

## Leadership Warts and All

If you look through the academic literature on leadership, you might conclude that every leader is good, or at least well intentioned. We could all benefit from a dose of realism.

"We tell ourselves stories in order to live," Joan Didion once wrote, to explain the unfounded optimism human beings display. Good stories make the world more bearable. Inevitably, therefore, we want to tell - and be told stories that make us feel better, even if that means that we don't get as complete a picture as we need.

People who study leaders have fallen victim to this instinct in a big way. In the leadership literature of the past several decades, almost all successful authors have fed into their readers' (and perhaps their own) yearnings for feel-good stories. Just reflect on some of the best sellers of the last 20 to 30 years: Thomas J. Peters and Robert H. Waterman, Jr.'s *In Search of Excellence*; Warren Bennis and Burt Nanus's *Leaders: Strategies for Taking Charge*; John P. Kotter's *A Force for Change: How Leadership Differs from Management*; and Jay A. Conger and Beth Benjamin's *Building Leaders*. Although a few authors have recently taken exception to the blind belief in the inherent goodness of leadership- notably Sydney Finkelstein in his book *Why Smart Executives Fail and What You Can Learn from Their Mistakes*- most of the hugely successful scholars argue, often with passion, that effective leaders are persons of merit, or at least of good intentions. It almost seems that by definition bad people cannot be good leaders.

If most leaders were worthy people, it would be easy to understand why we accentuate the positive. But the reality is, of course, that flawed leaders are everywhere. In corporations, overweening personal ambition and greed have driven many a CEO to run afoul of the law. In the last couple of years alone, scores of powerful and successful executives have been indicted for financial wrongdoing of various kinds. Think of Andy Fastow of Enron and Dennis Kozlowski at Tyco. Even homemaking diva Martha Stewart has joined the ranks of the indicted. As the *New York Times* wryly quipped, it now "takes a scorecard to keep up with corporate scandals in America."

Of course, corporations don't have a corner on the market in bad leaders. Politics is replete with the most extreme of examples. Hitler, Stalin, and Pol Pot come immediately to mind: all power-mad and evil but nonetheless highly effective as leaders. These extreme cases aside, stories about the failings of more reasonable public officials litter the newspaper headlines. Consider Peter Mandelson, a member of Tony Blair's cabinet, respected both for his political skills and his understanding of public policy. In 1998, Mandelson was forced to resign from the cabinet after it was revealed that he had accepted an improper loan of £373,000 to help buy a swanky home in London's Notting Hill.

And, certainly, it doesn't end there. Accounts of the "wayward shepherds" in the Roman Catholic Church, as one journalist put it, continue to mount. To name just two of the highest profile examples: In 2003, a grand jury alleged that Roman Catholic authorities on Long Island, New York, had long conspired to protect 58 "rogue clergymen" from facing charges of sexual abuse. And in Boston, no fewer than 86 people filed civil lawsuits against John J. Geoghan, the convicted child molester who was later murdered in prison. Again and again, the suits alleged Cardinal Bernard E. Law, archbishop of the Boston Catholic Archdiocese for 18 years, returned Geoghan to parish work although Law had evidence that Geoghan repeatedly molested boys.

It is impossible to deny that bad or at least unworthy people often occupy and successfully fill top leadership positions, and it is high time leadership experts acknowledge the fact. For, contrary to the expectations of these experts, we have as much to learn from people we would regard as bad examples as we do from the far less numerous good examples we're presented with these days. Is Martha Stewart's career as a successful entrepreneur any the less instructive because she may have once sold some shares on the basis of a tip-off? Does Law's gross negligence on the issue of

child abuse negate the fact that during his years in Boston he effectively managed to balance his traditional view of the church with progressive positions on discrimination and poverty? In the following pages, I shall attempt to explain how we came to accept such a skewed, moralistic understanding of leadership and in doing so I hope to put the warts-and the reality-back into the picture.

