Leading Change

by James O'Toole

CHRIST COMES TO BRUSSELS
An Introduction to Values-Based Leadership

The excruciating complexity of contemporary leadership was captured graphically in the influential nineteenth-century painting on the cover of this book. One's first glimpse of *Christ's Entry into Brussels in 1889* takes the breath away. The colors are garish, the multitude of faces depicted is surreal, and the daring theme is fittingly grand for the vast expanse of wall the painting occupies at the Getty Museum in Malibu, California. This 1888 work by the Belgian artist James Ensor is a marvel of form, color, and content—but a pretty picture it is not. Painted at the time when impressionists were producing their most beautiful baby-pink-and-powder-blue pictures, Ensor's masterpiece anticipated by some twenty years the gaudy, emotion-charged movement that would come to be known as expressionism.

The subject matter is a crowded street scene, the nineteenth century equivalent of a New York ticker-tape parade to honor the return of a conquering hero. The celebrating crowd is frenzied, the myriad participants all joyously doing their own wild and crazed things. There is a band with a drummer in the foreground, but nobody is marching to his beat. This is a chaotic party—colorful, glorious, raucous, and, Ensor hints, decidedly democratic. Indeed, Ensor depicts the *demos* in all its self-interested diversity and variety; in this parade of the people, by the people, and for the people, there is no discernible beginning or end to the rowdy mass of humanity filling the streets of the Belgian capital.

Then it hits you: Where is Christ in all this confusion? You double-check the title to see if you read it correctly. Yes, you did; but shouldn't he be in the forefront, *leading* the parade? Shouldn't he be the visual focus of the painting? Studying this painting turns out to be a bit like playing "Where's Waldo?" After much searching, the Redeemer is finally located in the background, a little to the left of center, almost lost in a throng of revelers that threatens to engulf him.

This is unsettling to anyone, Christian or not, who has been raised on Western art. For nearly two millennia, all earlier depictions of Christ had placed him at the center of attention. Ensor reminds us of this tradition by portraying his modern Christ astride the onager on which he was said to have ridden into Jerusalem on Palm Sunday to the tumultuous welcome of the citizenry. In all previous versions of this familiar biblical scene, Christ is the subject. He isn't merely the largest figure

in these paintings; he leads the parade. Whatever our religious beliefs—and it is essential to acknowledge that the primary theme of Ensor's painting is not religious—we are accustomed to seeing Christ depicted as king, at the head of every public manifestation, at the top of the hill even in death.

Ensor abandons this tradition. But his purpose is not to join the novelist Dostoyevsky in his cynical interpretation of the Second Coming. In a digression from the main narrative of *The Brothers Karamazov*, Dostoyevsky places his resurrected Christ in the middle of the Spanish Inquisition, where he is ingloriously rejected by a populace searching not for a leader to show them the hard path to freedom, but for a dictator who will tell them what to believe. Unlike Dostoyevsky, Ensor is no gloomy prisoner of Russian despotic darkness. The enemy of Ensor's Christ is neither Dostoyevsky's czar nor the New Testament's Caesar; instead, the Christ who visits Brussels must compete against the manifold distractions of modernity. In Ensor's painting, not a soul in the crowd pays a centime's worth of attention to the one who would be their savior.

And that condition turns out to be a pretty fair assessment of the starting place of all would-be agents of change in modern societies and organizations. The painting thus raises a question that has remained paramount to this day: Is leadership possible in modern, complex systems, or is "democratic leadership" simply an oxymoron?

Ensor understood that social chaos would soon arise from the secular democracy then aborning in Europe. A hundred years ago, he foresaw the seeds of the tradition-destroying trend that would eventually germinate and produce, among countless other cultural horrors, seventy-six channels of cable television. The painting forces the viewer to think about the unprecedented obstacles to effective leadership in a world that has grown, in the subsequent century, even more turbulent than Ensor's frenetic Brussels street scene. As chaotic as it may appear in the painting, that epoch was far simpler than ours: the relevant theater of operation was the local community and not the greater world, cross-oceanic communications entailed weeks and not split seconds, and no one had ever heard of environmentalism, microchips, or cultural diversity. Of course, leadership wasn't easy in late-nineteenth-century Europe—for that matter, it hadn't been a piece of cake in A.D. 33 either. Nonetheless, the radically altered scope, scale, and speed of modern life has complicated the challenge immensely. In particular, the sources of resistance to leadership are more varied and more numerous in our modern, pluralistic democracies. On this score, Ensor saw that henceforth leaders would face the challenge of having to lead without the traditional powers of station, sanction, or threat of suppression. Instead, like Christ, leaders would have to appeal to the minds and hearts of their followers.

