ORGANIZATIONAL DYNAMICS

SPECIAL EDITION

LEADERSHIP: CHARACTER, COACHING, CONTEXT AND CULTURE

GOOLSBY LEADERSHIP ACADEMY
10TH ANNIVERSARY 2003-2013

JAMES CAMPBELL QUICK · JOHN L. GOOLSBY · SEAN T. HANNAH · PETER L. JENNINGS
RICHARD E. BOYATZIS · MELVIN L. SMITH · ELLEN VAN OOSTEN · LAURIS WOOLFORD
THOMAS A. WRIGHT · TYLER L. LAUER · JEANNE MICHALSKI · LARRY PETERS
JOHN BAUM · GREGORY K. STEPHENS · CHARLES C. MANZ · CRAIG L. PEARCE
JEFF W. MOTT · ZAC HENSON · HENRY P. SIMS JR. · MATTHEW BLAKE HARGROVE
DEBRA L. NELSON · CARY L. COOPER · WILLIAM A. COHEN

THE UNIVERSITY OF TEXAS AT ARLINGTON
COLLEGE OF BUSINESS

ORGANIZATIONAL Dynamics

EXECUTIVE SUMMARIES

INTEGRITY FIRST. ETHICS FOR LEADERS AND FOLLOWERS
by JAMES CAMPBELL QUICK, JOHN L. GOOLSBY

Senior-level executives identify integrity as the most important characteristic for effective leaders and followers. We agree that integrity is vital, but not the only important ethical issue in leadership. We set forth an ethical framework as the basis for examining ethical leadership and followership in organizations. While individual integrity is essential, it is not sufficient to ensure an organizational culture of integrity and virtue. To achieve a culture of organizational integrity requires not only attention to personal accountability, but also leadership from the top and codes of conduct with effective enforcement mechanisms. The eight articles that follow address the key leadership issues of character and coaching, as well as the context in which leadership development occurs. Cultures that foster great leadership, like BNSF and West Point, are explored. Resonant leadership and heroic leadership are advanced. In addition, emotional intelligence, eustress (the positive side of stress), the challenges and dilemmas of leading coaches like Tom Osborne, Bobby Knight, and Joe Paterno are examined in thoughtful and insightful ways by leading authors. The call of Theodore Roosevelt over a century ago for good and moral leaders is heard again in this special issue.

LEADER ETHOS AND BIG-C CHARACTER
by SEAN T. HANNAH, PETER L. JENNINGS

We draw from the Aristotelian concept of character and discuss how it provides leaders with the moral compass needed to guide their organizations toward socially responsible and praiseworthy purposes, as well as provides leaders with the credibility necessary to positively influence others. We introduce the concept of Big-C leader character, which is socially embedded and entails the internalization of those values, principles and ideals held most sacred by the collective to which the leader belongs – the collective *ethos*. We describe how leaders sustain, and are sustained by, the collective ethos; and we discuss how followers assess their leader's credibility based on how well they embody and exemplify the collective ethos. Ultimately, we show how leader ethos provides the bond between those aspiring to lead and those who see the leader as worthy of leading and subsequently choose to follow.

DEVELOPING RESONANT LEADERS THROUGH EMOTIONAL INTELLIGENCE, VISION AND COACHING
by RICHARD E. BOYATZIS, MELVIN L. SMITH, ELLEN VAN OOSTEN, LAURIS WOOLFORD

Using Intentional Change Theory, a series of programs were designed by Case Western Reserve University for the top executives at Fifth Third Bank to develop leaders. Typical approaches to leadership development do not produce sustained, desired change – the impact atrophies over three weeks to three months. This occurs because most leadership development programs do not address the requisite behaviors required to facilitate better relationships at multiple levels in the system surrounding the organization. Based on 30 longitudinal studies with M.B.A.s and executives, the first program focused on emotional and social intelligence competencies needed to build resonant relationships. Interacting in resonant relationships activates the parasympathetic nervous system and stimulates neuroendocrine, behavioral, and relational renewal. As a result, people are more cognitively, perceptually and emotionally open to possibilities, learning and change. In the second program, executives learned to engage others in developmental conversations aimed at inspiring behavior change and through action learning projects. This helped to convert individual and dyadic learning into team, organization and community change through positive emotional contagion.

Three stories will illustrate the impact. Mary Tuuk moved from corporate staff as chief risk officer to president of an affiliate, a community leader, and personal renewal. Bob Shaffer found mind–body–heart–spirit balance, energized the audit unit of the Bank, enhanced loving relationships with his family, and lost 95 pounds in the

process. Paul Moore took over all of operations and is stimulating a new level of service, engagement, and a stronger role for the bank in the community.

WHAT IS CHARACTER AND WHY IT REALLY DOES MATTER
by THOMAS A. WRIGHT, TYLER L. LAUER
Social commentators and scholars alike are increasingly expressing concern about the alarming erosion of shared moral frameworks or what has been traditionally referred to as character. Coupled with this steady erosion of character has been the rise in various forms of free-floating moral individualism personified by the constructs of values and the cult of personality. Incorporating a more traditional approach, we define character (ethos) as those interpenetrable and habitual qualities within individuals, and applicable to organizations, that both constrain and lead them to desire and pursue personal and societal good. Incorporating real-life examples, we undertake three key objectives to stimulate meaningful dialogue in this *Organizational Dynamics* 10th Anniversary Goolsby Leadership Academy special issue article. First, a brief historical overview of the extant body of literature on character is provided. Second, working definitions of character, values, the cult of personality and character-based leadership are introduced. Third, we conclude with a discussion of the re-emergent role of character and introduce innovative "profiles in character" strategies designed to promote character formation development.

