Dean Williams

REAL

Leadership

**Helping People and Organizations
Face Their Toughest Challenges**

An Excerpt From

Real Leadership:
Helping People and Organizations
Face Their Toughest Challenges

by Dean Williams
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The Engine of Progress

CHAPTER 1

Odin, Enron, and the Apes

Distinguishing Real Leadership
from Counterfeit Leadership

I sat with the prime minister of East Timor to discuss his options. Five days earlier, a mob of angry protestors burned his home down and wreaked havoc by destroying government buildings, businesses, and houses. They were angry because change wasn't happening fast enough. During the melee, poorly trained police fired on the protestors, killing one young man and wounding others. The prime minister had been in his job for less than a year. Furthermore, he was East Timor's first local leader, as the country had been under colonial rule for the previous four hundred years, by Portugal and then Indonesia. Under the Indonesians, a tenth of the population was killed. The prime minister had a seemingly impossible task: to create an honest and effective government and to build a nation from the ashes (not to mention his own home, which itself was also in ashes). The country was a powder keg, ready to explode. He knew he had to be exceptionally astute and responsible in how he used his power in this demanding and precarious predicament. All eyes were on him to see what he would do.

Prime Minister Mari Alkatiri faced, at a more extreme level, the leadership challenge many men and women confront every day: attempting to employ power to add or protect value and ensure that their organization, community, or nation not only can survive but is in a position to thrive. The prime minister had to consider a number of serious questions, such as, What challenge do the people *really* face? What strategies will give the people their best chance of success? What values should be promoted at this time? How will my behavior impact the people's perception of those values? In essence, he was considering, "Given this problem, what would real leadership look like?"

Ultimately, Alkatiri handled the crisis well. He chose not to lash out, take revenge, or engage in wasteful politics. He realized that the social contract between the state and the people was fragile and would take time to strengthen—after all, this was a country that had been denied self-rule for centuries. He stood before the people and reiterated his commitment to democratic practices, reminded them of what was at stake, and personally sought out marginalized and discontented factions to assure them that they would be listened to and included in the nation-building process. These choices ensured that East Timor would not descend into civil war and would continue to develop the capacity for democratic self-governance.

The Features of Real Leadership

The question "What is real leadership—the kind of leadership that keeps our world from falling apart and improves the human condition?" is one that philosophers, politicians, poets, and prophets have wrestled with since the beginning of time. Today, depending on whom you ask, you will probably get a different answer. When I asked the chairman of a Fortune 500 company, he explained that real leadership was about developing a unique corporate strategy and creating a sophisticated incentive system to entice managers and staff to focus on financial goals. Mullah Omar, the former head of the Taliban in Afghanistan, understood real leadership to be the implementation and enforcement of his interpretation of the Koran. A general in the U.S. Army recently told me that real leadership was manifest in the "art of motivation" to get soldiers to do what you want them to do. A former prime minister explained that for him real leadership was "all about persuasion" to ensure that the people would buy into his government's agenda. The head of a church community described real leadership as simply "being an example." A politician explained that, for him, real leadership was about "being committed to something," and "when you're out in front and you look behind you and your people are still with you, you're probably a real leader."

These notions are different variants on the same theme—"showing the way" and "getting people to follow." These notions of leadership prevail in the modern marketplace. Basically, the goal is to get the people to do what you want them to do. To show the way and get people to follow, this model suggests that leaders must craft a vision, motivate

people through persuasive communication, be an example, and employ a system of punishments and incentives to sustain action.

This perspective is insufficient for dealing with the complexity of the challenges institutions and communities face in the age of globalization. What if the leader's direction is wrong? What if the vision is the product of delusional thinking? What if the leader seeks to manipulate the people for his own nefarious purposes? What if the people become unhealthily dependent on the leader and fail to develop their own capabilities? What if the people yearn for easy answers and painless solutions, and reward charismatic, answer-giving demagogues with power? Given these possibilities, I believe that we need a new notion of what it means to be a real and responsible leader—one that does not emphasize the dynamic of *leader-follower and goal* but the dynamic of *leadership-group and reality.*

Real Leadership Gets People to Face Reality

"Showing the way" and generating "masses of followers" might be the primary measure of success for an authority figure or politician who seeks to gain power and get their way, but it should not be the measure of success in the realm of real leadership. Leadership that targets authentic progress must gauge success by the degree to which people are engaging the *real* problem versus symptoms, decoy concerns, or false tasks. That is, are the people facing reality or avoiding reality? Answers to tough problems are rarely obvious, and real solutions are elusive precisely because they require due regard for the ingrained values and habits of the group, which members of the group protect with daily striving and sacrifice.

Therefore, real leadership demands that the people make adjustments in their values, thinking, and priorities to deal with threats, accommodate new realities, and take advantage of emerging opportunities. At its essence, real leadership orchestrates social learning in regard to complex problems and demanding challenges. People must learn why they are in a particular condition in order to invent pathways forward that produce genuine progress, as opposed to hollow and temporary gains. If the people refuse to face hard truths, are weak at learning, or learn the wrong things, then their problem-solving capacity will suffer, and their group or enterprise may eventually wither and die.

When Carlos Ghosn became president of Nissan Motor Corporation in 1999, he had to get management and employees to face some hard truths—the company was deteriorating rapidly, and if it was to be turned around, the Japanese business practices that had existed in the

company for generations would have to be revolutionized. This was a message that the traditionalists did not like to hear. It meant that there would be plant closures and massive layoffs, and the dismantling of the Nissan *keiretsu*—the network of suppliers and affiliated companies that underlies Japan's blue chip corporations.[1]

One reason the company was close to bankruptcy was due to the negligent behavior of management. They were avoiding reality in regard to the condition of the company and the nature of the competitive threats. Ghosn spent time wandering the halls, showrooms, and factory floors of Nissan, questioning and listening. He wrote of his discovery:

> To tell the truth, I never met anyone in Nissan who could give me an exhaustive analysis of what had happened to it. I never went to a single place where one could speak about the company articulately. No one was able to offer me a summary of the problems listed in order of importance. Management was in complete and obvious chaos. This was, I believed, the primary cause of Nissan's difficulties.[2]

In putting reality in front of people, Ghosn faced opposition or criticism from many quarters—employees, suppliers, unions, even Japanese business associations. Few people wanted to acknowledge that the condition of Nissan was so bad, and few people were willing to accept the "medicine" that Ghosn was offering. Besides, the tradition had always been that if a company was in trouble, the government would bail it out. Given that Japan was in the midst of financial crisis, that option was impossible. The problem could not be resolved through a technical fix such as simply throwing money at it. It would require superior leadership. Remarkably, even though he was a foreigner (or perhaps because he was a foreigner), Ghosn was able to challenge the system and turn it around. He succeeded in getting people to face reality and make the necessary sacrifices and take the essential steps to transform Nissan from a sick and ailing entity with a $5.6 billion loss in 2000 to the most profitable large automotive manufacturer in the world by 2004.

