



CENTER FOR CATHOLIC STUDIES

TO: WBC AND MICAH PARTICIPANTS
FROM: MONSIGNOR RICHARD M. LIDDY
SUBJECT: A NEW PHILOSOPHY OF LEADERSHIP
DATE: WEDNESDAY, MARCH 27, 2013

- Welcome and Self-Introductions
- Woodstock Business Conference Mission Statement
 - The mission of the Woodstock Business Conference is to establish and lead a national and international network of business executives to explore their respective religious traditions in order to assist the individual executives:
 - To integrate faith, family and professional life,
 - To develop a corporate culture that is reflective of their religious faith and values and
 - To exercise a beneficial influence upon society at large
 - The conference, grounded in the Roman Catholic tradition, welcomes believers who are open to and respectful of one another's religious tradition. It is committed to the conviction that ethics and values grow out of one's religious heritage.
- Scripture Reading: Matthew 20:20-28
 - The mother of Zebedee's sons came up to him accompanied by her sons, to do him homage and ask for a favor. "What is it you want?" he said. She answered, "Promise me that these sons of mine will sit, one on your right hand and the other on your left, in your kingdom." In reply Jesus said, "You do not know what you are asking. Can you drink of the cup I am to drink of?" "We can," they said. He told them, "From the cup I drink of, you shall drink. But sitting at my right or left is not mine to give. That is for those to whom it has been reserved by my Father." The other ten, on hearing this, became indignant at the two brothers. Jesus then called them all together and said: "You know how those who exercise authority among the Gentiles lord it over them; their great ones

make their importance felt. It cannot be like that with you. Anyone among you who aspires to greatness must serve the rest, and whoever wants to rank first among you must serve the needs of all. Such is the case with the Son of Man who has come, not to be served but to serve, to give his own life as a ransom for the many.”

- Quiet Reflection - 5 minutes followed by sharing insights
- **Topic: *The Economist*: Academic View: A new philosophy of leadership**
 - <http://www.economist.com/whichmba/academic-view-new-philosophy-leadership>



Academic view: A new philosophy of leadership

Business schools need to produce leaders for the many, not the few, says Ken Starkey, a professor at Nottingham University Business School

WHAT are the three hardest words for a business leader to speak? Probably “I don’t know”. Business leaders are encouraged to exhibit confidence, competence and omniscience. But this leads to only two possible outcomes. They can fake it: pretend that they are right because they know that the admission of uncertainty and weakness is a career killer. Or they can believe their own hype, convinced that they are right and know better than everybody else.

This is where we now stand. A model has evolved whereby the leaders of business and finance, abetted by an elite group of economists, have convinced themselves that only they know the way the world should work.

However, we are at a tipping point. Nitin Nohria, the new dean of Harvard Business School, argues that we need leaders who demonstrate moral humility. I believe that we need an approach to leadership in which the starting point is our lack of knowledge, a frank admission that we do not know very much about how to build a sustainable system for business and society.

In this humility-driven vision of leadership, business schools need to shift their centre of gravity away from economics, finance and dreams of individual fortune. We need to teach future leaders to reflect and critique—that there are alternatives to theories that they accept, without question, because they speak to their self-interest.

To do this, business schools need to challenge their own orthodoxy—a crude Darwinian view of business and society rooted in the survival of the fittest. They need to focus on the social consequences of their actions and accept responsibility for the business excesses of recent years. What is required is a narrative of common interest to combat the mantra of selfishness; one that appeals to the sense that leadership is for all not for the few.

The main challenge is how to reflect this in the MBA. Two strategies are possible. The first is to keep the MBA the foremost qualification in management, but to revise it. Many schools are trying to do this with an explosion of courses in, for example, responsibility, sustainability and social entrepreneurship. The more inventive are using philosophy and the arts to critique dominant business mindsets. Jim March's pioneering use of literature to teach leadership at Stanford is an example of this. The increasing interest in the psychology of personal development is another.

However, these changes are just tinkering at the edges of the curriculum. Meanwhile responsible capitalism burns. The core of an MBA programme is still resolutely grounded in finance and supposedly rational analysis. Business schools still market themselves based upon media rankings, including *The Economist's*, in which individual salary is the main metric. Their challenge should be to create a business system—in particular a financial system—responsive to the greater, rather than the minority, good.

Studying the classics

So a second, more radical strategy could be to create a new kind of Master's education that melds an understanding of business with a broader concept of education. Business schools could become more like the agora of ancient Athens, a place where commerce had its place alongside the academy, where philosophers discussed the meaning of the good life and how best to achieve it; a place of dialogue where citizens collectively addressed the limits of their knowledge. For this, business schools might recruit graduates from other disciplines, such the arts, humanities and the sciences, and create innovative courses to help future leaders imagine products and services which fulfil a more social need.

This will not be easy. It requires a difficult balancing act between the intellectual, emotional and spiritual. But if we are to create a new business model out of the chaos of a crisis to which business schools contributed, we will need to take a long hard look at how leadership is taught in our schools. Business as usual is no longer an option.

Ken Starkey: *Professor of management and organisational learning at Nottingham University Business School*

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- Questions for discussion:
 - Be Attentive: In your organization do you see leaders who exercise moral humility and the other characteristics discussed in the article? Share your examples and stories? Do you have a story of when you were coached to moral humility or where you counseled someone?
 - Be Intelligent: What impact has their exercise of humility had on your organization and on you? How is the understanding of leadership that “is for all not a few” impacted your understanding of leadership? (given that most of us work in a fairly hierarchical world, where leadership is about position rather than initiative)
 - Be Reasonable: In the Scripture reading today we see the concept of servant leadership expressed as the ideal for followers of Jesus. Nitin Nohria, the new Dean of the Business School at Harvard seems to articulate a similar ethos. But paradoxically does not Jesus

move from a place of confidence, competence and maybe omniscience? How do we reconcile these “goods”?

- Be Responsible: What are the ways that each of us can support the exercise of moral humility in the work place? What should we keep at the top of our mind as we lead groups and teams? What will we notice and how will we support others when they exercise moral humility? And how will we resist the temptations and allure of authority?