Ensor causes us to wonder how *anyone* could lead from the middle of an inattentive crowd of individualists, each a political and social equal, and every last one bent on demonstrating that fact. Though people have always resisted efforts to bring about changes, even those in their own self-interest, Ensor suggests that

modern times would be characterized by widespread resistance to being led at all.

I am confident that Ensor's painting is about these complexities of leadership in modem society; yet I also recognize that we are each a prisoner of our own discipline (hence a dentist sees the Mona Lisa as a warning about the perils of neglecting to floss, and the animal rights activist regards Picasso's *Guernica* as a protest against inhumane treatment of horses). Still, if we choose to view *Christ's Entry into Brussels in 1889* as a comment on the dilemmas of modem leadership, we may profitably employ the painting to focus our attention on an extremely practical question: How can any leader overcome the powerful forces of resistance to change?

Presumably, Christ has come to fin-de-siècle Brussels not simply to enunciate his central teaching to "love thy neighbor as thyself" but also to win actual converts to that cause. We may assume that his leadership goal is to change the beliefs and behavior of all the world, starting with as many Belgians as he can convert. But he finds himself alone, powerless, confronting a multiplicity of self-interested agendas in an amorphous crowd lacking any sense of followership. Where and how can he begin?

Traditionally, three generic answers have been given to such a question: to effect change, a leader can command, manipulate, or paternalize. Let us examine each alternative in turn.

1. Can change be commanded? Realistically, what would be the effect of Christ's picking up a bullhorn and barking the order, "Listen up, all you Belgians. From now on you have to love your neighbors!" Such an effort would be as predictably futile as a family member ordering a loved one to stop smoking. For even when it is clearly in our own self-interest to obey a command, we all bristle when we are told what to do. Save questions of obeying the law, in modern Western society no one is seen as having a right to impose his or her will on another adult. To do so is widely considered the ultimate act of disrespect for the rights and integrity of the individual. In fact, when anyone attempts to impose his or her will on that of another, the predictable effect is to heighten the resistance to change.

With precious few exceptions, the era of the dictator, the czar, the general—even the traditional boss—has passed in Western society. Today we all feel entitled to a say in dealing with the problems that affect us all. We, all of us, will rule ourselves. It is ironic, however, that our cultural images of leadership remain rooted in the quite different past of czarist Russia and Inquisition-era Spain. When I ask even young undergraduates raised on the anarchistic milk of MTV, "Who comes to mind when you hear the word *leader*?" the names of generals, dictators, and tyrannical football coaches will be proposed. When I ask the same question of business managers, the contemporary figure most often cited is Singapore's velvet despot, Lee Kwan Yew. Paradoxically, then, to some degree we still long for the "strong leader," even as we rebel against anyone who dares to tell us what to do.

2. Can leaders achieve change by manipulating followers? The most enduringly popular treatise on leadership is Niccolò Machiavelli's sixteenth-century masterpiece, *The Prince*, in which the following advice is proffered: "It is necessary for a prince, who wishes to maintain himself, to learn how not to be good, and to use this knowledge and not use it according to the necessity of the case." Machiavelli thus advocated expediency as the only inviolable rule of leadership. To achieve his goal of power, any "prince" must manipulate his followers, using them as means to his personal end.

Can Ensor's Christ succeed in manipulating the masses into behaving according to his will? Though history shows that Machiavellian leadership often succeeds in the short term, it almost always fails ultimately because expediency cannot be concealed forever. Would the people of Brussels ever again trust Christ once they learned that he had lied to them? Still, many of the corporate heroes whose praises are currently sung in the press are those who transformed their organizations using expedient means that may have compromised the welfare of their followers. Again a paradox: as a society we celebrate leaders who in a corporate setting betray the very values that we espouse in our churches, homes, and communities.