Real Leadership Engages the Group to Do Adaptive Work

Through the exercise of real leadership, the conditions are created to give the people (or the organization) their best shot at success in the context of the particular challenge that the group faces. Success, however, should not be narrowly defined. It is not simply achieving a goal,

although it certainly includes achieving goals. Fundamentally, it is about ensuring that whatever gets generated is *inclusive*, not exclusive; is *moral*, not immoral; is *constructive*, not destructive; is *substantive*, not delusional.

We need to think of real leadership as a normative activity that adds real value to a group (in contrast to hollow or superficial gains that cannot be sustained). When I use the term *group*, I mean a social system of some sort, such as a company, school, community, or nation. By *value*, I mean the knowledge, relationships, capacity, and goods that produce sustained well-being, authentic satisfaction, and higher levels of performance in the group. Accordingly, real leadership must deal with the moral and ethical components of human affairs. Without concern for the moral and ethical elements of problem solving and collective effort, group value could be lost overnight.

To ensure that the people have their best shot at success and add value to their enterprise, the leader must get the people to address their adaptive challenges. An *adaptive challenge* is a problem that does *not* subside even when management applies the best-known methods and procedures to solve the problem. Generally, the resolution of an adaptive challenge requires a shift in values and mind-sets. For example, at least two competing values might shift to resolve a budget crisis in a company. On the one hand, the problem could be resolved if the employees shifted their values to take less pay and still be satisfied. On the other hand, the problem might be resolved if management shifted the values and mind-sets in the organization to direct the business to new profitable markets, perhaps global markets.[3]

The work the people must do to progress in the face of an adaptive challenge is simply called *adaptive work*. Adaptive work is the effort that produces the organizational or systemic learning required to tackle tough problems. These problems often require an evolution of values, the development of new practices, and the revision of priorities. Leadership for adaptive work requires getting the various factions of the system addressing the conflicts in their values and priorities and refashioning those values and priorities to deal with the threat or take advantage of the opportunity.

Real Leadership Involves the Pursuit of Insight and Wisdom

Real leadership is not easy. It requires considerable wisdom to be a real leader on multiple adaptive challenges and succeed. The work of real

leadership is often to defend or promote particular values and practices, while discouraging or phasing out other values and practices that impede progress, even though some people hold dearly to the impeding values and practices. Therefore, whoever exercises real leadership must discern which values to promote and protect, and which values need to be challenged or changed. It takes a degree of wisdom, not simply experience or intelligence, to know what to promote and how to promote it so a group can do the adaptive work.

Unfortunately, outside the realms of religion and folklore, the concept of wisdom seems to be on the decline. We talk easily about intelligence, information, and knowledge, but wisdom seems to be a quaint, antiquated, outdated notion. We may think of Maimonides, Ben Franklin, Chaucer's Wife of Bath, or Tolkien's Gandalf as wise, but when was the last time you heard anyone say they admired a corporate CEO, a manager, or a politician because of her or his wisdom? Wisdom remains outside the standard requirements for CEOs, managers, and politicians. Such people might be praised as smart, capable, or savvy—but wise, rarely.

As metaphor for the quest for insight and wisdom in regard to how to use one's power in a responsible manner to help organizations and communities prosper, I use the Norse god Odin. The mythological Odin was deeply concerned with the issue of real and responsible leadership. Odin was god of the gods—the chairman of the board—a powerful authority figure who could use his power to create or destroy.[4] He was also known as the god of magic, poetry, wisdom, and battle. You have heard indirectly of Odin through the days of the week. Wednesday is named after Odin (Wodin's day). But what makes Odin an especially compelling and relevant mythological figure is that unlike many other deities, Odin was not omniscient or omnipotent. He was a flawed god. He knew his knowledge was incomplete, and therefore he actively sought to learn more about the world so that he could do a better job of being head god. Indeed, he was so hungry for knowledge that he put himself through terrible ordeals, including willingly sacrificing his eye, to acquire sufficient wisdom to lead.

Metaphorically, Odin represents all authority figures—bosses, managers, politicians, and CEOs. He is a powerful god, yet he never sees himself as having all the answers. In spite of his sincere quest for wisdom, there are times when his personal hungers and foibles lead him to commit many errors and to engage in wasteful activities that have more to do with self-interest and personal gain than with the real work of progress. His power is both a burden and a boon—and his challenge is to learn how to use it in a responsible and effective manner.

Odin's quest for insight led him to the World Tree (Yggdrasil), the center of creation. The World Tree represented the physical and moral laws of the world.[5] Odin was informed that in order to gain enough wisdom to actually help people, he would have to hang on the World Tree for nine days and nights. In the epic twelfth-century collection of poems known as the *Elder Edda*, Odin recounts his experience:

> I know I hung on the wind-swept tree nine entire nights in all.
> Wounded by a spear dedicated to Odin, given myself to myself,
> On the tree of which nobody knows from which root it grows
> With nothing to eat and nothing to drink I bent my head down
> and groaning, took the runes up, and fell down thereafter.
> . . . Then I began to thrive and be wise, and grow and prosper.[6]

Must an aspiring leader go to Odin-like extremes in order to gain enough wisdom to use power responsibly and exercise real leadership? Perhaps not—although I am sure that many people would take great satisfaction in seeing their bosses hung on a tree for nine days of torment in order to be transformed into a wiser, more humane leader. But I suggest that taking responsibility for a group with a serious problematic challenge, be it a school, corporation, or nation, will at times feel like one is hanging alone on the World Tree. The responsibility that comes with the exercise of real leadership can be a heavy burden.

Wisdom, as it pertains to real leadership, does not mean having all the answers. It requires pursuing the truth with fervor and passion, being sensitive to the context in which the problem resides, and holding the question in each context, "What will make our work worthwhile—to our lives and the lives of others?" Even if one is accustomed to top-down management, one needs to understand the relationship between wisdom, power, and real leadership. For example, upon hearing that Dwight D. Eisenhower had been elected president of the United States, Harry S. Truman famously remarked, "He'll sit here, and he'll say, 'Do this! Do that!' And nothing will happen. Poor Ike—it won't be a bit like the Army. He'll find it very frustrating."[7] This is because in complex political and organizational systems where power is diffuse, leaders need considerable wisdom to navigate the terrain of thorny and complicated group dynamics, and to activate processes that get the people focusing on, not fleeing from, their most pressing problems. A leader cannot rely on deference, discipline, or dominance conditioning to achieve worthwhile and sustainable results.