BNSF'S LEADERSHIP ENGINE
by JEANNE MICHALSKI
BNSF Railway was formed as a result of a merger in 1995 and its leaders immediately began a journey to actively and deliberately shape the future of the company. This article highlights the steps that BNSF took on its journey to establish a culture that the leaders deemed necessary for success. The BNSF leaders recognized that neither of the predecessor companies possessed all the cultural elements that were desired in the newly merged organization. Since the culture they wanted was not present, they set about developing statements and processes that detailed the

desired environment. They developed a set of statements that included the company's Vision, Evidences of Success, Values, and Leadership Model. The leaders then systematically communicated and trained their employees on these statements and their application in daily operations. The leaders also recognized the need to embed these principles and desired behaviors into key company processes such as performance management and selection. As a result of the leaders' investment in these statements, BNSF has been able to bring these statements to life in day-to-day decision making throughout the railway.

SUPERVISOR AS STEWARD OF LEADERSHIP DEVELOPMENT EFFORTS
by LARRY PETERS, JOHN BAUM, GREGORY K. STEPHENS
The success or failure of any leadership development effort is inevitably affected by the on-the-job context in which work is performed. Generally speaking, context includes the structural and social elements of a work and organizational setting that influence behavior. Especially important are those elements in the immediate work setting that are controlled by the supervisor. We call this local context. To be effective, leadership development efforts must explicitly address and include supervisory support as an intentional part of the development process. To highlight the vital importance of the supervisor in leadership development, we describe five phases of supervisory involvement in leadership development efforts over the past 75 years. Subsequently, we argue that a sixth phase of leadership development can also come about, in which supervisors will embrace a deeply felt stewardship for growing their direct reports into more effective leaders in real time. This stewardship must be seen and accepted as an essential part of their job responsibilities, without which they will not be seen by the organization as fulfilling their critical role in leadership development. Phase 6 describes a culture of collective stewardship for leadership development. We offer two examples of organizations that appear to have embraced Phase 6 leadership development: Burlington Northern Santa Fe Railway and the United States Military Academy, West Point.

DON'T TAKE THE LEAD…SHARE THE LEAD. SURPRISING LEADERSHIP LESSONS FROM BIG TIME COLLEGE SPORTS

by CHARLES C. MANZ, CRAIG L. PEARCE, JEFF W. MOTT, ZAC HENSON, HENRY P. SIMS JR.

The classic phrase "*take the lead*" can be misleading advice for those who want to practice strong and effective leadership, even in the fast-paced competitive context of big time college sports. Success and career sustainability of head coaches depends on the quality of their assistant coaches and the contributions they make. Three of the most fascinating and, for two of them controversial, team coaches in history are Tom Osborne, Bobby Knight, and Joe Paterno. Each achieved unprecedented competitive success while demonstrating a complex blend of different types of leadership that distinguished them from other more typical top-down athletic coaches. In particular, they learned how to "*share the lead*" and to develop others' leadership skills. Shared leadership consists of an ongoing, simultaneous, mutual influence process involving the serial emergence of both official and unofficial leaders. This can work well when the various leadership players use their influence for ethical ends. Unfortunately, without proper precautions, the seemingly immensely positive outcomes can go terribly astray. Shared leadership, as with leadership in general, needs to be practiced wisely with a solid ethical foundation of integrity. Based on insights from examining how these three prominent coaches used shared leadership we offer lessons about the *what*, *why*, and *when* of this remarkable leadership approach. Ultimately we conclude that designated leaders still need to lead, not in a way that makes others dependent and weak, but in a way that empowers others to be competent and mutually accountable members of a larger ethical team.

GENERATING EUSTRESS BY CHALLENGING EMPLOYEES: HELPING PEOPLE SAVOR THEIR WORK

by MATTHEW BLAKE HARGROVE, DEBRA L. NELSON, CARY L. COOPER

Over the past few decades, organizational wellness programs have become an increasingly common feature of the business landscape. Professionals and academics alike have come to realize the importance of workplace conditions to the creation and maintenance of a healthy and happy workforce. One important target of wellness programs has been the management of workplace stress. Specifically, most of these programs are designed to reduce or eliminate unhealthy stress. Though the authors of this article concur that unhealthy workplace stress must be managed, we hold the less widely held view that generating positive stress (*eustress*) within an organization is another important tool for management professionals. This article emphasizes specific methods that management professionals may employ to create healthy eustress in their organizations. We make the argument that workers who are properly challenged can achieve productive and adaptive levels of stress. In this article, we begin by offering the reader a brief background describing eustress. Next, we present two separate theoretical models, the Challenge Hindrance Framework and the Holistic Stress Model, which provide unique explanations for the positive benefits of stress. We then offer a new managerial model for generating eustress in organizations. Finally, we discuss the potential benefits of eustress in the workplace, including employee savoring and flow.