3. Can change be shepherded? The central Christian metaphor of the leader is the Good Shepherd, the paterfamilias whose "children" are likened to a flock of sheep. The Good Shepherd differs from the Machiavellian leader in that he acts selflessly for the benefit of his followers. But Ensor tells us that this philosophy, too, has become anachronistic. In modern society, paternalism is preferred to tyranny; just don't expect it to work. How far would a materfamilias in business get today acting on the assumption that her employees are a flock to be herded by the organizational equivalent of the yank of a crook or the nipping of a sheepdog at their heels? The old line "I'm making you take this medicine for your own good" is likely to be welcomed only slightly more eagerly than the self-interested crack of a whip. Ensor's painting suggests that leaders today can no more be thought of as shepherds than their followers can be thought of as sheep. Indeed, over the past few years, leadership has been likened more often to herding cats than sheep. Although the concept of the Good Shepherd has its lingering attraction, its shortcoming is that today few people tolerate being paternalized.

While these three alternative models are quite distinct, they have in common an all-knowing leader who is wiser than the collective followers. Hence the observed tension between the long-standing cultural belief in, on the one hand, the necessity of a stern father as leader and, on the other, the more modern, individualistic values, which reached full flower in this democratic century.

So Ensor got the question right: If Christ were to visit Brussels today, how would he be able to lead from the middle of a distracted crowd imbued with the democratic ethos? Make the question more immediate: How can the manifestly

un-Christ-like CEO of a publicly held corporation overcome resistance to change when the CEO's power is constrained by the diverse and conflicting interests of investors, board members, union chiefs, environmentalists, government regulators, and careerist fellow managers, all intent on marching to the beat of their own drummers? Indeed, how can any leader effectively transform an organization in the midst of competitive, technological, social, and political chaos?

The "Answer": *It All Depends*

Where can we turn for an answer to this question? We are told that we need only visit the groves of Academe to reap the benefits of science. In recent years, a near consensus has developed on the subject of leadership, a state of harmony quite unusual in the normally fractious scholarly community. There is currently a deep, widespread, and unquestioning academic commitment to contingency theory, which is the belief that to implement change, effective leaders do whatever the circumstances require. Hence, to whatever practical question that arises concerning how to lead, scholars now respond, "It all depends." The intellectual attraction of this concept is that it appears to be nonprescriptive, nonjudgmental, and nondeterministic.

Moreover, on the surface it appears responsive to the challenge depicted by Ensor. The theory seems to say that if the world has changed, the style of leadership must change to meet the altered conditions. Scarcely a soul alive who is influential in academia questions this received wisdom. Significantly, this now-conventional wisdom has also been embraced by most current corporate leaders. Yet evidence mounts that contingency, or situational, leadership is ineffective. All around we see the signs of failure: the depressing social and organizational indicators that point to the inability of leaders to bring about constructive change. Witness executives, the most up-to-date on the latest managerial techniques, who nonetheless admit that they, too, have trouble overcoming the resistance to change.

Why? Could it be precisely *because* they practice contingency leadership? It is common sense, after all, for leaders to assume that the contingency of chaos requires toughness. Thus whenever the pressure to perform builds, whenever the challenges of leadership seem overwhelming—as they almost always do in this chaotic era—the leader's temptation is to conclude that "this is one of those times when I've got to be tough." The problem with the belief that "it all depends," then, is that it confirms the cultural predisposition to seek out the wisdom of a stern father. Hence the puzzling phenomenon of reasonable men and women turning tyrannical upon assuming positions of leadership is explained, as is the continuing fascination with "men on white horses" who promise to bring order out of chaos. Paradoxically, then, contingency theory ends up being prescriptive, judgmental, and deterministic—exactly the opposite of what are claimed to be its greatest virtues. It is also ineffective in the long term: a contingent leader who acts tough even once will be seen as inconsistent, thereby destroying the trust that is essential to win people over to change.

A Values-Based Alternative to Contingency Leadership

There is cause, then, to challenge the conventional wisdom: Is effective leadership in fact a morally and behaviorally relativistic act? Is leadership, as claimed, really situational? Does it actually just "all depend," or are there some basic moral guidelines that are constant and noncontingent? In thinking about these questions, let us look again at Ensor's painting. If Christ wishes to overcome resistance to change, what choice does he have? What strategic and philosophical courses are open to him that are both practical and moral? If the three traditional courses of command, manipulation, and paternalism fail either or both the tests of morality and practicality, are there other viable choices, other contingencies, that we might consider?

