direction, protection, and order. Heifetz (1994) argues that the challenge for good leadership is essentially to wean followers away from these expectations of leadership and give them what they need rather than what they want. This entails helping followers in clarifying their personal values and figuring out how to realize those values, given reality. This "adaptive work" is the heart of leadership. Again, the idea that leaders must struggle to lead without doing what they are expected to do—provide easy answers to address needs for direction, protection, and order—underlines the great dependence that followers have on leaders, a dependence which often yields so much power to leadership that power's corrupting effects on leaders take hold. Heifetz (1994) further argues that leaders do not always do this kind of adaptive work. It is difficult. As a result, leaders often provide easy answers that give followers what they want but not what they really need in order to realize their values in light of reality. This unrealistic, follower-driven leadership is the essence of bad leadership.

Psychologist David Messick (2005) outlines a different, but overlapping, set of five needs that leaders help followers satisfy. First, he discusses a need for Vision and Direction, similar to the needs described in the earlier theories for group movement and direction. Messick then discusses Protection and Security, (essentially Heifitz's protection goal noted above). Messick's other needs are somewhat different and speak more to individual needs to belong and to have a positive sense of self-worth or self-esteem. First, he discusses the need for Achievement and Effectiveness. This really amounts to a need to feel competent and to have a sense of self-efficacy and therefore self-worth. He also notes a need for Inclusion and Belongingness. Finally, Messick describes a need for Pride and Self-Respect. Leaders can help followers satisfy this need by treating them with dignity and recognizing their individuality and the value that each one contributes to the group. What this theory implicitly highlights is the strength of the needs for belonging and esteem, especially the latter, and the significant role leaders can play in gratifying those needs. It may go too far to say that human beings have a "thirst for obedience," but it is quite apparent that people look to leadership because of the many psychological benefits that leaders can provide. Messick's delineation of five distinct follower needs that leaders satisfy underlines the great dependence of followers on leaders, and the power, and potential abuse of power, that that dependence grants.

Leadership and Esteem Needs

In line with Messick, there are several other theories that underline the importance of the need for self-esteem and also make clear that followers depend greatly on leaders to help satisfy that need. William James (1892) was one of the first psychologists to emphasize the strength of the need to think well of oneself. Even before psychology as a formal field of study got off the ground, James explored what Abraham Maslow (1962) later called Esteem Needs. One process that affects self-esteem is social comparison. James noted that "we cannot escape" the emotion of "dread" if we compare poorly to others (1892, p. 179). Another process affecting self-esteem is called reflected appraisal, judging ourselves according to

how others look at us. James noted people's "innate propensity to get ourselves noticed, and noticed favorably" (1892, p. 179). We even care about being appraised favorably by "some insignificant cad" whom we "heartily despise" (James 1892, p. 185). If the need for esteem, that is, the need to have a positive view of ourselves, is frustrated, "a kind of rage and impotent desire would ere long well up in us, from which the cruelest bodily tortures would be a relief" (James 1892, p. 179).

Also relevant is Terror Management Theory's contention that mortality salience, or fear of death, causes people to buffer the anxiety of death by boosting their self-esteem and bolstering their worldview and the value of the groups that form their social identity and their values (Solomon et al. 2015). By doing this, people can feel that their world is stable and meaningful and that they are a worthwhile participant in an effective and moral quest. While terror management theory describes allaying death fears as the primary motivator of its various effects, the underlying concern seems to be the human need for significance. Perhaps we fear dying less than what people will have to say about us at our funerals. No matter whether the underlying anxiety is about physical death or enduring significance, this theory underlines our strong need for esteem, in our own eyes and in other people's.

One of the theory's most relevant findings is that when mortality is salient, people prefer charismatic leaders, those who can make them believe that they are a valued part of something great. Once again, people have strong needs for feelings of self-worth, and leaders, especially charismatic leaders, can satisfy them. One trap for followers that flows from the strength of their esteem needs and the ease with which leaders can gratify them is that leaders can ignore other more basic needs and simply tell followers how great they are. This dynamic has been addressed by many writers. One of the first was Thomas Frank in his book *What's the Matter with Kansas: How Conservatives Won the Heart of America* (2004). Frank explains that conservative validation of the cultural values of working people leads them to vote against their economic interests. In early 2020, groups such as dairy farmers in Wisconsin continued to support Donald Trump, despite the harm that his trade policy was inflicting on their bottom line. Whether he really cared about their interests or not, he

appeared to be on their side in a polarized polity. He validated their esteem-based resentments. This gave him a free pass for bad leadership.

Followers Empowering Leaders and Its Transforming Effects

Several theories touched on earlier (Hollander 1993; Messick 2005; Tyler and Lind 1992) are exchange theories of one kind or another. They all suggest that followers give leaders something back in exchange for the benefits leaders give to them. For example, Hollander discusses how followers accord or withdraw legitimacy, in the form of "idiosyncrasy credit," in exchange for the leader's competence and support for group values. Tyler and Lind argue that followers offer voluntary compliance in exchange for being treated respectfully and being valued. Messick (2005) talks about a number of benefits followers give leaders, including obedience, cooperation, effort, and focus. In short, followers grant leaders tremendous power and tremendous latitude. They accept behaviors from leaders they wouldn't accept from those with less status, who do less for them. By empowering leaders, followers almost inevitably corrupt them, following Lord Acton (Moreell 2010). What are the consequences?

Research by Adam Galinsky and his colleagues (Galinsky et al. 2008; Magee et al. 2005) shows that feelings of power, which result when followers accord leaders legitimacy or otherwise recognize their power, can lead to dramatic changes in leader behavior. Some of these changes can be beneficial. It can enable leaders to look at the big picture in any situation. It can make them more optimistic. But the downsides of feeling powerful are more troublesome. Optimism can spill over into excessive risk-taking. Most troubling perhaps is disinhibition, that is, a lowering of self-regulation. One almost amusing example is that in experiments, individuals primed with feelings of power were more likely to take the last cookie out of a dish and leave crumbs on the table, by chewing with their mouths open. Much less amusing is the unleashing of flirtations and sexual advances among both men and women (Magee et al. 2005).

Perhaps related to increases in flirtation, people feeling powerful are less likely to take other people's perspectives and more likely to view them only in terms of how they can be useful in achieving the power holder's goals. Freud talked exactly about how the despotic leaders of the primal horde unleashed their sexual libido and viewed others as objects who could be used in their own interests.

It's not news that power tends to corrupt and, according to Lord Acton's famous formula, absolute power corrupts absolutely. Here we explored the extent to which leaders' power, and thereby their corruption, is enabled by the complex relationships between leaders and followers. Nicholas Warner (2008) writes that Herman Melville, in the passage from *Moby Dick* quoted at the beginning of this essay, "paints … largely a failure of followership" (p. 14). We can hope that future followers can learn to approach leaders with something more than Starbuck's ineffective, morally enfeebling "unaided virtue."

Concluding Comments

So, why then are there so many bad leaders? Surely leaders' personal qualities are important, as we saw at the outset with Captain Ahab. A monomaniacal quest for revenge, based on a perceived insult from a dumb brute, compelled him toward a disastrous course of unethical, and ultimately ineffective, leadership. But understanding his bad leadership as simply a function of his personal traits and behaviors ignores the central role of the *Pequod*'s crew, Ahab's followers. They were unwilling or unable to stop him. Rather, they empowered him. But again, the fault does not lie simply with the crew's personal qualities. We have outlined how the very dynamic of the relationship between leaders and followers disables effective resistance to leaders who are leading badly. People expect to be led, and they expect to follow. Furthermore, they expect leaders to take responsibility, do the hard work, and provide simple answers. This expectation combines with the corresponding fact that leaders generally do provide easy, need-satisfying answers. Who can resist those who help us satisfy so many of our needs? Perhaps the human need that gives leaders most leverage is the need for positive self-esteem, a sense that one is

worthy, that one is both moral and effective. Leaders can easily convey that they value their followers, and hold them in high regard, in order to gain in return legitimacy and ultimately power. It is gladly and freely given by reassured followers. In exchange for a little respect, followers yield a great deal of latitude to leaders to behave as they choose. In short, they empower leaders. And like other empowered individuals, leaders are often corrupted. Leaders, followers, and the fundamental dynamics of the leader–follower relationship enable bad leadership.

What can be done? The most important, but also the most difficult, remedy is for those in follower roles to know how to resist when a leader is headed in the wrong direction, as well as how to follow and assist when appropriate. Followers must be vigilant about both the morality and the effectiveness of the leader's initiatives, know the difference between what is right and what is wrong, and know what is going to work and what is going to fail. Then followers must find the way to resist effectively. These are not easy assignments. It can start with followers making themselves aware of their responsibility for ensuring that the leader is taking followers to a good place.

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Part V

Role/Role Expectations

12

Bad Leaders: Some Realities, Reasons and Remedies

Charles D. Kerns

Regardless of their formal titles, ineffective, incompetent and abusive leaders account for a great deal of workforce stress, low performance and diminished well-being. Over nearly four decades, I have observed both bad and good leaders. From the perspective of an industrial organizational psychologist, trusted adviser to high-level executives, business professor with extensive managerial leadership experience and practitioner-oriented scholar, I can tell you that a leader's behavior has substantial impact on his or her people and their significant others.

Have you ever *not* talked about your boss outside of work? I have never received a "yes" for an answer. Ask yourself whether you would characterize your current boss or a past boss as good or bad. If you are like most people, you have worked or will work for a bad leader at some point. This is an unsettling reality.

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Sadly, workforce surveys show that the most stressful and least desirable part of people's jobs is their direct supervisor (Harms et al. 2017). Studies conducted by behavioral scientists and economists indexing how people spend their time and how they feel at different points during the day also tell us that one's supervisor is the person he or she least enjoys being around. The Gallup organization reports people would rather do chores than be with their manager (Rath and Harter 2010).

Before delving further into the bad leader topic, let me note that there are good leaders in organizations. These leaders typically show self- and situational awareness, are motivated beyond self-interests and act competently while doing the right things to consistently achieve desired results. In contrast, leaders can be "bad" because they are *ineffective* (don't achieve desired results), they are *incompetent* (lack skills needed to get the job done) and/or they are *abusive*.

In this chapter, some *realities* relating to bad leaders are highlighted and some plausible *reasons* for bad leaders are provided. Next, some evidenced-based *remedies* that address this problem are suggested. In closing, a challenge and takeaways are offered to nudge you to engage in efforts to address the bad leader problem which is plaguing workplaces.

Some Realities

There are *too many bad leaders causing adverse impacts* on people in organizations. While the approaches to the measurement and assessment of dark (and ineffective) leadership vary, the reported prevalence and costs of bad leader behavior is worrisome (Aasland et al. 2010; McCleskey 2013; Schyns and Schilling 2013; Kaiser et al. 2015). As a result, more consideration is being given to the negative impact of bad leaders in the extant leadership and public health literature (Rose et al. 2015; Kilfedder and Litchfield 2014; Shulte et al. 2015). Meta-analyses, for example, are showing support for the connection between leadership behavior and employee well-being and goal achievement (Robertson and Barling 2014). Research also indicates that employees who experience abusive supervision bring troubling behaviors and stress home with them, negatively impacting family well-being (Hoobler and Brass 2006). Ironically

while bad leadership is occurring, billions of dollars are being invested annually in leadership development programs (Gurdjian et al. 2014). It seems important that the *discrepancy between leader effectiveness and the investments in leader development* be impactfully brought to the attention of organizational policy makers and other stakeholders.

While more broadly reviewing how management practices hurt employee health and company performance, Pfeffer (2018) indicates that abusive behavior in the workplace is prevalent. In particular, workplace bullying, whether at the hands of leaders or coworkers, is extensive, causing psychological and physical health issues for those targeted.

The emerging work regarding a leader's impact on employee health and well-being needs to continue in order to help practitioners better understand and utilize practices that will positively impact their own and their peoples' well-being (Kelloway and Dimoff 2017; Kerns 2018). Leaders especially need evidence-based ways to practically assess and execute behaviors that enhance their own well-being. There is a *lack of attention given to leader well-being*. Yet, leaders' stress levels and performance pressures are enormous which, if not managed effectively, can diminish their well-being and adversely impact their relationships at work (Harms et al. 2017). For example, Byrne et al. (2014) found that leaders who were psychologically depleted displayed higher levels of abusive supervision. Rather than addressing the well-being and stress among leaders, however, there has been more focus on employee well-being. It is important that leaders and their organizations more fully understand that a leader's well-being and performance are connected to the well-being and performance of his or her employees. Employee well-being levels and actions, in turn, influence customer results, which subsequently impact business results (Kerns 2015a).

The lack of understanding of the antecedents and consequences of *high-performance work practices (HPWPs)* is another reality (Ashkanasy et al. 2016). While HPWPs are viewed as integral to achieving high levels of performance, there is a thin line between effectively motivating people and mistreating them. Efforts to motivate reports to work harder can be perceived by employees as abusive (Ashkanasy et al. 2016). When leaders inappropriately apply HPWPs on employees, adverse impacts can occur including psychological, physical and behavioral strains (Jensen and Van

De Voorde 2016; Dahl and Pierce 2020). HPWPs can paradoxically decrease performance and harm people, creating an *HPWPs Paradox*.

Another thin line exists between leader effectiveness and ineffectiveness. In practice, a leader needs to competently deliver the "just right amount" of a behavior that is needed to match the demands of the situation (Kerns 2015b). It requires adaptability and behavioral flexibility to effectively lead across diverse situations. Leaders need self- and situational awareness to discern when and where to act to optimize performance and well-being. The discerning leader will wisely know when, for example, to be assertive and when to accommodate strategically. Leaders who use their strengths, skills and perhaps behavioral facets of their personalities with discernment will more likely be effective across diverse situations. Realistically there is *no complete leader* for all situations; however, too many leaders do not know who they are as leaders. *They lack self- and situational awareness.*

Further, *virtuous values are not widely applied* or sufficiently integrated into leadership practices. This diminishes the conversation around the role of virtuous behavior and character strengths in practice. It may also reduce the attention given to doing the right thing. Organizational values espoused by leaders often align more with areas such as performance, innovation and customer experience; however, with the emergence of the fields of positive psychology and positive organizational scholarship, there is mounting evidence to support the assertion that character strengths (Niemiec 2017) and virtuous behavior (Cameron 2014) positively impact leadership behavior.

Finally, a fundamental reality is *leadership matters*. Leaders can and do make a difference (Hogg 2020; Pendleton and Furnham 2016). With this in mind, some reasons why we see so many bad leaders at work are presented in the following section.

Some Reasons

Five plausible reasons for bad leaders are proffered. These reasons have become apparent to me based on my review of relevant literature and my work across varied organizational settings.

Lack of Policy-Level Attention

Traditional business results relating to the economic bottom line are unquestionably on the minds of organizational strategists and policy makers, especially in public companies. What is missing for these stakeholders is a persuasive message that links these traditional metrics to more holistic indices such as well-being and leadership behavior. Organizations would benefit if boards of directors and top management teams had a better appreciation of the fact that high-performance cannot be sustained without a threshold level of well-being.

The conversation around human sustainability and bringing out the best in people in healthy workplace environments is currently taking a backseat, for example, to discussions and programs relating to environmental stewardship (Pfeffer 2018). Meanwhile, pressure to deliver on the economic bottom line remains constant. Without a clear and credible message aimed at policy-level stakeholders, the alignment of traditional business accounting metrics with leadership performance pressures will persist. This type of connection, while important, is not holistic enough to create and sustain workplaces characterized by high-performance, high well-being and doing the right thing.

The problem of having persistent bad leaders has not received sufficient attention from policy makers and strategists because of their focus on efficiency rather than on strategically embracing optimization. When the desire to be efficient in managing resources overshadows efforts to optimize assets, risk-taking is minimized and the status quo is maintained. Policy makers and strategists will be less likely to invest in people and programs that enhance human sustainability unless they can entertain an optimization mindset. In turn, leaders will likely be less inclined to invest in themselves and in others to optimize their impact (Kerns 2020a).

Overlooking the Downside of High-Performance Work Practices (HPWPs)

The HPWPs Paradox, in which HPWPs can paradoxically decrease performance and cause harm, represents another reason for bad leadership. For example, HPWPs are often delivered by leaders who feel pressure and

stress around achieving performance targets which may not always be realistic. High-level executives need to establish whether the key results they are being asked to drive are realistic. Without this reality check, these leaders are prone to transfer these unrealistic expectations to their key reports. In turn, when their reports communicate these unrealistic expectations to their people, motivation is dampened, and relationships are often strained from additional pressure to achieve unrealistic performance targets. This performance pressure paradoxically diminishes performance, often leaving people feeling depleted and exhausted.

Well-being practices are also missing in the applications of HPWPs. While higher performance may be achieved in the short run, high performance is unlikely to be sustained without a threshold level of well-being. High-performing individuals with low well-being will find it challenging to maintain their performance over time in operating environments that do not draw upon practices that enhance well-being. It is folly for leaders to expect to sustain high performance without engaging in evidence-based practices that help boost well-being.

Lack of Connection Between Managing Results and Leadership Effectiveness

There is a dearth of evidence-based practice-oriented frameworks and tools to support leaders to connect effectiveness to performance results. There is also a paucity of research which connects leader effectiveness to leader performance and organizationally relevant outcome metrics. Investigations of how psychological processes (for example, personality) impact leadership effectiveness prevail; however, less analysis is focused on how to effectively manage and deliver desired business-oriented results (Kerns 2015a).

Managing and achieving desired results is, however, integral to effective leadership. To enhance leader effectiveness, more focused attention needs to be given to providing leaders with frameworks and tools to help them manage and produce desired outcomes. This can be advanced by linking the topics of leadership effectiveness with the field of performance management (Varma and Budhwar 2020). Performance management

systems typically use a broad systematic organization-wide approach which does not directly offer the individual leader a framework to guide his or her management of desired results. To address this situation, evidenced-based practice-oriented frameworks may be used to help individual leaders operationalize the management of results (Kerns 2015a). Evidence-based performance management systems are emerging to help leaders manage results and measure their effectiveness (Mueller-Hanson and Pulakos 2018). These approaches will also likely help in positively addressing the HPWPs Paradox.

Insufficient Recruitment, Selection and Onboarding (RSO) Practices

Collins (2001) reminds us that who we bring into the organization is critical. This is especially relevant when hiring leaders. The lack of conscientiousness when recruiting, selecting and onboarding leaders can result in too many bad leaders in an organization. Some reasons for this include the following:

- Not using a performance profile in the RSO process (Kerns 2001).
- Assuming the candidate's profile will fit with the operating environment/culture and the preferences of his/her prospective boss. (An individual may perform well in a position but not fit in with the operating environment and/or the leader's work preferences.)
- Not recognizing that sometimes the reason we hire someone is the reason we fire them. (People's bright sides typically show up for selection interviews. This can make it challenging to calibrate to what extent an individual would over- or underuse a behavioral strength. For example, a person who is rated a "perfect 10" on an assertiveness scale based on his or her interview behavior may, in the workplace, be too demanding and controlling.)
- Not having candidates respond to situations that mirror what they will be doing in the position in order to help assess their skills and dispositions for executing key components of the position (Sternberg 2007).

- Not fully recognizing the importance of the first 120 days on the job. (Too often the need for an active positive engagement process to effectively onboard a new hire is overlooked. This becomes a missed opportunity to help strengthen a new hire's connection to the organization's culture and to his or her new position.)

The process of recruiting, selecting and onboarding leaders needs to be addressed with professionalism using performance-oriented tools.

Disconnected Leadership Development

While billions of dollars are being spent annually on leadership development, the prevalence and costs of leadership ineffectiveness and destructive leader behavior continue. This disconnect—a significant investment in leadership development while leadership ineffectiveness remains prevalent—likely contributes to the ranks of bad leaders.

Leadership development programs provide a disconnected array of offerings. Most of these programs seem to be driven more by the interests of the provider than by what is most helpful and valuable for the emerging or seasoned leader. This leaves the consumer without holistic integrated choices. They are instead left with an overwhelming set of fragmented options to choose from as they strive to advance their development as leaders.

Disconnected leadership development also occurs when providers do not have sufficient organizational or leadership experiences to help bring to life the content areas that they are presenting. To be credible and to add value to a leadership development program, providers who are connected to real-world experience are needed.

Leaders are often enrolled in leadership development activities which attempt to get them to be more competent in a behavioral skill area in which they are not dispositionally suited. This situation can put pressure on leaders to attempt to be someone that they are not. It is important to remember that there is no complete leader—no one is good in all areas of leadership. Beyond learning skills, learners need to know who they are as leaders. This self-knowledge work needs to be more closely connected with the assessment and training of behavioral skill competencies.

Some Remedies

Remedies are offered to provide perspective. They are not represented as a comprehensive solution but will hopefully stimulate further reflection on ways to positively impact the bad leader problem.

Repositioning Leadership Role

I have been working to reposition how we think about the role of a leader. My work in this area has been evolving over the past 20 years, especially relating to integrating well-being with high-performance practices when developing leaders in business organizations, teaching leadership and through my practitioner-oriented scholarship. These efforts draw upon the work being done in connecting attachment theory to leadership (Mikulincer and Shaver 2016) and linking it with my study of leaders' motivation to lead as well as with leadership practices that help shape meaningfulness (Kerns 2013, 2015c). Also, Wrzesniewski's (2012) study of callings as an orientation to work contributes to my thinking on repositioning the role of a leader.

From this work, it seems that a shift in perspective would be helpful regarding how we view the role of a leader. Three of the most important roles that are played in society are parents, teachers and organizational leaders. In many cases, organizational leaders play all three roles. I believe that many of the most effective organizational leaders are also effective teachers. This observation is substantially based on my experience of observing many executive MBA students and coaching large numbers of executives as they engage in experiential learning (Kerns 2019a).

Beyond their ability to teach, effective leaders also show they care about their people, provide timely value-added perspectives and are warmly assertive. These three attributes are often ascribed to physicians and other caregivers. In my repositioning efforts, I have come to see effective leaders as "wise warmly assertive caregiving leaders" (WWACL) who have the capacity to project strength (warm assertiveness) while making wise decisions and offering helpful value-added perspective in ways that show they care for others (Kerns 2020b). They are motivated to lead for

transcendent reasons and can help those they lead to be more trusting and secure in their relationships at work. These leaders help others get along, get ahead and potentially make a meaningful contribution to the world. They see their leadership role as a calling that is filled with meaning and buoyed by their work to help others become the best they can be.

It is my hope that in our work to develop leaders we can reposition or at least include the idea that leaders see themselves as WWACL while viewing their leadership role as a calling fueled by transcendent motivation that is uniquely linked to who they are as a leader. Rath's (2020) work is useful in helping leaders see their role from a calling and wise warmly assertive caregiving perspective.

Integrating High Performance with High Well-Being Practices

To augment their focus on performance, leaders need to understand the importance of considering and managing well-being, starting with themselves. As a former high-level executive, I can recall being highly focused on performance without sufficiently considering the concept of well-being. With the emergence of the field of positive psychology, I began to explore how happiness and subsequently well-being could be integrated into workplace settings. A key learning opportunity came through attending Martin Seligman's (the Father of Positive Psychology) Authentic Happiness Program from which the current Master's in Positive Psychology Program at Penn emerged (Seligman 2002, 2011). Over the past 20 years or so I have been working to integrate high-performance frameworks and tools with well-being-enhancing practices with leaders and their organizations.

Based on this work and drawing from the research and resources relating to well-being, we now have an increasing number of evidence-based practices that can be applied by leaders to boost their own well-being and that of their people (Kerns 2018). It is becoming clearer that leaders who can boost their own well-being and performance at work will positively impact others. This has been my experience when applying high-performance and well-being-enhancing practices with leaders and their

teams. Helping leaders acquire the frameworks and tools to enhance performance and well-being at work is likely a key remedy in helping to reduce the number of bad leaders.

Recognizing the Value of Virtuous Behavior

Virtuous behavior is driven by virtuous values and is synergistic with high-performance/high well-being workplaces. Virtuous behavior is associated with doing the right thing. A leader who can foster high performance with high well-being while displaying virtuous behavior by doing the right things is unlikely to be seen as a bad boss. Instead, high-performing high well-being leaders who characteristically do the right thing are likely to become positive-performance role models for others in their organization.

Taken together, high-performance/high well-being-enhancing practices along with behaviors that are aligned with virtuous values will help remedy the bad boss problem. The work being done relating to identifying and emphasizing character strengths at work is an evidence-based way to help bad bosses consider changing their behaviors while giving effective leaders additional frameworks and tools for doing the right things. The work being done to connect virtuous behavior to business outcomes is also encouraging and holds promise for helping to remedy the bad boss situation. The increased application of virtuous values and related behavioral practices will help ensure that leaders better understand the value of recognizing and displaying virtuous behavior at work.

Ensuring Relevance, Applicability and Impact of Business Education

Currently the business education industry (especially within the academic business school segment, which is the focus of this remedy) is keenly striving to become and/or maintain its relevance, applicability and impact in the real world of business. These efforts are fueled by at least three external forces.

First, business school–accrediting bodies such as AACSB International are encouraging business schools to define and measure their impact on business. The definition and metrics used to measure impact are the subject of intense debate inside business schools. Impacts of business school publications can be measured by the number of citations a particular peer-reviewed article receives or in more creative ways using methods not typically applied inside the academy, for example, asking leaders in focus groups how impactful a particular publication was for them and their organization. In the end, peer-reviewed articles and other forms of intellectual contribution, from my perspective, need to directly or indirectly impact the practice of business, including helping leaders become more effective.

Second, the cost of an advanced degree from an accredited business school is rising. Increasingly, prospective and current students are considering the value of the degree. From a leadership perspective, it is also my experience that executive MBA students, in particular, are expecting their investment to help them get along, get ahead and make a difference in the business world as a high-impact leader. However, the value must be there for them to enroll and they must be able to realize the upsides that a relevant, applicable and impactful business education can have on their careers and lives.

Third, employers are looking for business school graduates who can add value to their businesses. In particular, they are interested in recruiting, hiring and onboarding leadership talent. Business schools see these businesses both as resources for recruiting new students and as opportunities for their graduates to positively impact these organizations.

For business schools to optimize their value to businesses, they must ensure that all elements of their delivery system are aligned to help their customers experience relevance, high-application value and impact. They need to especially help aspiring, emerging and experienced leaders optimize their impact (Kerns 2020a). Given the current realities relating to the impacts that bad leaders are having in the workplace, business schools have an opportunity to make a difference by helping to advance the development of leaders. However, the programs that are offered, and the way in which they are delivered, need to be perceived by customers as relevant, applicable and impactful.

Relevance relates to the question of whether a particular topic has contemporary interest, while *applicability* connects to whether or not the topic under consideration has application value in the workplace. In my experience, these are two very different dimensions of the learning experience. For example, a topic like high-impact communicating is on most people's list as a key interpersonal influence skill; however, how it is presented and translated into useful workplace applications is different (Kerns 2016). The topic can be highly relevant but the lesson may not be optimized if the application value based on the way in which it is demonstrated is limited. Finally, *impact* answers the question of whether the learning experience made a difference in the real world of business.

Providing aspiring and emerging leaders with relevant, applicable and impactful frameworks and tools, as part of their business school learning experience, can contribute to enhancing leadership effectiveness while diminishing the numbers of bad leaders found in organizations.

To be effective, leader effectiveness–enhancing frameworks and tools need to

- Add value
- Have face validity for practitioners
- Be relevant to practitioners' daily work
- Be evidence-based in practice and/or research
- Be practical to implement
- Be coachable/teachable

Business schools, especially faculty teaching leadership, are encouraged to consider applying these criteria when evaluating the relevance, applicability and impact of their offerings.

Getting the Attention of Policy Makers and Boards of Directors

This remedy will require internal organizational advocacy from members of these stakeholder groups or from others having access to them. Advocates outside of an organization may also be helpful in getting

stakeholders' attention. However, whether the source for generating attention comes from inside or outside of an organization, persuasiveness will be needed.