The wisdom to lead does not come by being isolated from the people in one's office or castle, or being excessively preoccupied with formulating

strategies and plans. Wisdom derives from the interactive and reflective process of figuring out with the group how the various strands of a problematic reality are connected to the people's values and priorities, and then determining what values to promote in order to give the people their best shot at success. Fundamentally, wisdom is a deeper form of insight into why the system works the way that it does.

To accumulate wisdom and avoid the distorted reality that can come with authority, the great Odin learned to travel in disguise. He wanted to see the world as it was. This approach enabled him to ask questions of the people and bargain with them to see what they might be willing to give up in order to gain something of significant value. Ancient images of Odin show him as a wandering pilgrim. (The *Lord of the Rings* author J. R. R. Tolkien drew the character of Gandalf the wizard directly from the Odin myth.)

The social psychologist Robert Sternberg has done considerable research on the subject of wisdom and leadership. He suggests that wisdom is about working for the "common good" while "balancing various self-interests . . . with the interests of others and of other aspects of the context in which one lives, such as one's city or country or environment or even God."[8] He adds that leadership wisdom "also involves creativity, in that a wise solution to a problem may be far from obvious."[9]

I agree that wisdom, as it pertains to real leadership, is required to balance the multiple interests and expectations of individuals and groups in any complex social system—be it a business, school, community, or nation. I also believe that creativity is essential in addressing demanding problematic concerns. But no one is wise enough to know what to do, or creative enough to know how to do it, all the time. Therefore, we should not look at wisdom as an "arrived state of being" but as an ongoing process of continuous learning and discovery—for the one leading and also the people.

Real Leadership Is the Willingness to Be Responsible

Because of his sacrifice, Odin was granted insight into the hidden mechanics of how people conduct themselves—as individuals, in groups, and in communities. One of the hidden mechanics of human behavior that Odin soon discovered (which was one of Sigmund Freud's most important insights) was that humans will go to great lengths to avoid facing their real problems. As individuals and in groups, people tend to shy

away from addressing tough, complex, painful problems that are caused, perpetuated, or protected by their own values, habits, and priorities. Rather than look at the reality of the predicament they are in, they often distort what they see, put the problem outside themselves, scapegoat others, and create distractions—all as a way of distancing themselves from responsibility for the real issue.

Given this natural human predilection, a prime duty of real leadership is to help people face the reality of their problematic condition, no matter how painful or disturbing, and do the requisite problem-solving work of bringing resolution to the their unresolved concerns and take advantage of the unique opportunities before them so that progress can unfold. Fundamentally, real leadership is about being responsible for one's world and helping others be responsible.

The word *responsible* means "being the cause, agent, or source of something."[10] It also denotes the "ability to act without guidance or superior position," including to make "moral decisions" as well as "showing good judgment or sound thinking."[11] The word *Odin*, according to the mythologist Jacob Grimm, in ancient times literally meant the "source of movement."[12] Thus, Odin becomes the creator god, the source of all movement in the world. I assert that our institutions, communities, and the larger global condition can only improve to the degree that someone takes responsibility for being a source of movement to help people face the reality of their predicament and deal sensibly with their problems and challenges. In the absence of real and responsible leadership, groups perpetuate the dysfunctions embedded in the status quo, which, in turn, can easily precipitate the loss of the organizational and social value accumulated through the efforts of committed and hardworking people over many years.

Hitler's Germany illustrates the horrific and incomprehensible consequences flowing from the absence of responsibility and real leadership. Hermann Goering, Hitler's right-hand man, provides a particularly potent example of the disasters of irresponsibility. During the Nuremberg trials, Goering discussed his role in the Third Reich's operations with American psychiatrist Leon Goldensohn. Goldensohn wanted to understand Goering's mind and to learn how such an educated and "cultured" man of Goering's status could allow, even *encourage*, the extermination of six million men, women, and children. Goering told him:

> For myself I feel quite free of responsibility for the mass murders. Certainly, as second man in the state under Hitler, I heard rumors about mass killings of Jews, but I could do nothing about it and I knew that it was useless to investigate these rumors and to find

out about them accurately, which would not have been too hard, but I was busy with other things, and if I had found out what was going on regarding the mass murders, it would simply have made me feel bad and I could do very little to prevent it anyway.[13]

While Goering is an extreme example, his pathetic excuses that he "was too busy doing other things," "it simply would have made me feel bad," and "I could do very little to prevent it anyway" echo the reasoning people use all the time when confronted with messy adaptive challenges. These excuses allow people to distance themselves from responsibility to produce a shift in people's values, beliefs, and practices and tackle the adaptive work needed to advance. Rather than engage in real and responsible leadership, Goering chose inaction and neglect, thus colluding in the evil acts of the Third Reich. Or, he was lying altogether, which is another form of irresponsible behavior.

Fundamentally, real leadership is a choice—a choice to respond to the problems, dysfunctions, and tremendous opportunities that emerge in our organizations and communities. It is a willingness to be responsible for what goes on in the world and take the necessary stands and make the necessary interventions. It requires thoughtful, creative, strategic, and courageous action to mobilize enough people to confront reality, tackle their problems, and generate solutions that produce morally based progress.

Specifically, in exercising real leadership to get the people facing their adaptive challenges, a leader must be responsible for the following:

1. Be responsible for the *diagnostic process*. This will enable the person exercising leadership to determine the precise nature of the challenge that the people or enterprise face and ascertain the people's readiness level to confront the challenge. That means discovering what aspect of reality the people are avoiding, understanding the nature of the threat to the group, and determining the resources needed to deal with the challenge. Diagnosis is not a one-off activity but must be ongoing so that midcourse corrections can be made according to what the people learn and their capacity to accommodate new realities and make adjustments in their values and behavior.

2. Be responsible for managing the *problem-solving processes* in the group, organization, or community. The work of the people is to interrogate reality, work through conflicts in values and priorities, and embrace new practices that bring resolution to situations of irresolution and open up pathways for genuine progress. The problem-solving

process cannot be left to a small group of "wise-heads" who determine what the solution is and then impose it on the group. Problem solving must be viewed as a sense-making activity that includes all factions affected by the prevailing reality.

3. Be responsible for oneself as an *instrument of power*. A leader's awareness of how his or her power—authority, presence, and interventions—affects the thinking and actions of others as they tackle their challenges is essential to success. Ultimately, one's power and authority must be used *not* to get people to follow but to get the people to confront reality and do the necessary adaptive work. In taking responsibility for oneself as an instrument of power, the leader must ensure that his or her "personal case"—one's natural predilections and habitual ways of operating—are an asset rather than a liability in the exercise of leadership.