I can imagine only one course that will be effective in winning converts to Christ's message of brotherly love. Christ must begin with the people closest to him in the crowd. First, he must get their attention. Anyone who has ever tried to engage strangers in conversation knows that there is only one certain way to do this: ask them questions about themselves. The opposite clearly won't work: if a would-be leader starts off by talking about personal concerns—personal values, beliefs, or ambitions—people will simply pay no attention. However, if the leader listens carefully to what the potential followers say they need and want and responds thoughtfully, they will become engaged in the process because they will have been given what they all crave: respect.

It may be objected that in following this strategy of listening, Christ would be behaving as manipulatively as any Machiavellian. Nothing could be further from the truth. Moral and effective leaders listen to their followers *because* they respect them and because they honestly believe that the welfare of followers is the end of leadership (and not that followers are the means to the leader's goals). President Dwight Eisenhower was confused slightly on this issue when he defined leadership as "the art of getting someone else to do something you want done because he wants to do it." While that is certainly a part of the art of leadership, it falls short on the essential moral dimensions of purpose and motivation. What creates trust, in the end, is the leader's manifest respect for the followers. That requires putting them first, as James MacGregor Burns explains: "Moral leadership emerges from, and always returns to, the fundamental wants and needs, aspirations and values, of the followers. I mean the kind of leadership that can produce social change that will satisfy followers' authentic needs. I mean less the Ten Commandments than the Golden Rule. But even the Golden Rule is inadequate, for it measures the wants and needs of others simply by our own."

Such leadership is not to be confused with the too common political practice of pandering to the base wishes of the lowest common denominator—promising whatever the masses think they want, even if that may be inherently evil. With regard to the base desires often expressed by the masses, President James Madison argued that, although leaders must listen intently to the stated aspirations of followers, they must not become prisoners to these literal demands. Instead, leaders must "discern the true interests" of the public from their stated desires and

learn to address the underlying needs that the people as a body are unable to articulate. Madison wrote that the effective democratic leader must "refine the public views" in a way that transcends the surface noise of pettiness, contradiction, and self-interest.

Again, the cynic might say that that is precisely what the greatest Machiavellians—Hitler, Mussolini, and Stalin—did. To understand the difference, consider again the Christian myth. Christ offered a vision that transcended immediate wants, yet at the same time he encompassed these in a higher-order view of the common good. All moral and effective leaders so illuminate their followers' better sides, revealing what is good in them and thus ultimately giving them hope. This hope, this transcendent vision of a New Jerusalem, encompasses the followers' needs and aspirations—yet it is a better place than they could imagine on their own.

In the end, the leader's vision becomes *their* vision because it is built on the foundation of their needs and aspirations. They see in the vision what they desire, and they embrace it as their own. Christ's cause becomes their cause. Leadership becomes not a matter of Christ telling people to love their neighbors; instead, people come to want to love their neighbors of their own volition. There are no contingencies here; the only course for the leader is to build a vision that followers are able to adopt as their own *because it is their own.*

The logical test of a proposition is to see if its opposite is reasonable: Can we imagine a situation in which Christ would be successful in winning over the crowd by being tough, abusive, and unconcerned with their needs? How far would he get by commanding them to love their neighbors? Clearly, the leadership of change does not depend on circumstances: it depends on the attitudes, values, and actions of leaders.

Relatedly, the leader has no options when it comes to the practical issue of spreading the gospel. Can we imagine any way whereby Christ, acting alone, could convey his message to everyone in the crowd? No, it is clear that he must create disciples. He has no choice but to inspire others to lead the transformation as well. To be an effective leader, no one can remain a solo operator (even with the aid of television). Instead, one must become a *leader of leaders.* Christianity did not depend on Christ personally; it did not depend on the force of his personality, his charm, or, for that matter, his "media persona" (if one naively insists that technology can solve the human problem of leadership). The ultimate measure of Christ's leadership is that the movement he founded continued to spread after his death. In fact, from the moment of his first conversions, Christianity belonged not to Christ but to the Christians.