In addressing policy makers and boards of directors to help them better understand and recognize the damage being done by bad leaders in their organizations, it seems useful for advocates to consider three persuasion tactics. First, they need to be credible. *Credibility*, in this case, means providing data and information on the costs that bad leader behavior is having on their economic and human sustainability bottom line. These costs should include such things as healthcare expenditures, absenteeism, turnover rates, replacement costs and legal expenses. There are many reliable and valid resources from which data and information can be gleaned ranging from empirical studies to well-researched business books (Pfeffer 2018; Tomkins and Pritchard 2020). Second, *reasonable approaches* to remediating the bad boss problem as well as ways to prevent recurrence of these issues need to be offered. This effort can, for example, draw from some of the remedies that were previously noted. Third, advocates can work to *evoke positive and/or negative emotions* to make the position advocated more compelling. Positive affect may be generated, for example, by leaders who execute high performance/high well-being-enhancing practices that create value on a holistic basis for their organizations. Conversely, with the increased attention being given to organizational well-being, policy makers and boards run the risk of being "called out" for their inaction. For example, with the Environment & Social Disclosure Quality Score FAQ recently introduced by Institutional Shareholder Services (ISS), participating companies will likely want to avoid negativity around their reporting or lack of disclosure concerning "social" indicators relating to organizational well-being topics (*ISS* 2018). If credible data and information can be gathered and communicated to policy makers and boards of directors along with evidenced-based practices delivered with appropriate emotion, then the chance of capturing these key stakeholders' attention is increased.

These remedies contribute to the efforts aimed at confronting the distressing reality that there are too many bad leaders. Using these remedies, and others, we can further advance solutions by leading with thought leadership (Kerns 2019b). Progress in mitigating this problem will take further examination and exploration.

A Closing Challenge and Takeaways

In closing, I call your attention to Table 12.1 and challenge you to do the following:

1. Review and reflect on the reasons of and remedies for bad leaders.
2. Expand upon and/or play devil's advocate with the reasons.
3. Generate additional remedies that seem reasonable based upon your knowledge and experience with bad leaders.
4. Integrate the role of a "wise warmly assertive caregiving leader" (WWACL) into your approach to leadership, and encourage others to do the same.
5. Work to optimize your impact as a leader.
6. Remember that leadership matters, so keep striving to lead for positive impact.

On a final note, here are several takeaways to ponder:

Table 12.1 Bad leaders: some realities, reasons and remedies

Realities	Reasons	Remedies
Too many bad leaders causing adverse impacts	Lack of policy-level attention	Repositioning leadership role
Discrepancy between leader effectiveness and investments in leadership development	Overlooking the downsides of HPWPs	Integrating high performance with well-being-enhancing practices
Lack of attention to leader well-being	Lack of connection between managing results and leader effectiveness	Recognizing the value of virtuous behavior at work
High-performance work practices (HPWPs) and HPWPs Paradox	Insufficient recruitment, selection and onboarding practices	Ensuring relevance, applicability and impact of business education
No complete leader	Disconnected leadership development	Getting the attention of policy makers and boards of directors
Leaders lack self- and situational awareness		
Virtuous values not widely applied		
Leadership matters		

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Source: author

- There are too many bad leaders causing too many negative impacts.
- Reposition a leader's role to include being a wise warmly assertive caregiver.
- High performance is not sustainable without a threshold level of well-being.
- Virtuous values help guide leaders to do the right thing.
- Business education needs to be relevant, applicable and impactful.
- Boards of directors need to be persuaded by advocates armed with credible information, reasonable approaches and appropriate emotion, when endeavoring to engage them in remedying the bad leader problem.

I encourage you to do all you can to shine light on the bad leader problem and to help in mitigating this distressing situation in ways that produce practical constructive solutions. Doing all we can to enhance performance, well-being and virtuous behavior at work is the right thing to do. Encouraging leaders to do the same is good business.

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13

Harried or Myopic Leadership: An Undue Bias for Action

Markus Paukku and Liisa Välikangas

Why Are There So Many Bad Leaders?

Not having concrete action items with an immediate execution plan—"what shall be done on Monday morning?"—is sneered at, and easily taken as a sign of lack of leadership. We argue this bias leads to bad leadership. In order to understand this seemingly incessant need for leaders to demonstrate their leadership through immediate action, we examine this bias for action in its organizational context and its consequences. It may well be this prevalent type of leadership is sustained wherever organizational practices prefer faster feedback loops and where actions with measurable outcomes are prioritized. It may also be that the true price and

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opportunity costs of this action-biased (bad) leadership are seldom completely accounted for. We ask why so many organizations drive their leaders to make such hasty decisions—why are there so many bad leaders? We posit the following.

Conjecture 1

There are so many bad leaders because rushing into action is mistakenly perceived to be good, or determined, leadership. Such rushing is called a bias for action as discussed later. The bias for action has been celebrated in famous managerially targeted works such as *In Search of Excellence: Lessons from America's Best-Run Companies* (Peters and Waterman 1982) but it is also well established in prior managerial literature (Bruch and Ghoshal 2004) and identified in psychology as self-efficacy (Bandura 1977; Ryan and Deci 2000). Such a bias hence tends to be not only widely spread, it is also often assumed to be a sign of exercising leadership.

To illustrate that there are other, better leadership options than rushing into action, we make a contrast with more measured leadership strategies. As such a bias for action has carried a heavy toll in war, military strategists have long recommended timing action carefully. We give examples of such leadership strategies, both bad and good, to illustrate the contrast in military and business.

Conjecture 2

There are so many bad leaders because the immediate and constant demands on leaders tend to exceed their capacity for reflection (known as "bounded rationality"; Simon 1991) and their ability to pay attention (Ocasio 1997). This is captured in the seminal behavioral theory of the firm (Cyert and March 1963) that later laid the foundations of the attention-based view of the firm (Ocasio 1997, 2011). Organizations further tend to be myopic in their actions (Levinthal and March 1993), thus narrowing leadership options and defining their attention focus. Often action, and the search for the solution, takes place near the problem as

behavioral theory of the firm decrees, thus making leadership bad or ineffective in nonroutine situations that require more radical responses in terms of action scope and timing. Often such nonroutine situations are also consuming in terms of leadership attention; thus finding time for reflection is particularly challenging (Alvesson and Spicer 2012). In routine situations, however, such myopic, organizationally conditioned leadership may be perfectly fine. Thus, there are many organizations in which leaders allow such routine-driven, but limited, leadership to persist.

In the remainder of this chapter we discuss the two conjectures addressing the kind of bad leadership we highlight in more detail, concluding with suggestions for overcoming the harrying or myopia. We begin, however, with the organizational and societal costs that an undue bias for action in leadership may cause.

When a Bias for Action Has Its Costs

We draw on two historical examples in illustrating the bias for action in leadership: that of General Field Marshal Kutuzov (hereafter referred to as Kutuzov) and the disastrous Charge of the Light Brigade during the Battle of Balaclava. In one of the most famous historic literary works, *War and Peace* by Leo Tolstoy (1869/2019), as Napoleon advances Kutuzov orders the Russian army to retreat behind Moscow, in order to wait—leaving the city open for Napoleon's entry. This infamous action followed the Battle of Borodino that failed to provide definitive victory to either side but struck great losses, and consequently took the Russian army three months to retreat into the vastness of Russia, avoiding the decisive battle that Napoleon sought. He wanted to force the Russians to face his Grande Armée again. But Kutuzov refused. Such evasive play is a form of indirect action, depriving Napoleon of battle engagement and eventually forcing him to leave the burnt city of Moscow and return to France under great duress facing his loss against Russia. Marching into the action trap laid out by Kutuzov was the beginning of Napoleon's end as a military strategist and a political leader. Here, resisting pressure from political and other military leaders and avoiding a bias for action by evading confrontation proved to be good leadership.

A few decades later another famous historical text captured the outcome of a different conflict and different series of strategic decisions. The British poet Alfred Lord Tennyson (1854) describes the Charge of the Light Brigade during the Battle of Balaclava in Crimea. The poem recounts the horrendous futility of the British saber wielding light cavalry forces as they rushed to be decimated in a direct attack against entrenched Russian gunnery positions. A war correspondent reported that "our Light Brigade was annihilated by their own rashness" (Russell 1855/2012, p. 234), and, indeed, this infamous failure in strategy resulted in high British casualties and no gains. While the reason why and how Lord Cardigan's troops were ordered into this position remains somewhat controversial, the poem and history have canonized the bravery of the direct, yet reckless, action by which the British troops dutifully followed orders despite their clear futility and impending defeat. The bias for action that the bad leadership manifested led to a great loss of lives.

One of the reasons the outcomes of these two examples were significantly different is due to the timing of the action, or bad leadership. Kutuzov's actions in withdrawal bought him time to reflect and develop an effective response, at a time of his choosing. The Light Brigade's rushed charge into the battle, on the other hand, tragically showed the cost of engaging in action for action's sake without consideration of the likely outcome. It is challenging for leaders to cleave more time for reflexive leading not only due to the urgency of the situation before them but also due to the pressures of their organizations and weight of their routines. Military historian Liddell Hart writes:

> [S]tatesmen of all countries talk the language of expediency, almost as if they are afraid to label themselves "unpractical" by referring to principles. (2012, p. 71)

In many instances, reflexivity and patience can certainly be confused with not knowing what to do and inaction—particularly in organizational cultures where "any decision is better than no decision".

Charging into action may have high costs. Direct action, difficult to resist in the heat of the moment, may not provide for the most returns when accounting for total costs. While the carnage and consequences of misguided action may be less evident in business organizations than in

pre–World War battlefields, the costs are very real. Consider the opportunity costs of following the accounting of avoidable action. In the United States an estimated 30% of healthcare spending has been wasted on unnecessary treatment. Indeed, doctors are, perhaps understandably, more concerned with doing all that they can rather than doing too little. To compound the problem, the medical market recompenses actions taken, not for doing less, and certainly not for waiting. As a result,

> [t]he United States is a country of three hundred million people who annually undergo around fifteen million nuclear medicine scans, a hundred million CT and MRI scans, and almost ten billion laboratory tests. (Gawande 2015)

In addition to wasting resources, such unnecessary actions have made healthcare both more dangerous to the individual concerned and systemically less efficient. Surprisingly, the healthcare industry has been able to operate despite these significant inefficiencies and consequent bad leadership. This is despite the known systemic amalgamation of unintended consequences through the overprescription of antibiotics that have enabled superbugs such as MRSA Superbug to threaten to render significant medical advances and treatments useless. Not even the still ongoing crisis resulting from the overprescription of painkillers that has amounted to some $80 billion in economic costs and 10.3 million people misusing prescription opioids, according to the U.S. Department of Health and Human Services (2019), has spurred a change in the industry's organizational models. However, this leadership has left the sector vulnerable to challenges such as the current coronavirus pandemic as resources are misspent.

Conjecture 1. Why (Bad) Leaders Charge into Action: The Demands of the Moment

Paying attention to strategic issues takes time, yet leadership attention is also limited (Ocasio 1997, 2011). Despite various structural arrangements for channeling attention to cope with the demands of strategic leadership (Ocasio and Joseph 2005), the leadership's demands often run

up against the inevitable boundedness of attention in a race against time that competitive situations impose or organizational realities expect of their leaders. Leaders are expected to take action and, under duress, such harried action makes for bad, unreflective leadership. The bounded rationality of leaders engrossed in the urgent problems of the organizations impacts the perspective from which decisions can be made (Temmes and Välikangas 2019). Attending to the demands of the moment may well have consequences for the neglected future actions, making actions myopic (Levinthal and March 1993)—future actions being key to a leader that leads organizations from A to B.

Research across disciplines such as psychology (Bandura 1977), behavioral economics (Patt and Zeckhauser 2000), and even decision-making in sports (Bar-Eli et al. 2007) has identified various reasons why humans have a bias for action. Explanations range from adrenaline to social expectations and reciprocity—all common mechanisms that easily drive leaders to unmeasured, rushed action, and hence bad leadership. While useful for human evolution this bias for action has been also seen to cloud our judgment, and lead to narrow thinking and non-rational decision making (di Stefano et al. 2015). Even when a leader recognizes this bias, the cognitive limitation is often aggregated at the organizational level where the bias for action can be reflected in strategy as companies strive to make bold moves and develop ambitious plans of action and to avoid the peril of being seen as reactive and subject to a competitor's moves. Indeed, research indicates that companies that engage in more aggressive strategies tend to perform better (Ferrier et al. 1999). Often, as in times of uncertainty, taking some action is seen for the company leadership as a safer, more defensible, option than doing nothing at all. However, the limitations of (any) action are quite apparent in some competitive contexts. Not provoking a price war is a much more strategically prudent action than looking to gain market share by dropping prices.

For example, in the telecommunications industry, a large financial loss was caused when Sonera thought that it could not be left out of the European operator market. The Finnish company purchased German 3G licenses for €3.6 billion at an auction during the early 2000s' digital gold rush (Geary et al. 2010). The perceived need to take action and not to miss this strategic opportunity was ultimately unfounded and the returns

on the overhyped license never materialized. Sonera's short-term CEO who resigned in 2001 stated retrospectively:

> We admittedly set the price too high. In retrospect, it is clear that there were too many emotional elements involved. Too much was happening. (Karlsson 2011, p. 128)

Sonera would never fully recover and it merged with the Swedish Telia in 2002. Coca Cola famously spent some $4 million (Gelb and Gelb 1986) on the development of its new Coke product only to bring back the original 77 days later at great cost to its brand, a strategic misstep still discussed three decades later.

Such setbacks can of course be considered a cost of doing business and sometimes taking courageous risks can lead to losses. While making mistakes is certainly something that business leaders must be able to weather—to err is human nature and experimentation is part of the game—we suggest that a strong bias for action results in companies engaging not only in hasty and costly action but inefficient strategy. Sometimes such action frenzy is a sign of a lack of strategy; frequently these are occasions that would have benefited from further reflection and more careful timing. The argument is different for trendy movements such as lean startups in that the costs of action are different. For a startup to make an experiment, there is the upside of learning. For a large established company, engaging in small experimentation is fine, but strategic action needs to be more measured as the cost is potentially large to avoid bad leadership.

Conjecture 2. How (Bad) Leaders Drift into Action: Organizational Routines Conditioning the Response

Many organizations have become highly successful in becoming stable, even resilient to change. Organizational routines have coevolved with stable environments, responding incrementally to the daily business demands. Further, the efficient organizations operate according to their

defined management processes, automating their actions to the extent possible. Corporate immune systems are effective in eliminating variation in actions and responses. Presumably, can one conclude that these same organizations are also being served well by their leadership that is keeping busy finessing organizational routines and processes?

While organizations may be considered inertial, they do respond to changes in a routinized way. These routines may drive leadership actions that are conditioned by the same routines (March 1981). A lot of organizational life is regular, processual, and automated. Routines strengthen organizations and organizations strengthen routines. The resulting mindless action may result in a lack of consideration of the situation, a sort of functional stupidity (Alvesson and Spicer 2012). For example, in the current pandemic situation, a national funding organization distributed crisis financing following its previous practices—as required by law—to fund development projects rather than firm survival due to the pandemic-induced loss of customers. The explanation for the funding decisions rested on the mission of being an organization that funds business development rather than ensuring the firms survive long enough to be able to develop their businesses. Similarly, despite the evidence of climate change and an eroding coastline some post–Hurricane Katrina reconstruction funds were restricted to namely that, the reconstruction of buildings and infrastructure at great expense in the very same locations where they had been destroyed due to their vulnerable location in the first place. Or in a contrary example, professional procurement managers panic and "drop their tools" (Weick 1996) setting aside all consideration when buying facial masks due to a pressure of an imminent pandemic crisis. Organizational routines and practices may thus overly condition the response or may be abandoned without replacing them with proper reflexivity of what kind of leadership action the situation requires.

Bad leadership is consistent with, if not the product of, too many organizational objectives and the everyday routines by which they are enacted. Questioning and adapting these routines requires leadership that can occasionally separate themselves from their organizations. Leaders often find themselves in a rat race of an organizational cycle driven by a bias for action without the perceived possibility for reflection and contextual and competitive considerations for the kind of action the military strategist

Liddell Hart recommended (as summarized in Danchev 1999): being indirect, measured, well-timed. The tempo of this perceived need to take action narrows the types of action that can be taken favoring efficacy over reflexivity. This frequent action is further compounded by the myopic leadership that has difficulties in identifying and strategizing around longer-term opportunities or challenges. This efficient and regular type of leadership becomes routinized and in doing so favors quantity of decision-making over quality, sacrifices good leadership for bad, or simply constitutes an absence of leadership.

Taking action without too much reflexivity may not cause much harm under stable conditions as the organization is routinized (Nelson and Winter 1982). Such routinized action may even be a strength of organizing as it provides continuity. This type of leadership, however, runs into limitations when new types of challenges seem to require nonroutine leadership. Major challenges of our day such as climate change require leaders that can make novel decisions and take their organizations where they have yet to go. How does one make space, at both the leader level as well as within the organization's routines (March 1991), for such actions that challenge the business as usual? When a crisis hits, will the organization be derailed from its way of working without being able to rely on leadership action based on situational reflection? Unfortunately, leadership is increasingly facing radical challenges, and we find ourselves surrounded by bad leadership that communicates its bias—and presence—for action without a concern for how or if actions were primed, or prepared for. Next, we will briefly discuss how leadership should overcome its undue bias for action by priming action while appreciating the costs of harried action.

Overcoming Bad Leadership

Due to the proclivity for action, all too frequently we see the repertoire of leadership moves as a binary. One either enters a market or does not. One either invests in an emerging technology or one does not. There is good and there is bad leadership. However, if we consider this portfolio of leadership options to not be so limited—leadership not being simply a

question of being on or off, acting or not—we explicitly expand the set of possible strategic actions to include active waiting (Sull 2005). This reframing, comparable to the distinction between the limitations of our current binary computers and the power of future quantum computers, allows for many variations to already be discovered within the existing leadership options without investment in new strategies.

Active waiting allows leaders to engage in priming, to maintain objectives and their repertoire of tactics hidden until exposed through action. Priming is the act of creating leverage while waiting, building strength or competence, and preparing the eventual action for its maximum intended impact. Priming reduces the potential costs of action and moves "fast strategy" to become deliberate, indirect, and ultimately more effective. Priming may also protect the action, keeping strategic intent visible, until it is launched at the most opportune time, to the potential surprise of the competitors. This deliberate patience allows all options to be kept open as long as possible and avoids commitment to any specific competitive dynamic. Such thinking is valued among Silicon Valley entrepreneurs and innovative startups that initially develop their businesses in stealth mode, not disclosing any details of strategies to come. Early broadcasting of even the most inimitable strategy simply strengthens potential competitors' ability to respond.

Reflecting back once again to the evolution of military strategy, the newest strategic advances have relied less on ever-increasing speed and firepower of direct action and rather on the development of stealth and the ability to engage at one's own discretion, in line with one's chosen strategy, much like Tolstoy's (1869/2019) Kutuzov knew in the 1800s. One of the greatest advantages of today's costly stealth technology that hides one's position, as lauded in the F-35 fighter jet, is the expansion of strategic options enabling pilots to decide if it is advantageous to engage the enemy or turn away undetected.

Chinese strategic thinking allows for heightened sensitivity to the competitive environment so that action is taken only when the external momentum supports such action. Until favorable conditions allow, the organization works to change itself and environmental conditions so that they can be better leveraged once the decisive action is launched. This approach does not call for an aggressive and costly reshaping of the

strategic landscape, but rather nurturing conditions through minimal intervention. Indeed, in order to be most efficient a leader should take the smallest possible actions, as early as possible. McDonald et al. (2012, p. 125) explain how Chinese strategists draw on Sunzi teachings:

> The general knows the outcome because he [sic] has read the situation correctly and influenced it well before battle is engaged. This sheds light on Sunzi's often repeated dictum that the best general wins without fighting. He [sic] has intervened early enough in the situation that it develops toward his [sic] desired result without requiring a resort to armed force.

Such early and indirect actions may prove decisive. American authors in the *Naval War College Review* note that

> [w]hile the United States remains focused on preparing the environment and building partners, Chinese strategic culture states a preference for defeating an adversary before what Western thought thinks of as war has begun. (McDonald et al. 2012, p. 123)

Western military leaders have sought to build and train organizations that can adapt and take action in many circumstances. However, they have been challenged in developing strategies that dictate the circumstances of their action:

> The strength of British policy has been its adaptability to circumstances as they arise; its weakness, that the circumstances (which are usually difficulties) could have been forestalled by forethought. (Hart 2012, p. 72)

American military strategists have sought to incorporate such approaches into what the Pentagon already in 2007 unveiled as "The Phase Zero Campaign" (McDonald et al. 2012). The rethinking of strategy was designed to question the role of direct action and reframe the acceptable costs of efficiently achieving results. How to avoid paying for the costs of strategy without getting the returns on the action? How to rethink strategy in terms of net return on action? Strategists are challenged by these implications. For leaders this is a paradigm shift. After all,

if no direct action was taken yet the outcomes were achieved, does that mean there was no leadership at all?

Like a firm's other assets, we argue that taking action should be treated as a scarce and valuable resource. A bias for action should be balanced against the costs of action in leadership. Action may be expensive as evidenced by the unsuccessful cases described earlier. Deteriorating balance sheets, write-offs, or loss of goodwill may later testify to action having been unconsidered. However, the expenditure goes beyond financial resources and includes the managerial attention consumed, the opportunities forgone, the diminution of brands, and, perhaps most importantly, the revealing of the firm's position, including its strategic intent, to the competition.

The corrective actions required after strategic missteps are also of consequence. The expenditure of action increases the cost of strategic opportunities at later dates, if not eliminating some options altogether. Strategy may lose its credibility due to frequent futile changes. It is not surprising to see the company change its CEO who therewith has also lost his or her credibility as a strategic actor, alongside the investors' confidence. Diminished financial resources limit options, alternative acquisition targets may have passed, tarnished brands can no longer be leveraged, and the market can no longer be surprised without upping the ante. Costs are real but not always easily calculable.

To avoid the pitfalls of this bias for action and its costs, leaders should carefully assess whether and when to take the potentially required action. Figure 13.1 gives guidance for this assessment. First, does the particular action under consideration disclose the organization's strategy to competitors and is that competitively desirable at this point in time? If the action leads to strategic disclosure too early, benefitting competitors, this delays action. The second consideration is about strategic leverage: Is the moment in consideration the right time for the action to achieve its objectives? If there is not enough financial or market leverage to achieve the objectives, delay the action and focus on building competitive leverage or avoiding action altogether. Such priming considerations may help leaders demonstrate leadership to their organizations without having to engage in harried action. Figure 13.1 illustrates active waiting amid these considerations.

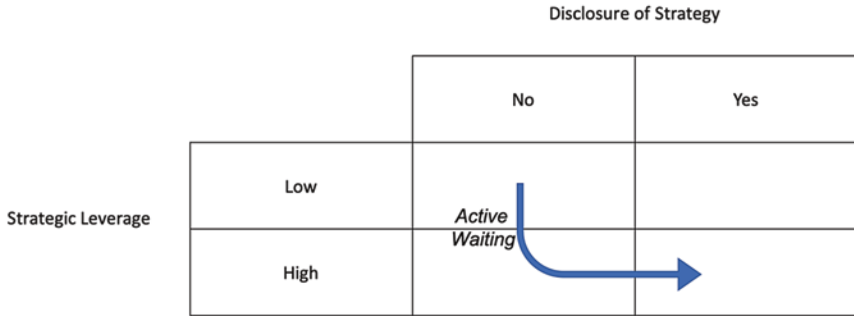

Fig. 13.1 A strategy of active waiting. (Source: authors)

The solution toward better leadership then becomes deconstructing the binary myopic decision to act or not to act and adding the temporal considerations of active waiting. This is a consideration a leader must consciously make against the expectations of taking instant action. We argue that such leadership that reflects on the appropriate timing of action, given an organization's leverage in the competitive situation and the disclosure of its strategy, will succeed in deploying resources more effectively. Actively waiting, preparing for actions to come, and developing organizational processes that support this patient strategy allow leaders to escape the harried bias for action while communicating leadership to their organizations. Thus, gaining organizational support for such considerations of timing is important: explaining the grounds of active waiting in terms of developing strategic leverage and postponing disclosure of strategy may help. More generally, an appreciation for more patient leadership should be a topic for leadership education, and attention should be paid to the competitive and societal costs of too fast action not well considered.

For military strategists, the costs of corrective action, and the reasons to avoid it, are obvious. Territory lost through action is difficult to regain. Kutuzov knew that he did not have the resources to engage Napoleon's Grande Armée multiple times. The Light Brigade destroyed in the rash charge could never be deployed again. In business, some strategies may not be available again once their affiliated actions have failed.

Kutuzov is a grand example of a strategic leader whose action, when taken, avoids a bias for action. Kutuzov's strategy of scorched earth retreat ever deeper into Russia, and ultimately out of Moscow itself, allowed time to develop detailed knowledge about the Grande Armée's numbers, deprive it of supplies, and allow it to be impacted by ever-worsening conditions (Tolstoy 1869/2019). More importantly, Kutuzov knew how to identify his future opportunity. In contrast, Napoleon lost the war not because of a single decisive battle for which he was well prepared, but because he lost his leadership in a burnt-down Moscow with nobody to receive him and acknowledge his presumed victory. Kutuzov (Tolstoy 1869/2019) knew that defeating one of the greatest armies ever assembled could not be done by the Russian army alone. The coup de grace would only be delivered by Russian troops while the onset of Russia's winter finished it off. Today, Kutuzov abandoning a burning Moscow to Napoleon is seen as masterful leadership and reflexivity. During the events, however, Kutuzov was required to engage in skillful communication, politicking, and sensemaking to ensure that the rest of the military did not take action against Napoleon, or even Kutuzov himself, on their own accord and that the generals bought into his leadership of decisive inaction. Active waiting was ultimately victorious, yet at some cost to Kutuzov himself, being criticized for letting Napoleon enter the Russian capital city without firing a shot.

Conclusion

"Patience and time are my warriors, my champions, thought Kutuzov. He knew that an apple should not be plucked while it is green. It will fall of itself when ripe," wrote Tolstoy (1869/2019). Strategy may be seen as a choice that leaders must make between action and inaction. We argue the current bias for action is forcing leaders into unnecessary and untenable positions, costing companies avoidable losses, both in terms of execution itself and also as a result of revving up organizations for unconsidered action. This bias, characteristic to human behavior, may not only expose strategic intentions—giving competitors valuable

strategic information—but also waste organizational morale through constant failure. Kutuzov reflected on impatient leaders that challenged his plans:

> "Continual maneuvers, continual advances!" thought he. "What for? Only to distinguish themselves! As if fighting were fun. They are like children from whom one can't get any sensible account of what has happened because they all want to show how well they can fight. But that's not what is needed now." (Tolstoy 1869/2019)

Such an action frenzy is not only costly in and of itself but also closes off strategic options that could have matured and developed into the winning action. Or, alternately, exercising restraint could allow for more conducive conditions to emerge. In a crisis situation, careful consideration is particularly valuable.

Our analysis of bad leadership thus builds on the common behavioral tendency of rushing into action when a cautious and reflective attitude would serve the organization better. However, such a reflective approach is all too rare—and this explains why there are so many bad leaders. Instead, a bias for action is allowed to persist, facilitated by a routinized tempo of organizational decision-making and the misguided perception that only action equals determined leadership. Our recommendation is for leaders to better attune their organizations to the total costs of action. Learn from military leadership about the benefits of holding back action when active waiting would serve the strategy better.

