

Differentiation, connectedness and universal law of ethical leadership

For over a decade now, I've had the privilege to serve as an ethics officer for five multinational corporations. As you might imagine, it's been—and continues to be—quite a ride. I've had my share of successes and failures and I've learned many lessons along the way about what it really takes to be a strong ethical leader and to be successful in building and sustaining a strong ethical culture. Some of these lessons include the following:

- There is a constant pressure to cheat in all organizations—not because people are evil, but because it is almost always easier, faster and cheaper to cut corners than it is to follow the rules. This is generally why we have rules to begin with: to curb our natural inclinations.

- There is an over-reliance on corporate policies, procedures and codes of conduct in most organizations. As essential as such governance documents are (and I have written a lot of them) they do not drive behavior by themselves—despite the expectations of those who produce them.

- Social dynamics, like obedience to authority and conformity to social norms, have a profound effect on behavior in organizations and are far more important than what is written in company codes of conduct. This explains the dichotomy between “written” policies (reflecting what people should do) and “real” policies (reflecting what people actually do) that you can find in almost every company.

- Organizational cultures arise in part to establish a social order that plays a critical role in relieving the anxiety of their members. This is one of the reasons why cultures are so stubborn. In order to change a corporate culture, leaders must drive individuals in the organization through an anxious state before they will settle on a new set of behaviors.

- It's not enough to know what your enterprise risks are. You must also seek to understand how reliable your compliance and ethics management systems are to mitigate your enterprise risks.

As important as these nuggets of wisdom have been and continue to be to my practice, the most difficult and important lessons I've learned by far are associat-



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ed with what Edwin Friedman refers to as the “universal law of leadership.” This law is encapsulated well in the following lines from Friedman's book “A Failure of Nerve: Leadership in the Age of the Quick Fix”:

“In any type of institution whatsoever, when a self-directed, imaginative, energetic or creative member is being consistently frustrated and sabotaged rather than encouraged and supported, what will turn out to be true one hundred percent of the time, regardless of whether the disrupters are supervisors, subordinates or peers, is that the person at the very top of that institution is a peace-monger. By that I mean a highly anxious risk-avoider, someone who is more concerned with good feelings than with progress, someone whose life revolves around the axis of consensus, a ‘midler,’ someone who is so incapable of taking well-defined stands that his ‘disability’ seems to be genetic, someone who functions as if she had been filleted of her backbone, someone who treats conflict or anxiety like mustard gas—one whiff, on goes the emotional gas mask, and he flits. Such leaders are often ‘nice,’ if not charming.”

I recall that when I first read this passage, the first thing that sprang to my mind was an important leader in my life that fit this description perfectly. I also began to imagine how much better things would be if this leader would only stop being such an overly anxious “peace monger.” But then I went on to read Friedman's very challenging call to action in response to this universal law of leadership. In essence, Friedman advises that we stop playing the “blame and change game” (in which we find fault with others and seek to get them to behave differently) and, instead, focus our energy and attention on ourselves. Specifically,

Friedman urges every leader to strive to be “well-differentiated” while at the same time being “connected” with others. By well-differentiated and connected, Friedman does not mean an autocrat who tells others what to do or orders people around. Instead, he means:

“[S]omeone who has clarity about his or her own life goals, and therefore someone who is less likely to become lost in the anxious emotional processes swirling about. I mean someone who can be separate while still remaining connected, and therefore can maintain a modifying, non-anxious and sometimes challenging presence. I mean someone who can manage his or her own reactivity to the automatic reactivity of others, and therefore be able to take stands at the risk of displeasing.”

We all may have the capacity to be this kind of leader to one degree or another. But what I have found so daunting about Friedman's call to action is that, unlike the quick fix advice dispensed in many self-help leadership books, the challenge Friedman sets forth cannot be answered by mastering a bulleted list of leadership techniques. Instead, he challenges us to examine who we are and to strive to achieve a mastery of ourselves and our reactivity at the most fundamental level. Striving to attain this ontological objective, while at the same time maintaining productive relationships with others, is far easier said than done—and, if undertaken, becomes the work of a lifetime.

Nevertheless, I am persuaded that striving to become a non-anxious, highly differentiated, yet connected individual is the most important thing we can do as leaders to build strong ethical cultures in our organizations. So, ask not what others can do to build and sustain a strong ethical culture in your company. Ask what you can do to achieve the self-mastery necessary to be a strong ethical leader.

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