In the following chapters, each of these components will be addressed in more detail. At this stage it is important to appreciate that the exercise of real leadership helps people face their challenges; see with clarity the nature of the problem or opportunity before them; and, if necessary, make adjustments in their values, thinking, and priorities to ensure that the group or organization is given its best shot at success.

Although I focus predominantly on the task of leading with authority, real leadership can be exercised by anyone, with or without authority—of course, in varying degrees. Each person has at least some power that can be used to affect the behavior of others. Hence, each person can mobilize a few people, at least, to begin tackling the problematic realities that impede the organization's capacity to advance. A person who desires to lead might consider the following question: "How can I wisely use the power I have to start a process that gets enough people to engage realistically with the problems and opportunities that we face?" The answer will depend on the particular challenge confronting the group, one's leadership ability, and the nature and extent of one's power.

Counterfeit Leadership: How a Group Is Given a False Set of Tasks

To exercise real leadership, one must understand how easy it is to be unwise and irresponsible with one's power and engage in *counterfeit leadership*.

Counterfeit leadership is not necessarily deceitful leadership but the kind of actions, irrespective of one's intentions, that result in putting a false set of tasks before the people. False tasks include any activity pursued by a group that has nothing to do with progress. It could be a false strategy, a false goal, political game playing, interdivisional rivalries, tolerance of counterproductive meetings where people skirt around the real problem, the scapegoating of another person or group, or the refusal to confront error and learn. If the people are addressing a false set of tasks, then they will be wasting time and valuable resources and putting the group or organization in a precarious state. For example, in 1692 the town leaders of Salem, Massachusetts, put a false set of tasks before the people. They assumed that by devoting valuable resources to weeding out sorcery and witchcraft, the town would be in a better position to progress. That was a costly and mistaken view. But even modern organizations waste time and valuable resources attending to their own superstitions and spurious beliefs, and end up putting a false set of tasks before the people that have nothing to do with making the organization more humane, fair, productive, and profitable.

Consider the counterfeit leadership provided by Enron's chairman and CEO, Kenneth Lay, in 2001. Here was a man with considerable knowledge and expertise, who was the head of one of the world's most successful and profitable companies. The pundits at *Fortune* magazine had described Enron as one of the best places to work in America. Enron at the end of 1999 had a market capitalization of more than $65 billion and a share price of $82. Lay was hailed as an extraordinary leader. One year later, however, Enron's share price had dropped to $0.65, thousands of employees had lost their retirement investment, and, almost overnight, the world woke up to a tale of corporate greed, malfeasance, and financial chicanery of Shakespearean proportions. Once the epitome of the New Economy's pride and power, Enron had become a symbol of corporate America's irresponsibility.

To appreciate what it was like to be the boss of the Enron kingdom, with all that Odin-like power, imagine for a moment that you are Kenneth Lay and how, when the opportunity presented itself, you might have exercised real leadership to divert the impending disaster. The following scenario is based on the available documentation of what happened.

• • •

Clearly, Kenneth Lay failed to exercise real and responsible leadership to resolve the crisis. (Lay himself has argued differently, of course.) It is possible that nothing he could have done at that stage would have

SCENARIO

Kenneth Lay, Enron, August to December 2001

You have been asked to return to Enron as CEO, after doing other things for a number of years. During your first few days back at the helm, you feel the pressure of people looking to you for direction. You decide to make a speech to your core employees, assuring them that you are committed to the aggressive business practices that have made the company so successful in the past and that you also want greater employee input—*and* that you intend to pay attention to the suggestions and complaints that people put in the comment box.

A few days after that meeting, an anonymous note left in the comment box expresses concern that many of Enron's "assets" are fictitious accounting entries. The note's author goes on to say, "I am incredibly nervous that we will implode in a wave of accounting scandals."

At a meeting the next morning with a group of senior managers, you decide not to refer to the issues raised by the anonymous note. You unveil a business plan as if everything were normal.

Soon after that meeting, a senior executive, Sherron Watkins, asks to talk with you about some serious concerns. She comes to your office and tells you about what she calls "phony Enron partnerships" to which Enron debts were sold as "fictitious assets" registering large, but illusory, "profits" on the Enron balance sheet. She gives you a seven-page memo, including an attachment with a marked-up copy of the documentation for one of the fake partnerships. She has circled one section of the partnership document and has written in the margin, "There it is! This is the smoking gun. You cannot do this!"

You tell Watkins that you plan to give the documents to Enron's outside law firm so that they can conduct an investigation. Watkins disagrees, suggesting that you, Kenneth Lay, personally must make an inquiry and intervene to save the company from disaster. In her view, that is how serious the situation has become. After all, the outside law firm has reaped a bonanza in litigation fees. What incentive will they have to bite the hand that feeds them?

As CEO, you weigh your options and decide to proceed as if all business functions remained normal. When you talk to Enron's

outside law firm, you do not say explicitly that you are looking for ways to fire Watkins, but you hint that you are displeased with her. The attorneys sense your anger at Watkins and follow up on your hint: Two days later, one lawyer writes a memo to you that begins, "Per your request, the following are some bullet thoughts on how to manage the case with the employee who made the sensitive report." The memo offers some legal justifications for punishing and firing "corporate whistle-blowers."

In the ensuing weeks, several opportunities arise for addressing the accounting problems that Watkins revealed to you. But a month later, you exercise your personal stock options while the value of the stock is still high, netting you an additional $1.5 million. Shortly after that, you make an upbeat address to Enron employees, telling them, "Our financial liquidity has never been stronger," even though you have evidence that Enron is in deep trouble. You hope to boost the confidence of the employees, Wall Street analysts, and the market, perhaps buying the time needed to work out the company's problems. Only one month later, however, your accountants announce a $1.2 billion write-off resulting from losses in partnerships similar to the "smoking gun" arrangement described to you by Watkins. Within two months, Enron's vendors, customers, and investors lose confidence, forcing the company into bankruptcy. Enron's stock drops from the January 1 value of over $75 to the December 31 value of less than a dollar. You are despondent.

changed the final outcome. Yet, despite that possibility, his failure to exercise responsible leadership and seek knowledge about the problem when it was offered to him should not be excused. Watkins offered Lay a golden opportunity to learn important truths about his organization—truths that affected the company's ability to survive. If he already knew these truths and was covering them up, then his behavior was deceptive, even criminal. If he did not, then he failed in one of the cardinal duties of real leadership: to seek the knowledge and wisdom that he needed to protect and enhance the value of the organization. Indeed, he was so incurious, so fearful of knowledge, so irresponsible that he even took steps to punish an employee who brought important information to his attention. Lay's behavior is illustrative of counterfeit leadership—the using of power to avoid reality.