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14

Heads Above the Rest: The Cognitive Demands of Leading the Modern Organization

Tom Giberson

This chapter suggests that (1) there are many “bad leaders,” and (2) the reason for this is the leadership demands/needs of postmodern work organizations is beyond the developed capacity of the majority of the population and thus beyond the developed capacity of most leaders. Most approaches to “developing leadership capacity” amount to adding technical capabilities or rote behavioral models to leaders’ repertoire through leadership training. However, bad leadership results not from leaders having too few behavioral options to select from when facing complex challenges, but rather from *the mismatch between the demands of the environment and leaders’ developed capacity to successfully navigate these demands*. This mismatch is an adaptive challenge that additional technical capabilities cannot resolve. The challenges require more advanced ways of understanding and navigating the world than the majority of leaders possess.

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To explain why there are so many "bad leaders," this chapter attempts to succinctly describe a complex leader–environment system in a linear way, necessarily asking the reader to accept that many features of the system are not addressed. Some features are inadequately detailed, others barely acknowledged, and most ignored altogether. The goal of this chapter is not to be exhaustive, but to encourage further reading and investigation of the ideas and how they can be of service to describe, understand, predict success, and develop leaders. First, I provide perspective on why leaders are important to organizations, along with a description of the postmodern context in which they operate. I then summarize a way of understanding human development that highlights how and why most leaders are outmatched by the demands of the environment. Next, I share specific examples of client leaders and client organizations that are symptomatic of the leader–environment system described in motion. Finally, I provide a few suggestions for how to address the issues raised regarding "bad leaders."

What for Leaders?

Schein suggests that "the only thing of real importance that leaders do is create and manage culture" (Schein 2004, p. 11). In deceptively simple terms, Schein (2004) suggests that leaders develop the organization's culture as they and the organization's members solve the universal need for internal integration and external adaptation. Issues of internal integration deal with relationships among organizational members that ultimately enable the organization to communicate, coordinate, and learn to adapt to internal and external challenges. External adaptation issues stem from the external forces of the market: competition, regulations, customer demands, supply issues, and so on. Solving these problems represents no small challenge, as they are often paradoxical: internal integration—most efficiently enabled by clear lines of reporting, controls, measures, predictable processes—can be antithetical to solutions that enable external adaptation, which require the flexibility to adapt to ever-changing environmental conditions, global influences, changing customer demands, supply disruptions, and so on. For example, the

traditional hierarchy with its clear reporting structure is a very clear, consistent, and simple solution to internal integration. It is also quite effective so long as the environment is stable, predictable, and unchanging.

Pre–World War II, F. W. Taylor's (1911/1968) Scientific Management brought modernity's reason and science to leadership and organizations. The technology and more locally based economies of the time enabled Taylor and organizations to take a relatively stable external environment for granted, placing a premium on the rational measurement-based approach to work that enabled internal integration through clearly defined roles and reporting structures. Structure, people, processes, and technology could be thought of as a well-oiled machine: slow to change, but efficient and effective at producing predictable outcomes in reliable ways. Henry Ford's (apocryphal) quote—that a customer can have a car any color he wants, so long as it's black—reflects the assumed stable external environment and the emphasis on efficient integration of internal operations. Ford's customers only expected a black car and could not imagine a pink one; nor were there competitors to provide any color a customer might desire. Internal integration was further simplified, as leaders dealt primarily with local people having similar values, culture, background, expectations, and experiences, enabling them to draw upon familiar approaches to resolving issues as they arose. Leaders relied on the authority of their position to deal with most issues.

Post–World War II, technology and global political and cultural changes enabled an economy that encouraged organizations to outsource to low-cost locations while also accessing global consumers of goods and services. These changes destabilized the environment of modernity and required organizations to be more flexible. As a result, the traditional "modern" hierarchy and clear reporting lines were replaced with post-modern matrixed global organizations that operate as a network rather than as a machine. Leaders today are working with people having different languages, cultures, assumptions, values, and ways of understanding the world.

In contrast to their historical peers, today's leaders simply cannot rely on linear, position-derived leadership to understand and resolve the challenges of internal integration and external adaptation. Leaders today are

not facing more of the same challenges of the past, but rather wholly unknown ones. Again, as Schein (2010) states,

> [w]ith the changes in technological complexity, especially in information technology, the leadership task has changed. Leadership in a networked organization is a fundamentally different thing from leadership in a traditional hierarchy. (p. xi)

Note that it is changes in the external environment that drove the requirement of a more complex, networked organization.

Volatility, Uncertainty, Complexity, and Ambiguity (VUCA) is a concept attributed to the US Army War College (Barber 1992) to describe the environment that leaders face post–World War II. In comparison to the world that Taylor and Ford faced, the postmodern environment is characterized by

- Volatility: rapid change, lack of consistency
- Uncertainty: unpredictability, lack of clarity about current status
- Complexity: confusing and indeterminate circumstances that are multi-determined
- Ambiguity: lack of clarity about cause and effect and how to understand the world

Leaders facing even one of these features represents a significant challenge. What if VUCA and postmodern reality are all too much to ask of leaders?

"Bad" is a very harsh term and given the position of this chapter, perhaps an unfair way to characterize "ineffective" leaders. How do we know that there are many ineffective leaders? Gallup Organization (2017) suggests that engaged employees are critical to organizational success, as engaged employees "are psychological owners, drive performance and innovation, and move the organization forward" (p. 22). The same report indicates that leaders account for 70% of the variance in employee engagement and that only 15% of employees have a leader who encourages employee engagement. This result neatly matches their finding that only 15% of workers globally are highly engaged. While not the only

measure of leadership effectiveness, given Schein's (2004) assertion regarding "culture" as the only thing that leaders do that matters, it seems reasonable that *effective* leaders create and develop a culture with shared values of high engagement and highly engaged people—or not. If leaders are not engaged in engaging people—or are doing so ineffectively—what for leaders?

Leaders' Developed Capacity

Robert Kegan's (1994) theory of adult development describes the

> evolution of consciousness, the personal unfolding of ways of organizing experience that are not simply replaced as we grow but subsumed into more complex systems of mind. (p. 9)

Kegan's approach to adult cognitive and emotional development integrates both the individual and the context in which the individual exists—whether in a working or nonworking context—over the course of a lifetime. Fundamental to Kegan's theory are the concepts of *orders of consciousness* and *subject–object.* Kegan suggests that there are five primary orders of consciousness that humans have the potential to develop to or through over the course of their lifetime. While "in"—or held in—one of these orders, certain features of the self and outside world are held as *object*, and thus within our awareness and capacity to account for emotionally, cognitively, and behaviorally, we can make informed choices based upon this awareness. One is *subject* to other internal and external features that vary in complexity across the orders; what one can hold as *object* and what one is *subject to* can change as one develops over time, experience, and maturity. As we develop in complexity and capacity, we can hold additional—and more complex—features of the self and environment as *object*, and what was once *subject* becomes *object*.

Features of the self and external world that one is *subject* to are those features outside of our awareness and/or capacity to account for, and thus unconsciously limit our choices. In a very real way, one's currently achieved order of consciousness limits the aspects of the self and

environment that one is emotionally and cognitively able to "hold" as *object*—and thus reflect on, consider as part of the system in which one operates, and therefore make choices about how to operate within the environment. Those aspects of the self and environment that one is *subject* to include features of the self that function similar to a computer—it runs the program without any recognition that a program is running—*it simply does*.

For example, while held in the second order of consciousness (most typically experienced by children aged 9–13), one is able to hold as *object* one's impulses (which one was *subject to*—and thus unaware of—within the first order) and thus begin to socially self-regulate and not simply do whatever comes to mind regardless of the situation. Individuals in this order are *subject* to their own needs, preferences, and self-concept, as they are incapable of holding these things as *object*.

In stark contrast, an individual who has developed to the fifth and highest order of consciousness (a not-so-common achievement) is able to hold as *object* their own self-regulation, self-authorship, and self-formation. A leader at the fifth order is able to understand and separate their own perspective and related biases, shortcomings, and so on, as well as the multitude of alternative views, opinions, cultures, and personalities, within the organizational system. As leaders, these individuals have the potential to find solutions despite the seemingly incompatible and competing demands, perspectives, interests, and systems at play because they are not *subject* to them; rather, these leaders can hold such features as *object*. When individuals progress through the orders, they do not "lose" the features of the previous order; rather they become able to hold those features as *object* that they were once *subject* to and consider those features in a larger, more complex frame.

Kegan's (1994) model is a constructive developmental model. It is constructive as it presumes that one does not simply absorb the world as an objective reality; rather we perceive and interpret the world and make meaning of it. Our ability to make meaning is limited by multiple factors; for Kegan, one's current order of consciousness is the predominant predictor of how we can and will make meaning. Schein (2013) observed that "[w]e do not think and talk about what we see; we see what we are able to think and talk about" (p. 90). Or, what we see and what we are

able to talk about is limited by what we can hold as *object* and further limited by what holds us as *subject*. Thus, Kegan explains not so much *what* one knows, but *how* one knows.

The model is developmental in the sense that one's order of consciousness is not a given, fixed phenomenon, but rather a position in which one is held for a period of time. How long? It depends upon the person and the environment. If the environment does not demand greater orders of consciousness—or complexity—then there is no likely need or opportunity to challenge the individual to advance to the next. There is nothing "better" or "worse" about one's current stage of development. Nor is there any guarantee that one can or will advance to later stages; if one's current stage enables effective responses to the environment, then it is "good enough." That is to say, "good enough" that one's current order enables a construction of the world, way of knowing, and solving life's challenges that are effective enough. One whose current order is below the environmental demands is likely to experience tension, struggle, and frustration; Kegan (1994) suggests that such mismatches can lead to "burnout" at work and other problems, but such tension is also a precondition for the potential to grow toward the next order.

Based upon multiple studies of the "normal" adult population, Kegan (1994) estimates that at any given time, between half and two-thirds of the population have not achieved the fourth order of consciousness and thus are currently held between orders three and four. The next section will describe in more detail these two orders.

Third- and Fourth-Order Leaders

Individuals held at the third order of consciousness are referred to as *socialized* individuals (Kegan 1982, 1994) and are much more adept at navigating the complexities of the world around them than those at the second. Such socialized individuals can empathize with others and anticipate what others might feel in response to particular situations. Abstract reasoning, evaluating and anticipating future possibilities along with the steps to realizing the future are also accessible. Third-order individuals identify with something other than their own wishes or desires (second

order), and identify themselves with something larger, such as a "patriot," or "evangelical Christian." This identification with other is a hallmark of the third order. These individuals'—and therefore leaders'—way of knowing "what is right" and how to interpret the world and make meaning comes from their surroundings. Individuals at this order do not self-generate values, beliefs or other self-governing guides; rather they adopt them from others: parents, friends, religious authorities, bosses, the organization, and so on. They do not have the capacity to hold these adopted beliefs as *object*, as they are *subject* to them.

A third-order leader can be quite effective in the right circumstances. These leaders are able to be sensitive to others, build mutually productive and positive relationships, and can carry out fairly clear directives based upon a clear set of rules, values, beliefs, and so on. They derive their sense of competence, power, and direction from their role, title, and other externally provided guides. So long as the external guides they have adopted do not come into conflict or do not have to otherwise satisfy seemingly contradictory demands from equal authorities, they can be effective. When faced with contradictory demands, Helsing and Howell (2014) suggest that these leaders can be overly rigid and defer to a single external belief system or contrarily become overly flexible and easily influenced by external sources including bosses, peers, or even direct reports. These leaders need an external source to resolve these internal conflicts. Indeed, considering the world of Taylor and Ford with a relatively stable environment that enabled a hierarchical, linear, position power-based organization, third-order leaders would have been a perfect fit.

Fourth-order individuals are labelled as *self-authoring* (Kegan 1982, 1994). These individuals and leaders have grown more complex and now hold as *object* external authorities' values that once held them as *subject*. They self-author the values, beliefs, and thinking that guides them, which may or may not include the values, beliefs, and thinking they adopted from others at the third order. They can evaluate and critique external authorities and also make sense of and resolve the perceived contradictions that stymied them at the third order. The "either–or" solutions of the third order become but two options of many as they are able to see the "either" and the "or" not as polar, incompatible opposites but as just

two positions among many. They are no longer held by the values and evaluations of others but rather can consciously choose to adopt or discard them based upon their own choices.

Unlike leaders held at the third order, fourth-order leaders are able to think independently, generate their own vision, challenge those with whom they disagree based upon their own critique, self-initiate, and self-correct based upon their own internal measures and standards (Helsing and Howell 2014). Rather than relying solely on external sources, they are able to simultaneously hold external perspectives as *object* and also independently consider and generate their own perspective. Rather than being stuck between two positions, fourth-order leaders "climb a ladder" and look down upon the choices of the third order and see larger systems at play. Such a perspective made what was the three-dimensional reality of the third order appear as simpler and two-dimensional.

At the core of Kegan's (1982, 1994) model is the concept of *fit*; to what extent does one's capacity to resolve the challenges of life (work, love, parenting, etc.) match the demands presented? Kegan's (1994) *In over Our Heads* suggests that there is nothing wrong per se with an individual held in the third order. As noted, these individuals are what most societies consider adults with the requisite ability to consider others' needs and wants, suppress antisocial tendencies, and generally get along and go along with their culture (hence the *socialized* or *interpersonal order*). Kegan describes such socialized individuals as a relatively good fit for modern life, but not so much a fit for postmodern life. Kegan (1994) argues that fourth-order leaders are what postmodern organizations and postmodern life in general want and require. He titled his 1994 book *In Over Our Heads* to describe the postmodern condition for the majority of the population—held at order three in a world characterized by order four challenges. Table 14.1 provides a leadership-oriented description of the third through fifth orders (first and second orders are (hopefully) featured pre-adulthood and are excluded).

A few notes and observations:

- As one progresses through the stages, one holds as object what one was formerly held subject to; thus, individuals do not "change" or "shed"

Table 14.1 Kegan's third through fifth orders and characteristic leadership descriptions

Order	Leadership descriptions
3 *Socialized*—common; postadolescence	Seeks direction from external source(s) Aligns with external values, vision, agendas Supports and empathizes with others Selects solutions from menu of choices Self is inseparable from surround Sees self as responsible for others' reactions Subject to real and imagined expectations of others Says and does what believes others want or need Challenges authority through the external frame adopted by self Not able to challenge adopted authority—is self-same Particularly susceptible to "groupthink" Stymied by the paradox equal authority/direction; either–or thinkers
4 *Self-Authoring*—rare; later adulthood	Self-generates values, vision, and agenda Truly independent problem finder solver Sets boundaries base Sees self as independent of others and others as responsible for themselves Says and does what believes others need Can challenge authority based on self-generated frame Psychological owner of self and work Sees the systems at play; not limited by either–or
5 *Self-transforming*—very rare; late life	Comfortable with contradictions Views what is known now and the self as temporary and changing Able to hold object and question self-generated frames Invites information and perspective that challenges their understanding and view of the world

Source: Adapted from Kegan and Lahey (2009)

former orders. Instead the former order becomes an object-feature of the more complex self.

- Expecting an adult, third-order leader to lead like a fourth- or fifth-order leader is no different than asking a first-order infant to behave like a second- or third-order person.

- Recall that the Gallup Organization (2017) describes "engaged employees" as "psychological owners, [that] drive performance and innovation, and move the organization forward" (p. 22). While vague, these seem to require fourth-order capabilities.

Modern Leaders, Postmodern Demands

There is nothing to suggest that as the world became VUCA leaders have also suddenly become able to expedite the process of transformation from order to order. Today's leaders are not simply adopting and using dated models and skills from modernity—the failure of today's leadership development and training programs to develop more effective leaders attests to that fact. Assuming that the majority of the population at any given time is held at—or more likely below—the fourth order (Kegan 1994), there is a *lack of fit between organizational leaders and the circumstances in which they lead*. Next, I'll provide a few examples and observations from my 25 years as a professor, management consultant, coach, and industrial/organizational psychologist.

Plays Too Nice with Others

One of the most common (50%?) issues that I am asked to help leaders develop is the capability and comfort of having "difficult conversations" with bosses, peers, and direct reports. Generally speaking, these individuals are characterized as "conflict-averse" and this tendency plays out in several ways. For example, many of my clients' leadership features some or all of the following:

- All direct reports are assigned the same rating on performance reviews.
- Direct reports indicate on 360 assessments that they don't know where they stand in terms of performance.
- Their boss reports that the leader has a hard time with or "puts off" having tough conversations with direct reports about poor performance.
- They have a difficult time delegating to others.

- Others successfully "delegate up" to the leader through a variety of means.

What most of these leaders have in common is *not* the lack of skill. In fact, most of these have completed one or more trainings on a variety of techniques and approaches to delegate, have tough conversations, hold others accountable, and so on. Indeed, a perusal of almost any business section of a bookstore is full of such topics, which are core components of many leadership development curricula. So why are they not doing it? Why do I have a consulting practice?

One feature of the third order of consciousness is drawing a sense of right and wrong, good and bad, guides for behavior from the surround, including others (again, *socialized*). In fact, leaders held at the third order tend to spend a lot of time thinking about what others are thinking about themselves—boss(es), peers, direct reports, strangers, and probably even invented or hypothetical others (Kegan 1994). Given this feature, "what you think of me" (or what I think you think of me) becomes an important frame for evaluating and structuring an understanding of oneself. Rather than being conflict-averse, perhaps such leaders are instead unable to separate themselves and their sense of "goodness" and "badness" from the real or imagined judgment of others. Perhaps having "tough conversations" and providing accurate performance evaluations and their accompanying pay raises (or not) is simply beyond the developed capacity of such leaders—they are fused with the other and their real or perceived judgment of the self. The inner structure of how meaning is made and the criteria for making decisions are adopted from the surround, rather than the self, as it is for leaders held in the fourth order.

There are certainly many leaders held at the third order who can and do provide difficult feedback. Such leaders simply draw their inner guidance from some other source in the environment. For example, they may have been exposed to a mentor from whom they adopted their understanding and interpretation of "what a good leader does" and that includes providing difficult feedback in a particular way. The question is not what the leader does, but from where the choice of behavior is generated—from the surround (third order)? From the self (fourth order)? Leaders who do provide difficult feedback from a third-order position are

essentially selecting behaviors similar to choosing items off a menu, and so long as the items they have to choose from fit the situation, their performance is likely viewed as effective. However, when the rote behaviors do not fit or there are conflicting demands from equal authorities in the environment, third-order leaders would feel tension as they do not have and cannot generate solutions that fit the more complex situation. Such leaders bring the only menu they have into every restaurant they enter and there is only one restaurant where they'll successfully get their meal.

Great Engineer, Ineffective Leader

One of the most common "truisms" I have heard from my earliest days as a consultant is the lamentation "What we do here is take a great engineer (or great *whatever*) and make them a manager, then we scratch our heads wondering why they are so ineffective." Client organizations conduct needs assessments and develop competency models and design training programs for aspiring leaders and leaders-in-place to head off this problem. What are some of the complaints? Similar to the *Plays too nice with others* profile, these leaders have a tough time separating themselves from the work itself—the technology broadly—and as a result are delegated to by direct reports, provide little guidance or feedback to others, are oblivious to the relational requirements of their work, and instead focus on the technical. Why?

One possibility is that such leaders lack the skills and confidence to operate within the new context of a leader versus a worker. These leaders are often put through leadership and management training to "skill them up" and they are set on their way to deploy the new skills. And yet they underperform. Another possibility is that these are third-order individuals who have come to make meaning and structure the self from the surround. That surround typically included university training, which not only provides skill and knowledge development in the curriculum but also implicitly and explicitly indoctrinates individuals to the values, beliefs, and behaviors of the field, spending time and getting along with others having similar backgrounds and experiences, being hired into a job and organization specifically in recognition of their adoption of the

knowledge, skills, beliefs, and behaviors of an engineer, being reinforced for successfully resolving problems in an engineer-like way, and so on. These are all potential sources of third-order self-structuring. These leaders are simply doing the only thing they can do at that point—approach management the way they approach work, themselves, and life itself. To do otherwise is inconceivable.

Lost in the Matrix

Stepping up from the relatively simple demands of managing others that challenge many leaders, the "matrix" is a fairly common approach to organizational design. The matrix (or as one client referred to it, "hell") is an attempt to internally integrate in such a manner that enables the organization to quickly flex and change to the competing and complex demands of external adaptation required in a VUCA world. The concept is relatively simple: a group of people—we'll again say engineers—are pooled based on their skill sets. These engineers are then assigned to a variety of customer projects, each led by a different manager-leader. Each of these project leaders have a vested interest in pushing their project as the priority, since their boss and customers say they are the priority and they are held accountable and rewarded for acting as such.

In my experience, the leaders on the outside of the matrix spend no time working together to manage the people within the matrix working projects to determine and coordinate what *should be* the priority (fourth-order-level stuff!). The engineers within the matrix have multiple bosses and multiple priorities with nothing but the equal bosses' demands to deliver on their top-priority project. And that is without mentioning these engineers also have a functional boss that they report to. Given the inconvenient linearity of time, limitations of human performance, and their other life demands, the engineers inside the matrix are left to decide what and how to prioritize (most of which is determined by who just called, emailed, or texted asking for something). It is fairly safe to assume that the engineers, on average, are even more likely to be third-order individuals who are not only technically incapable, but *adaptively* incapable to simultaneously deliver all of the demands placed upon them

with no higher-order authority to sort out what they should be working on and when. Results for many of these individuals? Burnout, disengagement, disappointed leaders, feelings of inadequacy, 90-hour workweeks—and still they're behind.

Kineticks Nice

I've noticed that most clients' cultures appear clearly characterized by third-order leadership, but they unconsciously demand fourth-order leadership. I'll call this example client "Kineticks"—a manufacturer, distributor, and retailer of soft goods. It is a billion-dollar family-owned business with over 75 years of history. Kineticks primarily engages me to interview and complete psychological assessments of internal and external finalists for mid- and upper-management roles. I then provide feedback to the hiring manager, HR, and so on about what they can expect in terms of leadership and success in their environment. The organization is enviable for its people's and culture's passion and commitment to the brand, traditions, and the highly accomplished and talented people on staff and who apply for open positions. Indeed, many of the people working at Kineticks are the third or fourth generation of families doing so.

One of the most common laments about the culture is "Kineticks Nice"; that is, people do not challenge each other in meetings or individually. Instead they all get along and agree to whatever in meetings, then say what they really think with similar-minded others and passive-aggressively drag their feet outside of meetings. This culture appears to consider most ideas that are consistent with the status quo as fairly equal, ideas are inseparable from the person sharing them, decisions are not made—doing so would mean not taking someone else's idea and hurting their feelings, and people who do challenge others are considered "not a good fit" with the culture. Each and every hiring manager I work with summarizes "what we're looking for" by introducing a paradox for a third-order leader: "we need someone who can navigate and respect the culture as we are today and who can help lead us to the future." When asked what that means, they generally say they want leaders who

- Think for themselves
- Generate a vision
- Are able to appreciate and integrate others' ideas and find "next-level" solutions
- Challenge others' ideas
- Influence without authority

These hiring managers are describing fourth-order leaders. I do my best to help them identify the finalists who are complex and capable enough to manage the paradox and generally have success. However, as one might guess, leaders who challenge the status quo separate ideas from people who give them, think independently, find new ways, provide an alternative vision, and so on must violate the "Kineticks Nice" culture by challenging others in meetings rather than passive-aggressively complaining and resisting after agreeing during meetings. It isn't a matter of *how* "*nicely*" they challenge others, but rather the *fact that they are challenging* the status quo that is the problem. Assuming that the majority of others that a fourth-order leader is working with are operating at the third order at Kineticks, it strikes me that in order for a fourth-order leader to be fully effective, they need some fourth-order leaders in the surround who can also think for themselves, separate themselves from their own ideas, generate and take in multiple possibilities, and ultimately "step up the ladder" to hold as object the heretofore smaller either–or system at play.

Select All, Delete

As a last example, I'll zoom back down to something as simple as email. Recently I was coaching a business-unit leader at a global manufacturing organization. He spoke five languages, had lived and worked in seven countries (by seeking out specifically the challenge of doing so), and was considered an effective leader in several different organizations. This is a highly educated, culturally literate, complex-thinking individual with access to ways of thinking through language and life experiences that would challenge anyone in ways so as to encourage development toward the fourth order of consciousness. Indeed, while I do not utilize Kegan's

Subject–Object Interview (Lahey, et al., 2011) with most of my clients to identify their exact positioning, I do pay attention to how they appear to make meaning to generate a hypothesis of their current order to increase the chances I can be helpful. I have no doubt that he achieved or was close to achieving the self-authoring, fourth order of consciousness. I consider him to be *heads above the rest*.

About midway through our work together, he reported that he had made a decision and taken an important action. When asked what that was, he indicated that "I deleted all of my emails." Thinking he was joking (we hadn't discussed this as a solution!), he indicated that he had indeed done away with all of his emails. He shared that not only could he not make sense of all of the information, competing demands, and the complexity of the environment reflected in the thousands of emails he had yet to read, but he also could not make any determination as to *what to do* in response. He decided to outsource the decision back to the senders: those who sent a follow-up to re-inquire would get a response, and those who didn't wouldn't. Two weeks later, he reported receiving between 20 and 25 follow-up inquiries, to which he happily responded.

Supporting Leadership Development and Growth

Kegan's model (1982, 1994) is exceptionally instructive and helps to make sense of many problems seen in leaders and organizations. It is not, however, terribly optimistic. Not optimistic in the sense that no amount of training, competency models, cajoling, encouraging, and so on is going to truly expedite transitions from third- to fourth-order leadership. The book you're reading would likely not be necessary—or would be a very different tome—if the majority of leaders were held in the fourth or even fifth order. Perhaps if leaders were primarily held in the fourth and fifth orders, "bad leadership" would be discussed by this author in a moral, rather than in an effectiveness frame (since one's order does not make one "good" or "bad" in the moral sense). He does, however, provide some tools and suggestions for supporting progress. While it is beyond

the space limitations here to provide detail, I will briefly summarize two simple perspectives on how to approach the problem of "many bad leaders":

- *Hire for competence and order*
  Identifying the demands of a given role not only in terms of competencies and behaviors, but also in terms of the ideal "achieved order" could also be a strategy for increasing leader and organizational success. Perhaps there is a predictor of the speed with which or likelihood that one is to progress—a new construct for predicting a "high potential leader."
- *Leadership development as order development*
  Ideally, we would create organizations to be developmental by purposefully designing the right challenges at the right times in the right ways with the right support (Kegan and Lahey 2016).

Both of these "strategies" have inherent logical and practical problems. It is unlikely that the environment in which leaders lead is going to regress any time soon; perhaps individuals, organizations, and societies would be well served to completely rethink how it approaches developing leaders.

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Part VI

Organizational Support

15

Review, Reflection and Coaching: Developing "Good" Leadership and Management Practices in Middle Managers

Richard K. Ladyshewsky and Verity E. Litten

In this chapter, we discuss three reasons that we believe lead to "bad" or ineffective leadership and management in organizations, with suggestions to prevent the "bad" leadership from occurring in the first place. With the exception of corporate psychopaths, we believe that most managers and leaders do want to do their best. However, they may find themselves in situations where it is difficult to perform well. The first reason this might occur is that the wrong individuals are being hired into these positions in the first place, and if more attention was paid to the process of recruitment and selection, there would be fewer ineffective leaders/managers in these roles.

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The second reason is that sometimes a manager/leader is hired to implement very difficult decisions that are in the best interests of the organization. Staff may not like these decisions and, therefore, inappropriately label the manager/leader as "bad". The third reason is that managers/leaders and their organizations are not investing adequate time or money into professional development. They may also not understand what is needed to build "good" leadership/management competencies. As a result of this poor investment and lack of understanding, "bad" leadership and management continues to flourish in the workplace. This chapter, therefore, explores these three reasons more deeply, using the middle level manager as the focus of this discussion as they represent a large segment of the management/leadership community.

