

CHAPTER 1

Foundations of Leadership

“We are such stuff as dreams are made on, and our little life is rounded with a sleep,” Shakespeare tells us in *The Tempest* (act 4, scene 1). So is the Leadership Diamond model surrounded with a context, and in order to appreciate its celebration of life, we must first understand what this context means.

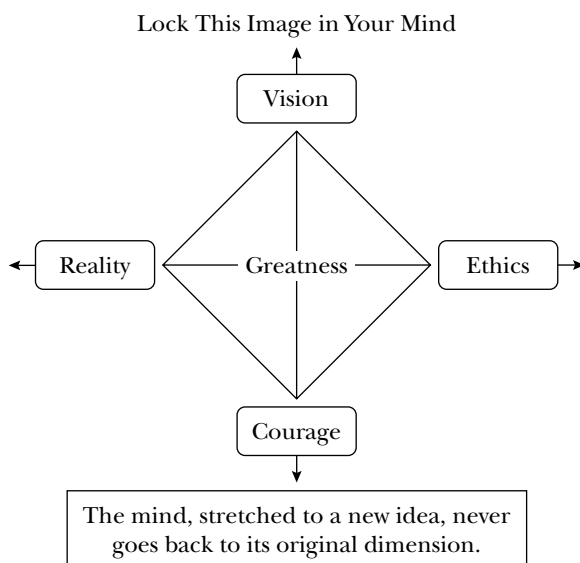
The heart of the Leadership Diamond model is presented in preliminary form in Figure 1.1. Greatness lies at the center of the Diamond; the space it inhabits results from the simultaneous activation of four fundamentally different styles of thinking or ways of greatness: *vision*, *reality*, *ethics*, and *courage*. We begin to examine these dimensions in the next chapter.

But before we are ready to embark on this analysis, certain preliminaries must be discussed. They are the ground, the basis, the assumptions necessary to clarify the Leadership Diamond model. These must be dealt with before the mind can be uncluttered enough to address the kernel of the Diamond itself.

Both the model proper and its contextual foundations are outlined in the accompanying Toolbox, which is the summary of Leadership Diamond theory. The theory may be one man’s opinion, but it is far from arbitrary. The Toolbox summarizes learning, over a lifetime, from dialogues with successful leaders, fitted into the context of philosophy. The value of the Toolbox lies in its succinctness. Its very brevity, however, demands that it be explained.

The outline of the Toolbox centers on greatness. There is a *what* and a *how*: What is greatness? How are we to achieve it? We

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Figure 1.1. The Leadership Diamond Model

get to the *what* of greatness first, in this chapter. Then, in Chapters Two through Six, we discuss the *how*; in Chapters Seven and Eight, we return to further examination of contextual and peripheral matters.

The Pragmatic Definition of Greatness

Much of the material that is here called foundational is encapsulated in the pragmatic definition of greatness, which is the first part of the Toolbox. We next present, in annotated form, some of the major points.

- *The problem:* Business is in a permanent “white water” condition (chaos, either random or lawful, but with the added complexity of human freedom).

The Toolbox

The Leadership Diamond Toolbox summarizes the Leadership Diamond theory. It contains all you need to know about the leadership mind. The Toolbox uses such words as *strategies* and *tactics*. The rationale of using such terms is to integrate philosophy into business; in this context, terms like these are easily understood. But strategies are also “dimensions,” and tactics are also “resources.” There may also be terminological difficulties with such words as *greatness*, *ethics*, *autonomy*, *inner space*, *anxiety*, and *contact*. Because the concepts matter, not the language, the hope is that words will not stand in the way of ideas.

The Leadership Diamond Model

Practical Tools to Challenge the Inner Side of Greatness
An International and Intercultural Value System

Definitions of Greatness

The problem: Business is in a permanent “white water” condition (chaos, either random or lawful, but with the added complexity of human freedom).

You must therefore change: work smarter, not just harder; work differently, not just better; work in breakthrough ways, not just incrementally.

The solution: Develop a leadership mind. Leadership means greatness in all you do.