#### Leaders Weren't Always Nice

Although most contemporary scholarship is focused on leaders who are blemish-free, it was not always that way. Throughout history nearly all the great political theorists have recognized the reality of bad leaders, often accentuating the need to control their malicious tendencies. Influenced by religious traditions that focus on good and evil, and often personally affected by the trauma of war and internal disorder, political thinkers in former times took rather a jaundiced view of human nature.

Consider Machiavelli, a player in fifteenth- and sixteenth-century Florentine politics and often a witness to brutal warfare. Famous for his advice to political players in his classic book *The Prince*, Machiavelli outlined opportunities associated with forceful leadership. For most of us, coercive leadership almost by definition equals bad leadership. But as someone who was familiar both with the ways of the world and with the human psyche, Machiavelli argued that the only truly bad leadership is weak leadership. His philosophy was predicated on the assumption that some leaders need to use force to hold personal power and to maintain public order. Machiavelli, therefore, actually admired unscrupulous leaders who exercised power and authority with an iron fist. And in *The Prince*, he wrote with apparent calm about the occasional need judiciously to apply "cruelties": "When he seizes a state, the new ruler ought to determine all the injuries that he will need to inflict .... Whoever acts otherwise, either through timidity or bad advice, is always forced to have the knife ready in his hand, and he can never depend on his subjects because they, suffering fresh and continuous violence, can never feel secure with regard to him."

Like Machiavelli, the Founding Fathers of the United States had personal experience of bad leadership, and they thought about it a great deal. Indeed, they were some of the greatest students of leadership of all time. But their reaction to bad leadership could hardly have been further from that of the author of *The Prince*. They understood that leadership is easily corrupted and often malign, and therefore they went to extraordinary lengths to construct a constitution that makes it hard for leaders to accomplish much without the negotiated consent of their followers. Thus, in contrast to modern leadership experts who focus on how leaders can be more effective, the Founding Fathers looked for ways to rein leaders in, to ensure that leaders could act only after building a coalition of partners.

In *The Federalist*, for example, Alexander Hamilton dedicated an entire paper to exploring the differences between the proposed presidency and the distant, detested monarchy with which his American audience had struggled. The king of Great Britain was a dreaded hereditary monarch; by contrast, the American president would be elected for only four years. The king's position was sacred and inviolable, but the president could be impeached, tried, and, under certain conditions, even removed from office. In short, the U.S. Constitution was created to preclude the possibility that bad leadership could become entrenched. The very idea of checks and balances grew out of the framers' suspicion that unless the proposed government had a balance of power, then power would almost certainly be abused.

We know this. How could we not, after the twentieth century, with not just Stalin, Hitler, and Pol Pot but Idi Amin, Mao Tse-tung, and Sloboban Milosevic? As the late Leo Strauss, a professor of political philosophy at the University of Chicago, bitterly put it in his classic treatise *On Tyranny*, the tyrannies of the twentieth century are so horrendous that they "surpass the boldest imagination of the most powerful thinkers of the past." Having barely escaped the Holocaust, Strauss recognized what our leadership experts seem to have forgotten: Capricious, murderous,

high-handed, corrupt, and evil leaders are effective and everywhere-except in the literature of business leadership.

#### Where the Theory Went Wrong

To grasp how dramatically we have moved in our thinking on leadership from Machiavelli and Hamilton, it is helpful to see how the words "leader" and "leadership" in everyday language have acquired an inherently positive bias. Consider Lawrence Summers's speech when he assumed the presidency of Harvard University in 2001: "In this new century, nothing will matter more than the education of future leaders." Harvard's "Statement of Values," published in August 2002, picks up this same optimism when it says that the university "aspires...to prepare individuals for life, work, and leadership." In both cases, the words "leader" and "leadership" have been transformed from their Hamiltonian sense. Of course, Harvard is not alone in equating the word "leader" with outstanding human qualities. Yale president Richard Levin claims that the university's goal is to become truly global by "educating leaders." As we have already seen, most popular books on business leadership also equate the term with good leadership, and many books on political leadership follow suit.