The chapter is organized in the following manner. First, we explore recruitment and selection and how this can influence leadership and management. We also include reasons for improving these processes. Second, we explore staff attitudes and how these might erroneously label management and leadership as "bad". Lastly, we explore the concept of "competence" and the importance of professional development. This is followed by discussing professional development further, and the importance of culture, self-awareness, development planning and coaching.

Recruitment and Selection

One reason that there are so many bad leaders/managers is that the wrong individuals are being hired into these positions as a result of ineffective or inappropriate recruitment and selection practices. For example, at an operational level, inadequate reference checking, simplistic interview questions that don't assess candidates' behavior, and inadequate searching to find qualified candidates are some of the potential factors contributing toward bad organizational leadership/management.

Organizational politics may also play a role. For example, favoritism, nepotism, hidden agendas and selection based on seniority, rather than ability or merit, may lead to the wrong person moving into a leadership and management role. The *Peter Principle* (Peter and Hull 1969), for example, is a common problem that leads to ineffective management and

leadership. This principle states that employees are promoted within their organization's hierarchy based on how successful they were in their previous roles. Eventually, if promotions continue to be based on prior performance in previous roles, employees may hit a level within the organization where they are no longer competent yet remain in that role. Being aware of these politics and influences and identifying and naming them early if they appear will improve accountability in the recruitment and selection process.

When seeking to understand why there are so many "bad" managers, it is also pertinent to look at the types of people who typically end up occupying these positions. A growing body of evidence has indicated that the prevalence of psychopathic personality traits in the corporate sector is four times higher than that in the general population (Babiak et al. 2010; Boddy 2015). Further, psychopathic individuals tend to quickly rise to leadership/management positions as they are particularly effective at manipulating coworkers, intimidating direct reports and superficially charming superiors to falsely represent themselves as ideal candidates for leadership roles (Lilienfeld et al. 2014; Mathieu et al. 2013).

It has been argued that psychopathic traits (i.e., the ability to charm, manipulate and deceive others for selfish gain, without feeling empathy or remorse) may prove adaptive in the business world; as these individuals often flourish in organizational environments that require a rational, emotionless behavior style, willingness to take risks and a constant focus on achievement (Boddy 2015; O'Boyle Jr et al. 2012; Smith and Lilienfeld 2013). Empirical evidence supports this notion, indicating that psychopathic traits are positively associated with measures of workplace success such as salary and number of bonuses received (Pavlić and Međedović 2019), as well as in-house ratings of charisma and presentation style in senior-managers (Babiak et al. 2010).

Babiak and colleagues (Babiak et al. 2010) also suggest that employees tend to perceive psychopathic managers as having poor management skills, poor performance appraisals and not being team players, highlighting the negative implications of psychopathic leadership. Indeed, psychopathic traits have been identified as an underlying factor for many behaviors observed in dysfunctional leaders that result in increased psychological distress amongst employees. For example, in a leadership/

managerial position, psychopathic individuals are more likely to adopt aggressive and forceful leadership styles, ridicule or degrade employees, and behave in covertly unethical or illegal self-interested ways that are damaging to the organization more broadly and its personnel (Krick et al. 2016; Mathieu et al. 2014). Psychopathic traits are also positively associated with unethical decision-making (Stevens et al. 2012) and increased tendencies toward bullying, fraud, irresponsible leadership, violence and antiauthoritarian attitudes (Gudmundsson and Southey 2011).

To mitigate the risk of the wrong types of people (i.e., psychopathic individuals) entering the corporate arena and occupying management/leadership positions, it is important that organizations are aware of the risks these individuals pose and implement stringent recruitment strategies that are sensitive to screening out such traits. Investing time in thorough reference checking, using behaviorally based interview questions and investing adequate resources into appropriate advertising and searching are some mechanisms for reducing this risk. By implementing these strategies, organizations can ensure that the right people are being placed in these important middle management roles. Additionally, by establishing a set of corporate values that are incongruent with manipulation and antagonism and developing an organizational learning culture that encourages leaders across all levels of management to take responsibility for their ongoing professional development, it is likely that these environments will become less attractive to psychopathic individuals as they are more likely to be detected and held accountable for their destructive behavior.

Staff Attitudes

Another reason for why there are so many "bad" managers/leaders is staff attitudes. Assuming that a middle manager has been recruited and selected appropriately and has the potential to do the job, why might they still be considered "bad" by their team? Well, sometimes they are not "bad" at all, but, instead, find themselves in positions where they have to make unpopular decisions directed by senior leadership, which upset peers and direct reports who want to maintain the status quo. It is always

important, therefore, when considering whether an individual manager/leader is ineffective, to take into perspective the history, current context and desired future of the organization, along with the external factors that are impacting the company.

Leadership and Management Competence

A third reason we see "bad" management flourishing in workplaces is due to a lack of understanding on how best to develop leadership and management competence within a specific context. As Gurdjian et al. (2014, p. 2) note, "a brilliant leader in one situation does not necessarily perform well in another". For example, the technical skills of a talented engineer do not necessarily transfer to the skills required for an effective leader/manager Developing competence takes time. However, with organizations increasingly focused on productivity and profit, and a shift toward shorter-term employee contracts (Marcadent 2016), there is an expectation that newly appointed managers/leaders can "hit the ground running" and already have what it takes to be successful.

When an individual first moves into a leadership/management role they are faced with many new tasks and demands. Examples may include managing a team, having difficult performance management conversations or mediating conflict. They may not do these new things well initially and may inadvertently be labeled a "bad" manager, particularly if the organizational learning culture is low risk and high blame. Becoming a competent manager/leader requires repeated practice, and continual reflection about one's practice in a supportive organizational culture (Gurdjian et al. 2014). Through the application of experiential learning principles (Kolb 1984) and reflective practice (Schön 1991), the manager/leader can build their competence over time.

Being a good leader/manager involves learning to master a set of competencies to be effective in that role (Boyatzis et al. 2002). These competencies are not only complex but paradoxical in nature and represented across four different quadrants (Quinn et al. 2011). These four quadrants are Collaboration, Create, Compete and Control. The "Collaboration quadrant" encompasses competencies about building commitment and

cohesion, which are paradoxical to the opposing "Compete quadrant", which is about driving productivity and profitability. The same paradox holds true for the "Create quadrant", which is about managing change and adaptability whereas its paradoxical opposite is the "Control quadrant", which is about ensuring stability and continuity. Within each of these four quadrants are five key competencies that are important for managers/leaders to master (Quinn et al. 2011). For example, if one looks at the Collaboration quadrant, these competencies are: understanding self and others; communicating honestly and effectively; mentoring and developing others; managing groups and leading teams; and managing and encouraging constructive conflict.

Building Competence Through Professional Development

This section discusses how to build competence through effective professional development planning. Despite large amounts of money being spent by organizations on leadership development for their staff, many of these initiatives fail to meet expectations (Gurdjian et al. 2014). These initiatives fail because of a lack of understanding of context, a failure to connect learning to performance through reflection, feedback and coaching, and a failure to measure results. Hence, in order to achieve mastery of the management quadrants described earlier (Quinn et al. 2011), the following concepts that support the development of leadership and management competence are presented: organizational learning culture, creating self-awareness, development planning and peer coaching.

Organizational Learning Culture

Peter Drucker is alleged to have coined the phrase, "culture eats strategy for breakfast" (Barker et al. 2017), emphasizing the importance of the link between these two concepts. Many well-meaning managers/leaders have failed in implementing their business strategies because they did not understand the influence of their organizational learning culture (Marsick

and Watkins 2003). In order to build an environment where "bad" leaders can improve their practice through supportive professional development, an organization needs to value this enterprise and implement systems that promote ongoing learning and development.

Marsick and Watkins (2003) argue that if an organization is to achieve success, learning at an individual level is inadequate to create performance changes at the organizational level. Instead, learning must be integrated into organizational systems, practices and structures so that it can be used to leverage changes in overall knowledge and performance. A learning culture will reinforce improvement, and creating this culture is the responsibility of senior management. Positive workplace learning cultures have been associated with increased productivity and performance, through measures such as reduced staff turnover and absenteeism, and increased levels of self-efficacy and work engagement (Jossy 2007; Ladyshewsky and Taplin 2018).

Valuing ongoing learning, and investing in the organization's human capital, particularly at the middle level of the organization, may result in positive employee outcomes such as greater job stability, job security and reduced stress (King et al. 2017). It can also lead to greater employee job satisfaction as a result of the timely feedback, reward and recognition offered by effective managers/leaders. Robust goal setting and performance appraisal processes are helpful for managers in this regard, particularly if regular coaching is embedded into these conversations with their staff (Goleman 2000; King et al. 2017; Ladyshewsky and Taplin 2018). All of these practices, in turn, help to reinforce and build the organization's learning culture.

Therefore, a positive organizational learning culture that demands learning and best practice will enable leaders/managers to improve. With this mindset, the collective group of organizational managers/leaders, in turn, creates this positive organizational learning climate, as a result of the organization's values instilled by senior leadership. In order to create this learning culture, an organization must develop a fundamental philosophy of high risk and low blame. Rather than punishing a manager for making a bad decision, how can the situation be turned into a supportive learning experience so the person doesn't repeat the error?

Creating Self-Awareness

Self-awareness is critical if a middle level manager/leader is to develop their competence. Without this self-awareness, the individual sees nothing wrong with their practice. Instead, they may blame poor organizational performance on the behavior and performance of their direct reports or extraneous contextual issues. This lack of self-awareness is one reason why so much bad leadership/management continues to manifest in the workplace, because middle level managers may not recognize the importance of this skill in building competency. Employers may also not be seeking this attribute in their recruitment and selection process when hiring middle level managers because the focus is typically on assessing competence of functional roles (e.g., budgeting, project management) rather than including other "soft" skills like emotional intelligence and self-awareness.

In addition to being self-aware, leaders/managers need an internalized locus of control (Rotter 1966) or belief in their capabilities to improve as a manager, otherwise known as self-efficacy (Bandura 1997). They also need to have a personal philosophy that supports learning and development (Ellinger and Bostrom 2002). This means being open to learning in order to become an effective manager. This requires an element of vulnerability as the manager may need to ask for the support of his/her supervisor and team to develop these skills, particularly since evidence suggests that those who involve their team in their development plan are more successful in meeting their goals (Antonioni 1996).

Self-awareness can be improved upon by providing middle level leaders/managers with feedback derived from 360-degree appraisals and other psychometric tools. A reliable and valid 360-degree appraisal asks a robust sample of individuals (direct reports, peers, supervisors) to appraise an individual anonymously on a range of leadership/management competencies (Wood et al. 2000). Leaders/managers that have good self-awareness are more likely to have alignment in their 360-degree appraisal scores with their supervisor, direct reports and peers (Toegel and Conger 2003). Conversely, managers/leaders that are hyper-critical of their abilities typically score well below these raters and those who have an inflated

sense of their abilities typically score well above these raters (Antonioni 1996).

To improve manager’s self-awareness and to ensure their self-reports of 360-degree appraisal results are well aligned with those reported by direct reports, peers and supervisors, it is important that these appraisals are implemented with a focus on learning and development (Toegel and Conger 2003; Wood et al. 2000). Using a 360-degree appraisal tool for evaluation, with links to external rewards such as promotion or salary increases, can cause problems with rating validity as supervisors, the manager’s direct reports and peers may inflate or deflate scores depending on their particular agenda (Toegel and Conger 2003). Instead, using 360-degree appraisals for professional development and learning is likely to yield more valid scores and engage individuals with the process.

These 360-degree appraisals should also include written feedback so the comments can be aligned to scoring patterns. This feedback can be invaluable in helping middle level leaders/managers to align their performance with the expectations of their supervisors, peers and direct reports. With the appropriate debriefing of the results, often in association with other psychometric tools, the middle level leaders/managers can begin to understand and take responsibility for identified competency deficits.

The importance of self-awareness and reflection both in-practice and about-practice (Schmidt-Wilk 2009; Schön 1991) is critical for a manager to understand if they are going to transform their behavior. In order for learning to occur, and behavior to change, it takes practice and reflection through an experiential learning cycle (Kolb 1984). This cycle requires that the middle level manager/leader reflect on their experiences related to an identified development need (e.g., improving listening skills), as a result of a 360-degree appraisal. After this reflection, conclusions are made about what needs to be learned (e.g., development of active listening skills), changed or maintained. After this, the next concrete experience takes place and the next learning cycle begins until competency is reached (Kolb 1984). Figure 15.1 illustrates this cycle.

During the reflective observation phase of the experiential learning cycle, questions asked might include: “What went well”? “What didn’t go well”? “What would I do differently”? “What would I keep on doing”? If these self-reflection principles are applied to the manager/leader’s

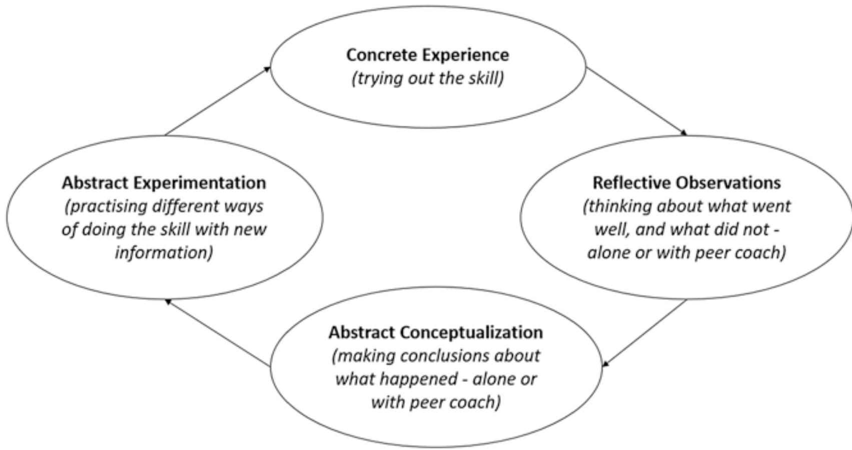

Fig. 15.1 Experiential learning cycle. (Source: Adapted from Kolb (1984))

performance following each new or challenging experience, the novice manager learns to recognize the important interpersonal signals, actions, behaviors and information required for successful/effective management/leadership and becomes increasingly competent in their ability to implement these strategies across a variety of organizational contexts. This reflection can be self-directed by keeping a journal, or by inviting another party, such as a peer coach (Ladyshewsky 2007), to assist with the reflection.

This overt processing is important if one is going to change "bad" leadership/management behavior as it activates parts of the brain responsible for learning and transformative change (Schmidt-Wilk 2009). However, organizations might not provide the time and space for managers and peer coaches to invest in this reflective coaching practice because of their focus on efficiency and production (Ladyshewsky 2007). By having this focus, it accentuates the problem of bad leadership and management.

By being self-aware and positive about making a change in behavior, the impact of negative emotions such as doubt or fear about learning is suppressed, and instead the impact of positive emotions that enhance learning is liberated (Fredrickson 2001). This positive mental state, which can be accentuated by setting clear goals and development planning,

enables the manager to transform practice through activation of the prefrontal cortex of the brain otherwise known as working memory. This part is the executive center of the brain where higher-order cognitive processes such as critical thinking occur and has been termed the CEO (Chief Executive Officer) of the brain (Schmidt-Wilk 2009). Reflecting about practice, particularly in a positive learning organization that encourages equal status, certainty, autonomy, relatedness and fairness (Rock and Schwartz 2006), enables the working memory to work to transform old and ineffective leadership/management behaviors and thoughts that impede effective management and leadership.

Development Planning

If an organization has a positive learning culture, and the middle level leader/manager has increased their self-awareness through a 360-degree appraisal and other learning tools about what they need to work on, the next phase is development planning. While development planning can be very difficult, it is important that organizations and senior leadership insist that these are put into place as they create accountability and establish a process for bad managers/leaders to improve their performance and behavior. Without a development plan, bad managers can walk away from the 360 degree appraisal experience and do nothing. There are key steps that need to be considered by middle level managers/leaders if they are to improve their competency. Many leaders/managers struggle with setting development goals, formulating a learning strategy and evaluating success using key performance indicators. Middle level managers need to understand this framework for development planning as they can use it as a life-long learning strategy when they are faced with having to master something new in their careers.

If one was to use the "Collaborate quadrant" as an area requiring development, specifically managing and encouraging constructive conflict (Quinn et al. 2011), a specific learning goal would be developed using the principles of a goal-setting framework (Locke and Latham 2002). The goal should be Specific, Measurable, Achievable, Realistic and with a Timeline, a method commonly understood as SMART goal setting

(Locke and Latham 2002). Managers/leaders often struggle with formulating a goal using these principles. Often, the goal is too superficial or lacking in enough detail for it to be operationalized in a meaningful way. An example to describe this point is provided below:

> To manage and encourage constructive conflict in my department.

With such little information in the goal, it becomes hard to operationalize this development plan as it provides little context as to how, with whom and under what circumstances it should occur. A better example is described in the following, as it provides more information on how to structure the plan and how to evaluate success:

> To manage and encourage constructive conflict within my department by encouraging collaboration. This occurs by asking and encouraging more questions, increasing delegation, and involving direct reports when planning for new projects. This will be achieved by improving my active listening, emotional intelligence, mindfulness and coaching skills. Measurable changes should appear within 6 months.

Once this learning outcome or goal is clear, the next step is identifying key performance indicators that can be used to evaluate whether goal attainment has been achieved. Some example key performance indicators for the learning goal above might include: greater team engagement in work planning and project management; a measurable increase in staff job satisfaction; timely completion of projects, positive feedback from superiors, peers and direct reports about improved listening; communication and empathy; a repeat 360-degree appraisal demonstrating improvement in conflict management competencies and improvements in self-evaluation by measuring progress through reflective journaling. The important factor here is that key performance indicators should directly measure whether the goal is being achieved.

Once the development goal and key performance indicators are in place, the strategies and resources that are needed to achieve the learning goal should be described in detail. Resources such as books and journal articles, training courses, instructional videotapes and observation of

others demonstrating best practice in creating constructive conflict can be used to build knowledge. Other strategies focused on building competency in managing/leading constructive conflict, may include practicing specific mediation skills, getting coaching, leading a team project, participating in a simulation, chairing a committee or driving a change initiative in the organization. These more active strategies build competency and are supplemented by the knowledge acquired through other resources. What is important in any development plan is that there are a range of strategies and resources that both increase knowledge and build practice.

The development plan is the actionable part of the learning process that flows from the 360-degree appraisal. A good development plan can improve the skills of the middle level leader/manager if well executed.

Peer Coaching

In order to improve the competencies of the middle level manager/leader, coaching is an important part of the learning and development process. Coaching, as a strategy to improve leadership/management performance, has become very popular in business as a way to reduce the incidence of bad leadership and management. Its popularity is backed by a growing body of evidence supporting its efficacy (Grant 2013). Within the organizational context, executive coaching is typically used to assist leaders/managers, usually at senior levels, to improve their practice (De Meuse et al. 2009; Feldman and Lankau 2005; Fillery-Travis and Passmore 2011; Stokes and Jolly 2014). Executive coaching is typically reserved for senior managers/leaders at the executive level because it is expensive as it is usually provided by an external consultant.

The expense of an executive coach makes access to coaching difficult for the many middle and junior level managers/leaders in an organization who want to improve their practice. However, in terms of succession planning and development, it is this cohort of managers/leaders who need the benefit of a coach as they are more likely to continue on within the organization if there are opportunities for promotion and personal development. One way of making coaching accessible to these middle and junior level managers/leaders is by using peers (Ladyshewsky 2018).

Peer coaching can be used effectively to assist managers/leaders to develop leadership and management excellence; however, it needs to be appropriately set up in the organization (Korotov 2008; Ladyshewsky 2017; McLeod and Steinert 2009; Parker et al. 2008; Peters 1996).

Peer learning has strong support in the psychological literature, and peer coaching—a subset of this umbrella term—has several key elements that are needed for this relational development experience to be effective (D'Abate et al. 2003; Parker et al. 2008). Based on a review of literature on peer coaching, these key elements include: equal status of partners, a focus on development, integration of reflection when focused on critical development needs, and paying attention to the process of coaching (Parker et al. 2008). Equal status is important; otherwise, if the peer coach takes on an evaluative role, then the peer coachee may withhold information useful for progression because they may feel threatened by this change in the relational dynamics. Changes in status can create a withdrawal response because of the fight or flight reaction it may trigger in the brain (Rock and Schwartz 2006). This is why it is challenging for a superior to coach a middle level manager as the latter may be hesitant to share difficulties they are having in their role for fear of being evaluated negatively by an individual who determines promotional positions and salary increases.

The peer coaching relationship, which can be reciprocal, is focused on developing a skill or competency determined by the person needing the coaching. This development need can be derived from a formal analysis like that described earlier, or just something the individual wants to work on. Because this relationship is short term, and focused on helping an individual to achieve a specific development goal, peer coaching is very different from mentoring; however, the terms are often incorrectly used interchangeably.

Mentoring is a much more holistic long-term relationship with the mentor being in a higher status relationship relative to the mentee who wants advice (D'Abate et al. 2003). The peer coach, in contrast, uses nonevaluative questioning, usually during the reflection phase of the experiential learning cycle to help the person receiving the coaching to think more deeply about their practice (Kolb 1984). This type of open-ended probing uses questions that start with who, what, where, when and

how, and avoids using questions that start with why as these tend to generate defensive answers and imply a need for justification (Zeus and Skiffington 2000). Nonevaluative questioning encourages deep thinking and also helps to maintain equal status among the peer coaching team.

In light of the fact that a manager/leader may be unaware or blind to things that are happening, or hold on to beliefs that are impeding learning, a peer coach can ask powerful questions that might help the manager/leader to see things differently. The peer coach doesn't need to be an expert to undertake this role; what they do need is the ability to actively listen and ask powerful questions. This enables the middle level manager/leader receiving the coaching to consider ways of changing their performance or pursuing further learning that is needed to progress their development.

To maximize the value of peer coaching, the manager/leader receiving the coaching should maintain a reflective journal. They need to routinely document examples of how they are working to change their behavior and practice so that they can use this information to discuss progress with their peer coach. Maintaining a journal, and meeting with their peer coach weekly or biweekly, also demonstrates that the manager/leader is committed to the development plan and provides useful information for the peer coach to support the manager and track progress.

Senior leadership has to encourage the practice of peer coaching within their organization. They must allow staff to have time to perform these duties as part of the overall organizational learning strategy. They must also ensure that staff are trained in how to provide peer coaching so that it is effective.

Conclusion

This chapter has addressed the question of why there are so many bad leaders and managers by offering three reasons as to why this might occur in organizations, specifically, poor recruitment and selection processes, staff not accepting the decisions of a manager/leader who is acting in the best interests of the organization, and a lack of understanding of how competence develops and how to link this to an effective professional

development program. Recruitment and selection practices can be improved to ensure the right person is hired into the correct role. Once this occurs, with an understanding of how competence is developed, organizations can then support these individuals to develop their leadership and management capabilities so they become excellent in their role. This requires an organizational culture committed to learning, tools that assist managers and leaders to develop greater self-awareness about their practice, and programs that give these same people feedback and coaching so they can achieve their development goals.

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16

Why Companies Stumble: The Role of Bad Leadership

Jo Whitehead and Julia Bistrova

From 2012 to 2014, Tesco's stock price fell 43% relative to the local stock market index. It was a dramatic fall and CEO Philip Clarke left soon after. The United Kingdom's largest food chain had long been a darling of investors and was widely regarded as a safe bet. Warren Buffet, the sage of Omaha, held a substantial stake in the company.

Tesco's fall was an example of how even the most successful of companies and their leaders can stumble—an example of what Wood et al. (Chap. 3 in this volume) term "ineffective" management. We define a stumble as combining (i) underperforming the market by at least 25% over a one- to two-year period, and (ii) the CEO either being fired or departing under a cloud (Barber et al. 2019). The fact that the CEO was

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pushed out suggests that stumbles are due to bad leadership rather than just bad luck.

Tesco was not an exception. Over the past decade, almost one in five of the top 100 firms in the United States and Europe had a major stumble and stumbles accounted for 16% of all CEO departures. Moreover, these stumbles are the tip of a larger iceberg. Other companies suffered from bad leadership but escaped being formally defined as stumbles. For example, the destruction of value due to bad leadership at Yahoo was screened by the rise in the value of its stake in Alibaba, a Chinese internet company (Carlson 2015). At other companies bad leadership had a significant impact on value but did not quite hit the 25% threshold.

To investigate further we studied 45 large European and US stumbles (Barber et al. 2019). We conclude that these striking examples of bad leadership are due to poor strategic decision-making by the senior team about whether and how to take on and deal with new and (largely) avoidable challenges. The underlying reasons for this poor decision are summarized in Fig. 16.1 and include:

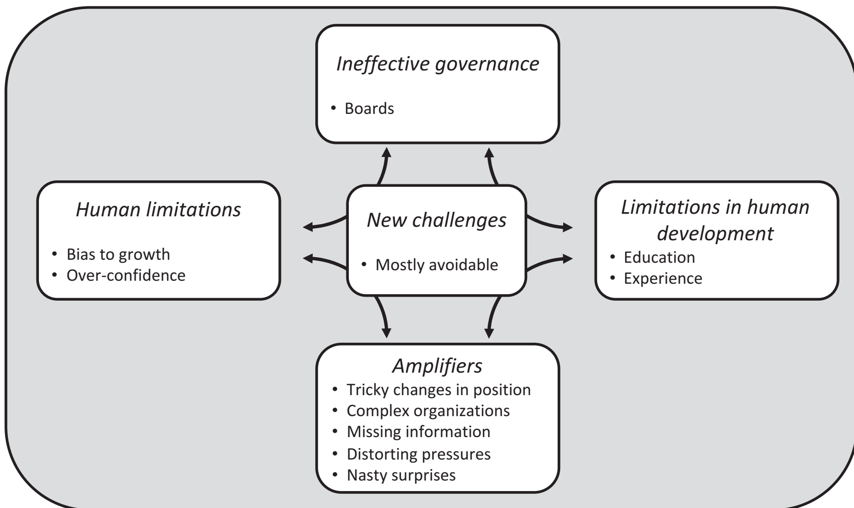

Fig. 16.1 Reasons for stumbles. (Source: Authors)

1. Unfamiliar challenges. Taking on a new business challenge requires the senior team to take on unfamiliar roles that, if performed poorly, have the potential to cause a significant drop in value. Surprisingly, most of these challenges could have been avoided altogether.
2. Limitations to the human brain. All human beings suffer from biases, including leaders. Stumbles were particularly associated with a bias to growth and overconfidence.
3. Limitations to human development. Leaders and senior teams are typically appointed to perform certain roles for which they have appropriate education and career experience. However, leaders can stumble when this background is inappropriate for executing these roles.
4. Ineffective governance. Boards struggled to provide the monitoring required to minimize the risk of stumbling.
5. Amplifiers, which are aspects of the situation that increase the risk of a stumble:

   - Tricky changes in position, for example when a company needs to deal with the entry of disruptive competitors.
   - Nasty surprises. Unexpected events may expose any of the organizational vulnerabilities created by a failure to manage challenges effectively, triggering a stumble.
   - Complex organizations, in which it is harder to predict the unintended operational consequences of strategic decisions.
   - Missing information, leading to leaders not appreciating the true level of risk in their organizations, until it is too late to react.
   - Distorting pressures. All leaders face pressures to take on particular strategies and need to resist some of the pressures while accommodating others.

Our conclusions are similar to the observation made by Giberson (Chap. 14 in this volume) that, "bad leadership results not from leaders having too few behavioral options to select from when facing complex challenges, but rather from *the mismatch between the demands of the environment and leaders' developed capacity to successfully navigate these demands*" (emphasis in original). In the structure proposed by Örtenblad

(Chap. 1 in this volume), taking on new challenges leads to "people" being unable to perform the "roles" required, compounded by them not receiving the "organizational support" that might have reduced the risk of a stumble.