PETER DRUCKER WANTS YOU TO BE A HEROIC LEADER – NOW

by WILLIAM A. COHEN

Numerous articles in both the popular and the academic press acclaim the demise of the heroic leader and recommend the concept of a post heroic leadership, which is promoted as the way that leaders should lead in modern, more enlightened, times. However, no less a thinker than Peter F. Drucker, "The Father of Modern Management" agreed with the heroic leadership model. The author shows that much of what is written about post heroic leadership today is really heroic leadership, and that much is due to the confusion of definitions and terms and what these terms actually mean as opposed to what some writers think they mean.

Integrity first:
Ethics for leaders and followers

James Campbell Quick, John L. Goolsby

In his article about followership and leadership, Augustine Ogho reports that senior-level executives rank honesty/integrity as the #1 characteristic for effective followers and leaders. This is followed by competence as the #2 characteristic desirable in both leaders and followers. Beyond these top two characteristics of effective followers and leaders, the picture is not as clear. We agree that integrity is first. While competence is a basic requirement that all leaders must possess, it is integrity that sets them apart from merely effective leaders. A key premise for our article is honesty; that is, we assume basic honesty. We are concerned about the relationship between integrity and ethics, about ways to encourage and reinforce integrity, and about the ethical risks leaders and followers encounter. To address these concerns, we think that integrity is best addressed within an ethical framework. We first set out an ethical framework and discuss at least three ways of evaluating ethics and integrity within the framework. Moralizing is relatively common, especially after the fact of a notable ethical lapse. Reasoning morally about right and wrong is often more challenging and calls for a framework as a point of departure in one's thinking.

A case can be made that Herbert J. Taylor put integrity first when he began a turnaround effort at Club Aluminum Company of Chicago in 1932. Club Aluminum was a bankrupt company on life support from its creditors when the creditors recruited Mr. Taylor, a man known for his integrity, to return the company to financial health. After accepting the challenge, he quickly realized that he had no competitive advantage in materials, markets, or corporate strategy. Taylor turned to his people for the hope of finding a competitive advantage. Specifically, he placed the character and actions of the company's employees at the cutting edge, making character the company's competitive advantage. To do that, he suggested that everyone, himself included, needed to ask four questions of everything that was thought, said, and done.

Is it the truth?
Is it fair to all concerned?
Will it build goodwill and better friendships?
Will it be beneficial to all concerned?

Taylor's Four-Way Test as the basis for building employee character and competitive advantage paid off. Club Aluminum's turnaround was financially successful and the Four-Way Test is now used by Rotarian business leaders like Bill Gates. General Terry Dake, USMC (Ret.) reinforced the message succinctly in addressing the Goolsby Leadership Academy during Business Week 2012. General Dake said simply: Character counts!

AN ETHICAL FRAMEWORK FOR LEADERS AND FOLLOWERS

Fig. 1 depicts an ethical framework that begins with an individual's intentions, followed by the actions and behaviors of that individual. Actions and behaviors have consequences, which are the results that follow. The ethics of this sequence of events from covert intention to consequences in the world cannot be evaluated using a single standard. Rather, it is necessary to consider the ethics of the sequence of events from at least three different perspectives, using three ethical approaches, and considering the context of the event(s).

As the figure indicates, intentions are examined based on character strengths or virtue ethics. Virtues are the core characteristics such as wisdom, courage, and justice that moral philosophers, theologians, and religious scholars hold dear. Within the broad categories of virtues arise character strengths that are more detailed and help more clearly define the virtues. For example, integrity is a character strength of the virtue of courage and is known as honesty and authenticity as well. This would suggest that senior-level executives are calling for followers and leaders to speak the truth, act
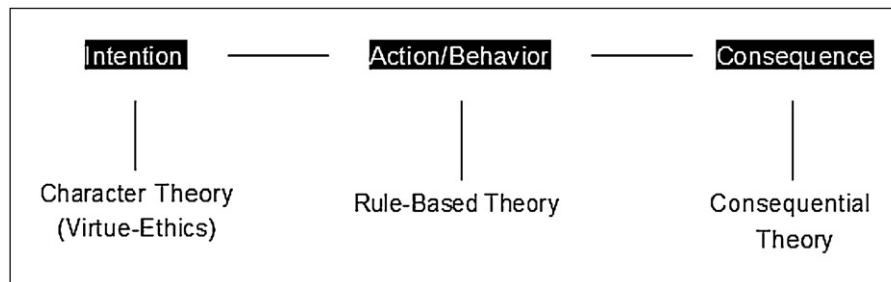
Figure 1   Ethical Framework for Moral Reasoning

genuinely and sincerely, and take responsibility for their feelings and actions. This sounds like good accountability!

There are limitations in relying upon individual virtue ethics and character strengths alone when evaluating ethics in organizations. They include individual fallibility or vulnerability and conflicts of interest between the individual and the organization, which we will discuss later.

The second ethics perspective captured in Fig. 1 is that of rule-based ethics. This approach to ethics rests on a set of rules, standards of behaviors, codes of conduct, and/or legal statutes specifying what is good or desirable behavior as well as what is wrong or unacceptable. One of the most recognizable, and for some controversial, lists of standards, clearly enumerated in both ''Thous shalts'' and Thou shalt nots'' is the Ten Commandments. The Napoleonic Code, another rule-based standard, was the first civil code aimed at bringing order to the French legal system and insuring that organizational positions went to individuals who were the most qualified to hold those positions. Rule-based ethics aim at regulating people's actions and behaviors in an organization. While a person may have good intentions, it does not necessarily follow that their actions will be ethical. Either through lack of awareness, prior experience, or inattention to the standards of the organization, it is possible that a well-intentioned person may act unethically.