Even to people who, like myself, are not practicing Christians, Ensor's painting communicates a few absolute requisites for leading change. In complex, democratic settings, effective leadership will entail the factors and dimensions of vision, trust, listening, authenticity, integrity, hope, and, especially, addressing the true needs of followers. Without these factors, the likelihood of overcoming the ever-

present resistance to change is all but nil. If this is correct, what is required to guide effective change is not contingency theory but, rather, a new philosophy of leadership that is always and at all times focused on enlisting the hearts and minds of followers through inclusion and participation. Such a philosophy must be rooted in the most fundamental of moral principles: respect for people. In this realm of morality, there are no contingencies.

In sum, to be effective, leaders must begin by setting aside that culturally conditioned "natural" instinct to lead by push, particularly when times are tough. Leaders must instead adopt the unnatural behavior of *always* leading by the pull of inspiring values. The difficulty lies in that imperative *always*. To be effective, leaders must change their attitude about followers forever and under all conditions. Moral leadership, by definition, cannot be situational or contingent. The reason is simple: if ever leaders revert to paternalistic behavior (which, as we shall see, many experts claim is appropriate in some situations), in doing so they will break trust with followers. The ultimate in disrespect of individuals is to attempt to impose one's will on them without regard for what they want or need and without consulting them. To behave paternalistically toward followers—even for their own good—is to deny them the basic right of individual dignity. Thus treating people with respect is what moral leadership is about, and nothing could be harder. But when there is organizational or social necessity for change, nothing is more practical.

Organization of the Book

In light of the foregoing, this book addresses three related questions:

- What are the causes of resistance to change?
- How can leaders effectively and morally overcome that resistance?
- Why is the dominant philosophy of leadership, based on contingency theory, neither an effective nor a moral guide for people who wish to lead change?

The approach to these topics differs from that found in many excellent books published over the past decade on the theme of leading change. Almost all of those were written from the perspective of corporate CEOs struggling to get their troops to accept a new corporate culture, a new ethic of customer service, or a new program such as reengineering. My focus is somewhat different. I am concerned with two levels of resistance to change. The first is that same important issue addressed by other authors: how a leader can motivate an organization to embrace a needed transformation. But in addition I am concerned with the chronic resistance to change among corporate leaders *themselves*. It is ironic that many of the executives who complain today that their subordinates resist change were the

most vocal in rejecting decades ago the initial calls for planned organizational transformation by the likes of W. Edwards Deming and Peter Drucker. Indeed, the current need to act in a crisis mode might not have been necessary had business leaders embraced the ideas of such pioneering change agents.

In hindsight, of course, it was perfectly understandable that business leaders would reject such calls for change. *Everybody* resists change—particularly the people who have to do the most changing. We are not concerned here with pointing a finger at those—all of us, in fact—who have resisted necessary change. Instead, we address the most common error made by would-be agents of change. Potential leaders too frequently assume that others will recognize the potential benefits of their recommended changes and hence willingly adopt them by simple virtue of the fact that it's the right thing to do. That common mistake can confound the leadership efforts of otherwise perceptive individuals. Assuming that people will follow you because you are right is an error that trips up most potential leaders before they ever get out of the starting blocks. (Importantly, our focus is on the resistance to changes that are in the best interests of the followers; we are not concerned with rational resistance to would-be leaders with ignoble goals.)

The organization of the book is simple. Like a football game, it has two halves. The first half deals with leaders, the second with followers.

In the first half of the book, we explore the "unnatural" attitude of values-based leadership. We examine the experiences of leaders—in government, business, and elsewhere—who have brought about effective change in modern, complex settings. In today's advanced democracies, we see that contingency commanders may enjoy short-term success but values-based teachers are most effective at leading change over the long term. Reviewing the experiences of individuals who have inspired others to abandon the tyranny of custom, we conclude that the seeker of change is not engaged in a quixotic quest. Evidence indicates that people who understand why change is resisted—and are willing to make the personal investment required to overcome that resistance—are likely to achieve the goal they seek. Leaders overcome this chronic and inevitable pattern of resistance in only one way: by building an alternative system of belief and allowing others to adopt it as their own. That is the essence of values-based leadership. Moreover, to effect true change, one must become a *leader of leaders*, one who inspires *others* to lead the transformation. Such leadership is difficult to achieve because no formula, no documentable technique, and no replicable skill is involved. Instead, values-based leadership is an attitude about people, philosophy, and process. To overcome the resistance to change, one must be willing, for starters, to change oneself. In essence, then, values-based leadership is "unnatural."