A further conclusion is that the high frequency of stumbles is due partly to the wide range of potential reasons for why things can go wrong and partly because these reasons can have compounding effects. For example, if a CEO in a large, complex financial services company is overconfident by nature, lacks experience in managing financial risk and faces pressure to increase the level of risk in pursuit of more profit, the three effects can combine geometrically, leading to a decision to expand into risky businesses that implode if there is a nasty surprise, such as a financial crash.

The large number of reasons for stumbling, and their compounding effect, might lead to the conclusion that little can be done to reduce the risk of stumbles. Our fourth conclusion is that this is not the case. The majority of challenges that stumblers took on could have been avoided altogether. Biases could have been challenged. New blood could have been brought in. Boards could have been better structured. The amplifiers could have been recognized and addressed. Nasty surprises were not unpredictable.

In reviewing how senior teams led their organization to a stumble we intend, in the words of Jonathan Swift, "for their amendment and not their approbation" (Swift 1950). Each of the following sections describes the impact of each reason for stumbling and how the risk of stumbling might be reduced, before wrapping up with some concluding comments.

Unfamiliar Challenges

All but two of the 45 stumbles were the result of a failure to deal with a new and unfamiliar challenge facing the senior team. Commonly, these were growth challenges to do with major mergers and acquisitions, diversification or international growth, or aggressive growth in the core business. Others were challenges that involved failed innovation or repositioning. A few were new operational challenges (for the companies

involved), such as a step change in compliance standards, or in efficiency, or tightening risk management to deal with a financial crisis (Barber et al. 2019). The only two exceptions were stumbles in which banks failed to manage "business as usual" trading risks at major banks.

Unfamiliar challenges require senior teams to change what Örtenblad (Chap. 1 in this volume) defines as their "role", which can be tricky for an established team. It is not surprising that taking on unfamiliar challenges can lead to a stumble, but what is surprising is that 80% of these challenges could have been avoided altogether. All of the growth strategies were optional and many of the operational challenges were the consequence of taking on such growth strategies. For example, Volkswagen's failure to comply with emissions standards in the United States (an operational challenge) can be traced back to targets set to significantly increase US sales as part of a global growth strategy to increase market share to match rivals such as Toyota (Ewing 2017).

Stumbles could, therefore, be reduced in frequency by being more skeptical about taking on new challenges without a full evaluation of the risks and whether and how they can be dealt with.

Limitations to the Human Brain

One reason why bad leadership is relatively frequent is that senior team members are human beings and all human beings are prone to distortions to their decision-making (Finkelstein et al. 2008). At many of the stumblers, members of the senior team suffered from biases and particularly a bias to growth and overconfidence.

The stumble by Citigroup in the financial crisis illustrates the effects of both types of bias. By 2007, Citigroup was one of the largest banks in the world and had doubled in value since a low point in 2002. During 2007, there was growing turmoil in the US subprime mortgage market and Citibank decided not to reduce its positions in this market. When the crash came, Citigroup lost $20 billion and had to take $40 billion in support from the US government to stay afloat (Brown and Enrich 2008). By November 2007, Citigroup had lost 30% of its value compared to its

2007 high, and Citigroup's CEO, Chuck Prince, had been forced to resign.

Robert Rubin, Citigroup's executive chairman, was one of its leading lights but appeared to suffer from a bias towards growing the level of risk that Citibank took on, coupled with overconfidence about Citigroup's ability to manage those risks. Rubin was heavily involved in a decision in late 2004 and early 2005 to take on more risk to boost flagging profit growth. Rubin should have been in a good position to understand the dangers of such a strategy and to ensure that Citigroup was capable of executing it, because he had been co-senior partner and co-chairman of Goldman Sachs from 1990 to 1992. Citigroup was not as capable in risk management as leading competitors such as Goldman Sachs—something he should have been well placed to understand. Rubin stated after the event that, "nobody was prepared for this" (Brown and Enrich 2008). However, Goldman Sachs risk management systems and culture flagged up the risks of a financial crash in late 2006, suggesting that Rubin was overconfident that the financial markets would not implode.

Another example of how the bias to growth contributed to Citi's stumble is Thomas Maheras, Head of Trading and responsible for the part of the business that managed the toxic assets that eventually brought Citigroup down. He was profiting personally from the growth strategy, earning as much as $30 million per annum at the peak. Maheras maintained, as late as October 2007, that there were no problematic subprime risks in the portfolio. In an unpublished survey of heads of strategy we conducted at major companies, a bias to growth was of particularly high concern because it was regarded as both a serious problem and one that the current planning and decision-making processes did too little to control.

Biases played a role in many other stumbles. British Petroleum (BP) is a good example of overconfidence. CEO Tony Hayward declared safety a priority but, subsequently, an explosion at an oil rig in the Gulf of Mexico led to multiple fatalities and a massive oil spill (Bergin 2012). Improvements in safety required major improvements in the quality and consistency of operational processes but the BP senior team was overconfident about its ability to improve safety with relatively limited changes (interview with senior corporate strategy executive, December 2017). BP did not require all subcontractors to adhere to the same systems as it applied to owned

facilities, including companies that owned and operated rigs that were producing oil for BP (Bea 2014). Nor did BP centralize its organization to ensure consistency in how processes were applied (Bergin 2012). This loose control of operational processes led to the tragedy.

The various approaches to counterbalancing the effects of bias are well documented (e.g., Vermuelen and Sivanathan 2017). Finkelstein et al. (2008) describe four types of safeguards: adding experience or expertise, increasing the amount of challenge in the decision-making team, strengthening governance, or monitoring the outcome of the decision and adjusting accordingly. However, it is not always easy to take these actions. In an unpublished study we found that interventions that challenge decision-makers, such as appointing a devil's advocate, are not used very frequently, despite them being valued when they are (Barber and Whitehead 2017). Such interventions can challenge entrenched views and interests, leading senior decision-makers to push back on their use. For example, a head of strategy may find it hard to persuade the CEO and Chairman to conduct an exercise whose role is to point out possible flaws in senior decision-making.

Leadership education can play a role. The more that leaders, and those around them, learn to see challenging debate as a useful tool rather than a threat, the more scrutiny can be given to decisions. Leaders would benefit from an education in how to stimulate creative conflict while still building consensus (Roberto 2005).

Limitations to Human Development

Stumbler CEOs were often appointed based on their capabilities to do a particular job and often performed that job well. However, when a new opportunity or challenge came along they lacked the required education and experience. Again, Citigroup provides an example. Chuck Prince did not have the skills and experience required to address the challenge of investing in risky financial products. Prince was a lawyer with limited banking experience relative to other industry CEOs such as Jamie Dimon at JPMorgan Chase, or Lloyd Blankfein at Goldman Sachs (*CNN Money* 2007). To understand how this happened, it is worth stepping back a few years, to the end of the reign of the previous CEO, Sandy Weill. Various

scandals contributed to Weill having to resign in 2003. Chuck Prince, the new CEO, was Weill's legal advisor and was seen as one of Weill's loyal lieutenants, "having spent 18 years by Mr. Weill's side, serving as his top lawyer as well as one of his closest friends" (O'Brien and Landon 2004). Prince was well qualified to handle these scandals and deal with the regulators. Some cynical commentators thought that Weill had ensured that Prince got the job because he would protect Weill from any personal legal fallout. He had certainly not been appointed CEO and Chairman for his understanding of trading and how to create a strong risk management function.

As our analysis of Nokia's stumble illustrates, stumblers frequently had CEOs who were adequately qualified for the job they had been appointed to, but were unsuccessful at dealing with new challenges that caused the company to stumble (Barber et al. 2019). Olli-Pekka Kallasvuo had been with Nokia for 30 years when he became CEO, but he had been educated as a lawyer and had spent most of his career in finance. He might have been a good CEO for business-as-usual, but he was poorly equipped to direct the extraordinary product development and technology transformation that Nokia needed to compete with the iPhone. An engineer with experience in high-tech product development might have had a better chance. Nokia replaced Kallasvuo with such a leader, Stephen Elop, but it was too late.

Sometimes the weaknesses at the top extended across the senior team, as illustrated by our analysis of the stumble experienced by Carrefour, a French hypermarket chain that needed a significant repositioning of its home market operations (Barber et al. 2019). Swedish Lars Olafsson had been an executive at Nestlé, a multinational consumer goods manufacturer, before becoming CEO. Once appointed, he took on an experienced hypermarket manager as his country head in France—but it was an Englishman from Tesco, with little experience of France. For the Head of Commercial, managing suppliers, Olafsson hired a Spaniard from P&G, another consumer goods manufacturer. Everyone on the team had a strong resumé, but none had quite the right background to meet the challenge. To replace Olafsson, the company chose Georges Plassat, a Frenchman with a long career in hypermarket and other forms of big-box retailing.

There are various ways to deal with gaps in the capabilities of the senior team. The most obvious is for companies to avoid challenges for which their senior team lacks relevant experience, as already discussed. A second approach is to change the CEO and other members of the senior team more frequently, although such changes are tricky and often have collateral costs. A third approach is to strengthen the team in other ways—for example by hiring consultants or new employees below the executive team, or creating a joint venture. A fourth option is to restructure or reorganize to create a more robust organization that is less prone to making the errors that lead to stumbling—in the case of Citi this would have been focused on the risk management function. To diagnose the need for change, it is important to audit the capabilities of the senior team whenever there is a shift in the major challenges facing the organization (see Barber et al. 2019 for details).

Limitations to the Effectiveness of Governance

If CEOs and top teams fail to realize their shortcomings in assessing or implementing a strategy, they would benefit from knowledgeable persons who can forcefully challenge them. The obvious candidates are the members of the board of directors. As with top teams, however, we found numerous basic problems with board composition at stumblers. To monitor the executive team effectively, board members need to be both independent and have relevant experience (Hambrick et al. 2015; McDonald et al. 2008). General management or functional experience is, on its own, not enough—it needs to be specific to the situation, particularly when dealing with complex challenges (Faleye et al. 2018; Minton et al. 2014). The board should also be small enough to encourage good debate (Boivie et al. 2016). We found nearly half of all stumbler boards failed to meet these criteria (Barber et al. 2019).

As with changes at a senior level, creating a board that can catch all of the CEO's mistakes is difficult. Trade-offs abound. For example: a large board can cover more specialisms but is harder to manage; high caliber board members are likely to have other appointments, reducing the chance that they have enough time to monitor executive decisions and

actions; improving monitoring by adding more independent directors might come at the expense of adding individuals best able to support and coach the CEO. For example, the various studies done into the impact of independence find that there is limited correlation between various measures of independence and performance (Hambrick et al. 2015). So, while improving board monitoring is a worthy goal, evidence suggests that fiddling with board structure and processes may offer only limited potential to reduce the risk of stumbling. Longer term, perhaps alternative governance models could be explored, drawing from the best practices at public and private companies, including those owned by venture capitalists, private equity funds, families and cooperatives.

Amplification of the Challenge

A number of situational factors can combine to amplify the level of difficulty in addressing particular challenges: situations in which tricky transitions are required; nasty surprises; organizational issues including complex organizations; missing information; and pressures on the senior team to take on a risky strategy.

Tricky Transitions About a fifth of stumbles occurred in situations that required leaders to make tricky changes in competitive or market position (Barber and Bistrova 2015). For example, Nokia had to shift from the mobile phone market into the smart phone market, requiring it to develop an operating system and an ecosystem of apps in competition with Apple and Google. Yahoo faced difficult challenges in competing with Google in search, and a host of other competitors in providing content. Two of its CEOs stumbled.

Such challenges are the toughest facing a company. They require a brutally honest assessment of the risks and a willingness to act aggressively to manage the risk. The whole senior team needs to focus on managing the challenge without distractions and, even so, performance may suffer. However, if the team does a reasonable job then the CEO may retain their job. For example, RWE and E.ON (two large German-based power and gas utilities) both suffered massive share price drops but the

CEOs survived because this was attributed to factors outside their control, including the German government's fondness for solar and wind power subsidies (which drove energy prices down) and laws that forced the closure of extremely profitable nuclear plants after the Fukushima disaster. In contrast, stumblers were considered to have made significant errors. Nokia failed to create an effective operating system and its associated ecosystem of apps. Yahoo failed to transform an early leadership in search, and being a go-to portal, into longer-term success. Heads roll only if a downturn exposes a vulnerability that is traced back to senior decisions.

Nasty Surprises Most of the stumbles were triggered by a nasty surprise—the most common being a downturn in the industry cycle. At Citigroup this was the financial crash. While the depth of the downturn might have been unexpected, the fact that markets can fall as well as rise is scarcely an excuse for corporate failure. As the contrast with Goldman Sachs illustrates, the reason for Citigroup stumbling was not the downturn itself, but the organizational and management vulnerabilities it exposed. Citigroup suffered from a toxic, compounding mix of a new challenge (dealing with an extreme example of risky assets), biases to growth, senior team capability gaps in risk management, a board that was pressurizing management to grow rather than ensuring that the risks were being managed properly and a lack of information at the CEO and CFO level about the downside risks.

Complex Organizations In more complex organizations, strategic decisions have unintended operational consequences that leaders need to foresee, detect and manage—otherwise decisions made at local level can have very significant negative consequences that lead to a stumble.

A good example is BP. The complexity of the organization contributed to the risk of a major accident. BP had grown by acquiring Amoco and then Arco in the United States, but without integrating the component parts. BP was managed in a decentralized style that delegated decision-making to local leaders who were held accountable for results. The

strategy had yielded high returns and growth but created a diverse organization, with variation in culture and practices across different businesses and geographies. The London HQ did not have as much control over their disparate operations as companies that exerted more centralized control such as Exxon, increasing the chance of one part of the organization being more "rogue" than expected. The practice of subcontracting many activities to third parties also created complexity. BP typically did not own the rigs that were used to drill for oil. In the case of Deepwater Horizon, the rig was owned and manned by Transocean—a separate company. When it launched its campaign to improve safety, BP's central team decided not to require such rigs to adhere to its improved safety standards—delegating management to the subcontractor. However, when the rig exploded it was BP, as the ultimate owner, who was held accountable, not Transocean.

Dealing with organizational complexity is part and parcel of leading a large company and there are many approaches. One is to layer on more controls, but this can have toxic side effects such as slower decision-making and lower morale (Finkelstein et al. 2008). Another option is to avoid risky challenges or to manage them extremely carefully. A third approach is to simplify the organization to allow for more control of critical operating decisions (as at Exxon and, after the tragedy, at BP).

Missing Information At some stumblers, the senior team lacked the information required to manage the situation. Citigroup's CEO, Chuck Prince, and CFO Gary Crittenden were not made aware of the size of the downside risks until September 2007, by which time it was too late to recover the situation. This was months after companies like Goldman Sachs had realized the nature of the risks and acted to reduce them (Dash and Creswell 2008). At BP, despite the evidence that BP America had widespread safety issues, the London-based senior team appear to have been unaware of the risks that were being taken on the rigs out in the Gulf of Mexico.

There are several approaches to improving the flow of information. Companies such as Goldman Sachs have developed systems and a culture that puts pressure on more junior employees to report risks upward. BP,

after the tragedy, developed a system that monitors risks at the asset level, aggregating reports up to a board level committee. Enterprise Risk Management systems are a more general way to hardwire in the flow of information and can be complemented by informal networks. Leaders might benefit from following the example of Jamie Dimon at JPMorgan Chase who encourages the elevation of bad news. For example, one senior executive at JPMorgan Chase, who weathered the financial crisis well, commented that "Jamie and I like to get the bad news out to where everybody can see it, to get the dead cat on the table" (Tully 2008).

None of these systems are foolproof. Both JPMorgan Chase and Goldman Sachs experienced embarrassing and costly instances in which local operations went off the rails without the center knowing (in London and Malaysia, respectively). It pays to be paranoid. In the words of Goldman Sachs CEO Lloyd Blankfein, "I live 98 per cent of my time in the world of 2 per cent probabilities. I live always in the worst case" (Cohan 2009).

Pressures Some leaders face particular pressures to take on risky strategies. Shareholders, influential analysts and other stakeholders can apply pressure on management to achieve goals that appear attractive—for example, seizing attractive growth opportunities—even if the company lacks the capabilities. Some of these need to be accommodated but others have to be resisted. CEOs at some stumblers succumbed to such pressures, leading to them overstretching the organization. For example, Volkswagen (VW) was under pressure to catch up with the scale of its primary global competitor, Toyota and set its US organization an ambitious growth target. Lower levels in the organization installed illegal software that allowed VW diesel cars to pass US emissions tests that, when uncovered, led to the CEO being pushed out, a sharp drop in share price and global concern about the use of diesel engines in general (Ewing 2017). Didier Lombard, the CEO at the French national telephone company Orange, was under pressure to reduce costs significantly because EU law required the French government to open up its telecoms market to competition. A series of suicides in the workforce received significant media attention. The stock price fell, and public pressure eventually led to a curtailment of the painful restructuring. Lombard left in 2010 following criticism of management's

handling of the crisis. He was placed under formal investigation in 2012 and was given a jail sentence in 2019 (*BBC News* 2019). The senior teams at British Telecom and EdF faced pressure to find ways to grow due to low growth and high market share in their core markets. Both stumbled when they overstretched in doing so. The senior teams at these companies responded to externally induced pressures by adopting risky strategies that they then mismanaged, leading to a stumble.

Pressures can also emerge from internal forces. For example, past successes can lead to a hubristic pressure to grow, such as at BG Group, where CEO Chris Finlayson was under pressure to stick with the high growth target he inherited from the previous CEO, despite it distracting the senior team from fixing critical production issues. Phil Clarke at Tesco also inherited a risky strategy from his predecessor, Terry Leahy, which he was under some pressure to stick with. Both succumbed to the pressures and did not manage the consequences, leading to a stumble.

Dealing with pressure and taking on challenging targets is part of being a leader—but those who do so need to be able to manage the risks created, or find a way to avoid taking on overly ambitious targets.

Reducing the Frequency of Bad Leadership

We have described various approaches to reducing the risk of stumbles:

- Do a regular audit of the emerging challenges facing the company, biases within the senior group and how they might influence decision-making, formal and informal information flows that could be important in managing the challenge, how well qualified the senior team is and the presence of any amplifying factors.
- Pay particular attention when more than one of the potential causes of stumbling is at play. For example, an inexperienced team with a bias toward growth into a cyclical industry should raise particular concerns.
- Do not ignore knock on effects. Strategic decisions can put strains on organizations that lead to operational errors. These second-order consequences need to be imagined and recognized.

- If a challenge is avoidable, only take it on if concerns raised above can be managed. If the challenge is unavoidable, consider how an industry-leading senior team could be assembled, or risks of failure lowered through additions to the senior team, the addition of process safeguards, changes to the organization and other initiatives such as joint ventures.
- Longer term, there are changes in leaders' training and development, organizational design and methods of governance that would reduce the risk of bad leadership.

How might this be realized in practice? First, it would be sensible for boards and executive teams to recognize stumbles as a normal phenomenon and plan accordingly. A regular board session could review emerging challenges and look for weaknesses in senior team capabilities and mindsets, along with an assessment of amplifying factors. A subcommittee could be set up to pursue the insights gained from such a meeting. ERM systems could be asked to review the type of strategic risks described in this chapter, and not restrict themselves to more operational risks (although operational risks are also important to manage—particularly when they have the potential to create a stumble). Boards could be more inclined to avoid challenges for which the senior team lacks experience.

The odds of success rise with the combination of a CEO with strong qualifications to meet the specific challenges involved, a senior team with complementary strengths, and a board independent and knowledgeable enough to catch mistakes, acknowledgment of, and resistance to unhelpful pressures on the decision-makers and a robust flow of information up to the senior team. When decision-makers have top-of-mind awareness of the most common causes of stumbles, they will be better able to deal with them, less prone to overconfidence and more likely to spot their biases.

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Part VII

Beliefs

17

Explaining Versus Responding to Ethical Failures in Leadership

Terry L. Price

Introduction

Why do so many leaders behave unethically? This question is somewhat different from asking why a particular leader behaves unethically or even why leaders more generally behave unethically. It also suggests that there is something distinctive about leadership that invites or encourages this kind of behavior (Price 2008a, p. 12). Of course, we could reject this assumption, and some have done so by pointing out that ethical failures in leadership are simply more available to us—for example, because of increased press coverage—than is ethical failure in other areas of social or professional life (Kahneman 2011, pp. 7–8). However, even if we correct for biases that cause us to pay special attention to our leaders, we might expect that they will nonetheless come out looking poorly in terms of the relative frequency of their unethical behavior. This likely outcome tells us

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something about leadership itself—in particular, something about the way we select our leaders or the effects of the leadership role on their behavior. It also has implications for the way we educate and train our leaders.

Understanding why unethical behavior is especially prevalent in leadership contexts is hardly unconnected to general explanations of ethical failures. One way of making sense of this connection is to suggest that the incentives or rationalizations that drive ethical failure in everyday life are—so to speak—in "overdrive" for leaders. For example, if ethical failure is primarily the result of self-interest, we might think that leaders have fewer incentives to behave ethically than do the rest of us (Ludwig and Longenecker 1993). If ethical failure is instead primarily the result of the way we think about our own behavior—the most compelling version of which is that people believe they are justified in doing what others would not be justified in doing—we might conclude that leaders have even greater pressures to rationalize their behavior than do the rest of us (Price 2006). So, many leaders behave unethically because leadership exaggerates the ordinary ethical challenges we all face by increasing opportunities for self-interested motivation or for justification, even moral justification, to do what we want to do.

I have elsewhere called the incentive-based explanation, *the volitional account*, and the explanation that foregrounds rationalization, *the cognitive account* (Price 2006, ch. 1). The volitional account makes ethical failure primarily a matter of will. Leaders know the right thing to do but do the wrong thing anyway. On the cognitive account, ethical failure is largely a matter of belief. Leaders fail to understand the sense in which their behavior is wrong. Lying serves as an obvious example. On the volitional account, so many leaders lie because even though they know lying is wrong, the power and perks of leadership make it possible for them to get away with it. On the cognitive account, leaders know that lying is generally problematic from a moral perspective but come to think that this behavior is justified in the circumstances in which they find themselves. Although they understand the basic rules of morality, what they fail to recognize is how the ethical prohibition on lying applies in their particular situation.

Figuring out the right explanation of ethical failures in leadership has important implications for how we respond to them. In fact, one might assume that the nature of the response to unethical leadership directly tracks its explanation. For example, if ethical failures in leadership are the result of self-interested behavior on the part of leaders, then we should arrange incentives so that ethical, not unethical, behavior ultimately pays off. Similarly, if unethical leadership is the result of a lack of understanding on the part of leaders about what ethics requires, then it would seem that an appropriate response would be to improve how leaders think about the ethics of their own behavior. In this chapter, I claim that both volitional and cognitive explanations of ethical failures in leadership call for a cognitive solution. In other words, I defend a *non-tracking* response; the appropriate response to ethical failure does not track its main explanation. The basic argument is this: even if the source of unethical behavior is self-interest, leaders are unlikely to think of their behavior in this way and much more likely to rationalize their exception making in terms of what is good for the group.

The best response to ethical failures in leadership is therefore a cognitive one, regardless of whether the cause is ultimately volitional. Here, the necessary education is not teaching leaders what ethics requires in the sense of simply getting them to grasp the rules of morality. Rather, we must get leaders to understand their own propensity to justify what they do—indeed, sometimes using ethics itself as a tool in their justifications. Before developing this argument, however, I first consider a third, competing way of explaining ethical failure, what I will call *the characterological account*. According to this account, people behave unethically because of bad personal traits or characteristics. Ethical failure, that is, can be explained in terms of a vicious character. The reasons for rejecting this account point us in the direction of a more promising answer to the question of why so many leaders behave unethically.

The Characterological Account of Ethical Failure

One influential explanation of ethical failure traces bad behavior to bad people, or—at least—to traits and characteristics that give rise to bad behavior. In philosophy, this approach goes back to the ancient Greeks and is well represented even to this day in virtue ethics. According to Aristotle, its most influential historical advocate, virtuous behavior is the result of proper habituation and the development of practical wisdom over time (Aristotle 1985, pp. 35–37 [1104a–1104b2], pp. 160–161 [1142a]). Applying virtue theory to ethical failures in leadership, we can explain unethical behavior this way: leaders who do the wrong thing did not adopt the right habits, perhaps because they did not have the right models, or they did not have sufficient opportunity to refine their judgment in a way that would allow them to discriminate between different situations, perhaps because of youth or inexperience (Aristotle 1985, p. 6 [1095b5–10], p. 160 [1142a12–15]). As a result, their characters are not ready for leadership.

If this general account is correct, either there are simply some "bad apples" or maybe the basket of humanity is more rotten than not. But why are there disproportionately more "bad apples" among leaders? The first challenge for this account of ethical failures in leadership, then, is for its advocates to explain why *so many* leaders behave unethically. What explains the relative frequency of unethical behavior by people in positions of leadership? The most obvious response to this question is that leadership selects for the vicious among us. We should expect that vices such as hubris will be especially prevalent among leaders because, after all, a willingness to seek out positions of leadership assumes that the people who potentially acquire these positions are of the opinion that they are well suited—and better suited than others—for the challenge. In fact, there is some reason to think that holding the view that one is uniquely qualified to lead, whether a sports team, a university, or a country, is itself a sign of some kind of narcissism.

There may well be something to this version of the virtue ethicist's story. Because vicious behavior is partly a lack of understanding, a failure

of practical wisdom, vicious people may lack normal doubts about their own competence and, therefore, be even more likely to find themselves in situations that bring out their incompetence and, relatedly, behavior that is not ethically suited to the situation. However, it cannot be the whole story. Something happens even to good people who enter leadership (Ludwig and Longenecker 1993, p. 266). It is easy to understand why the vicious fail in positions of leadership, but why does it also seem that the best among us often fall when they rise to the top? Here too, though, we might make an appeal to the notion of practical wisdom. Good people are habituated in particular contexts, and the behaviors that issue from their characters in those contexts may apply less well in the context of leadership.

For virtue theorists, that is, ethics is necessarily situational. As Aristotle put it, we should think of it more in terms of an "outline" than as a list of moral rules (Aristotle 1985, p. 35 [1104a1–10]). For instance, behavior that would be courageous for a leader might well be considered rash for a follower, and what is courageous for a follower might be considered cowardly for a leader. Given the theory's commitment to the idea that moral requirements can vary across situations, critics draw on research such as the Milgram experiments to point out that otherwise good people can have a hard time doing the right thing—indeed, behave very badly—in some situations (Harman 1999; Doris 2002). Because of the theory's situationalism, they conclude that it has little predictive value. If virtues do not generalize across situations, it would hardly be helpful in recruiting leaders to know that a candidate is considered virtuous in other contexts. Some advocates of virtue theory simply concede that people are not as virtuous as we—and, perhaps, they—think they are (Solomon 2014). The fact that people do not behave virtuously in difficult situations or contexts such as leadership does not undermine the theory. It just tells us that these individuals were not virtuous after all. Still, that seems to concede an important point about the practical applicability of virtue ethics.

What would be the appropriate response if we accept that ethical failures in leadership can be explained in terms of a lack of virtue or, more specifically, insufficient experience to obtain the practical wisdom necessary to be virtuous in leadership contexts? We certainly cannot redouble our efforts to select virtuous individuals for leadership positions. There is

no way to know whether these individuals are virtuous until we see how they behave in leadership contexts. Aristotle himself saw that there is a risk of circularity in the theory (Aristotle 1985, p. 39 [1105a16–20]). If we do not know what virtue is, it will be difficult to identify the virtuous people on whom we might model our behavior in an effort to become virtuous ourselves. Similarly, if we do not know who will be virtuous, we will not be able to select leaders based on this criterion. The moral epistemology in the background of the theory, therefore, makes it hard to see how we might use the characterological account as a response to ethical failures in leadership. Relativizing virtue to the leadership context takes the wind out of the virtue ethics sail.[1]

The Volitional and Cognitive Accounts of Ethical Failure

Despite its weaknesses, the characterological account—especially, its appeal to the fundamental assumptions of virtue theory—points to something important about why leaders fail ethically: both leadership context and a leader's understanding matter. For the advocate of the characterological account, what constitutes virtue and vice will vary across situations, and leaders' ability to differentiate between the two, from one situation to the next, will depend upon their practical wisdom. As we have seen, however, this approach is better at coming up with a diagnosis of the problem than at coming up with a solution. Two promising alternatives for developing a response to ethical failures in leadership are the volitional account and the cognitive account. For both of these approaches, context and understanding also matter. According to the volitional account, when in positions of leadership, people understand the context of leadership as one in which they can get away with unethical behavior. The cognitive account holds that the context of leadership causes a deeper change in leaders' understanding. It changes the way they think about the morality of their own behavior.