However, while it is easy to target Enron's management for the ruin of the company—and, indeed, they should be held accountable—this scenario seems disturbingly common and very human. After all, many people at different levels of the organization, as well as academics, journalists, and management consultants, fueled and perpetuated the organization's delusional belief that it could do no wrong. In different ways, all of these factions contributed to the emperor's belief that he was in fact wearing fine new clothes, when in reality he was naked. This led Lay, as we all do at times, to become distracted, to ignore vital information, and to promote the wrong values over the right values, or at least the values that would have given the organization its best chance at success.

The leadership failure was a product not only of Lay's arrogance but also of the fear that accompanied disappointing people with bad news that could lead to the loss of their respect and admiration. Think how difficult it would have been for Lay to upset everyone's inflated expectations of Enron's success. How do you puncture such a dream bubble?

We see this pattern time and again—what begins as a noble and thrilling venture of building a great company, upon success, produces a hubris in management that results in extremely irresponsible choices and behavior. Management might become complacent and fail to spend adequate time assessing the competition and developing the capacity of employees to respond to threats and opportunities. When errors or problems emerge in such a predicament, they are often covered up, and the myth that everything is going well is perpetuated—thus creating the conditions that make it even harder to face reality and attend to the organization's toughest challenges.

The point is, no matter how good you think you are, it is very easy to engage in irresponsible acts that undermine all the value that has been generated in a group, organization, or community. Irresponsibility is not a fixed feature of a human being, but it is fluid behavior that is generally dependent on the dynamics of the context. It is a product of counterfeit leadership and leads to the toleration and perpetuation of corrosive values and practices and a false set of tasks being put before the people. The prevailing values and practices in Enron's corporate culture of "let the good times roll" fueled the unhealthy competitive and deceitful dynamics that led management to pursue a false set of tasks, destroying the abundant wealth and resources of the company that had been garnered over many years.

As we examine what happened at Enron and other cases, a pattern begins to emerge that can provide vital signals that one is in the "danger

zone" and might be providing counterfeit leadership. These primary indicators are

- a preoccupation with dominance,
- a failure to engage the group and its various subfactions in figuring out and facing the real work of progress,
- an unwillingness to explore beyond one's comfort zone to find a solution, and
- the conviction that you alone have "the truth."

A Preoccupation with Dominance

A common feature of counterfeit leadership is the propensity to dominate others, maintain excessive control, and get one's way. This is not so for all people, but it is true for many who seek power and enjoy positions of significant authority. We often refer to the dominant individual in a group as "the leader." I suggest that to the degree that any dominant individual acts in ways that reduces the capacity of a group or organization to function at peak effectiveness, he or she is providing counterfeit leadership, not real leadership. Therefore, it is not particularly instructive to call the dominant figure "the leader." Kenneth Lay and his partner at Enron, Jeffrey Skilling, had mastered the skills of maintaining dominance, but not real leadership. To get people to face their challenges purposefully and productively, the exercise of real leadership requires imagination, creativity, and resourcefulness. Dominance is often used to suppress the truth, thwart creativity, and demand compliance—all in the name of maintaining power and getting people to follow. This has been a common phenomenon since the beginning of time.

We can learn a lot about dominance—the need to control the group, maintain status, and get one's way—by examining primate communities. After all, we share 98 percent of our DNA with chimpanzees.

Primates live in hierarchical groups with dominant males and females overseeing the community. The alpha male's role is to protect the group and maintain the current order. Significant perks come with being the alpha, and as such it is a position that others covet. Alpha males have first pick of the food, enjoy the best nesting area, and mate with whomever they choose.[14] Given the status and benefits of being alpha, there is constant testing as subordinate members jockey for position in an attempt to rise in the social hierarchy. This testing includes provocation and direct challenges as junior males attempt to find vulnerabilities

and weaknesses in the more dominant ones. Sometimes these tests lead to violent displays of power and aggression, often leaving a member wounded and occasionally dead. Younger males in particular are more aggressively competitive than the older adult males.[15]

Occasionally chimp communities experience coup d'états. Jane Goodall, renowned for her study of chimpanzees in the Gombe region, witnessed several such takeovers.[16] Generally, the coup leader in such a competition is not the biggest or the strongest but ascends to power by getting the other males to submit to him through a mix of tricks, favors, and intimidating displays. The coup leader and his allies then become the new alpha coalition.

As with primate groups, humans have dominance needs and often seek to gain power and status by rising in the hierarchy or creating coalitions that can advance factional interests and intimidate others into submission.[17] Of course, in politics and international affairs we see such behavior time and again, but it can also be seen in the everyday workplace. For example, we commonly observe authoritarian bosses or aggressive managers vie for attention in meetings by hogging the airtime, cutting off competitors, and ingratiating themselves to their superiors. In business it is not unusual for coalitions to be formed and territorial battles to take place that pit employees or departments against one another in order to control valuable resources or gain recognition and status. Such behaviors have nothing to do with the work of progress but serve as a frustrating, even entertaining, form of diversion.

Of course, some people seek dominance more than others. This penchant for dominance is known as a *social dominance orientation*. According to the research by Pratto and Sidanius and their team at Stanford University, such people seek out hierarchy-enhancing professional roles and favor hierarchy-enhancing ideologies and policies.[18] In other words, they are highly competitive within the confines of hierarchy, they value status and the chance to grow in status, and they are inclined to be rigid in their thinking and beliefs. The rigidity of their thinking ironically serves to demonstrate loyalty and commitment to their "in-group." Their belief that their in-group is superior leads them to discriminate against "out-groups" that they perceive to be inferior. And, according to the research, they show less concern for the values of empathy, tolerance, communality, and altruism. That is, they are not particularly good listeners, they are intolerant of differences, and they pursue self-interest to the detriment of the well-being of the larger system.

Of course, seeking power and having a social-dominance orientation is not a bad thing in and of itself. Psychologist David McClelland has

shown how the power motive is a major unconscious drive for many managers, even the most successful managers.[19] The fact that an individual enjoys influencing and controlling others often leads that person to pursue positions of authority in order to make a genuine contribution to the organization or in politics. The problem arises, however, when a craving for status and control leads to excessive dominance and a preoccupation with gaining and maintaining power and status without offering people any valuable service in return. If such a person has power, status, and authority and does not provide a valuable service to the group, he or she is likely to end up putting a false set of tasks before the group. Either this person personally becomes a distraction, or he or she generates activities that become a distraction, thus taking the people away from the adaptive work of progress.

I once consulted to the management of the botanical gardens in a large tropical city. I was called in by the board of advisers because they felt that the director was "out of control." He was so preoccupied with being the alpha in his garden park that he ignored the board, demanded complete compliance of his staff, and refused to entertain recommendations from anyone. The garden was his territory, but it was in a state of decay as the collaborative work needed to make it a success was not happening. The community volunteers and all other potential contributors had been alienated. I asked the director why he was so authoritarian and whether he knew how his behavior was affecting others. He responded, "This is not my problem. They hired me to be the boss, and that's exactly what I am doing—being the boss!"