These themes—the tyranny of custom, the natural resistance to change, the unnatural nature of values-based leadership, the requirement of enrolling others in the process of transformation, and the essential attitudes required of leaders—recur throughout this book. Indeed, these themes are repeated, in the words of John Kenneth Galbraith, with the predictable frequency of "the military symbol-

ism of marching and combat in Protestant hymns and intercollegiate athletics."

The repetition is necessary for, as we shall see, most leaders in their guts are uncomfortable with the best alternative to situational leadership: the values-based philosophy described in the chapters that follow. We must recognize that in a world dominated by the realpolitik of contingency thinking, nothing appears more naive than leadership based on morality. Worse, to claim that contingency theory is wrong flies in the face of nearly everything that is taught in universities, runs against the grain of conventional wisdom, and frightens the timid because to so argue lends itself to a kind of unfashionable absolutism (in this relativistic era, nothing gets backs up like an argument that uses the word *always*). The purpose of the chapters to come is to counter that powerful opposition and to show why, if the goal is to bring about constructive change, values-based leadership is, yes, always more effective. We shall discover that this philosophy is both moral and practical. We begin this inquiry in Chapter One with a brief review of the careers of four familiar politicians, each a flawed, un-Christ-like individual in his private life who was, nonetheless, an effective leader of change because of the moral bond created with followers.

The second part of the book grows out of Drucker's observation that there is only one characteristic common to all leaders: *followers*. We therefore focus on how leaders go about creating followers. Our analysis includes a lengthy exploration of why people resist change—why we refuse to become followers. As this book is not a whodunit, there is no harm in revealing my conclusions: the major source of resistance to change is the all-too-human objection to having the will of others imposed on us. We look at a few sobering examples of individuals who, long before disaster struck, unsuccessfully attempted to convince others to change proactively in their own self-interest. From these examples we discover why for nearly five decades American industry was able to resist the ideas of such eminent thinkers as Drucker and Deming—ideas that, had they been embraced, would in all likelihood have spared the nation its competitive disasters of the 1980s.

In this review, we learn that all successful organizations become prisoners of comforting ideologies that eventually lead to their downfall. We see that the ability to ignore the warnings of people who know how to save us from ourselves is widespread in organizations, and we review the somewhat depressing evidence that there is a natural conservatism in all human societies that typically delays the acceptance of requisite change until it is too late. We learn that resistance to change is as prevalent among organization heads as it is among followers, and we see why would-be leaders who were "right" failed to attract followers. We also see that there is a marked pattern to resistance, a predictable enough pattern that allows us to formulate a theory of leadership with more substance to it than "It all depends."

Postscript. James Ensor, who painted *Christ's Entry into Brussels in 1889* at the time when Vincent van Gogh was doing his best work in the 1880s, died in Belgium in 1949. Having produced little of note during the last five decades of his long life,

Ensor spent those years embittered by the fact that few people had recognized his early genius, and that few later gave him credit for having been the first to be right about the direction that art would take in the twentieth century. Others would get that credit and become known as the leaders of expressionism. Ensor came to identify with Christ as a leader who had been wrongly rejected. Ensor saw himself as a deserving leader who had failed to attract followers, and he blamed *them* for their lack of understanding.

GEORGES COMES TO THE PARK
Creating Order Through Design, Composition, Tension, Balance, and Harmony

"Putting it together, bit by bit. . . ."

—Stephen Sondheim

"Bring order to the whole through design, composition, tension, balance, . . . and harmony." With that stirring mandate, the late nineteenth century painter Georges Seurat began work on his masterpiece *Sunday Afternoon on the Island of La Grande Jatte*. At least, those are the words composer and lyricist Stephen Sondheim puts in the mouth of the character Georges Seurat in the modern musical "Sunday in the Park with George." What the real Seurat actually said is lost to us. Nonetheless, Sondheim/Seurat's words ring true. Isn't all art the creation of order through design, composition, tension, balance, and harmony?

And what is true for painting, sculpture, architecture, music, poetry, fiction, drama—and Sondheim's own metier, popular opera—is true as well for the liberal arts of philosophy and history, the social sciences, and even for the sciences themselves. Consider Einstein, bringing order to our understanding of the physical universe with his equation "energy equals mass times the speed of light squared." There it is: design, composition, tension, balance, and harmony.