To respond to ethical failures in leadership, we must therefore address how leaders are inclined to think about their behavior in the context in

which they find themselves. One thing the volitional account and the cognitive account have in common is the assumption that leadership makes it harder to be ethical. There is something about this particular context that explains why leaders have special difficulty doing the right thing and, therefore, why so many leaders behave unethically. Advocates of the volitional account point out that there is greater potential for conflict between self-interest and the interests of followers in the context of leadership. Many of these conflicts are peculiar to leadership because leaders, unlike the rest of us, are often required to put group interests first (Messick 2005, p. 92). Given the power, perks, and privileges of leadership, there are also greater opportunities for leaders to resolve these conflicts in the wrong direction and to seek their own self-interest, often at the expense of the group (Ludwig and Longenecker 1993, pp. 268–270).

Advocates of the cognitive account hold that morality does indeed get harder for leaders, but in a different way. Morality is not only about self-interest. Leaders must also weigh and balance the interests of group members against the interests of outsiders, as well as the interests of some group members against the interests of other group members. Some ethical questions leaders face, then, are about whether to engage in behaviors that benefit the group as a whole but, yet, are prohibited by morality on the grounds that they wrong outsiders or individual followers. In other words, the relevant conflict is one between the achievement of more general group ends, on the one hand, and restrictions on how people can be treated as means to leadership success, on the other. The conflict, that is, need not be understood as pitting a leader's self-interest against the interests of group members. What the volitional account misses is that unethical leadership often pits group against group, as well as group member against group member.

The volitional account also underestimates our tendency to rationalize our own behavior. Advocates of this account reject the view that ethical failure is primarily a matter of belief because it is hard to see how leaders might fail to understand basic moral expectations (Ludwig and Longenecker 1993, p. 267). For them, leadership accordingly corrupts belief only in this sense: it causes leaders to believe, sometimes incorrectly, that they will not get caught. But this line of argument ignores the fact that leaders can know what morality generally requires but believe

that they are justified in deviating from these requirements in leadership contexts (Price 2006, pp. 18–23). It also ignores something important about the way we understand our own behavior, even our self-interested behavior. Self-interested behavior lends itself to rationalization and justification, just as does behavior that a leader might engage in to advance the interests of the group. In fact, because self-interest and group interest frequently go together for leaders, leadership is a perfect context for perceived justification of self-interested behavior.

First, consider the idea that what is good for the group is very often good for the leader. One reason for leaders to do their best to advance group interests is that so doing is typically an effective means of advancing their own interests. Maintaining a leadership position, as well as the many benefits that go with it, depends in large part on being successful in the eyes of group members.[2] The overlap between the interests of leaders and the interests of group members also goes in the other direction: what is good for the leader can be good for the group. This fact explains why groups are especially willing to feed leaders' self-interest. In the most obvious cases, catering to a leader's self-interest—for example, attractive compensation packages—is a direct means to finding, securing, and retaining someone whose efforts hopefully prove worth the investment. In other cases, the connection to a leader's self-interest is more indirect, as when the perks and privileges associated with leadership are understood as necessary for a leader to get the job done or to signal the status of the group more generally.

In both kinds of cases, the connection between group interest and leader self-interest makes it possible for leaders to justify their self-interested behavior. When the connection is indirect, perhaps the justification is easier. For example, a leader may justify excessive discretionary expenses by appeal to the fact that leadership is exercised in a world in which the powerful have access to significant resources. Resources are necessary to navigate this world and keep up with other leaders. In addition, how would their cities, companies, or colleges look if they were to fly coach class or drive a low-status car? But justification is easy enough in cases in which there is a direct connection to leaders' self-interest. A leader may think, "Of course I make more money than do most of my employees combined. I deserve it." Here, it is worth noting that an

important source of the promotion of leader self-interest can be, and often is, the group itself or, at least, some members of the group. Group members will be inclined to accept a leader's behavior when they themselves benefit from it or simply care about organizational success more generally (Hollander 1964).

This fact helps explain why purely volitional solutions to ethical failures of leadership are unlikely to work. Advocates of this explanation of ethical failure suggest that the right response is to make it clear to leaders that they too will get caught if they behave unethically (Ludwig and Longenecker 1993, p. 272). But caught by whom? The volitional solution may work for illegal behavior such as embezzlement, but it will not work for the much more common, everyday ethical failures in which leaders break more informal, ethical expectations. Leaders make moral exceptions of themselves with respect to rules that apply to the rest of us in ways that are well short of legal violations. More importantly, it is followers who allow it. Building on the work of E. P. Hollander, Debra Shapiro et al. show that followers of successful leaders are very tolerant of such "transgressions," including inappropriate behavior, dishonesty, rule breaking, violations of expectations of confidentiality, and invasions of privacy (Shapiro et al. 2011, p. 415).

We are all susceptible to the tendency to rationalize (Zyglidopoulos et al. 2009, pp. 66–68). But leaders have many more, seemingly credible opportunities to justify their own behavior (Price 2008a). Moreover, followers help them do it by giving leaders significant discretion with respect to the rules they follow and the rules they break (Hollander 1964). One way to think about why there are so many ethical failures in leadership, then, is to say that the context itself brings special challenges that leaders are not prepared to meet given a central feature of our moral psychology. Humans, both leaders and followers, are master rationalizers (Anand et al. 2004). Combine this with the fact that leaders find themselves in situations in which they must satisfy some interests and neglect others, discharge special obligations to followers, and—because leadership involves change—negotiate the unchartered territory of evolving norms with respect to what behaviors are permissible and expected. So, morality is especially difficult for leaders. It is no wonder that so many leaders behave unethically.

Not only the number of opportunities for failure but the precise nature of these opportunities shows why a volitional solution to the problem of ethical failure will not work. People do not like to think of their own behavior as being motivated (primarily) by self-interest (Mazar et al. 2008), and leadership is almost designed for thinking of what one is doing in terms of helping others and putting their interests before one's own. It is just too easy, therefore, for leaders to see their potentially unethical behavior in positive, other-regarding terms. So, even if we assume that the volitional account offers the correct explanation of ethical failures in leadership, asking leaders not to engage in self-interested behavior will have little effect on what leaders do if they (and followers) do not see the behavior as self-interested in the first place. Such ethical advice works only if we assume that leaders properly understand their own motivations. If they do not, they could well accept that leaders should avoid self-interested behavior and, yet, unknowingly engage in it based on their view that the good of the group explains why they behave as they do.

The Cognitive Solution

Regardless of what we think about the ultimate cause of ethical failures in leadership, the solution is ultimately a cognitive one. According to the characterological account, leaders fail to understand ethics in their particular leadership context. There is ultimately a mismatch between what potential leaders know and what they need to know to exercise leadership, although the former may have met a necessary condition for virtue in other contexts.[3] The volitional and cognitive accounts go further and suggest that the leadership context actually promotes moral misjudgment. According to the volitional account, leaders act on the mistaken belief that they can get away with immorality. However, as we have seen, their lack of understanding likely goes deeper. The context of leadership makes it especially easy for leaders to act on self-interest but to avoid thinking of their behavior in self-interested terms. Finally, on the cognitive account, it is clear that we need to fix how leaders think about their

own behavior. After all, this account holds that mistaken beliefs about justification are the root cause of ethical failures in leadership.

The solution to ethical failures in leadership is therefore a matter of moral psychology (Shalvi et al. 2015, p. 129), probably more so than a matter of moral philosophy. In fact, there is a risk that moral philosophy alone does as much harm as good. One common approach to ethics education is to introduce future leaders to a variety of ethical theories, including appeals to virtue associated with the characterological approach. The main worry with virtue theory, though, is that its indeterminacy leaves leaders at a loss when it comes time to decide what to do. Simply telling leaders to have integrity or to do what a virtuous person would do is unhelpful in the end because, as its advocates concede, the theory itself cannot tell us what would constitute integrity or virtue across all contexts and, in particular, in leadership contexts. Because of the indeterminacy of the theory, leaders will be tempted to fall back on the assumption that their behavior is justified in the morally challenging circumstances in which they find themselves.

Consequentialist theories such as utilitarianism are even less helpful and, potentially, more problematic from the perspective of moral psychology. Utilitarianism holds that the right action is the one that maximizes overall utility. Part of the appeal of the theory is that it seems to get things right in cases in which one individual ought to set aside selfish interests and think about the good of others more generally. But, given that a leader's selfish pursuits are often connected to group success—either directly or indirectly—the leadership context is ripe for utilitarian justifications of selfish behavior. We should recall, too, that the ethical conflicts in leadership are not only between self-interest and group interest; they also involve conflicts between groups and among group members. So, the last thing we need is a moral theory that makes it easier to justify sacrificing the interests of one group for another or some group members for other group members. Like virtue theory, that is, utilitarianism suffers from significant indeterminacy. The upshot of this indeterminacy is that utilitarianism exacerbates, rather than responds to, problems of moral psychology.

How should we respond to the fact that so many leaders behave unethically? I am suggesting that we must do something different from

introducing potential leaders to competing moral theories and encouraging them to choose among the theories or, worse still, pick the theory that seems to work best in the circumstances in which they find themselves. Rather, in leadership education and training, we should use the moral theory that best captures our moral psychology and, especially, the moral psychology of leadership. Here, rule-based theories such as Kantian ethics stand out. Strict rules against deception and promise breaking apply equally to all moral agents, regardless of their particular circumstances (Kant 1964, pp. 89–90). As such, these theories respond to our tendency to make exceptions of ourselves. As Kant put it, we are all inclined to think that the exception is justified "just for this once" (Kant 1964, p. 91). This risk is all the greater in leadership contexts. In fact, I believe that it is what makes leadership ethics distinctive. The leadership context brings with it all kinds of justificatory resources—for example, the good of others and the special responsibilities that leaders have to followers.

The cognitive solution to ethical failures in leadership thus suggests that our first task is to help future leaders understand how they will come to think about their own behavior. The answer is not to try to develop character traits that may or may not withstand situational pressures when the going gets tough or to ask these individuals to decipher what a virtuous person would do in that situation. Nor is it to help them understand the likely consequences of self-interested behavior (not least of all because self-interested behavior often pays). Rather, leadership education should focus attention on what almost invariably happens to people who take on positions of leadership. Here is advice that leadership educators should give to future leaders (based on Price 2008b):

> *You, too, will see yourself as the exception to the rule. We all are tempted to do so. Moreover, the pressures associated with leadership will make it especially hard to resist this temptation, in part because followers sometimes expect you to give in to it. To avoid ethical failures in leadership, you cannot see yourself as special, even when others around you are saying that you are.*

Why are there so many ethical failures in leadership? It is because leaders fail to see how the leadership context makes them particularly vulnerable to ethical failure. We can trace the main source of the vulnerability

to our moral psychology. When the general human tendency for justification is let loose in the leadership context, we should expect an increase in the relative frequency of unethical behavior. This explanation fits well with the cognitive account of ethical failures in leadership. But I have argued that it also fits with the characterological and volitional accounts. Even when leaders are motivated by what, in other contexts, might be considered virtues, or when they are motivated by their own self-interest, will be inclined to see their behavior as justified. Regardless of the ultimate source of the problem, then, the solution is ultimately a cognitive one. Leaders must be prepared to rethink the way they think about their own behavior and, indeed, the way they think of themselves as moral actors. To avoid ethical failures in leadership, they need to see themselves as equally subject to the moral rules, not as potential exceptions. The limits of our moral psychology, especially in leadership contexts, point toward a response that makes the rules, not leaders themselves, the final arbiters of morality.

Notes

1. One might propose more opportunities for people to practice leadership. For this proposal to be successful, we would have to assume both that whatever opportunities we devise are similar enough to real leadership contexts and that the practical wisdom gained from these opportunities is transferable across different leadership contexts—that is, from one organization to the next or from one position in an organization to another position with increased responsibilities.
2. As Machiavelli (1988, pp. 54–63) astutely suggested, one way *to be seen to be* is actually *to be*.
3. Aristotle (1985, p. 40 [1105a30–1105b5]) says that "knowing counts…for only a little" compared to virtue's other two conditions: "decid[ing] on them for themselves" and "do[ing] them from a firm and unchanging state," both of which depend on sustained practice in the relevant context.

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18

The Culture of Toxic Organizational Leadership in Sub-Saharan Africa: Why Contexts Matter

Muhammed Abdulai

Introduction

The question of Africa's toxic leadership has taken center stage in many of the discourses of Africa's development challenges in the twenty-first century. Studying toxic leadership from the perspective of the social construction of meaning in Africa is certainly a departure from the traditional approaches that have come to dominate the study of leadership in Africa (Powers 1979; Nelson 1993). The traditional approaches that have focused on trait, situational, and contingency theories have led to dominance of leader-centered and follower-centered perspectives of leadership (Jackson and Parry 2008), with a narrow emphasis on the social construction of toxic leadership. Several leadership scholars have coined different terms for "bad leadership", such as destructive or toxic leadership

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(Whicker 1996; Lipman-Blumen 2005; Padilla et al. 2007), narcissistic leadership (Glad 2002), evil leadership (Benson and Hogan 2008), among other categories. Generally, Africa scholars on leadership have associated Africa's underdevelopment to toxic leadership and governance (Mills 2011; Afegbua and Adejuwon 2012; Mbah 2013; Poncian and Mgaya 2015). For instance, Poncian and Mgaya (2015) argued that African leaders are responsible for much of the continent's economic, political, and social woes. In addition, Mills (2011) highlighted that Africa's poverty is not because of the lack of capital, access to world markets, technical experts, or the unfair global economic system, but because African leaders have made poor choices and decided to keep the continent in abject poverty.

Whicker (1996), Kellerman (2004), Lipman-Blumen (2005), Padilla et al. (2007), and Mills (2011) present excellent explanations to the concept of toxic leadership, and how toxic leadership decisions have contributed to Africa's underdevelopment. Nevertheless, more work is still needed to contribute to the debate on toxic leadership, and the reasons behind the occurrence of so many toxic leaders in sub-Saharan Africa. Interestingly, the intriguing question of the occurrence persists and begs scrutiny and interrogation. For instance, what is it that is missing in the leadership equation in sub-Saharan African? Could the major reasons for the occurrence of so many toxic leaders in Africa be lack of relevant leadership education and training? Or the leadership positions and selfishness have turned those possessing the positions bad? Using thematic analysis, this chapter aims to put forward propositions on why context factors (e.g. cultural, structural and environmental conditions) shed light on the occurrence of so many toxic organizational leaders in sub-Saharan Africa. Since sub-Saharan Africa is a vast region with a diverse spectrum of leadership cultures, the chapter will focus on toxic organizational leadership in Ghana. Specifically, the chapter seeks to answer these questions: Why are there so many toxic organizational leaders in Ghana? What is the role of contexts (e.g. cultural, structural, and environmental conditions) in the construction and deconstruction of toxic organizational leaders in Ghana? What mechanisms can be used to reduce the menace of toxic organizational leaders in Ghana?

Understanding the potential influence of contexts (e.g. cultural, structural, and environmental conditions) on the construction of toxic organizational leaders in sub-Saharan Africa is important for several reasons. First, many sub-Saharan African societies are built on an in-group collectivist culture based on family ties, religious or ethnic backgrounds. As a result, leaders who are raised in these cultures would probably be influenced by how the group perceives the leader's ability to protect the group's interests and desires (Muchiri 2011). Second, sub-Saharan African societies are multicultural in nature, and composed of social organizations that emphasize on harmonious team work, compassion, respect, human dignity, mutual respect, personal interactions, among other factors (Jackson 2004). In this regard, the conception of leadership methods and styles may vary among different cultural groups in Africa (Jackson 2004). Therefore, our quest for finding answers to the reasons why there are so many toxic organizational leaders in sub-Saharan Africa cannot stand the test of time without taking a critical look at the context factors of toxic organizational leadership constructions and deconstructions. In this study, I define toxic leaders as leaders that engage in egoistic behaviors, and consciously influence their followers to believe that their selfish behaviors are normal and accepted. Also, I argue that in the context of sub-Saharan Africa, the construction of toxic leaders does not occur in a vacuum, but they are socially constructed and deconstructed in and from a context or contexts and made meaningful through the interplay between the leaders and the led, in a specific environment and structure. While this study alone is not sufficient to eliminate the research gaps on toxic leadership in sub-Saharan Africa, it would make an insightful and valuable impact on the causes of toxic organizational leadership, and the mechanisms that can be used to reduce the menace of toxic organizational leadership in sub-Saharan Africa. The chapter is structured as follows: clarification of the concept of toxic leadership from the theoretical models of Lipman-Blumen and Kellerman, and the social identity theory of leadership. Methodologically, the chapter uses the qualitative approach of the constructivist epistemology, and thematic analysis technique to identify patterns and analyze the patterns to uncover the reasons behind the occurrence of so many toxic organizational leaders in Ghana.

Conceptualizing Toxic Leadership and the Social Construction of Toxic Leaders in Africa

This chapter adopts Lipman-Blumen's (2005) concept of toxic leadership, which was built on the work of other leadership scholars such as Whicker (1996) and Kellerman (2004). In this regard, the toxic concept of leadership is closely aligned to the concept of destructive leadership (Kellerman 2004). In an attempt to explain the concept of toxic leadership, Whicker (1996, p. 12) defines toxic leaders as those with personal characteristics and behavioral traits that are toxic to their followers. She notes that such leaders are often maladjusted, malevolent, engage in destructive behavioral traits, and are focused on self-values that are toxic to their followers. In addition, Lipman-Blumen (2005, p. 29) also defines toxic leaders as those who engage in numerous destructive behaviors, and who exhibit certain dysfunctional personal characteristics. To add to this, Lipman-Blumen explained that for a leader's behavior to count as toxic, the behaviors must inflict serious and enduring harm on their followers and the organization. This means leaders who put their own needs for power, glory, and fortune above their followers' well-being. Sharing a similar sentiment, Aubrey (2012) opined that toxic leaders are inwardly motivated, inherently destructive, and violate the legitimate interests of the organization and its employees.

With regard to the concepts of leadership and organizational leadership, the definition of House et al. (2004) is worth considering. Organizational leadership is defined as "the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organization of which they belong to", whereas the leader is defined as a "group member whose influence on group attitudes, performance, or decision making greatly exceeds that of the average member of the group" (House et al. 2004, p. 2). Stogdill (1974) defines leadership as the process of influencing the activities of an organized group in its efforts toward goal setting and goal achievement. The definitions highlight: influence, goal setting, and goal achievements. This implies that leadership is a process of social construction between one

person and the group, thus, between the leader and his or her followers. The social construction philosophy was developed by Berger and Luckmann (1966), and it holds that "reality is revealed and concealed, created and destroyed by our activities" (Pearce et al. 1995, p. 89). This perspective provides a framework from which one can examine toxic leadership as a process of social construction and reconstruction. So, whatever people claim is toxic leadership, does not necessarily constitute toxic leadership. Toxic leaders are constructed and deconstructed based on the subjective meanings attributed to the interactions between the leaders and the led, and within cultural, structural, and environmental contexts. To elucidate how contexts (cultural, structural, and environmental) factors influence the construction of toxic leaders in sub-Saharan Africa, Mills (2011) noted that Africa is poor today mainly because its leaders have chosen poverty over development of its people. This implies that most African leaders have made poor decisions that have had poisonous effects on the continent and its people. In light of this, the fundamental cause of African underdevelopment and poverty is as a result of the construction of poor and selfish decisions by some African leaders, and these selfish and toxic decisions have had an enduring effect on their followers. This revelation is in keeping with the postulation of the social constructivists that "people make their social and cultural worlds at the same time these worlds make them" (Fairhurst and Grant 2010, p. 173). Building on this point, Poncian and Mgaya (2015) revealed that more than five decades after independence, most African states still remained in a vicious cycle of poverty, unemployment, and underdevelopment and the cause of these problems is not only as a result of colonial invasion but by the character of destructive leadership behaviors and decisions.

Moreover, the idea that leadership is a relationship based on mutual exchange between the leader and his or her follower is a dimension worth considering in the discourse of toxic leadership. Following from this, Jackson and Parry (2008) explained that toxic leadership is coproduced by both the leaders and their followers. This implies that the followers and the leaders can both co-construct toxic leadership behaviors. In support of this view, Lipman-Blumen (2005) explained that too often scholars within the leadership discourse attribute toxic, ineffective, or damaging leadership to the characteristics and decision-making of leaders

themselves, without paying sufficient attention to the interaction between the leaders and their followers. In this regard, the performance of the leader and the response of the followership provide the scope for toxic leadership to evolve (Heppell 2011). To this end, Padilla et al. (2007) revealed that leaders can be destructive based on the susceptibility of their followers. These findings confirm the views of Poncian and Mgaya (2015) and Mbah (2013) that the passiveness of African citizens to hold their leaders accountable has given African leaders an opportunity to wreak havoc on their countries and people.

Besides the co-construction of toxic leaders by both the leaders and the led, it is argued that leadership is embedded in a context, and the socio-cultural circumstances can create an environment that allows toxic leaders to thrive (Jackson and Parry 2008). In support of this view, Woermann and Engelbrecht (2017) revealed that many societies in sub-Saharan Africa revolve around the extended family, the immediate community, a network of interrelationships, mutual obligations, and paternalism. Finally, the literature review has shed light on some of the factors accountable for the occurrence of so many toxic leaders in sub-Saharan Africa. Toxic leaders are socially constructed or coproduced between the leaders and their followers.

From a theoretical point of view, this chapter is located within the social identity theory of leadership (Jackson and Parry 2008). The social identity theory of leadership highlights the process by which followers construct leaders. In this regard, Jackson and Parry (2008, p. 52) explained that the extent to which a leader is either selected or accepted by a particular group of people will depend on how representative the leader is to the group. This means that how closely the leader represents the group's characteristics as well as their aspirations, values, and beliefs. Besides, members who select the leader rely on the stereotypes of the leader's behavior that focuses on in-group similarities and intergroup differences in terms of beliefs, attitudes, and values among other factors (Jackson and Parry 2008). This theory fits well in exploring the occurrence of so many toxic organizational leaders in sub-Saharan Africa because previous studies have cast light on how in-group members have influenced the selection of leaders in sub-Saharan Africa (Woermann and Engelbrecht 2017).

Research Design and Method

The study adopts thematic analysis approach to put forward propositions on the occurrence of so many toxic organizational leaders in Ghana. Thematic analysis as originally developed by Richard E. Boyatzis (1998) provides researchers the opportunity to identify, analyze, and report patterns within data (Braun and Clarke 2006). Specifically, the contextualist thematic analysis was used. In essence, the way Ghanaians made meaning of their experience of the occurrence of toxic organizational leadership, and the way the broader social contexts impinge on those meanings, while remaining focused on the material and other limits of reality (Braun and Clarke 2006). As mentioned earlier, I was interested in putting forward prepositions on the occurrence of so many bad organizational leaders in Ghana. In this regard, I used interviews as the main data collection tool and elicited responses from heads of departments in the Northern Region and Upper West Regions of Ghana. The study also uses purposive sampling as it allows for the deliberate selection of respondents whose responses generated useful data for the study (Leedy and Ormrod 2005). In terms of inclusion and exclusion criteria, I included organizational leaders and managers who were willing to provide information by virtue of their knowledge and experience on leadership, and excluded those who had inadequate knowledge and experience on leadership. In all, 35 respondents from the Northern and Upper West Regions of Ghana were used for the study. The informants included 15 females and 20 males, between 30 and 50 years of age at the time of the interviews. The interview questions were open-ended, and this offered me the opportunity to probe further the answers given by the respondents. Examples of some of the questions posed to the participants are as follows: "please tell me why there are so many toxic organizational leaders in Ghana?"; "describe to me the cultural influence of the construction of toxic organizational leaders in Ghana"; and "please tell me some of the traits of a toxic organizational leader". Similarly, the interview questions sought to explore information about the occurrence of toxic organization leaders in Ghana, the role of contexts in the construction and deconstruction of toxic organizational leaders, and the mechanisms that can be used to reduce the

menace of toxic organizational leaders in Ghana. The interviews were recorded and transcribed verbatim and lasted between 45 min and 1 h on average. The interviews were conducted from December 2019 to January 2020.

The first phase of the data transformation was the importation of the interviews into NVIVO 12 software where summaries were created for each interview using the memos function. To stay close to the data and refrain from imposing predefined ideas that would have resulted in premature intellectualization (Boyatzis 1998, p. 47), memo passages were linked to the interviews section using cross-references function. The cross-references tool allowed me go back and forth between my understanding of the occurrence of so many toxic organizational leaders in Ghana and the participants' experience of toxic organizational leaders in Ghana. For the pattern-seeking phase, coding the data was guided by the theoretical thematic analysis (Boyatzis 1998), thus, theory-driven deductive approach was used to identify themes in the data. In addition, coding of the data was guided by my preconceptions and theoretical and epistemological commitments on the occurrence of so many toxic organizational leaders in Ghana. In terms of coding scheme, the them-based coding scheme was used where a preliminary list of codes was generated from the interviews in the Northern and UpperWest Regions. I collected the codes into potential themes, and gathered a thematic map and the most occurring phrases were generated, refined, merged, and compared, and the most frequent frames were generated as the main themes for the discussion (see Fig. 18.1).

Findings and Discussion

This section presents the participants' experiences of the cultural construction of toxic organizational leadership, and the approaches to minimize the occurrence of toxic organizational leadership in Ghana. The findings and discussion are presented through two themes: (i) cultural construction of toxic organizational leadership in Ghana and (ii) approaches to building a good organizational leadership culture in Ghana. A summary of the key findings is presented in Table 18.1.