A well-intentioned executive about to act unethically was illustrated by Peter Drucker with the case of a Japanese executive in the context of the conflicting standards of his native culture and the U.S. law (see Cohen, 2010). According to Drucker, the Japanese executive was about to offer what in the U.S. would be considered a bribe to a government official when his translator realized what was about to be offered. Although this was a custom in Japan at the time, the translator did not translate the Japanese offer into English, thus saving the Japanese executive from an illegal and unethical act. The translator then had to explain to the executive what had transpired, and once he understood, the executive appreciated being made aware of the different standard.

Even the best intentions and behaviors can have unintended consequences that are bad for the individual, a team at work, or for an entire organization. Therefore, the utilitarian approach to ethics is important to consider, as depicted in Fig. 1. This ethics approach asks whether the consequences are good or bad, independent of what was intended and what actions were taken. A cautionary note here is that attention to utilitarian ethics does not mean that the ends justify the means. We do not believe the ends justify the means.

Therefore, the leader or follower who seeks to engage in serious moral reasoning about right and wrong can do so by considering all three of these ethical perspectives. The potentially differing or conflicting results that come from the three perspectives may leave the follower or leader with a moral or ethical dilemma. For those there are no easy answers. If there were, anyone could do it easily. The recognition of the ethical dilemma does offer the challenge of beginning a dialog with all those concerned with the specific situation under consideration. We offer no easy answers nor do we believe that easy answers are always available. Recall Taylor's second question: Is it fair to all concerned?

In the next four sections of the article we discuss the limitations of character and virtue ethics, we explore personal accountability and organizational integrity, we emphasize the importance of leadership from the top, codes of conduct with effective enforcement mechanisms, and we consider external influences and unintended consequences. Following these four sections, we review the eight articles after ours that offer differing perspectives within the broad domain of leadership. These differing points of view enrich the special issue dedicated to leadership and followership.

LIMITATIONS OF CHARACTER AND VIRTUE ETHICS

Integrity does come first, and character is an essential ingredient in a culture of ethical leadership and followership. However, while character strengths and virtues are good and necessary, they are insufficient as a basis for building a strong ethics culture in organizations. There are at least three key reasons for this. First is a lack of common understanding among people about what is ethical and unethical. Second is individual fallibility and vulnerability. Third is the issue of conflicts of interest between the individual and the organization, which can lead to the problem of self-serving behavior on the part of the individual.

Lack of Common Understanding

While we may believe that there is a general or common understanding about ethics and integrity, we submit that there is often much more ambiguity and confusion than is typically acknowledged. An individual's understanding of ethical behavior may be influenced by life experiences and practices that may be considered acceptable in certain cultures and organizations. Leaders and followers may

assume that those around them have the same understanding of ethics and integrity when they in fact have a different, even if subtle, set of rules and guidelines to which they ascribe. This is why having a written and understandable code of conduct is essential in communicating the expectations of the organization.

Individual Fallibility and Vulnerability

Despite the best of intentions, repeated cases of individual ethical failures are recurring features in the popular business press and academic journals. For all of the positives found in character strengths and virtues, individuals have vulnerabilities and weaknesses. These may be the result of developmental difficulties, personality problems, or human frailty. These vulnerabilities pose challenges for individuals. While the well developed personality possesses a conscience that enables a person to be self-governing, that still small voice may be unreliable or ignored because of self-serving drives and urges. Heredity and genetic limitations are elements in human fallibility. Mild to severe psychological problems contribute to individual vulnerability, as do family history and family influences.

Individual fallibility and vulnerability can be addressed in an organizational culture based on respectful confrontation and honest feedback. Organizational cultures in which leaders and followers are open to challenge, question, and respectful confrontation are cultures that transcend individual limitations. The key characteristic of such cultures is that no one is above it all. Hence there is a need for personal accountability, which is the subject of the next section. A culture of organizational integrity is one that is inquisitive of individual action, not one that either conducts inquisitions or makes accusations too quickly.

Conflicts of Interest

The purpose of integrity and ethics in organizations is to create good and right behaviors among leaders and followers. While a conscience is an excellent self-governing mechanism, it must operate with a well grounded orientation to external reality. Conflicts of interest between the individual and the organization can lead to self-righteousness or self-justification. The athlete playing the game cannot simultaneously be the referee, umpire, or linesman who makes judgments about players' actions. There is an inherent conflict of interest resident in any individual-organizational relationship. Because of this inherent conflict, there may be occasions when third parties, such as internal auditors or legal counsel, are necessary. However, self-reporting, self-regulation, and self-enforcement are the first courses of action.

Leaders and followers with well developed self-awareness will be well attuned to possible conflicts. Good self-awareness helps the individual more fully appreciate the interests of the self and of the organization, thus working to achieve a better alignment between the interests. However, the self-interest and the organization's interests cannot ever perfectly align. Thus, conflicts of interest, along with the lack of common understanding about ethics and individual fallibility, call for personal accountability and organizational integrity.