Dominance dynamics are not always manifest like a silverback gorilla thumping its chest and roaring, "I'm the boss! You better follow me, or else." Often the dynamics are subtle, even unconscious. They get played out in the social interactions that form corporate politics and the organization's culture. In one company I consulted to, the politics in the ten-member senior management team was so vicious that it poisoned the larger organizational culture. The characteristics of that culture included a lack of trust, the cover-up of errors, the distortion of data in the service of one's narrow interests, and the subtle subversion of the projects and initiatives of other divisions. The dominance dynamics led managers and divisions to compete for positions and resources while undermining each other, thus pursuing a false set of tasks that had nothing to do with corporate productivity. As a result, the company's performance was mediocre.

The only female member of that team, the vice president for information technology, repeatedly described how difficult it was for her to

operate in a group where the men were constantly vying to be the "alpha chimp." She was particularly frustrated by the way they treated her, not as a senior colleague or equal but as a subordinate. The decision-making dynamics in the team were competitive and dysfunctional. When she tried to raise her concerns, she would generally be ignored, cut off, or told, "That's not important."

While dominance can be used to get attention, unify people, and maintain order, it can also displace the energy, responsibility, and commitment of people as they grapple with the reality of their condition. If one truly seeks to provide real and responsible leadership, it is essential that one become cognizant of how one's power might be used, intentionally or inadvertently, to perpetuate dominance–submission dynamics that have nothing to do with the real work of progress.

Failure to Fully Engage the Group and Its Many Factions

Progress is ultimately dependent on the people's capacity to do the requisite problem-solving and opportunity-enhancing work. If the people are resistant, and the leader does not appreciate the nature of that resistance, no amount of pushing, tugging, demanding, or pleading will produce success. A group, in some ways, is like a five-ton elephant. If it does not want to move, it won't. But, unlike a five-ton elephant, a group is not a singular entity with one brain but a complex system with multiple brains. That is, in any group—a company or a community—there are subgroups or factions that coalesce around a particular narrative of the problem, share common values, and resonate to specific concerns in a consistent manner. The leader, therefore, must consider and engage the group—the entire system—in the work of progress. Failure to fully engage the group and orchestrate a learning process for each of the factions will compromise the foundations of even the most important work. The appearance of progress might exist for a while, but it will soon evaporate when people become overwhelmed by the complexity and difficulty of the adaptive work.

The superintendent of Philadelphia's school system, David Hornbeck, fell into such a trap.[20] An honorable man with honorable intent, Hornbeck was on a mission. In many respects, he was probably one of the finest and most knowledgeable educational administrators in the country. But when it came to leading change, he could only get so far. He

aspired to improve an ailing school system where more than half of the students failed statewide exams. In 1994, when Hornbeck became superintendent, the Philadelphia School District was a system in a state of decay inside a city in a state of decay. The city had high unemployment, high crime, and considerable social problems. Mayor Ed Rendell described the educational context by saying, "We get kids coming in beaten. We get kids coming in hungry. We get kids coming in sick. And the average teacher will tell you here they spend more than 50 percent of their time as a social worker, cutting dramatically into what they can do as an educator."[21]

Hornbeck had a vision and a plan to achieve his vision. It was called Children Achieving. It consisted of ten principles that would serve as guidelines to rejuvenate schools and ensure that each child developed proficiency in reading, math, and basic computer skills. It also prescribed teacher accountability for student learning and decentralization of administrative functions so that schools could have more autonomy and flexibility.

This was going to be a daunting challenge as there were 257 public schools and more than 270,000 students in the district. But Hornbeck was optimistic and confident in his plan. He visited churches, synagogues, mosques, and civic groups to enroll the community in his vision. "It is we, not somebody else who are called to lead our children out of bondage," he told one church group. "Leave no child behind. Somebody is calling your name, and yours and yours, throughout this land. We must not permit another season of bondage for our children."[22]

Indeed, there was a "buzz" throughout the city that this former preacher turned superintendent just might be able to do what he was promising. The teachers, however, remained skeptical. They had heard this kind of talk before. As one of them said, "Everyone pretty much assumes they will in fact wait out the new superintendent and they will wait out the flavor of the month educational reform."[23]

Hornbeck plowed ahead with his reform agenda and possessed the zeal, focus, and fanaticism of a medieval crusader. Five years later, however, when the results of Hornbeck's efforts were supposed to be evident, he had little to show. The system had not been transformed. What's more, it had decayed further. Frustrated with the lack of support, David Hornbeck resigned. In 2002, the state government took control of the Philadelphia School District and appointed a special commission to determine its fate.

What went wrong? According to the evaluators of Children Achieving, the key factor was that Hornbeck had not adequately worked with

the various stakeholders to get them on board and help with the facilitation of change. There was little ownership in the system. The evaluators noted, "In its six years of implementation, [the plan] never became a civic undertaking—that is, an effort widely understood and championed by the business, civic, and government elites, and frontline educators who would work tirelessly for its success."[24] What's more, Hornbeck had failed to get the support of the teachers' union, which was a thorn in his side from the day he began.

Although the business community initially supported Hornbeck, when the promised results were not forthcoming, they lost faith in his vision. They were also disappointed with, and embarrassed by, Hornbeck's constant bickering with the state legislators. At one point, when the funding that he wanted for the district was not forthcoming, he called the legislators "racist." This was a bold and provocative intervention, but it alienated the constituents that he needed to enact his agenda.

Hornbeck also tried to push too much reform on the system before building an adequate foundation.[25] The urgency of doing it all at once placed an excessive burden on the teachers, principals, and central office staff. The central office administrators, who were charged with the task of rolling out the reform agenda, would dictate to schools what needed to be done and then move on to the next priority. Given the amount of things that had to be done, they rarely had enough time to work with the schools on implementation and address the concerns of principals and teachers, and take feedback. For these reasons, Hornbeck and his team were not able to learn when and where they were off course and make the necessary midcourse corrections.[26] The program evaluators observed, "The reform plan created fatigue and resistance among teachers and disempowered principals. Initial support from the business community evaporated and civic leaders became exasperated with the intractability of the reform plan and its leader. *Children Achieving* raised hopes in Philadelphia, but left the city confused and anxious."[27]

A disappointed Hornbeck quit after a courageous five-year effort to fix a broken system. The leadership that he provided, though principled and based on sound ideas, was inadequate for the scope of the complex political challenge that he faced. He could not mobilize the entire system to do the adaptive work. Real leadership requires mobilizing all factions to shoulder their share of the work of modifying values, habits, practices, and priorities, so that progress can slowly evolve. Adaptive work takes time and must be paced so the people can adjust to new realities. Hornbeck bypassed or alienated key actors and failed to orchestrate a collective discovery process to ascertain the best solution for the system.