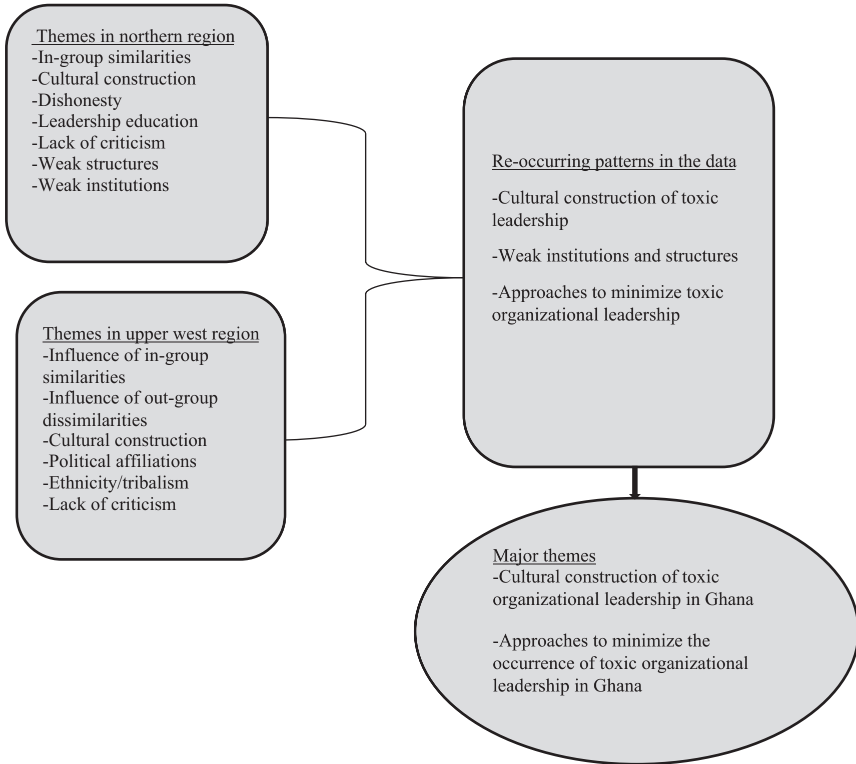

Fig. 18.1 Data transformation of toxic organizational leadership. (Source: author)

Cultural Construction of Toxic Organizational Leadership in Ghana

This theme illuminates how toxic organizational leaders are culturally constructed and deconstructed in Ghana. Leadership, either good or bad is the product of society. Therefore, the discourse on toxic leadership cannot be made meaningful without a critical examination of the social construction of toxic leaders. To cast light on the reasons for the occurrence of so many toxic organizational leaders in Ghana, a question was posed to the respondents to explain why there are so many toxic organizational leaders in Ghana. In response, one of the participants expressed:

Table 18.1 Some causes and solutions of toxic organizational leadership in Ghana

Causes of toxic organizational leadership	Solutions of toxic organizational leadership
1. The influence of nepotism and patronage in the selection or appointment of organizational leaders.	1. Establishing proper institutions, structures, and/or objective selection processes to rigorously screen potential leaders before they are appointed or selected to lead organizations.
2. The Ghanaian culture of holding the elderly in high esteem, and believing that it is culturally not normal to criticize those in authority, and the leadership styles and policies of the leader.	2. Leaders and those in authority should be constructively criticized and offered objective feedbacks by the led on their leadership styles and decisions.
3. Inadequate leadership training, education, and mentorship.	3. Leadership education, training, and mentorship should be implemented to fill knowledge, skills, and attitude gaps in organizations.
4. Inadequate positive role models to emulate.	4. Leaders who have shown exemplary characters, public eminence, exhibited good leadership styles and decisions should be identified and famed.

Source: author

> You see, there seems to be structural problems in how organizational leaders are selected or appointed within the public sector in Ghana. This is because most leaders are selected or appointed to leadership positions based on their political affiliations, ethnicity, or family relations with little regard for experience, and qualifications. That is to say, we put square pegs in round holes in most public sector organizations. (Respondent SS)

From the statement above, it can be deduced that nepotism and regionalism are some of the major criteria used for the appointment or selection of public sector organizational leaders in Ghana. Under these conditions, experience, knowledge, skills, and the vision of the prospective leaders are not given serious consideration. As a result, most public sector organizational leaders don't meet the role requirements of their positions, thereby engaging in toxic behaviors and dysfunctional personal

characteristics over their subordinates and the organization. This revelation is contrary to the insights the former US president Barack Obama provided on the importance of democratic institutions for good African leadership. Barack Obama (2009) noted that in the twenty-first century, capable, reliable, and transparent institutions are the key to success, and this requires strong institutions such as honest public service, police force, independent judges, journalists, parliament, and a vibrant private sector and civil society. Consequently, most state-institutions in sub-Saharan Africa are not reliable, transparent, and above all they are deficient and weak. In view of this, appointments or selection of public sector organizational leaders are compounded with weak ethical commitments and reasoning thereby creating a fertile ground for toxic leadership to thrive. In addition, the popular saying that "like attracts like" has an underpinning in some of the reasons why there are so many toxic organizational leaders in Ghana. For instance, Ghanaian leaders who are appointed based on their regional, political, or ethnic affiliations may work to promote and protect their group's interests. In this regard, the cultures of the organizations they represent might be influenced through the construction and reconstruction of their toxic behaviors.

Moreover, many societies in sub-Saharan Africa revolve around social categories and community culture where age is considered a key factor in appointing leaders to organizations. To this end, the participants were asked to explain the influence of Ghanaian ways of life on toxic leadership, and this was what one participant narrated:

> Eeer… in the Ghanaian culture, age, seniority, wisdom are some of the key factors they consider in the appointment of leaders. Ghanaians also have greater respect for the elderly because the elderly are perceived to be right all the time, and they are perceived not to make mistakes easily. Even if an elderly person is engaged in a bad action, he or she is not supposed to be condemned openly. (Respondent MM)

The respondent has not only highlighted some factors that are held high in the appointment of leaders to positions, but has cast light on how the elderly are held in high esteem in Ghana. The elderly are held in high esteem in Ghana because they are perceived to have a lot of experience,

wisdom, and knowledge. In a similar vein, the elderly are supposed to be truthful, just, honest, and transparent in all their dealings with members of the society. Contrary to the assumption that the elderly are supposed to be experienced, knowledgeable, wise, and perceived not to make mistakes easily is not a universal truth. This is because the proverbial saying that all that glitters is not gold might affect some of the elderly who do not have the experience, knowledge, and wisdom to solve basic problems in life. This view also supports the findings of Heppell (2011) that the performance of the leader and the response of the followership provide the scope for toxic leadership to evolve. Therefore, in the context of Ghana, holding the elderly in high esteem by offering them leadership positions based on the philosophy that the elderly are perceived to be experienced, knowledgeable, and wise could provide a scope for the construction and reconstruction of toxic organizational leadership and this might have negative effects on individuals and their organizations.

In an effort to elaborate more on the social construction of toxic leadership, the participants were asked to explain why some leaders are perceived to be bad. This was what one participant expressed:

> There are instances where, appointed leaders actually deliver, but they are perceived to be bad leaders. Take for example, as the municipal director for National Service, you are supposed to make sure that people who are posted to places where their services are needed most, but sometimes you are faced with a situation where family members, and friends would want you to influence their postings to their preferred places and should you fail to do so, you will be deemed to have failed and that makes you a bad leader. (Respondent ISS)

The revelation above highlights the interpersonal process and group dynamics that underpin the social construction of toxic organizational leaders in Ghana. As a result, the leader would be deemed to have failed if he or she failed to focus on the desires or aspirations of his or her family members, friends, or close associates. The participant revealed that the toxicity of leadership in the Ghanaian context is constructed by the context, the situation, and the subjective behaviors of the organizational members. Therefore, toxic leadership is treated as a collective emergent

social construction, embedded in many organizations, and produces poisonous effects on its members. This revelation is in keeping with the postulation of the social constructivists that "people make their social and cultural worlds at the same time these worlds make them" (Fairhurst and Grant 2010, p. 173). Consequently, when a leader places the well-being or interests of their in-group members at the expense of the general well-being of their followers' needs, his or her entire followers might fail to understand and appreciate effective leadership. This view supports the findings of Woermann and Engelbrecht (2017), which indicate the prevalence of the Ubuntu philosophy in Southern and Eastern Africa where the society places emphasis on family relations, compassion, respect, human dignity, building relationships, personal interaction, and mutual respect.

Moreover, the data revealed that one of the causes of toxic organizational leadership in sub-Saharan Africa is due to limited experience and training in the art and science of influencing one or more follower(s) and focusing on the follower(s) toward achieving the organizational mission and objectives. To this end, one of the respondents explained:

> as said earlier, in this country, we just don't train people to become leaders like what is done in most developed countries. Most people assumed leadership positions without any formal training in management and leadership, and this often affects the quality of decisions produced by the leaders. (Respondent MM)

In this response, the participant attributed inadequate leadership training as one of the causes of toxic organizational leadership in Ghana. The view confirms the findings of Mbah (2013) that have established a relationship between bad leaders in Africa to inadequate leadership training, education, and mentorship. Again, Mills (2011) revealed that African leaders have frequently come to their position with limited experience, knowledge of leadership and governance. These findings have illuminated some causes of toxic organizational leadership in sub-Saharan Africa. However, it is important to point out that providing good leadership education, training, and mentorship is a means to an end to the menace of toxic leadership in sub-Saharan African, but not an end in itself. It is

important to note that organizations are systems of interacting elements: organizational process, structure, roles, and responsibilities among other factors (Poncian and Mgaya 2015). All these elements drive organizational performance. Therefore, providing good leadership training, education, and mentorship to leaders could be the starting point to minimizing the menace of destructive leadership in Ghana. Hence, good leadership education, training, and mentorship should be combined with institutional and structural changes. This is because if the systems do not change, it will set good leaders up to fail or to provide poisonous leadership to their followers. As mentioned before, this section of the analysis revealed that nepotism, patronage, inadequate leadership education, training, and mentorship, and the common Ghanaian culture of not holding their leaders accountable as some of the causes of toxic organizational leadership in Ghana.

Approaches to Building a Good Organizational Leadership Culture in Ghana

Besides offering explanations for why there are so many toxic organizational leaders in Ghana, this section explores how organizations in Ghana could reach a state where there are fewer destructive leaders. To this end, analysis of the data identified patronage; inadequate leadership education, training, and mentorship; nepotism, the common Ghanaian culture of holding the elderly in high esteem; and believing that it is culturally not normal to criticize the policies and leadership styles of the leaders by the led as some of the causes of toxic organizational leadership in Ghana. In connection with the solutions to toxic organizational leadership the respondents were asked to describe the strategies organizations could adopt to minimize the occurrence of toxic organizational leaders, and this was what one of the respondents revealed:

> Doing away with favoritism, politicization of national issues, and above all respecting organizational structures. When these issues are addressed in Ghana, it might help in the processes of appointing credible leaders to leadership positions. (Respondent RB)

Generally, the participant pointed out that minimizing or doing away with favoritism and patronage when hiring or appointing people to leadership positions in public and private organizations could reduce the toxicity of organizational leadership in Ghana. This revelation confirms the findings highlighted in the *Model of Organizational Nepotism* that employees who are hired based on nepotism might have lower self-esteem, increased self-doubt, and feelings of incompetence, as well as lower self-evaluations (Mulder 2012). In addition, Heppell (2011) predicts that the deficiencies in the selection or appointment of leaders can let toxic and morally lacking leaders slip through the selection or appointment process. Therefore, organizations that aim at minimizing the construction of leaders who could abuse people's trust, and prioritizing personal benefits over the common good should focus on establishing proper structures and/or objective selection processes to rigorously screen potential leaders before they are selected or appointed to lead organizations.

In addition, constructive criticism and giving unbiased feedbacks to people who assumed leadership positions could help minimize the construction of destructive organizational leaders. Following from this, the participants were asked to describe how Ghanaian cultural practices inhibit the construction of good leaders and this was what one participant narrated:

> Eeh… in our tradition or culture, it is unacceptable to criticize leaders and those in authority. Eeh…some leaders even feel that they should not be criticized for whatever they do. Subordinates who have this mindset don't also criticize their leaders, and the elderly. It is unfortunate our culture does not encourage criticizing the elderly and those in authority. (Respondent AK)

In the quote, the participant pointed out how the elderly and those in authority have not often been criticized. While constructive criticism and sharing unbiased feedbacks could open the eyes of the elderly, leaders, and those in authority to things they might overlook or never consider as salient, it is culturally not normal to criticize their policies, decisions, and leadership styles. For instance, in an environment where people are not able to share unbiased feedbacks and constructively criticize leaders who abuse the power they wield particularly over their subordinates could

create a fertile ground for toxic leadership to thrive. The views expressed by the participant resonate with the postulation of Padilla et al. (2007) that leaders can be destructive based on the susceptibility of their followers. This has further been corroborated by Poncian and Mgaya (2015) and Mbah (2013) that the passiveness of African citizens to hold their leaders accountable has given African leaders an opportunity to wreak havoc on their countries and people. In light of this, to minimize the construction of destructive organizational leadership in Ghana, leaders and those in authority who exhibit destructive behaviors and dysfunctional personal characteristics over their subordinates should be constructively criticized and get unbiased feedbacks from the led. This could improve on their leadership style, decisions, and make them better organizational leaders.

In a similar vein, some of the responders identified leadership training, education, and mentorship as tools that could be used to minimize the construction of toxic organizational leaders. In connection with this, one of the participants opined:

> Ghanaians should consciously start leadership training at home and in Schools. Eeh… leaders should also consciously demonstrate good leadership behaviors at home and at their work places so that majority of their followers will learn. (Respondent MYM)

Extracts from the data suggest that to reach a state where there are fewer organization leaders in Ghana, much work would have to be done to improve on leadership training, education, and mentorship at homes and in schools. Hence, leadership education, training, and mentorship should be implemented to fill knowledge, skills, and attitude gaps in organizations. It is also noted that positive leaders see a strong majority of their followers emulating them. This understanding is in keeping with the “made side” of the leadership equation, which posits that leadership and wisdom are both made and can be learned (Jackson and Parry 2008). Jackson and Parry (2008) further noted that most leaders who were apparently born to be leaders had the right genetic mix background but failed miserably as leaders because they were either unable or unwilling to learn the art of leadership (Jackson and Parry 2008, p. 17). Based on this,

it is recommended that leadership training, education, and mentorship should be encouraged in employees' careers to reduce the poisonous effects of destructive organizational leadership that might cause serious harm to their organizations and followers.

In creating the tools to minimize the menace of toxic organizational leadership in Ghana, some of the participants revealed that destructive leaders could be identified, unmasked, and exposed to the general public. To this end, one of the participants explained:

> We have to start exposing, naming and shaming people who abuse their positions as leaders regardless of their standing in society. Again, to promote good leadership practice in Ghana, remunerations and promotions of leadership should commensurate with leadership outcomes and meeting of set targets. (Respondent BC)

The views expressed by the participant shed light on the need to name, expose, and shame organization leaders who are engaged in numerous destructive behaviors and dysfunctional personal characteristics that can have serious negative effects on individuals and their organizations. Publicly exposing toxic leaders whose behaviors have had poisonous effects on their organizations and followers could be an essential part of the process of effective leadership and efforts to build trust between organizational leaders and their followers. Again, leaders who have also shown exemplary characters, public eminence, and exhibited good leadership styles and decisions should be identified, named, and famed, and offered with special treatment such as personal recognition from the management of the organization and promotion. These ways could promote building a good organizational leadership culture, and for organizations to reach a state where there will be much fewer toxic organizational leaders in Ghana.

Conclusion

The study explores the culture of toxic organizational leadership in sub-Saharan Africa, focusing on Ghana. Analysis of the perspectives of the 35 public and private sector heads of departments identified nepotism, clientelism, patronage, inadequate leadership education, training and mentorship, the common Ghanaian culture of holding the elderly in high esteem, and believing that it is culturally not normal to criticize the policies and leadership styles of the leaders by the led as some of the causes of toxic organizational leadership in Ghana. Again, the study also highlights inappropriate and lack of objective structures in the selection or appointments of organizational leaders in Ghana. In view of this, the study assumes that the cultural variables the followers are socialized with encouraged most Ghanaians from critiquing those in leadership positions, thereby causing the occurrence of toxic organizational leaders. The study suggests that leaders and those in authority should be constructively criticized by the led so that they can become better organizational leaders. In terms of the approaches to building a culture of good organizational leadership, the study noted that organizations that aim at minimizing the construction of leaders who could abuse people's trust, prioritizing personal benefits over the common good, should focus on establishing proper structures and/or objective selection processes to rigorously screen potential leaders before they are selected or appointed to lead organizations. As the study focuses on Ghana, the evidence on the occurrence of toxic organizational leadership should be limited to only Ghana and should not be generalized for the entire Africa. Since the study participants were limited to Ghana, I suggest that future study could expand the scope to capture the other countries in West-Africa.

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19

Analyzing Bad Leadership Through a Critical Leadership Theory Lens

Jennifer L. S. Chandler

Introduction

Some of the overarching questions that frame this book are: Why are there so many bad leaders? What is a bad leader? Can we identify them? When can they be identified? Can they be identified before they do any damage? Are they inevitable? How many bad leaders is too many? If we knew that, could we identify the social processes that produce bad leaders and do something about them? But aren't those same social processes producing good leaders? What is leadership? Is leadership simply a label for whatever leaders do?

As explained in the introduction to the book, different definitions of *bad leader* offer different starting places for analyzing the phenomena from different perspectives. This chapter employs Chandler and Kirsch's (2018) tenets of critical leadership theory to explore those questions.

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Therefore, Chandler and Kirsch's (2018) five tenets of critical leadership theory are presented first. Then, those tenets are engaged in the subsequent analysis in this chapter that exposes social processes that contribute to the phenomena referred to as *bad leadership* while also suggesting some actions that can enhance human flourishing.

Critical Leadership Theory Tenets

The tenets of critical leadership theory are as follows:

> Critical Leadership Theory Tenet 1: Systemic oppression exists in all societies. Critical leadership researchers and theorists examine processes that perpetuate social inequities that exist in all social organizations, and also acknowledge their own enmeshment in these systems and act to disrupt those systems. (Chandler and Kirsch 2018, p. 173)

> Critical Leadership Theory Tenet 2: Critical leadership research acknowledges that power is the performance of hegemonic behaviors that reinforce hierarchies. It also acknowledges that hegemonic behavior exists everywhere thus it is centered in the research. (Chandler and Kirsch 2018, p. 176)

> Critical Leadership Theory Tenet 3: Critical leadership studies are not for teaching people how to lead or how to be better leaders or followers. Those who examine leadership critically eschew orthodox designations of leader or follower as the starting point of inquiry and focus on leadership as an emergent phenomenon of groups. (Chandler and Kirsch 2018, p. 180)

> Critical Leadership Theory Tenet 4: Critical leadership researchers and theorists attend to the politico-economic milieu in which the leadership processes of interest function and employ a continually self-reflexive process. (Chandler and Kirsch 2018, p. 183)

> Critical Leadership Theory Tenet 5: The goal of critical leadership is human flourishing. (Chandler and Kirsch 2018, p. 187)

To begin addressing why there are so many *bad leaders*, the leadership education process is a reasonable place to start. It can be argued that the current and past leadership educational programs have produced the *leaders* who are labeled *bad*. For the most part, critical leadership theory has not been integrated into those leadership educational programs. Furthermore, the critical leadership tenets presented above diverge from many of the commonly found practices and unspoken values in those leadership education programs.

Leadership as an Emergent Property of Groups

Leadership educational programs tend to focus on labeling people as leaders or followers within a framework that venerates *leaders*. Contrastingly, critical leadership theory argues that labeling some people as leaders and some people as followers provides little value in leadership education or in leadership research. This is one of the ways that critical leadership theory upends the debate about why there are so many *bad leaders*. Critical leadership theory upends that debate by arguing that trying to explain why there are so many *bad leaders* is a misguided venture because the debate itself continues to revere *leaders*.

Critical leadership theory is built upon the understanding of leadership as an emergent social process of groups. Emergent properties of groups are characteristics that groups create that no one individual in the group possesses on their own (Aziz-Alaoui and Bertelle 2007). In critical leadership theory, *leadership* is understood as a social process of influence that is always occurring among all the people of a group regardless of their titles, responsibilities, and positions within the group. Framing leadership as an emergent property of groups is used in leadership theory such as the work by Spillane (2006) and by the works discussed by Thomas et al. (2013). Understanding leadership as an emergent property of groups has also guided leadership research like that by Curral et al. (2016) who examined leadership as an emergent feature of human social organizations in laboratory experiments; the research by Fransen et al. (2015) analyzing athletes on sports teams; and the research by Ritchie

et al. (2006) who analyzed people serving as heads of educational science departments and who concluded that

> it would be helpful for the attainment of productive and cohesive [organizational units] if designated … leaders could accept that leadership is not embodied within individuals but manifests in the actions of individuals and collectives through social interactions. (p. 157)

The understanding of leadership embodied in a leadership education program impacts the methods and strategies employed. Understanding leadership as an emergent complex social process would therefore be evident in the courses and the lessons and exercises used in leadership education programs. Understanding leadership as an emergent complex social process within groups contrasts with the long-standing emphasis on individual knowledge and skills that can be possessed and deployed. An emphasis on individuals is not surprising as it is a consistent component of Western culture that advances narratives about individuals achieving success by acquiring and leveraging skills on their own. Contrarily, research on leadership often reveals that leading actions within organizations are "fairly mundane" and there is little difference in what *leaders* or *followers* are doing at the "behavioral level" (Alvesson and Sveningsson 2003, p. 1454).

Chandler and Kirsch's (2018) critical leadership theory does not advocate for educational strategies or research paradigms that categorize some people as *leaders* and everyone as a *follower.* Rather, it stresses approaches that accept that each human is participating in what could be declared leading behaviors and in following behaviors seamlessly throughout each day of one's life. Critical leadership theory is not alone in this criticism of what could be called a false dichotomy; there are other criticisms of the leader–follower dichotomy. Ford and Harding (2018) recently critically analyzed how followers are depicted in three leadership theories. They examined Bass and Steidlmeier's (1999) article on transformational leadership, Gronn's (2002) article on distributed leadership, and Greenleaf's (1977) work on servant leadership. They found that followers in these three theories are not simply relegated to a subservient role, rather followers are conceived of as "the mob always straining at the ramparts, ready to

destroy civilization" (p. 20). Ford and Harding (2018) went on to argue further that the leadership industry (which they define as including academia and consultants) as a whole is full of "a sense of elitism… and power use and potential abuse of those with less power" (p. 20).

Some of the criticisms that Ford and Harding (2018) raised are mentioned in Northouse's (2018) 8th edition of *Leadership: Theory and practice*, which is a text often used in introductory leadership undergraduate courses. This text includes a chapter on transformational theory and there is one on servant leadership, but there isn't one on distributed leadership (Northouse 2018). Each of the theory chapters includes criticism of the described theories. Ford and Harding's (2018) criticisms are not included, but there are similar criticisms offered by others. Additionally, in Northouse's (2018) chapter on followership, he states "little research has conceptualized leadership as a *shared process* involving the interdependence between leaders and followers in a shared relationship" (p. 294). It is not clear what threshold Northouse (2018) used to determine that the designation "little research" was appropriate for this sentence. At the time of this writing, a Google Scholar search on "leadership as a shared process" yielded over 3 million results and readers can decide for themselves whether that is "little research" or not.

What can critical leadership theory offer to ameliorate the current education programs that are producing *bad leaders*? Including texts in leadership courses that provide a critical theory perspective benefits leadership students. Again, the social processes and practices emphasized in textbooks and in organizations that label only some people as *leaders* and everyone else as *followers* are problematic because the complete picture of how leadership functions is obscured.

Leadership, Power, and Systemic Oppression

Because systemic oppression already exists in every society, people who want to exploit organizational systems, processes, and people to achieve their own aims can obtain what are often referred to as *leadership positions* to do that. Tenet one of critical leadership theory, presented above, focuses on recognizing that everywhere leadership is discussed or taught

is also a location where systemic oppression exists. A critical leadership approach demands that the systemic oppression must also be addressed in those contexts. Doing so asks questions such as: Which people and whose histories and experiences have historically been considered leaders and whose histories and experiences have been marginalized, erased, silenced, or eliminated? These questions are frequently not the focus of leadership education programs. Yet, asking those questions helps reveal why there are so many *bad leaders*. There are so many *bad leaders* because those people labeled *leaders* are rewarded and promoted for marginalizing, erasing influence from, ignoring, and silencing certain groups. Across nations, the marginalization of peoples has been chronicled throughout history. People seeking positions of power within organizations are pressured to replicate that marginalization.

Certainly, leadership educational programs typically have individual courses addressing ethics. But compartmentalizing the issues regarding the misuse of power into just one ethics course is part of the current leadership educational practices and approaches that has created the *bad leaders* we have today. Others have argued similarly. Analyzing the challenges of ethics education, Chung (2016) argued that the results of institutionalized teaching practices and objectivism enacted by university faculty results in

> moral muteness … that affects students' norms by perpetuating the amoralization of business decision-making… (p. 233)

Tackling the educational methods used in teaching ethics, Chavan and Carter (2018) argued that ethics is better learned through emotional experiences than by using approaches that rely on reasoning, intuition, and perceptions. In their study, Chavan and Carter (2018) examined the collective impact of experiential learning activities and critical action learning on student learning of management ethics. They found those methods led to

> social benefits for students, co-creation and improved and increased engagement with peers, academics and industry. (Chavan and Carter 2018, p. 149)

Others have been working on devising effective educational strategies for workplace settings, such as Hauser's (2020) recent conceptual framework development that organized training approaches and roles of instructors integrated into a comprehensive ethics and compliance training program for workplaces. These approaches for teaching ethics consider the customary practices of the organizational practices, expectations, and cultural norms, which is essential according to Chandler and Kirsch's (2018) critical leadership theory.

Labeling some people *leaders* in groups implies they are the only people responsible for organizational decisions and actions. This, in turn, can result in more *bad leaders* through labeling those people as *good leaders* when things are going well and *bad leaders* when things are not. What determines when things are going well or not going well can vary widely. An example can be seen in the actions over the past few years within the multinational financial services company, Wells Fargo & Company, whose employees fraudulently opened accounts for customers. Some people involved may have characterized things as going well, while the fraud was rampant but as yet undiscovered. Contrastingly, after the fraud was revealed and media attention increased, it may have been characterized as a bad time within the organization.

On the surface, the fraudulent behavior may seem repellent and aberrant. But examining the situation within an understanding of systemic oppression reveals that it was business as usual. The day-to-day sales culture pressured and rewarded employees for opening unauthorized accounts. That was the leadership that those employees experienced and participated in. The kinds of behaviors, seen by many as *bad leadership,* within Well Fargo is not a new phenomenon and critical leadership theory argues, again, that these are to be expected because the current leadership education practices generate *bad leaders*. Research on similar actions includes Kennedy and Anderson's (2017) examinations of correlations between holding a high-ranking position in an organization with the number of times the individual stepped up to stop wronging in the organization—in other words, behaved ethically. Across three studies they found that holding positions of high rank was correlated with fewer enactments in ethically principled behavior to stop the wrong-doing. They concluded that high-ranking individuals "engage less in principled

dissent because they fail to see unethical practices as being wrong in the first place" (Kennedy and Anderson 2017, p. 30). Similar stories are told around the globe in for-profit organizations, not-for-profit organizations, military organizations, and government organizations alike.

As was discussed in the previous section, many leadership education programs place a great deal of attention on the learners in the program and how they can change behavior to increase the amount of influence they have over others. The influence an individual exerts on the group's movement is understood as *leadership*. Cursory mention of leadership as a group or collective process may be made, but the focus of leadership educational programs is on the student becoming a leader by harnessing skills to increase their influence. Chandler and Kirsch's (2018) first tenet stresses that behaviors and processes that groups exhibit must be addressed in leadership learning programs. That means that leadership learning programs cannot focus solely on individuals, their intent, and their behaviors because people behave differently in different groups. Additionally, adequate attention is needed for learning about what systemic oppression is and how it exists even when people in organizations believe that they are doing good and helpful things. Readers who desire to learn more about systemic oppression are encouraged to read a variety of works on the topic. Suggested works include Van Wormer's (2015) succinct primer on the topic; Adams et al.'s (2008) explanation of the differences between focusing on the actions of individuals and understanding the social influences; and, of course, Freire's (1970) critical work, *Pedagogy of the Oppressed*, belongs on the well-read list of everyone with a responsibility to teach leadership as well. Integrating an understanding of systemic oppression into teaching about leading and leadership pulls the conversation away from the notion that there have been a few "bad apples" in positions of power doing horrible things and admonitions not to be like those people.