The start of the transformation of leadership into something overwhelmingly positive can be traced in part to James MacGregor Burns. A biographer of Franklin Delano Roosevelt, Burns is a Pulitzer Prize-winning historian and political scientist of impeccable repute. In 1978, Burns published *Leadership*, an analysis and distillation of what he had learned about the subject in his lifelong study of politics. The book had a major impact both because of Burns's stature and because it appeared just before the teaching and study of leadership began its rapid growth. In it, Burns differentiated between "leaders," who by definition take the motives and goals of followers into account, and lesser mortals whom he labeled "power wielders." Burns's position was uncompromising: "Power wielders may treat people as things. Leaders may not." Burns's definition of leadership continues to dominate the field. For example, in the 2003 introduction to his widely read book *On Becoming a Leader*, Warren Bennis restates the position he took when the book first came out in 1989: Leaders create shared meaning, have a distinctive voice, have the capacity to adapt, and have integrity. In other words, for both Bennis and Burns-and indeed for most of their colleagues-to be a leader is, by definition, to be benevolent.

At about the same time as Burns's book appeared, another group of leadership theorists, led by Abraham Zaleznik, a psychoanalyst on the faculty of Harvard Business School, started to draw a distinction between "leaders" and "managers." In this construction, the leader is an inspirational and aspirational figure, while the manager handles the duller tasks of administration and maintains organizational discipline. (Zaleznik's classic HBR article, "Managers and Leaders: Are They Different?" is reprinted in this issue.) But by casting the leader in such a heroic light, these leadership theorists only strengthened the confusion between leadership and goodness.

Business gurus were as much responding to market forces as propounding a new doctrine. During the last 25 years, the leadership field developed primarily in response to the needs of American corporations, which by the mid-1970s were running into trouble. As Rosabeth Moss Kanter put it in her book *The Change Masters*, published in 1983, "Not long ago, American companies seemed to control the world in which they operated." Now, she said, they are in a much scarier place, in which the control of oil by OPEC, foreign competition (then primarily from Japan), inflation, and regulation "disturb the smooth workings of corporate machines and threaten to overwhelm us." In response to this growing concern, American companies turned to business schools for concrete help in fixing what was wrong, and it is around this time that the leadership industry may be said to have begun in earnest. In 1982, funds were pledged to Harvard Business School to endow the Konosuke Matsushita Professor of Leadership, and there are now similar leadership chairs at other universities, including Columbia and the University of Michigan.

The fact that the contemporary leadership field is an American product-an American seed planted in American soil and harvested by American scholars, educators, and consultants has profound

implications for how we understand leaders. For one thing, current views of leaders have taken on aspects of the American national character. In particular, the positive thinking that infuses our national spirit finds its way into our leadership training. So, too, does the American dedication to self-improvement. Almost without exception, America's most popular leaders have personified this sense of possibility. Ronald Reagan captured the sentiment during one of the 1980 presidential debates. Evoking Thomas Paine and John Winthrop, he declared: "I believe...together we can begin the world over again. We can meet our destiny and that destiny is to build a land here that will be, for all mankind, a shining city on a hill."

#### What We Can Learn from Bad Leaders

While the optimism of a Ronald Reagan can be highly inspirational and even effective—as Reagan's own presidency showed, it can also lead to simplistic ideas about who leaders are and what they can do. Reagan himself provides us with many examples. Biographer Lou Cannon pointed out one: "The president was so cut off from the counsel of black Americans that he sometimes did not even realize when he was offending them."

People can easily accept the idea that there are lessons to be found in success stories. But it's a mistake to assume that we can learn nothing from fallen leaders. Indeed, some leaders achieve great things by capitalizing on the dark sides of their souls. Richard Nixon—relegated by many to the realm of mere "power wielder" after Watergate—was able to inaugurate diplomatic relations with China by capitalizing on his famous paranoia. No one thought that a suspicious and obsessed Nixon would be soft on Communism! Even monsters can teach us something about how to lead people. Hitler, for example, was a master of manipulating communications.