PERSONAL ACCOUNTABILITY AND ORGANIZATIONAL INTEGRITY

Personal accountability picks up where character and virtue ethics leave off. Personal accountability attends to the observable actions and behaviors of leaders and followers. The recurring need for correcting individual behavior through feedback and coaching still begins with having good intentions, as suggested in Fig. 1. While an individual's conscience is helpful in self-governing, the organization must require more for full personal accountability. There is an ongoing need to be prepared to explain oneself, to account for one's actions and behaviors, and to allow superiors, peers, and followers to question or challenge one's actions. This is the basis for building a culture of organizational integrity.

A culture of organizational integrity often is reflected by leadership from the top and is anchored in the common good, not in the individual self-interest. From the ethics perspective of Joanne Gavin, the long term self-interest of the individual and the collective well being in the common good actually converge. The real problem with self-serving behavior is that it aims at immediate self-gratification, too often at the expense of the other. Self-control may well be the single most powerful emotional competency that a leader or follower can earn. Self-control relies on delayed need gratification.

CODES OF CONDUCT WITH ENFORCEMENT MECHANISMS

Codes of conduct must set forth the expectations of the organization for itself, its leaders, and its followers while being enthusiastically embraced by and understood by all. These have been used in business for a long time, as exemplified by the Johnson & Johnson Credo; in the U.S. military, as exemplified by the Joint Ethics Regulation; and more recently to rectify violations of good business and ethical practices, as reflected in the new Boeing Code of Conduct.

Explicit Behavior-Consequence Connections

The best codes of conduct make explicit the high standards and expectations of organizational members, to include the benefits that proceed from displaying high ethical standards and the adverse consequences of acting in unethical or illegal ways. Strong codes of conduct are clear, explicit, and reduce the degree of ambiguity perceived by leaders and followers. That is, they tend to the black and white versus shades of gray, allowing for some individual discretion and latitude to exercise judgment such that personal integrity and codes of conduct work in concert for the good of business.

The Role of Forgiveness and Compassion

Regardless of the best intentions and the clearest set of guidance embedded in codes of conduct, individuals make unintentional mistakes, display errors in judgment periodically, or become entangled in unfortunate incidents of various kinds. Therefore, there is an important role for forgiveness in organizations when wrong is done or harm

occurs. Kim Cameron's persuasive argument for the healing power of forgiveness centers on the need to forgive misunderstanding and other categories of behaviors that do harm but for which forgiveness, learning, and healing are warranted. In addition to forgiveness, Richard Boyatzis' work has demonstrated the power of compassion for leaders and followers. The lack of compassion can appear cold hearted. When Robert McNamara was president of Ford Motor Company and issued a memo that everyone needed to leave work by 8:00 p.m. after an employee was found deceased from a heart attack, Lee Iacocca's comments suggested that a more compassionate response might have been better.

To recognize the importance of forgiveness in organizations does not suggest that individuals may act with impunity. Rather, one of the more important judgments that leaders make is whether to forgive and to educate or to punish wrongdoing and send a message to the organization about acts that are not tolerated. These important judgment calls make the difference between whether the organization is more like a correctional institution or a learning laboratory, in which individuals can grow to achieve their full potential.

External Influences and Unintended Consequences

Fig. 1 suggests that actions and behaviors lead directly to a set of consequences. While they do, there are a number of external or contextual factors at play in all organizations that may be additional influences on consequences. These external influences need to be considered when making attributions and determining the extent to which unintended consequences are beyond an individual's direct control. Hence, the context in which leaders and followers operate must be taken into account, especially when adjudicating wrongdoing. Forgiveness and punishment are each appropriate responses to specific cases, and the context of the action and consequence inform leaders as to which is the more appropriate management action to take.

Honor & Integrity

One of the oldest American codes of conduct is that embedded within the culture of West Point — United States Military Academy and dates to its inception in 1802. West Point's Cadet Honor Code reads simply and clearly.

"A cadet will not lie, cheat, steal, or tolerate those who do."

Cadets accused of violating the Honor Code face a standardized investigative and hearing process. First they are tried by a jury of their peers. If they are found guilty, the case goes up to the Commandant of the Academy who gives his recommendation, then to the Superintendent of the Academy, who has the discretion to either impose sanctions or recommend that the Secretary of the Army expel the cadet from the Academy.

On 1 November 2012, in his address "Honor & Integrity" to the Goolsby Leadership Academy, Lieutenant General Rick Lynch, USA (Ret.) discussed his direct and personal experience with the Cadet Honor Code while at the Academy. As a member of the Class of 1977, Cadet Rick Lynch was one of two cadets who was a peer in the adjudication of a significant violation of the Cadet Honor Code. Cadet Lynch was in a company of cadets that included no one either accused of lying, cheating, stealing, or tolerating any cadet who had lied, cheated, or stole. Of the class, 50 cadets were expelled or held back for lying, cheating, or stealing an exam and an additional 100 cadets were expelled or held back for a violation of the toleration clause in the code related to the exam. This was a serious issue for West Point to confront, and they did so in an open and forthright manner.

Morality and ethics are more importantly about the questions than about the answers. One of the questions that Cadet Lynch was relieved he did not have to answer was whether he would have turned in a good friend and fellow cadet for lying, cheating, or stealing. His failure to do so would have violated the toleration clause of the Cadet Honor Code while to do so would place a personal relationship at risk. Ethical dilemmas are not uncommon for good and honest men and women. What Cadet Rick Lynch did do at one point as a plebe was to confess to lying on one occasion when in a panic. His immediate confession and voluntary disclosure led to redemption and a return to his ongoing effort to live up to the Cadet Honor Code.