As we began with leadership lessons found in a painting by James Ensor, balance and composition dictate that we end with leadership lessons found in Seurat's "Sunday," which he finished about two years before Ensor began work on *Christ's Entry into Brussels in 1889*. The question Seurat's painting raises for us is this: Isn't leadership like all purposeful human activity (art, science, education, religion, politics, family, and community life) in that it involves the processes of design, composition, tension, balance, and harmony? Isn't the leadership of a great company an integrated whole much like a great work of art? Aren't the strategies, structures, policies, programs, objectives, behavior, and values of a great company—of *each* great company—all of a piece?

If so, this means that each company is different and unique with an order or culture all its own. For example, Pepsi-Cola and Coca-Cola are both great companies, even though their cultures are almost antithetical. Thus, there are no

universal laws or rules of management, and in this regard, contingency theory is accurate. Yet, those two companies are alike in the way the two great paintings of Seurat and Ensor are alike. That is, both manifest the common qualities of design, composition, tension, balance, and harmony. These two paintings—completely different in form, style, subject, and substance—are at the same time similar in that they are each so well composed, so well integrated.

Like the task of the painter, it is the role of leadership to make a company composed and integrated, to make certain it does all the things that must be done in ways that are coherent and mutually consistent. When the late Thornton Bradshaw was president of ARCO, he saw the role of corporate leadership as balancing conflicting tensions. As early as 1970, he argued that managers must create a consistent set of principles to guide the corporation in dealing with the conflicting values and needs of its stakeholders. When a young manager once asked Bradshaw about ARCO's culture, Bradshaw's reply paralleled the artistic integration sought by Seurat, "The culture must all be of a single fabric. From the company's social posture, through the way it treats its employees, to the care it takes in the artistic decor and style of its buildings—everything must manifest a commitment to quality, to excellence, to service, and to meeting the aspirations of our owners, workers, customers, and the broader society."

The problem, of course, is that such strategic unity is elusive exactly because corporate stakeholders have different aspirations, that is, different values. In fact, the challenge of reconciling conflicting values is common to all leaders. Consider a political leader who wishes to introduce a system of health care that would be widely perceived as fair by the many competing constituencies of her country. Those citizens whose highest value is *liberty* will demand a system free of government interference in the individual's choice of doctors and hospitals. Those who value *equality* will call for universal coverage on the grounds that each citizen has a right to health care. Those who value *economic ends*—for example, a high standard of living—will demand a system, the financing of which does not jeopardize the ability of the nation's key industries to compete efficiently in world markets. And those who value *quality of life* issues will demand a system that encourages personal responsibility for maintaining health—for example, by not smoking, not eating animal fats, and the like.

What is such a leader to do? By pandering to just one of those vocal constituencies, she would alienate the others. If she tries to strike a wishy-washy compromise among them, she would achieve no better than deadlock. But she must act. She must decide. After all, leaders must lead. But how?

Great leaders recognize that the perpetual lot of institutions in modern, democratic societies is flux and spirited disagreement among those with conflicting values. Conflict, tension, and turmoil are the order of the day—today and tomorrow. Thus, great leaders recognize that there is no single truth, no final answer, and that the process of leadership is a never-ending struggle to balance the constant and never-abating demands of those with different objectives. Utopia is

simply impossible to achieve in a society in which there are different values. In pluralistic societies, the process of leadership is for now and forever a dynamic process—each person or group sometimes gaining, sometimes losing. But if leadership is to be seen as legitimate, every member of the system will expect at all times to be treated fairly and with respect. Because it is not possible to ignore, nor to completely satisfy, the conflicting demands of all constituencies, leaders live in a state of perpetual tension. Poor leaders cannot tolerate this discomfiting posture, and they attempt to resolve the tension by either giving in to the demands of those who are most powerful, or by issuing a command that represents their own will.