Critical leadership theory argues that people in what are called leadership positions can co-opt organizational systems, processes, and people to fulfill their own personal aspirations thus earning them the label of *bad leader*. Some leadership research has focused on this phenomenon. Belmi and Laurin (2016) examined power-seeking behaviors across different socioeconomic cases. They found that people across classes considered

political behavior necessary and effective for acquiring positions of power. However, people in lower classes were reluctant to engage in that behavior as compared to those in higher classes except when they could acquire power through pro-social means or when power was redefined through goals of helping others. Their findings

> suggest that the common belief that political behavior is required for advancement may help explain why class inequalities persist and why creating class-based diversity in upper-level positions poses a serious challenge. (Belmi and Laurin 2016, p. 505)

Lammers et al.'s (2016) research also examined the desire for power. They found that when people subjectively experienced power as autonomy, that is, the freedom to make their own decisions rather than be subjected to the results of decisions made by others, it was positively correlated with a desire for power. Then, once people possessed the power they sought, their desire for it was quenched. Conversely, people who subjectively experienced power as influence over others, did not desire power (Lammers et al. 2016). Their research was conducted in the United States, Europe, and India. They concluded that people often do not desire power within organizations to control or dictate what others do; rather, they desire power so that they can have control over their own lives (Lammers et al. 2016). Cislak et al.'s (2018) studies conducted in Poland and the United States produced similar results. They found that power over others was positively correlated with aggressiveness and exploitativeness. However, personal control was negatively correlated with those same outcomes. These are but a few examples that demonstrate another set of processes through which *bad leaders* can develop. These processes are in addition to *bad leaders* being produced through the leadership education process discussed elsewhere in this chapter. One simple explanation regarding these processes is that many people in decision-making positions in organizations did not seek power over others. Rather, they wanted to be able to exercise their own agency. However, the only way to accomplish that was to obtain and fill a decision-making position. While in those positions, the person's main concern was still to look out for their own best interests.

Human Flourishing

Critical leadership theory asks for a shift in focus within leadership education and research from deciding who is or is not a *leader* and whether they are or are not a *good leader*. Instead, it focuses on human flourishing, intrinsically arguing that a focus on human flourishing in leadership education and research can reduce the numbers of *bad leaders* produced by leadership education programs. Thus, critical leadership theory asserts that leaders are bad when they do not aim for human flourishing. Some people seek what are referred to as leadership positions, and their desire may stem from a craving for autonomy and agency (as described below) or for accumulating personal resources. Those *bad leaders'* goals may be unethical and harmful, or they may be simply misinformed and misaligned with the benefits the organization purports to generate.

Human *well-being* is an often-researched construct and can serve as a stand-in even though other similar terms are also used, such as

> quality of life, welfare, well-living, living standards, utility, life satisfaction, prosperity, needs fulfilment, development, empowerment, capability expansion, human development, poverty, human poverty, and, more recently, happiness are often used interchangeably with well-being. (McGillivray and Clarke 2007, p. 3)

Chandler and Kirsch (2018) reviewed several global level measures of human well-being that are computed regularly. Certainly, those reviews seem to converge on a common understanding that more humans are flourishing now than in the past as is also reflected in Estes and Sirgy's (2017, p. 736) comprehensive historical review of well-being globally that ended optimistically:

> The well-being gains realized since the Second World War are especially remarkable, given their magnitude and the rapid pace at which they unfolded. [We] believe strongly that global well-being trends since at least 1945 will continue well into the future, despite the economic and political uncertainties that characterize some of the world's regions.

Recent work has attempted to create measures of human well-being within organizations and these efforts reveal some promising avenues for critical leadership theory in terms of measuring human flourishing. Guest (2017) argues for a revised approach for the work of human resource management that shifts away from the long-standing focus on individual employee performance aimed at meeting organizational objectives to a greater focus on employee well-being. Some recent efforts have been doing just that, for example, the work completed by Nielsen et al. (2017). Another recent example can be seen in Boyd and Nowell's (2017) examination of the relative contribution of employees' sense of community and sense of community responsibility on employees' well-being and organizational citizenship behaviors. They found that while sense of community responsibility was a slightly better predictor, together they only accounted for a small percentage of the variance in well-being ratings provided by the research participants. One more example is Simpkins and Lemyre's work (2018) wherein they examined the construct of stewardship rather than leadership to assess organizational stress and well-being among Canadian public service employees. In their work, the construct of stewardship studied overlapped with leadership in some ways. However, stewardship was differentiated from leadership in that leadership was framed as skills and competencies enacted by individuals and stewardship was understood to include those actions in the context of organizational mandates, processes, and practices (Simpkins and Lemyre 2018). Yet another example using a well-being approach to evaluate organizations' socioeconomic performance can be found in Di Cesare et al.'s (2018) efforts to develop a composite indicator to measure and compare socioeconomic organizational impacts.

Conclusion

In conclusion, the areas of concern that results from applying a critical leadership theory perspective to the questions at the outset of this chapter echo Dugan's (2017) lamentation about the gap between knowledge generated through leadership research and how that knowledge is not translated well into everyday practice within organizations. The concerns

expressed by Ford and Harding (2018) in their analysis of some popular leadership theories used in college leadership educational programs are also mirrored in this chapter. Recall their criticism that popular leadership theories position followers as a scary mob while extolling the merits of positions of power. This paradox already lives in today's leadership education and training programs that have produced or at least contributed to the current numbers of *bad leaders* operating in organizations today. Applying critical leadership theory does not eradicate the opportunity for leadership education programs to produce *bad leaders.* Rather, the inclusion of critical leadership theory in leadership education programs exposes those paradoxes and requires leadership students to critically examine them.

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One Reason There Are Many Bad Leaders Is the Misleading Myth of "Leadership"

Richard Little and Jem Bendell

One reason why there are many bad leaders is the misleading myth of "leadership" itself. When speaking of "myth", we mean the multiple and subtle stories about people, power, and change that are conveyed by the word "leadership". The myth of leadership overemphasizes "leadership" as salient to organizational and societal outcomes (Meindl et al. 1985; Nielsen 2011). In this chapter, we will suggest that the myth of leadership misleads people with senior roles, as well as those who aspire to such roles, those who observe or follow them, and anyone who seeks to create meaningful change. This overemphasis on leadership therefore misleads human endeavor to produce poor organizational and societal outcomes that, research shows, people then blame on "bad leaders," precisely

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because of that overemphasis on their salience. Therefore, a tragic cycle of overemphasizing leadership is completed.

Our chapter will summarize for you some of the research that supports these views on the role of the leadership myth itself in providing a discoursal context from which bad leaders will inevitably emerge. Therefore, our chapter diverges somewhat from the scholarship on bad leadership that has grown since the 1970s (Dixon 1976). Since then it has been explored mostly in accounts of "toxic leadership" and "corporate psychopathy" (Reed 2004; Walton 2007; Einarsen et al. 2007; Pelletier 2010) and more latterly in general leadership studies (Kellerman 2004, 2012; Schilling and Schyns 2014; Helms 2014; Brooks et al. 2020; Swiatek 2020). The arguments in our chapter diverge by emphasizing how leadership discourse in general is guilty, rather than a particular type of leadership concept or the type of person or traits that are promoted within certain contexts.

In this chapter, we will argue that the very idea of leadership retailed in the popular literature on leadership is itself bad. This popular literature consists of the countless books, articles, and blogs that seek to advise aspiring leaders. In nonfiction, the books on business and management are a genre that sells well. On Amazon, it is the seventh best-selling genre of nonfiction, far higher than books on relationships, education, hobbies and home (Affleck 2017). Within that genre, many of the books focus on leadership. For instance, in May 2020, five of the *New York Times* top ten bestselling management books were about leadership (New York Times 2020). In this chapter, we will refer to this popular mass-produced content as "leader-pulp" to distinguish it from the scholarly literature of leadership, within which we can make a secondary distinction between a somewhat naïvely empiricist mainstream, on the one hand, and inquiry informed by critical social theory and discourse theory, on the other hand (Bendell et al. 2017).

This chapter suggests that "leader-pulp", with its narrow and uncritical concept of leadership and its relentless emphasis on the exceptional individual, has the effect of eroding faith in collective processes of deliberation and change and of colonizing agency on behalf of capital. We would add that it adumbrates fundamental principles of equity and participation in social and organizational processes, that it makes it harder to

imagine, let alone enable, a world-commons that is "free, fair and alive", as Bollier and Helfrich put it (2019, passim). And this at a moment when it might otherwise be possible to see in plain light that heroic individualism cannot match the scale or complexity of the global predicament (Bendell 2018). It is a conception of leadership that has metastasized from its place of origin in business to take up lodging in every corner of institutional and civic life, an idea that has divided the world into leaders and the putative objects of their leadership, those often described in leader-pulp as "your people" or "your team"—a ghost army, silent and inert unless they happen to be potentialized by a great, strong, visionary or inspiring leader.

In concluding, we will argue that if the myth of leadership was no longer allowed to upstage other modalities of collaborative agency, or, even better, if leadership was reimagined so that it was better adapted to the conditions of an open, democratic and equitable public sphere, then the question why there are so many bad leaders might no longer seem so pressing and important.

The Myth that Leadership Is Primarily Important and Exists Everywhere Means that There Will Be More Bad Leaders

A useful starting point in answering the question of why there are so many bad leaders is to ask why there are so many leaders in the first place, whatever their qualities of good or bad. That is, to ask why it is a conventional contemporary assumption that politicians, chief executives, generals, newspaper proprietors, head-teachers, even managers or supervisors, are "leaders". It has become routine to refer to practically anyone as a leader. Head-teachers have become "school leaders"; an institute devotes itself to the development of "healthy and resilient veterinary leaders" (Veterinary Leadership Institute 2020). This widespread usage leads to the question of whether leadership is something ancillary to professional roles, or an occasional distraction from the main event—the execution of well-defined professional functions by competent people in organizations

characterized by mutuality and collaboration. In this chapter, we will summarize arguments supporting the latter view. We will show that describing people as leaders rather than simply professionals, serves to distract everyone from questions of the basic competence of the person.

Another problem with the ubiquity of the idea of leadership today is the hierarchy that it suggests applies to all of us. When leaders are everywhere, non-leaders, if there are any left, are necessarily demoted to the rank of "followers". Even they can be drawn into this totalizing frame of leadership: Alarcon (2015) tells us that "being a follower is just as important as being a leader" and Hyatt (2016) notes that "great leaders" are followers. If our identity within an organization or community must relate to leadership or non-leadership, then it means we are being constituted within a hierarchy of relative specialness or power. In this chapter, we will show how this insidious spread of hierarchical thinking then invites the pursuit, use and praise of inequitable power, and the potential for unaccountable behaviors.

The Idea that People Are Leaders, Not Professionals, Means Their Unethical Behavior Is More Likely to Be Excused

One example of a US politician may help demonstrate how discussing people's professional performance in terms of "leadership" is a distraction from egregious conduct. When Kelly Arnold, chair of the Republican party in Kansas, was asked why Mike Pompeo, the US Secretary of State at the time, liked to shout obscenities at journalists, he explained that he "…has a leadership style of getting things done and he won't let anyone stand in his way" (Dmitrieva 2020). Mr. Arnold may have answered a question that had not been put, but in doing so he laid out an image of political leadership—as strength personified, unencumbered by awkward requirements like public accountability or by any noticeable concern about the questionable affordances of a mandate.

Elsewhere, Pompeo himself gives us another, quite different, image of leadership: Christians, he says, must lead by "remaining humble … by

listening intently and carefully" (Pompeo 2019). Thus, Mr. Arnold and Mr. Pompeo give us two apparently contradictory images of leadership. It is unlikely that either of them gave the matter much thought—rather that both are drawing from a readily accessible stock of leadership tropes found in the popular literature on leadership. In such texts, antagonistic ideas are held together by sheer force of rhetoric: adjectival inflation and hyperbole serving as paradoxical tensioning bars that hold together ideas that would otherwise fly apart. The strong leader lets no one stand in the way, while the humble leader "listens intently" and possesses "fierce resolve" (Collins 2005, passim): these and a hundred other bromides in mainstream leadership texts can be thought of as the droning analects of a folk psychology of leadership—one that is slow to notice anomalies and make appropriate accommodations. Taken as a body, however, such sentiments can be seen to possess a "discursive regularity" (Foucault 1972, passim) that trumps any need for lower-level regularities in the way leadership is construed or described. The question for us is not whether such explanations and descriptions are coherent in themselves, but how they relate to social practices: whether, for instance, they enable or inhibit processes of deliberation and problem-solving at the scale demanded by the global predicament. It seems to us that, when it comes to leadership, the social imagination has been compromised by a collective alexithymia: that the descriptive resources people draw on to think about leadership are trapped within a conception of individualism that, as de Tocqueville put it, is the social and political order that enacts the moral order of selfishness (de Tocqueville 1835/1840/2000).

As a formulary, leader-pulp is the basis of a mass-produced leadership stripped of all but the most platitudinous and sentimental nods to morality, such as holding up a Bible for a photograph on a street brutally cleared of peaceful protesters. These leadership texts may not in themselves be "bad" but form a screen behind which the most egregiously bad leadership can hide. Thus, we are surrounded by accounts of and demands for leadership and yet falter when we try to conceive of a morally informed leadership that speaks to the highest human possibilities. Instead, we find only repetitive injunctions to "get things done", and "remain humble". This chapter hopes to persuade readers that the idea of leadership has been reduced by the leader-pulp literature to a device for mere

profit-seeking and that, in allowing it so to be diminished, we have also allowed the word to be given to every variety of bad conduct, every lesser tyranny, and fatally to diminish our collective capacity to face global dilemmas.

When Pompeo swore at journalist Mary Louise Kelly during an official interview, it followed a pattern all-too familiar to anyone who has glanced at this literature. But the point here is not to say that Mike Pompeo is a bad leader. In any case, the more important question should be whether he is a good Secretary of State. The point is that, whether or not he is either of those things, the mere word "leadership" adduced in justification or explanation of his conduct by a commentator like Kelly Arnold, simply shifts attention away from other possible descriptions and explanations of competence and conduct. Therefore, it makes it harder to imagine other modes of political or professional practice and especially modes that thrive through collaborative and distributed agency.

This example highlights how the idea that people are leaders not professionals means unethical behavior is more likely to be open for discussion. That shows how the popularity of the idea of leadership is itself a factor in how people are excused for bad behaviors.

The Idea of Leadership Invites Impossible Striving, Superficial Behaviors and Narcissistic Self-regard Amongst Leaders

Whereas the word "leader" mobilizes multiple symbolical, political and historical effects, upon close examination it becomes problematic to define. Any attempt to define it involves packaging together a range of personal attributes and behaviors, outcomes and observer opinions. As such, the terms "leader" and "leadership" cannot achieve the materiality demanded of them by their fans. As such, the word "leader" is an empty signifier (Laclau 2006, p. 103) that necessitates all manner of adjectives being added to it by popular writers, journalists and academics, such as "strong", "authentic", "good" or "bad". That provides a fertile context for the perpetual production of both leader-pulp and academic management

fads, which may have problematic effects like psychological insecurity, as we will now explain.

In a typical leader-pulp piece, a self-proclaimed expert or "thought leader" addresses a readership of other presumed leaders. Note that, while the implied ideal reader is a senior executive with relative freedom of action, actual readers are likely to occupy less exalted roles in which they are not paid to have visions but to obey someone else's. Here, the leadership experts say, are the 5, 7, 11 or 23 things you must be, know, or do to inspire "your people", to build "your team", to "lead like a winner". In one such text you are told you should "treat your team with respect" and "show them sincere compassion, as they'll be able to tell if you're genuinely concerned for them" (Ramamoorthy 2020). In the same piece, the author uses 26 adjectives for leadership and 3 qualifying prohibitions (as in "be confident, but not arrogant"). In this compulsive list-making one can hear an echo of the preoccupation with traits that dominated leadership scholarship for decades.

With the focus on wish-lists for being a leader, both leader-pulp and much management education uphold the idea that leadership involves one possessing special character and capability. That invites people to think of themselves as special as they seek and gain more authority in organizations and societies, and even more special once they begin to be praised for their leadership. The impact of this concept of leadership on individuals who consider themselves aspiring or actual leaders is important to consider. It could invite and reward narcissistic self-regard (Higgs 2009). As tutors in leadership courses, we have often heard from students, of all ages, who express a desire for a career status to match their view of themselves or their desire to be special. How to support self-exploration, self-esteem and self-efficacy (Bandura 1986) without decay into unreflective narcissism is an important role for tutors and mentors, in which they are not helped by leader-pulp and mainstream ideas on leadership.

Narcissism is often connected to psychological insecurity. It is likely to be influenced by early childhood experiences (Kernis 2001), but how we experience organizations and communities is also a factor (Higgs 2009). Not only does the notion of leadership suggest specialness is good and admirable, leader-pulp offers an impossibly diverse array of attributes and capabilities to learn and exhibit. Striving for what is impossible can be an

unhelpful influence on individuals, as it invites insecurity and pretense. When these ideological constructs of preferred leadership attributes and behaviors become widely accepted, then those people who are more adept at acting them, necessarily superficially, will be promoted and supported. As such, the existence of "leadership" as a fake empty signifier, filled with unachievable complex arrays of desirable capabilities, can invite and rewards superficiality, insecurity and narcissism. These are attributes of what many people consider to be "bad leaders" (Higgs 2009).

The Spread of the Idea of Leadership Was Driven by a Corporate Need for Fake Authenticity

The leader-pulp literature is a relatively new phenomenon. It can be traced to the postwar turn, brilliantly documented by Boltanski and Chiapello (1999/2006), from a hierarchical and bureaucratic model of the firm to an ostensibly more democratic and inclusive model of organization that could accommodate aspirations to creativity, commitment and employee autonomy. In theory, there was to be less scope in the new organizations for people who merely kept order: so managers must learn to be leaders. On the face of it, this related turn was from managerialism based on rational action—Weber's *zweckrationalitat* (Weber 1978, passim)—to a value-based form of action embodied in the leader and subject to social and communicative norms of conduct—*wertrationalitat* (Weber 1978, passim). Management was the art of measurement, stability and prediction, but the new firms were to be agile and responsive. Leaders were therefore imagined, unlike managers, to bring about constant change and "galvanise people by the power of the vision and by their skills as midwives of other people's talent" (Boltanski and Chiapello 1999/2006, p. 78).

A short piece in *Harvard Business Review* was an early landmark in this shift in discourse. In *Managers and leaders: Are they different?*, Abraham Zaleznik proposed that leaders, unlike managers, were "active rather than reactive, shaping ideas … evoking images … and establishing specific

desires" (Zaleznik 1977, p. 71). This shift from bureaucratic to values-driven organizing has not occurred evenly in time or space and is often more a matter of rhetoric. Just as the protestant work ethic sits uneasily with hedonic consumerism, so the residual structures and hierarchies of Fordism are at odds with the idea of the networked, autonomous employee whose engagement is secured by means of purposeful work. It produces tensions that are carried in the persons of "manager-leaders". Their first duty may be to keep the machines running but with this new story they must also strive to be "authentic" and "visionary". For leader-pulp, the remedy for this tension lies in rhetorical inflation.

> Compelling leaders are resolved. They embody faith and commitment to their message, which builds a belief in their authenticity. Their strength is rich and deep. (Daum 2014)

Note here the echo of Weber, who, paraphrased by Cavalli, thought that "the people's trust seems to derive … principally from the strength of the leader's conviction" (Cavalli 1986, p. 60).

Rhetorical inflation does not stop at the injunction to be authentic. "How *genuinely* authentic are you?" asks an article on the INSEAD website (our italics), continuing: "Genuine authenticity is not restricted to when you are … aiming to secure that lucrative contract" (Knight 2014). Surely, authenticity is impossible under such conditions. Authenticity is the opposite of strategic. Yet authenticity is sought and prized at the heart of a form of capitalism that "… has helped to dissolve historical communities, has fostered atomism, which knows no frontiers or loyalties, and is ready to close down a mining town or savage a forest habitat at the drop of a balance sheet" (Taylor 1991, p. 7). In the idea of the authentic leader we see industrial capital arguing against itself—a system that mechanizes, standardizes, renders fungible, and surveils everything and everyone, that pauperizes workers while seducing them as consumers, that favors the return on capital above all other social goods—that system pretends to prize the spontaneous, the unbiddable, the irreducibly real, then, finding it unbiddable and all too real, standardizes the authentic in the form of a thousand Jack Welches. As two commentators in the prime purveyor of leader-pulp, *Harvard Business Review*, contort:

> Our growing dissatisfaction with sleek, ersatz, airbrushed leadership is what makes authenticity such a desirable quality in today's corporations. (Goffee and Jones 2005, p. 1)

Or, as we would put it, a hypostatized "we" now demands of us a "sleek, ersatz" corporate-friendly "authenticity".

It is not just that authenticity has been corrupted and instrumentalized, but that in its pointless pursuit we risk losing the possibility of exploring our humanity. Therefore, a façade of discussions of fake "authenticity" blocks a deeper dialogue and enquiry into personal meaning and purpose. That means people are less able within organizations to support each other in understanding what is really important to them. After decades of this impairment to social dialogue, it is not surprising that many senior role holders act in ways that appear ethically dubious or provide justifications that sound fallacious.

The Myth of Leadership Undermines Engagement in Collective Action, Thereby Enabling Bad Decisions by People with Power

It need not have come to this. In the parallel universe of serious scholarship, leadership, so far from remaining a central idea of modern life, has tended to dwindle in significance. Fifty years ago, Jeffrey Pfeffer proposed that leadership might not be a significant factor in organizational outcomes (Pfeffer 1970). Meindl et al. (1985) went further. They looked at the relationship between performance outcomes, good and bad, and the strength of leadership attributions and found that people tended to think that positive outcomes were down to leaders, absent any evidence other than their own independent (but inapplicable) experience. The authors concluded that faith in leaders must be in part a romantic delusion, albeit a delusion that could have real force: the "romance of leadership".

While they were overemphasizing leadership, the research respondents in Meindl et al.'s (1985) study were playing down broad structural, organizational and economic effects: preferring a fantasy to the banal reality

of organizational life, the reality that things happen because people turn up and do their jobs. Or don't—deliveries don't arrive, trains are delayed by sheep on the line: the apparent order of the *gesellschaft* is the surface tension on a great sea of accident and improvisation.

Gary Gemmill and Judith Oakley (1992) argue that, so far from being "unquestionably necessary for the functioning of an organisation", the myth of leadership is a "sign of social pathology" that produces "massive learned helplessness", characterized by an inability to imagine viable alternatives (Gemmill and Oakley 1992, p. 2). This last is a quality of what Glynos and Howarth might call a "fantasmatic" representation—a framing device that smoothens and domesticates the otherwise intolerable ambiguities and contradictions of social reality (Glynos and Howarth 2007; see also Salter 2016), one that has invaded the public sphere and whose encroachment displaces and occludes other possibilities. Gemmill and Oakley conclude that

> for change to occur it is necessary to experiment with new paradigms and new behaviours to find more meaningful and constructive ways of relating and working together. While such social experimentation is … marked by uncertainty, difficulties, awkwardness, disappointment and tentativeness of actions, it is indispensable if people are to experience a non-alienated mode of existence in … work or in society as a whole. (Gemmill and Oakley 1992, p. 8)

We may decide that whether or not there is a definable social process or relation that we may call "leadership", and whether or not something called leadership is a significant factor in organizational and social outcomes, the *idea* of leadership performs a psychosocial function, as narrative or discoursal effect, that domesticates the difficult ambiguities of life by proposing the need for authority, reassurance and fast determinations. Pompeo's method of "getting things done and not letting anyone stand in the way" has, for many people, an appealing simplicity in a world thrown otherwise on the intricacy, uncertainty and plurality of collective deliberation, democracy and mutuality in the face of intractable, multifaceted problems.

We have argued here, in debate, against what we think is a pernicious idea of leadership, a fantasmatic representation, a “social pathology”. Whether it is as a discoursal effect or cognitive schema, the idea of leadership conditions the general view of organization, problem-solving, and social choice in such a way as to derogate democracy and collective deliberation and to deform the social field in favor of capital and its craving for a higher return. We believe that the mass-produced visionary-authentic leader, loaded with strength of conviction about nothing that matters, fits neatly into a whole apparatus of exclusion, domination and mass infantilization, one that is corrosive of democracy, social solidarity and, most importantly, one that is ill-adapted to the scale, urgency and complexity of the political, environmental, social and economic challenges that humanity faces right now. Its corollary is mass-produced individuals, with marketable passions and personal branding, presumed to be inspirable via iPhone over their soy-milk flat-whites. None of this is to say that there are not extraordinary individuals distinguished by their force of character or clarity of insight who play a significant role in the public sphere—but by exaggerating the importance of leadership and placing individual exceptionalism at the center of affairs we risk weakening confidence in collective, inclusive and democratic forms of deliberation, and, paradoxically, in those democratically legitimized forms of authority that utterly eclipse any residual illusions about genuinely authentic leaders, sleek or not.

We have shown in this chapter that the widespread overemphasis of leadership salience misleads human endeavor to produce poor organizational and societal outcomes that, research shows, people then blame on “bad leaders”, precisely because of that overemphasis on their salience. Therefore, a tragic cycle of overemphasizing leadership is completed: there are so many bad leaders because people focus on leaders. We wish to note the irony here, as we participate with you in this tragic cycle of leadership. The fact that we are writing about leadership and you are reading about it in yet another book on the topic is reflective of a misallocation of attention that makes bad social and organizational outcomes likely, and therefore, to the criticism of “bad leaders”, whether or not those people are the most significant cause of those bad outcomes.

Leadership as a Special Kind of Action, Not a Special Kind of Person, During Times of Turbulence and Breakdown

There can be another image of leadership—as an active verb embodied by individuals who accept common humanity and who intervene to encourage dialogue, the exact opposite of the "Pompeos" who don't let people stand in their way as they get things done. Such individuals do not pursue leadership for its own sake, but, if anyone thinks it important, what they do might be called leadership. If we were to describe this form of leadership as authentic or passionate or inspiring, it would only be after the fact. If, despite having denounced leadership list-makers, we were to say what this leadership depended on, we would suggest habits of patient observation and critical reflexivity given shape and direction by a principled commitment to intersubjectivity and mutual deliberation. A leader then would not be a Frankenstein's monster made of traits glued together by wishful thinking, but someone who—mindful of the relative legitimacy of their claims and actions, instrumentalizing only themselves and objectifying no-one—has no thought whatsoever of leadership and intervenes only in and from a community animated by collaborative agency. Such leadership may be an exercise in not-knowing and its characteristic mood the subjunctive, but the commitments on which it rests need not be fragile or tentative. Those commitments are to mutuality and public deliberation, as opposed to the atomized shouting match to which an unedited digital media deteriorates; to internationalism as opposed to globalized capital; to imagination and acceptance of aporia rather than self-certainty and dogma; to a "mistrustful sensitivity to the normative infrastructure of the polity" (Habermas 2009, p. 55), rather than slavish flocking; to coexistence and collaboration rather than competition. Engagement in the political process in a dynamic and open democracy is its exemplary manifestation. The vitality and generativity of that process, setting aside for the moment questions of party or policy, is fatally weakened by what Habermas calls a "yearning for charismatic figures who stand above the political infighting" and an "attraction to charismatic

nonpoliticians" (Habermas 2010). Yes, the political traumas of 2020 were widely foreseen.

The international emergency unfolding as we write (in May 2020) shows clearly that, set beside competence and compassion, charisma is otiose; that capital seems helpless, its "global leaders", with a few honorable exceptions like Kent Taylor of Texas Roadhouse (Karunavirus 2020), lost and pointless in the face of natural force majeure. Instead, this emergency, and the even greater one of climate chaos that awaits behind it, demands that we invite one another to engage in dialogue about the difficulties and unknowns that can generate anger, anxiety and grief. Dropping the bad idea of leadership that has been enshrined in leader-pulp and practiced in the mini-feudal states that are modern corporations will be essential in humanity's "deep adaptation" to our climate predicament (Bendell 2018). In that process, supportive reminders between us all to return to compassion, curiosity and respect will be more important than bold gestures by individuals (self-)labeled as exceptional. Amid crisis and, for many, the breakdown of normal life, people of all ranks and none are stepping up to help their communities and society. Perhaps these could be described as acts of "breakdown leadership", if only to build awareness of an alternative to the bad idea of leadership that helped bring us toward crisis and collapse. From such dialogue and amid such selfless action, people may be able to find their own ingenious ways to retreat from the growth-fixated industrial consumer society for which nothing is sacred, over which a self-appointed cadre of bad—really very bad—leaders have presided for too long.

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