Self-examination, self-assessment, and self-correction are highly compatible with organizational cultures with high moral and ethics standards, with strong expectations of personal integrity and honesty, and with honor and respect among peers. Secrecy, deceit, underhandedness, and exclusive personal self-interest are not in any way compatible with a culture of honor and integrity among leaders and followers.

LEADERSHIP FROM MANY PERSPECTIVES

Since being established in 2003, the Goolsby Leadership Academy has been enriched through visits by Goolsby Distinguished Visiting Professors and by the voices of distinguished leaders and executives such as Lieutenant General Lynch; John Lanigan, former chief marketing officer (CMO) of BNSF Railway; Joseph M. Grant, Chairman Emeritus of Texas Capital Bank, and UT Arlington alumnus General Tommy Franks, USA (Ret.). Each of these distinguished visitors has offered a voice in their domains of expertise, from leadership and ethics to character and organizational justice. Because the Academy ascribes to a pluralistic view of leadership, there is no one best way advocated within the Academy. This extends to the Goolsby Scholars as well, who are encouraged to find and express their own strengths as well as to pursue their own passions and dreams. In addition to his message that character counts and integrity is clearly #1, General Dake encouraged the young leaders to dream and dream big. This is a message first brought by Richard Boyatzis during his visit with the Goolsby Scholars.

The synergy of the Academy comes from the exchanges of leading business executives, distinguished faculty, and bright young students with excellent capability and strong ambitions. A key aim of positive leadership and followership is to find the greatness within the person and bring that strength and passion to the fore so that the leader and the follower can grow, develop, and achieve their full potential. There are eight articles following this one that make unique and distinct contributions to the domain of leadership.

Leader Ethos and Big-C Character

Hannah and Jennings place a keystone in the issue with their message on character and its centrality to a strong and positive culture of what we call integrity. They anchor their message in the Aristotelian concept of character. They themselves are anchored in the West Point culture and U.S. Army tradition. Hannah and Jennings suggest that Aristotle's concept of character provides leaders with the moral compass needed to guide their organizations toward socially responsible and praiseworthy purposes. In addition, Aristotle's concept of character provides leaders with the credibility necessary to positively influence others. The authors advocate the concept of Big-C leader character, suggesting that it is socially and culturally embedded, entails the internalization of those values, principles and ideals held most sacred by the collective culture to which the leader belongs — the collective *ethos*. Leaders sustain, and are sustained by, the collective ethos. Followers assess their leader's credibility based on how well they embody and exemplify the collective ethos. Ultimately, leader ethos provides the bond between those aspiring to lead and those who see the leader as worthy of leading and subsequently choose to follow.

Resonant Leadership: Emotional Intelligence, Vision and Coaching

Boyatzis, Smith, Van Oosten, and Woolford use Intentional Change Theory and two change programs designed by Case Western Reserve University for top executives at Fifth Third Bank to develop leaders as the heart of their contribution. Many leadership development programs fail to produce sustained, desired change, and impacts often atrophy over three weeks to three months. The authors argue that most leadership development programs do not address the requisite behaviors required to facilitate better relationships at multiple levels in the system, to include culture, surrounding the organization contemporaneously. Drawing on 30 longitudinal studies with MBAs and executives, the authors describe three programs. The first program focused on emotional and social intelligence competencies needed to build resonant relationships. There are psychophysiological and behavioral consequences from this program. Specifically, interacting in resonant relationships activates the parasympathetic nervous system and stimulates neuro-endocrine, behavioral, and relational renewal. The results are cognitive, perceptual and emotional openness to possibilities, learning and change. In the second program, executives learned to engage others in developmental conversations aimed at inspiring behavior change and through action learning projects. This helped to convert individual and dyadic learning into team, organization and community change through positive emotional contagion. The authors exemplify their approach with three leaders: Mary Tuuk, who became president of a bank affiliate and a community leader; Bob Shaffer, who rebalanced himself, energized the audit unit of the Bank, revitalized his family relationships, and lost 95 pounds; and Paul Moore who took over all of operations and is stimulating a new level of service and community engagement.

What Is Character? Why Does It Matter?

Wright and Lauer bring attention back to character as a key leadership construct. The authors are concerned about the alarming erosion of shared moral frameworks or what has been traditionally referred to as character. The steady erosion of character has been accompanied by the rise in various forms of free-floating moral individualism personified by the constructs of values and the cult of personality. The authors advocate a more traditional approach, defining character (ethos) as those inter-penetrable and habitual qualities within individuals, and applicable to organizations that both constrain and lead them to desire and pursue personal and societal good. Incorporating real-life examples, the authors have three key objectives to stimulate meaningful dialog in this special issue. First, a brief historical overview of the extant body of literature on character is provided. Second, working definitions of character, values, the cult of personality and character-based leadership are introduced. Third, they conclude with a discussion of the re-emergent role of character and introduce innovative "profiles in character" strategies designed to promote character formation development.