Likewise, many a lesson can be learned from business leaders' blunders and even from their malfeasance. Take the case of Howell Raines, the former executive editor of the New York Times. In the last several years, no leader has fallen further faster than Raines, who was forced to resign after only 21 months on the job. According to popular analysis, Raines had to go because reporter Jayson Blair committed multiple transgressions on Raines's watch. Raines might have survived his trial by fire if only he had not had a reputation for being high-handed and callous. No one who worked for Raines loved him; some people even considered him tyrannical.

But in all the postmortems about what Raines did wrong, few people have stopped to ask what he did right. We can safely assume that a man like Howell Raines did not get offered the most prestigious job in American journalism without being prodigiously gifted. The fact is that Raines was one of the great talents in the newspaper business. He had experience and expertise (he won his own Pulitzer Prize), and he had a stunning record of accomplishment. Under his leadership, the New York Times won an unprecedented seven Pulitzers for its coverage of the issues relating to the terrorist attacks of September 11, 2001.

Someday, when the story is dissected more dispassionately, I believe that we will find something to learn from Howell Raines's failure. Raines was a man of first-rate functional talent— an excellent writer, accomplished editor, a man with an unparalleled news sense and knowledge of how to cover a big story. What he failed to recognize, it seems, is that expertise is only one dimension of leadership and can even be a misleading one. Rewarding only technical merit and ambition, as Raines did, leads to a distorted kind of management and a lack of checks and balances on the team.

Raines, of course, isn't the only fallen leader from whom we can learn. On June 4, 2002, Manhattan District Attorney Robert Morgenthau announced the indictment of former Tyco CEO Dennis Kozlowski for allegedly evading more than \$1 million in taxes on purchases of fine art. It was not that Kozlowski needed to shortchange the government; in 1999, his total pay was around \$170 million. Rather, it was that after a remarkably successful run as a corporate leader, Kozlowski's impudence caught up with him.

Much has been made in the press of Kozlowski's lavish purchases-his \$6,000 shower curtain, \$17,000 traveling toilette box, \$1,650 appointment book, and his \$15,000 dog-shaped umbrella stand. But there was another side to the man. For in addition to throwing a multimillion-dollar birthday party for his wife on company money, Kozlowski was a very gifted CEO whom businesspeople once talked about as a second Jack Welch. Since 1992, Kozlowski oversaw an ambitious campaign in which Tyco acquired more than \$50 billion in new businesses. Indeed, the habit of successfully swallowing up companies landed Kozlowski on the cover of several business magazines, one of which dubbed him "The Most Aggressive CEO."

As with Raines, Kozlowski's strengths and weaknesses were inextricably linked. A leader who was driven by a high-stakes mentality, Kozlowski showed almost no fear when taking enormous risks; a tactic that often paid off in his acquisition strategy. But that same mind-set led to excruciating misjudgments in his personal life, eventually ruining his career. Could Kozlowski have had the good side of leadership without the bad? Probably not, for most leaders have both. It is when they are unaware of their darker sides, and so fail to guard against them, that they fall from grace. Once again, the real problem is not so much that leaders have their dark side; rather it is that they-and everyone else-choose to pretend they don't.

Scholars should remind us that leadership is not a moral concept. Leaders are like the rest of us: trustworthy and deceitful, cowardly and brave, greedy and generous. To assume that all good leaders are good people is to be willfully blind to the reality of the human condition, and it severely limits our scope for becoming more effective at leadership. Worse, it may cause the leaders among us to kid themselves into thinking that, because they are leaders, they must be trustworthy, brave, and generous and that they are never deceitful, cowardly, or greedy. That way lies disaster, for as we should all have learned by now, it is only when we recognize and manage our failings that we can achieve greatness-as people and as a society. Knowing that, then we can begin to explore the more interesting questions of leadership: Why do leaders behave badly? Why do followers follow bad leaders? How can bad leadership be slowed or even stopped?

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