

LEADERSHIP ON PURPOSE

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Was Adolf Hitler a leader? I regularly ask senior managers this question. Guess what they answer? Overwhelmingly they say “yes”, although they often add that he was not a “good” leader. I think this illustrates a major dilemma in how we think about and exercise leadership. For my money, Hitler did not engage in very much leadership (although this view often causes a minor riot with my senior managers).

Adolf is an extreme figure but he may be able to help us sort out our thinking about far less repugnant and more ambiguous examples. Were the executives of the major financial institutions in America who brought us the GFC and who are still drawing big fat cheques, engaged in leadership when they flogged those toxic CDOs? Are the executives of Australia’s steel companies, the biggest corporate emitters of carbon, engaging in leadership when they lead the charge to block any realistic action on climate change? Are the senior managers of cigarette companies engaging in leadership when they make and sell a product which causes so much illness? Some may point out what good employers they are, and how many jobs they create. But Adolf was a job creator par excellence! Many CEOs whom I work with say that they could never sell cigarettes.

Let’s be clear - it is not the morality of these corporate leaders that I am comparing to that of Hitler. What I am exploring is the question of leadership. I also regularly ask senior managers who they consider to be “great leaders” and who are their “role models”. Interestingly, Richard Branson and Steve Jobs are the only business people who frequently make their list (although Jack Welch is still

popular among young MBAs). The usual suspects are Nelson Mandela, Mahatma Gandhi, Martin Luther King, Winston Churchill, Franklin Roosevelt and Steve Waugh!

But when I ask the same managers why they also think someone like Hitler was a leader I get a standard set of answers too. He had a grand vision for Germany, he had lots and lots of followers, he was popularly elected Chancellor, he was charismatic and inspiring and a great communicator, he really changed things and moved people to act, he was very successful both economically and militarily for a certain period of time. Of course he was a leader!

What is missing from this picture? It seems to me that questions of purpose, values and morality are completely absent from this prescription. And I don't think it is handled by calling Adolf a "bad" leader or an "evil" leader. Yes he was bad and evil, but I also don't think it was leadership that he was engaged in. The mistake I believe is to define leadership purely on the basis of performance, and leave out any reference to purpose and means. Supposedly if you are in the role, and you can galvanize lots of followers and you can have some victories that makes you a leader. Mussolini made the trains run on time so he was a leader. It is completely circular and self referential. If you perform you are a leader – I know that you are a leader because you performed. My dilemma is that if even Adolf Hitler fits the template then how practical and valuable is the template as a guide or prescription for present day senior managers?

Surely corporate and societal leadership can't just be about mobilizing lots of people for any old carnage? Surely it can't be leading change no matter what the change? Surely it can't just be a great performance no matter what the means? Adolf's purpose, values and morality were all abhorrent. "Ah", reply many senior

managers, “that is such a slippery slope because it then becomes a battle of whose values and morals are right and will prevail”.

Certainly, it is more complex and difficult if we include values and morality in our description of leadership itself, but I cannot see how it can be avoided entirely.

Clearly it is important to be very, very careful about how we apply value and moral judgements to leadership work. For the record, I am a huge fan of pluralistic secularism. I think it is really important that we be tolerant and respect differences. I believe that the separation of Church and State was one of the greatest things that ever happened in history. I strongly dislike the efforts by fundamental Christians in the West or fundamental Islamists in the Middle East to force their beliefs on the rest of society. I am aware that many of the bloodiest conflicts in human history have been moral crusades, whether it is Catholics and Protestants in Ulster or Animal Rights’ Activists in England. Compared to some of these outrages simply “making a buck” can seem quite noble. But surely leadership is about moving people towards the achievement of “worthwhile” purposes, not any old purposes?

I notice that Michael Porter from Harvard Business School is now promoting this idea of “purpose” and that corporations should recognize that we are in a new stage in the development of capitalism where the creation of “social value” is critical. He argues that corporations for their own sakes need to be involved in solving public problems. But for Porter it is all about hard-nosed economic sense, and it has nothing to do with “personal values” or anything “qualitative”. Now I hate to be critical of someone as smart and esteemed as Michael Porter, but I think this is a lot of baloney. I don’t mean social value is baloney - I think that is a great idea. But by trying to leave out the question of personal values as a

justification or motivator, Porter is perpetuating one of the problems.

Let me give you another example. Recently I was doing some leadership work with a group of managers with my colleague Amanda Sinclair. She mentioned that women comprise only two percent of senior executive ranks in corporations in Australia. One manager queried why that was a problem. Amanda gave a strong pragmatic answer – “we are not talking about some minority group here, we are talking about half of all humans, and it is wasteful not to use all their talents”. She paused, and then she added, “And it is immoral”. Morality is a strong argument , and there is a risk of reactivating and alienating people, but the pragmatic argument seems so insipid to me compared with the truth of the matter!