BNSF's Leadership Engine

Michalski explores the culture of leadership that is a strong engine for BNSF Railway, an organization formed as a result of a 1995 merger. BNSF leaders immediately began a journey to actively and deliberately shape the future of the company at the point of merger. This article highlights the steps that BNSF took on its journey to establish a leadership culture as an engine for success. BNSF leaders recognized that neither of the predecessor companies currently possessed all the cultural elements that were desired in the newly merged organization. Since the culture they wanted did not currently exist, these railway leaders set about designing and constructing a leadership culture with all of the essential artifacts. Four of these artifacts include BNSF's Vision, Evidences of Success, Values, and Leadership Model. BNSF leaders then systematically communicated and trained leaders and followers throughout the railway using these elements of the leadership culture in order to embed them into the company's daily operations. In addition, BNSF leaders recognized the need to embed these leadership principles and desired behaviors into key company processes such as performance management and selection. As a result of the leaders' investment of thought and energy into these statements, BNSF has been able to bring these statements to life in day-to-day decision making throughout the railway.

Local Context: Supervisor as Steward of Leadership Development

Peters, Baum, and Stephens suggest that success or failure of any leadership development effort is inevitably affected by the on-the-job context in which work is performed. Context typically includes the structural and social elements of a work and organizational setting that influence behavior. *Local context* for the authors is especially important and refers to the immediate work setting that is controlled by the supervisor. Leadership development efforts must explicitly

address and include supervisory support as an intentional part of the development process to be successful. Drawing on examples from Saber Holdings, Bell Helicopter, Royal Dutch Shell and a historical perspective, the authors describe five phases of supervisory involvement in leadership development efforts over the past 75 years. The heart of their contribution argues for a sixth phase of leadership development in which supervisors embrace a deeply felt stewardship for growing their direct reports into more effective leaders in real time. This stewardship must be seen and accepted as an essential part of their job responsibilities, without which they will not be seen by the organization as fulfilling their critical role in leadership development. Phase 6 describes a culture of collective stewardship for leadership development. The two key examples of Phase 6 used by the authors are BNSF Railway and West Point — United State Military Academy.

Competitive Contexts: Share the Lead

Manz, Pearce, Mott, Henson, and Sims address leadership in fast-paced competitive contexts. Rather than advocating "taking the lead," these authors have drawn on in-depth discussions with Tom Osborne, Bobby Knight, and Joe Paterno to arrive at a cutting edge leadership idea they call "sharing the lead." While shared leadership has been studied and written about in work organizations, there are important and complimentary lessons to be learned from applying and studying shared leadership on sports teams. Big-time college sports offers one excellent, competitive context in which to study leadership in general and shared leadership in particular. Success and career sustainability of head coaches depends on the quality of the assistants on their coaching staff and the contributions they make to the overall coaching team. As with so many leadership contexts, this area is ripe with paradox. Sometimes the most unlikely developments emerge, which offer rich lessons about dramatic factors influencing leadership sustainability. The authors offer three of the most fascinating and, for two of them controversial, team coaches in history, as mentioned above. Each of the three achieved unprecedented competitive success while displaying a complex blend of leadership styles that distinguished them from top-down athletic coaches. They distinguished themselves by learning how to share leadership with their followers in order to develop the followers' leadership skills. This works well in a context and culture where leaders use their influence for ethical ends. Unfortunately, without proper precautions, the seemingly immensely positive outcomes can go terribly astray. In fact, shared leadership, as with any kind of leadership that is not practiced wisely and based on a solid ethical foundation of integrity, can be vulnerable to very destructive consequences. Hence, integrity is first, character counts, and ethics are central to positive shared leadership.

Heroic Leadership: A Call from Peter Drucker

Cohen notes that many articles in both the popular and the academic press acclaim the demise of the heroic leader and recommend the concept of a post-heroic leadership, which is promoted as the way that leaders should lead in modern, more enlightened times. The author says that no less a thinker than his mentor and friend Peter F. Drucker, "The Father of Modern Management," agreed with the heroic leadership model. Cohen shows that much of what is written about post-heroic leadership today is really heroic leadership. He goes on to dispel the confusion of definitions that distract from the call for real heroic leadership. Cohen provides clarity and focuses on what the terms actually mean, as opposed to what some writers think they mean. Cohen emerges from the West Point culture and tradition as a member of the Class of 1959, retiring as a United States Air Force Reserve major general in 1997. Honor and integrity underlie his thinking about and his approach to leadership and heroic leadership.

Eustress and Savoring: Leaders Challenging Followers

Hargrove, Nelson, and Cooper explore one specific pathway for leaders to build healthy and happy workplaces as called for by Quick and Quick in the 2004 *Organizational Dynamics* special issue on Healthy, Happy, Productive Work. The Challenge-Hindrance Framework (CHF) argues that certain demands, *challenge-related stressors*, are associated with positive outcomes. As the framework has developed, subsequent authors have defined *challenge stressors* as obstacles to be overcome in order to learn and achieve. In their chapter on savoring eustress while coping with distress, Nelson and Simmons argue that managers must learn to generate eustress in part by helping their employees believe in the positive potential of their actions. Combining these related notions of manager as challenger and manager as eustress generator is the central theme of this article.

