

Leading in Crisis

Apply the Ethics Principle.



by Kevin Cashman

CRISIS MAGNIFIES BOTH the light and shadow of who we are as leaders. Crisis puts our character under the microscope of service: *are we serving ourselves or others in this time of mind-bending and values-bending difficulty?*

Current global crises reveal the shadows of human nature. Greed, self-interest, and corruption of a few powerful leaders caused grave consequences for many. Examining the shadow and light of leadership enables us to extract key lessons to create more sustainable, ethical, global leadership cultures. As 3M CEO George Buckley aptly reminds us “These are the times that separate good companies from the rest.”

I once asked John Dalla Costa, author of *The Ethical Imperative*, “What is ethics?” To my surprise, John gave a succinct answer: “Ethics is others.”

I thought, “That’s it—three small words?” Later, as I let John’s wisdom sink in, the profound simplicity and complexity of his definition hit me. Leaders face crisis and ethical dilemmas every day, and it usually boils down to people—managing constant stakeholder-related trade-offs and serving one constituency better or worse than another. Every day we are to some degree ethical and to some degree unethical. While it may be unrealistic to think we can always make failsafe decisions and serve all constituencies in all cases, we can aspire to serve as many others as possible in a conscious, intentional manner.

Ken Melrose, former Toro CEO, once shared with me one of the company’s ethical dilemmas. It centered around a lawnmower product that had become a new commercial market standard. The product, unique because it turns on a dime, has a low center of gravity. So, it is very hard to overturn; but in the rare instance that it does overturn, it flips over 180 degrees and can seriously injure the operator. While the mower met compliance standards, Toro decided to add a roll bar behind the seat as an added safety precaution without raising the price on new units. In fact, Toro installed the roll bars for all machines, new and old, *at their cost.*

They reasoned that although the decision was a costly one for shareholders immediately, they had made a value-creating decision that served both customers and investors long term. Seeing the longer-term consequences to all constituents—to all others—Toro made a tough, ethical leadership decision.

In crises, we are pressed to balance our *personal power* with *interpersonal power* and *contribution power*. In crisis, if we try to merely exert our personal power to advance results while ignoring interpersonal power—a common dominant, driven leadership style—real contribution and a people-centered culture are sacrificed on the altar of immediate achievement. As a result, ethical leadership is comprised or limited.

In the book *Presence: An Exploration of Profound Change in People, Organizations, and Society*, Peter Senge and his co-authors say, “When people in leadership positions begin to serve a vision infused with a larger purpose, their work shifts naturally from *producing results* to *encouraging the growth of people who produce results.*”

Most organizations today take a very mechanistic approach to this model.

Many companies tend to focus on results at all costs and drive the organization and people to support these goals. This mechanistic approach prizes results over the human, ethical dimensions of business. It’s an outside-in view of organizations and people.

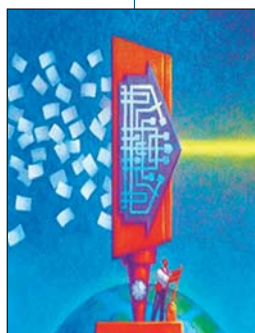
This approach to leadership leaves people feeling devalued and wondering, “Where do I fit in? Why am I here?” It misses the ethical power of human engagement. An *organic*, as opposed to *mechanistic*, approach to business sees people as the source of creativity and dynamism. In such organizations, *personal power* generates *interpersonal power*, which in turn grows value for multiple constituencies: customers, employees, and the environment. This *inside-out model* creates a *purposeful culture* where people are constantly thinking, “How can I make more of a contribution? How can I apply my gifts with others to make a difference?” It’s a purposeful, ethical approach to leadership that values and leverages the power of service and human aspiration.

Many leaders limit their effectiveness by using only their personal power to drive for results. In the process, they adopt a tough, get-it-done leadership persona—devoid of much emotional intelligence or sustained performance.

Winning at all costs rules the day, and relationships are seen as a self-serving means to an end—getting the results to support my success.” Unknowingly, sustainable results are being compromised because the collaborative power of the organization is diminished.

Leadership is Service

Ultimately, a leader is not judged so much by how well he or she leads, but by how well he or she serves. All value and contribution are achieved through service. As leaders, we may think we are *leading*, but in reality we are *servicing*. *Leadership is a continuum of service.* We serve our organizations, employees, customers, markets, communities, families, and relationships. *Our value creation is directly related to how many and how well we serve our constituencies.*



As leaders, when we move from *control* to *service*, we acknowledge that we are not the prime movers of achievement. This shift is an emotional and spiritual breakthrough. Once, at a Greenleaf Servant Leadership Conference, Dee Hock, Chairman of Visa, said: “When we as leaders get in the bad habit

of thinking that other people are there to support our success, we’re actually not *leaders*, we’re *tyrants*. Only when we go through the emotional, psychological and spiritual transformation to realize our role is to *serve others* versus *being served by others*, do we deserve to be called a *leader*.” This is a powerful reframing for the way we typically perceive leadership. As we advance through leadership roles, it is easy to get caught up in the “bad habit” of thinking that others are there to serve our needs; we get caught in a narcissistic loop. Once we’re aware of this limiting dynamic, it becomes possible to move from leadership that is self-serving and short-term to leadership that is constituency-serving and ethical. *While we are measured as a manager by what we produce; we ultimately are judged as leaders by what we give.*

Leading in crisis involves rising above the pressure to secure our own short-term survival/gain and to serve the long-term, mission-driven needs of others. Leveraging the ethics principle enables us to walk the sacred leadership journey from self to others. LE

Kevin Cashman, Senior Partner, Korn Ferry International CEO & Board Services, is the best selling author of Leadership From the Inside Out. kevin.cashman@kornferry.com

ACTION: Leverage the leadership ethics principle.