A more measured approach of action, feedback, learning, and corrective action might have produced a successful outcome.

An Unwillingness to Look for Solutions beyond One's Comfort Zone or the Prevailing Paradigm

While curiosity may have killed the cat, the lack of curiosity has killed many a counterfeit leader. It certainly destroyed Kenneth Lay, given his lack of curiosity in regard to the information offered him by Sherron Watkins. Real leadership necessitates a curious disposition in pursuit of the rigorous exploration and testing of alternatives that generate the best and most appropriate pathway forward for the group. A rigidity of thought or action limits the available options and may put the group in a state of volatility and danger. The unwillingness to test prevailing assumptions and creatively explore alternatives, due to stubbornness or simple ignorance, is irresponsible and foolhardy. To illustrate this point, consider the story of the Australian explorers Burke and Wills.

In August 1860, Robert O'Hara Burke and William Wills, along with sixteen others, tried to do something that had never been done before (by white men, at least): cross Australia from the south to north, traversing through the central desert—the outback. Burke, Wills, and two others—John King and Charlie Gray—halfway into the journey, left the rest of the team at a place they named Cooper's Creek, to make a dash to the Northern Gulf. On the return, Gray died of dysentery. When Burke, Wills, and King arrived back at Cooper's Creek after two months, the rest of the exploring team had departed, leaving few supplies. The confused men wandered in circles for a month. Burke and Wills eventually died of starvation, but King survived.

A rescue party eventually found King living with a group of Aborigines and discovered the dismembered bodies of Burke and Wills, which they brought back to Melbourne. Although Burke and Wills had died in their adventure, they were hailed as heroes, and more than one hundred thousand people stood in line to walk by their caskets and honor them at their state funeral.

A royal commission was set up to investigate the tragedy. In regard to Burke, the leader of the expedition, they concluded, "We cannot too deeply deplore the lamentable result of an expedition undertaken at so great a cost to the Colony; but while we regret the absence of a systematic plan of operations on the part of the leader, we desire to express our

admiration of his gallantry and daring."[28] But in the realm of leadership, gallantry and daring can only get you so far. Gallantry and daring did not produce success. So what went wrong?

Although the explorers perished from hunger, food and water were in abundance in the area had they known how to access it. It remained invisible to them. The Aborigines knew where it was, as they and their ancestors had inhabited this land for many millennia. The Aborigines knew not only how to find food but also how to find their way in the austere environment. This territory was as familiar to them as our own neighborhoods are to us today. They were the custodians of the land and could have easily guided Burke and Wills through the confusing terrain.

But for most of the journey, the explorers intentionally avoided dealing with the Aborigines, whom they considered savages. They had a few brief encounters, but none were meaningful. The Aborigines generally kept a distance from the Europeans, while monitoring them carefully. After all, foreign creatures who carried strange weapons, wore bizarre outfits, and spoke a mysterious tongue were invading their territory and sacred ground. Naturally, the Aborigines were suspicious, afraid, and, of course, somewhat curious.

In regard to one encounter with an old Aborigine, Burke wrote, "The old fellow at King's Creek who stuck his speak into the ground and threw dust into the air, when I fired off my pistol, ran off in the most undignified manner."[29] Burke's actions and his words in recording the experience reveal his attitude toward the Aborigines. He considered them for naught. Wills provided more insight in his journal into his perception of the desert nomads. At one point the Aborigines approached the explorers and invited them to participate in a ritual dance. Wills noted:

> A large tribe of blacks came pestering us to go to their camp and have a dance, which we declined. They were troublesome and nothing but the threat to shoot will keep them away; they are however, easily frightened, and although fine-looking men, decidedly not of a war-like disposition. . . . From the little we saw of them, they appear to be mean spirited and contemptible in every respect.[30]

When the explorers finally realized that they were lost, they made an attempt to connect with Aborigines. The members of the Yandruwandha tribe gave the explorers some food, but given the white men's patronizing attitudes, they soon wearied of helping them. The situation came to a head when a young aboriginal man tried to take a piece of oilcloth

from Burke. In anger, Burke fired his gun over the head of the young man to scare him and send a warning message to the tribe. Another member of the tribe came up to John King, put his boomerang on King's shoulder, and threatened to kill him. He did not follow through with this scare, but it was a warning, similar to Burke's.

In the evening, some of the tribe came back to the explorers' camp and attempted to reestablish a relationship. They gave some fish nets and food to the men. Burke, in a fit of rage, knocked the items to the ground and fired again at the Aborigines.[31] The Yandruwandha finally had had enough and left the white men to fend for themselves.

Burke, Wills, and King roamed around the outback in a state of confusion and despair, barely able to find any food. The heat was overwhelming, and death was fast approaching. In his journal entry of June 24, 1861, Wills scribbled: "A fearful night . . . King went out for nardoo . . . but he himself is terribly cut up. He says that he can no longer keep up the work, and as he and Mr. Burke are both getting rapidly weaker, we have but a slight chance of anything but starvation, unless we can get hold of some blacks."[32]

But it was too late. A few days later both Burke and Wills perished. John King was eventually taken in by the Yandruwandha people. Three months later he was found by a rescue team that had been dispatched from Melbourne to find the explorers. It is from King's account and Will's diary that we are able to get a sense of what those remaining days were like.

Clearly Burke failed to exercise real leadership. He lacked curiosity, even as his resources dwindled and his demise approached. He assessed the Aborigines as unworthy of either consultation or interaction. In exercising real leadership, one must be open to new ideas and novel information. One must be willing to test deeply held assumptions and question prevailing truths. Too often managers in organizations write off people they dislike and refuse to entertain ideas that don't agree with their particular paradigm or sense of the way things should be. Essentially, one must be willing to learn and explore beyond one's comfort zone, even if that means reaching across boundaries to connect with strangers and opponents. Burke and his team were lacking in all these areas.

There is no denying that Burke and Wills courageously put themselves in unfamiliar space, but their mind-sets remained unchanged in their European bodies. In practice, had they truly been explorers, they might have explored their prevailing paradigm and sought to push the boundaries of their thinking so that a pathway through the desert could

have been created, a respectful relationship with the Aboriginal people established, and the journey considered a real success.[33]

The Conviction That You Have the "Truth" and "Know" the Way Forward

It is easy to be self-righteous about one's values and goals, and fail to realize that the work of progress always resides with the people—in their values, habits, practices, and priorities. When a solution is imposed by force or the threat of punishment, or if the people willingly buy into the leader's solution because of the leader's charisma or persuasive capacities, there is always the danger that a false set of tasks is put before the people. Moreover, the people may resort to attacking tangential or irrelevant problems rather than the fundamental barriers that are impeding progress.