There is another way: the values-based leadership described in this book. At its core, the process of values-based leadership is the creation of moral symmetry among those with competing values. Significantly, that entails something far more difficult to achieve than mere compromise. While values-based leadership requires listening to all sides, it equally demands being dictated to by no one side. Instead, values-based leadership brings order to the whole by creating transcendent values that provide a tent large enough to hold all the different aspirations, and in which all can find satisfaction. It is possible therefore for the political leader to create a health care system that will appeal to common, higher-order values that transcend the narrow self-interest of her conflicting constituencies. Hence, the task is to lead through the processes of design, composition, tension, balance, and harmony. It might be argued that such leadership is so rare as not to exist. But it *has* existed in this country: witness the Rushmoreans.

Such leadership exists today in the Czech Republic. President Vaclav Havel not only has declared the need for a system of transcendent values to "bring order to the whole" world, he has demonstrated by his own actions how such leadership can be practiced. What is his secret? Havel's leadership is not based on specialized knowledge: he is not an expert in finance, not an experienced administrator, not a trained lawyer, and has never served in Parliament. Yet he is both a moral and effective leader of the Czechs whose legitimacy is accepted by his supporters and political rivals alike. That legitimacy was not won by pandering to the wants of the least-common denominator, nor was it won by command. Most of all, Havel is not an indecisive, touchy-feely leader. He made tough decisions throughout his career and went to jail rather than compromise his principles.

Havel's example shows us that leaders must decide. What separates effective and moral leaders from the ineffective and immoral is *how* they make those decisions. When Havel chooses a course of action, the decision process always is based on the principle of what he calls "civility," which is the collective practice of respect for people. The most difficult decision he has made—presiding over the dissolution of Czechoslovakia—was an exercise in such civility. Rather than imposing his will (or the will of the stronger Czechs) on the misguided Slovaks, he stood aside while half his nation chose independence. After numerous appeals to common sense failed, Havel reluctantly bid Godspeed and farewell to his Slovak cousins rather than engaging them in a costly war, which would have wasted in

destruction the resources both countries needed to recover from the mismanagement of their former communist masters. Few leaders in history have chosen peace over war under these circumstances. Havel practiced civility. Havel respected the Slovaks.

On July 4, 1994, Havel received the Philadelphia Liberty Medal at Independence Hall. There, in a widely quoted address, he explained the practical leadership function of transcendent values. In a world rent by ethnic discord and ideological diversity,

> [t]he central political task of the final years of this century . . . is the creation of a new model of coexistence among the various cultures, peoples, races, and religious spheres within a single interconnected civilization. Many people believe that this can be accomplished through technical means—the invention of new organizational, political, and diplomatic instruments.
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> Yes, it is clearly necessary to invent organizational structures appropriate to the multicultural age. But such efforts are doomed to failure if they do not grow out of something deeper, out of generally held values.
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> In searching for the most natural source for the creation of a new world order, we usually look to an area that is the traditional foundation of modern justice and a great achievement of the modern age: to a set of values that were first declared in this building. I am referring to respect for the unique human being and his or her liberties and inalienable rights, and the principle that all power derives from the people. I am referring to the fundamental ideas of modern democracy.

Havel admitted that even building on those necessary fundamental values would be insufficient to create a large-enough tent under which all of humankind's warring ethnic factions could find comfort and repose. But those values are more than sufficient for the narrower leadership tasks men and women face in modern Western nations and organizations. We can see that his own leadership in the Czech Republic is based on those values of democratic pluralism: decency, reason, responsibility, tolerance, and human rights. What is of singular importance is that Havel does not attempt to micromanage the Czech polity or economy. He is a leader who trusts the quotidian affairs of the nation to a group of other leaders who share his values. And those values should be the starting place for corporate leaders who wish to apply Havel's approach to the task of leading business organizations—a far simpler task than leading a nation out from under communist tyranny, let alone leading the world to ethnic harmony.

Are there corporate Havels? The examples given in this book offer positive encouragement to those who believe there are, or can be, such leaders. As *Christ's*

Entry into Brussels in 1889 illustrates, there is no longer a need to lead by command, manipulation, or paternalism. The alternative is Havel's values-based leadership, which is an art that can be learned. In Stephen Sondheim's words, one begins acquiring this art much as one does any art, by "putting it together, bit by bit, piece by piece." If one wishes to learn this particular art, the first piece that must be put into place is personal acknowledgment that no other form of leadership can be both moral and effective. Once a leader makes that difficult commitment, all the other pieces will eventually fall into place, bit by bit.