INTEGRITY FIRST AND THEN ETHICAL LEADERSHIP

Our core thesis is that integrity must come first as the key characteristic of the best leaders and followers. However, integrity and good character are insufficient in building a culture of ethical leadership in business for at least three reasons. These are a lack of common understanding about ethical standards, human fallibility and conflicts of interest. For these reasons alone, leadership from the top and codes of conduct must pick up where personal integrity leaves off. Codes of conduct must have enforcement mechanisms through which everyone is held accountable for his or her actions and behaviors. However, self-enforcement and judicious use of corrective action are elements in the art of transforming a work environment into a learning laboratory in contrast to a punitive institution. To develop good moral reasoning, leaders and followers can think systematically from at least three different ethical points of views. Taken together, these ethical perspectives can contribute to building a culture of ethical leadership within which businesses do good while earning benefits for all concerned.

SELECTED BIBLIOGRAPHY

Augustine O. Agho conducted a survey study of 302 senior-level executives to examine their perceptions of the distinguishing characteristics of effective leaders and followers. While most of the characteristics associated with effective leaders were perceived to be different from those associated with effective followers, there was agreement on the two most important characteristics for both leaders and followers: honesty/integrity and competence. Agho reported the full study in "Perspectives of Senior-Level Executives on Effective Followership and Leadership," *Journal of Leadership and Organizational Studies*, 2009, 16, 159—166. In addition, he found that senior-level executives viewed the leader and follower roles as interrelated, the skills of leadership and followership to be learned, and the effectiveness of leaders and followers to impact performance, quality of work, morale, and work group cohesion. For additional information on ethics, integrity, and the Japanese executive example, see Chapter 10, "Ethics, Honor, Integrity, and the Law" in William A. Cohen, *A Class with Drucker* (New York: American Management Association, 2008, 108—120).

For readings in character, ethics and organizational virtue, we suggest works by Robert C. Solomon, in particular his *Ethics and Excellence* (New York: Oxford, 1992) and *A Better Way to Think About Business* (New York: Oxford, 1999). To delve even deeper, one should read Aristotle, *The Nicomachean Ethics* (Oxford: Oxford, 1998), upon who's thinking the contemporary work of Solomon is founded. Thomas A. Wright and Jerry Goodstein's "Character is Not 'Dead' in Management Research: A Review of Individual Character and Organizational-Level Virtue," *Journal of Management*, 2007, 33, 928—958 explores not only character but also the broader issues of ethics across time and culture. Finally, Joanne H. Gavin, James Campbell Quick, Cary L. Cooper, and Jonathan D. Quick's "A Spirit of Personal Integrity: The Role of Character in Executive Health," *Organizational Dynamics*, 2003,

32(2), 165—179, explores the impact of personal integrity and character on executive health.

Lieutenant General Rick Lynch, USA (Ret.) is executive director of the UT Arlington Research Institute (UTARI) and special advisor to the president of the university. His university address "Honor & Integrity" hosted by Goolsby Cohort 9 on 1 November draws on his oral history at West Point which may be accessed through The West Point Center for Oral History (http://www.westpointcoh.org/westpointcoh/). General Lynch's book with Mark Dagostino Adapt or Die: Leadership Principles from an American General published by Baker Books includes his further thoughts on leadership drawn from his experience as US Army Commander of the Third Infantry Division during the "surge" in Iraq.

Despite the best intentions, hurt and damage are integral elements of organizational life. While pain and suffering may at times be caused by intention, much is unintentional or unanticipated. For these reasons, forgiveness is a powerful and important aspect of healing and moving forward in a positive way, versus allowing harm or pain to fester and deepen the damage. See Kim Cameron's "Forgiveness in Organizations," in Debra L. Nelson and Cary L. Cooper's, *Positive Organizational Behavior* (London: Sage Publications, 2007, 129—142). In addition, we recommend Richard Boyatzis, Melvin Smith, and Nancy Blaize's "Developing Sustainable Leaders Through Coaching and Compassion," *Academy of Management Learning & Education*, 2006, 5, 8—24.

The Goolsby Leadership Academy was established in 2003 for a highly select number of undergraduate business students (top 1 percent) based on academic achievement and demonstrated qualities of outstanding leadership and effective influence among their peers on campus. The Goolsby Scholars enter the Academy as cohorts and take a sequence of four classes together as over a two-year period, typically their junior and senior years. The motto of the Goolsby Academy is: Integrity—Courage—Impact.

James Campbell Quick is distinguished professor of leadership and organizational behavior at the University of Texas at Arlington, where he holds the John and Judy Goolsby — Jacqualyn A. Fouse Endowed Chair. Quick is Honorary Professor at Lancaster University Management School in England. His awards include The Maroon Citation (Colgate University), The Legion of Merit (United States Air Force), the Levinson Award (American Psychological Foundation), and the Award for Distinguished Record of Research (UT Arlington). He is married to the former Sheri Grimes Schember (Goolsby Leadership Academy, The University of Texas at Arlington, 701 South West Street, Suite 334, Arlington, TX 76019-0377, United States; Tel.: +1 817 272 3869; fax: +1 817 272 2073; e-mail: jquick@uta.edu).

John L. Goolsby is the retired president and CEO of The Howard Hughes Corporation, a real estate investment and development company. His prior experience included health care management, public accounting and management consulting. He is a graduate of UT Arlington and established the Goolsby Leadership Academy in the College of Business in 2003 (Goolsby Leadership Academy, The University of Texas at Arlington, 701 South West Street, Suite 334, Arlington, TX 76019-0377, United States. Tel.: +1 817 272 3869; fax: +1 817 272 2073).