Consider the case of Mao Tse-tung, a brilliant strategist who liberated his people from feudalism and warlordism and unified China. Mao went on to jeopardize much of the goodwill and value that had been amassed over the years as he pursued the infamous Cultural Revolution. Why? Because Mao believed that the Chinese people required ideological purification in pursuit of national progress. He held this belief not as a hypothesis to be tested but as the truth.

The "revolution" started in 1962 as Mao looked for a way to curb creeping capitalist and self-interested tendencies on the part of many party activists, workers, and government bureaucrats. Mao believed that the peasants were becoming too attached to material incentives and losing their revolutionary spirit. Over the next three years, he launched an indoctrination program to address these problems. Known as the Socialist Education Movement, the campaign became increasingly fanaticized as Mao and his diehard supporters attacked a wide variety of intellectuals and public figures. By mid-1966, the "purification" campaign became a national movement known as the Great Proletarian Cultural Revolution.

The foot soldiers of the Cultural Revolution were high school and university students, called the Red Guard. They traveled the country to attend and observe party meetings, and to speak with workers and peasants. They became a "shock force" of criticism against anyone who did not display sufficient revolutionary zeal or were too "bourgeois" in their thinking or lifestyle. Harsh criticism in meetings, however, soon turned to public shaming. People were forced to parade through the streets with

dunce hats or carry signs saying that they were capitalist liars, pigs, and thieves. Homes were ransacked, and works of art and literature destroyed; thousands of people were beaten, tortured, imprisoned, and killed; and hundreds of thousands of students, teachers, and intellectuals were sent to the countryside to work on farms or in factories as a way of reeducating them and ridding them of their "lazy" Western instincts and habits.

For nearly three years, the country was essentially shut down, and anger, rage, and violence brought the nation to the verge of civil war. Seeing that China was about to implode, Mao called his Red Guards off. However, the atmosphere of paranoia and suspicion—along with occasional purges—continued until Mao's death in 1976.

Whatever progress China had achieved since 1949 came to an abrupt halt during the Cultural Revolution. Indeed, by any human or economic measure, the country regressed. Today China is still paying the price for this catastrophic misadventure, which pulled an entire generation out of schools and universities, denying them the opportunity to be fully educated and productive contributors to the development of their country. The breakdown in social relations led to mistrust and suspicion of neighbors, teachers, government officials, and even relatives. The Cultural Revolution significantly damaged the fabric of a healthy and viable society.[34]

The solution provided by a "great man" might give the appearance of wise and insightful leadership, but, as the Cultural Revolution shows, it may very well be delusional and ultimately destructive. The reality was, Mao used his power to put a false set of tasks before the people, and many people bought into it. These were not the right tasks to bring resolution to the multiple problems facing the country. Economic realities demanded enhanced creativity of the Chinese people and developing a technologically proficient workforce that could contribute quality goods and services in the global economy. Social realities required paying more attention, not less, to the material welfare of the Chinese people, so that they had a stake in supporting a government that gave them a better way of life. Corruption, both ideological and financial, could be purged only by strengthening the institutions of law and regulation and developing a strong moral compass for the nation, not by scapegoating and persecuting others for lack of fanaticism. The real work of progress had less to do with ideological zeal than with feeding and educating the people, and creating the conditions that could improve the quality of life of all people. In other words, the people needed to face reality and figure out the real problems and opportunities that need to be engaged in order to produce sustainable progress.

Conclusion

Let me summarize the ways that Enron, Mao, Burke, and dominance-obsessed primate societies help define what real leadership *is not*:

- Real leadership is not about dominance and control.
- Real leadership is not about putting a false set of tasks before the people and getting them to follow you.
- Real leadership is not about "getting one's way" and trying to get the people to buy into something they are not ready to embrace—even if it is born of strong convictions and moral beliefs.
- Real leadership is not about staying in your comfort zone and doggedly holding onto the world you know, even as the "ship is sinking."

I do not wish to completely denigrate these functions. Sometimes a group *does* need a dominant authority figure and *does* need to be controlled. Sometimes the task *is* to get people to follow, and a fantasy might be what the people need momentarily until they have the maturity to face reality. Certainly, motivating people through the power of one's convictions to do what they are reluctant to do *is* at times an important skill for any manager. But suggesting that such actions are unconditionally real leadership reduces the larger meaning, function, and value of real leadership. By being clear on what real leadership is not, we are in a better position to learn what might make a difference in generating sustainable progress in all domains of human activity—in our corporations, schools, communities, and governments.

The title of this chapter, "Odin, Enron, and the Apes," represents the dangers and opportunities of real leadership. Odin is a metaphor for the pursuit of the insight and wisdom to be responsible with one's power so that one can exercise the leadership that helps people face their toughest challenges. Enron reminds us that even successful companies can rapidly deteriorate in the absence of real leadership. The apes embody the actions and strategies that are the antithesis of real leadership—namely, counterfeit leadership, which includes the excessive preoccupation with getting people to follow, the reliance on dominance as a control measure, and the competitive dynamics of brute politics to protect one's interests, rise in a hierarchy, and maintain one's power. In the absence of real leadership, counterfeit leadership can easily emerge as the mechanism for allocating attention, time, and resources, resulting in organizations and

communities getting caught up in a false set of tasks that have nothing to do with progress but are potentially destructive distractions.

Fundamentally, real leadership must focus people on tackling their toughest adaptive challenges—not false tasks. To do that work successfully, leaders need a diagnostic process to discover the real threats and real opportunities the people face. They must have an intervention strategy to draw attention to the problem and the promise. And, they must be able to mobilize the various actors in the social system to do the necessary sense-making and problem-solving work that will give the people their best shot at success. It can be difficult and demanding work, but no other work is more important for our collective well-being and shared prosperity. In the following chapters, the features and processes of real leadership will be presented in greater detail.

THE REAL LEADER

- Gets people to face reality as it pertains to their condition, threats, and opportunities
- Mobilizes the group to do adaptive work and adjust their values, habits, practices, and priorities
- Pursues the needed insight and wisdom to lead
- Takes responsibility for being the source of movement

THE COUNTERFEIT LEADER

- Places an excessive emphasis on getting people to follow
- Is preoccupied with dominance as a control mechanism
- Fails to fully engage the group and its many factions
- Is unwilling to look for solutions beyond one's comfort zone and the prevailing group paradigm
- Holds the conviction that the leader alone has the truth and knows the way forward

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Face Their Toughest Challenges***

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