Pragmatic Greatness: Effectiveness

1. Be effective. Emphasize results, both through management by objectives and by process.
2. Understand that leadership is a mind-set and a pattern of behaviors. It is to have made a habit of a new way of thinking and a new way of acting.
3. Be prepared to wake up and to change your perceptions and concepts radically (transformation, conversion) with respect to the human potential and to cultures (corporate, ethnic, national).

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4. Lead by teaching leadership, by empowering (releasing people's volcanic energy and creativity), by fostering autonomy, providing direction, and lending support. A teacher is an experienced and relentless learner.
5. Have faith that leadership can be learned and that it can be taught.
6. Know that the leadership mind can hold opposing ideas and contradictory feelings at one and the same time. It can achieve comfort with the tensions of ambiguity, polarity, and uncertainty. The leadership strategies are instruments of an orchestra, playing different melodies to create one symphony.
7. Be a leader in five arenas of life: work, family, self, social responsibility, and financial stability.
8. Inform your products and services with a leadership-teaching component. You do not sell a product or service; you help customers buy leadership in their affairs.
9. Use both reason and models (living from the "outside in") and instincts and intuition (living from the "inside out").
10. Expect leadership to lead you and your organization to a higher state of health (associated with psychoneuroimmunology in medicine and with the concept of salvation in theology).

Philosophical Greatness: Character

1. Honor life by striving for depth and for perfection (self-transcendence) and by devoting yourself to what is worthy and noble. Have standards for their own sake.
2. Stand up to death and evil.
3. Be humble. Be open-minded. Listen. Understand the magnitude of self-deception, and identify your resistances to authenticity.
4. Appreciate what we can call the mystery and miracle of being.

Greatness: Strategies

How do you achieve greatness, that is, one single harmonious image, nevertheless rich with the stress of internal contradictions?

Strategy: Vision

Formula statement: A visionary leader always sees the larger perspective, for visioning means to think big and new.

Supporting Tactics

- Professional level: abstract reasoning and analysis
- Social level: systemic and strategic thinking*
- Psychological level: creativity and the unconscious
- Philosophical level: expanding and exploring inner or subjective space-time; awareness of your possibilities

Strategy: Reality

Formula statement: A realistic leader always responds to the facts, for realism means to have no illusions.

Supporting Tactics

- Professional level: meticulous attention to practical details; attending to the precise needs of your immediate and end customers (use high technology)
- Social level: extensive information and objectivity
- Psychological level: survival (take care of yourself); relentless results orientation and market orientation*
- Philosophical level: direct contact and embodiment—with yourself, with other selves, and with how others perceive you (bonding and definitions of mental health)

Strategy: Ethics

Formula statement: An ethical leader is always sensitive to people, for ethics means to be of service.

Supporting Tactics

- Professional level: teamwork, loyalty to task forces*
- Social level: meaning
- Psychological level: communication, caring, love, commitment, loyalty
- Philosophical level: integrity, morality, principle

Strategy: Courage

Formula statement: A courageous leader always claims the power to initiate, act, and risk, for courage means to act with sustained initiative.

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Supporting Tactics

- Professional level: aggressive education and management of markets, product advocacy (stand for something)
- Social level: aloneness, autonomy, and independence of thought (stand up to the world)
- Psychological level: anxiety (face it, stay with it, explore it)
- Philosophical level: free will and responsibility, energy and power, centeredness (confidence, hope)*

Polarity

The parallelism of opposites is a feature of existence as pervasive as it is ignored. Synonyms are *paradox*, *contradiction*, *uncertainty*, *ambiguity*, and *chaos*. We demand clarity but get double-talk. To manage polarity successfully in every one of the strategies and in their interrelationships is the mark of a mature leader.

In sum, the Leadership Diamond says this:

- *Greatness* means that you have standards.
- *Vision* gives you the larger view.
- *Reality* means facing the marketplace, the pragmatic facts.
- *Ethics* means people, that is, valuing feelings.
- *Courage* is the power and the freedom of the will.

The Toolbox is like a map showing the resources of the leadership mind. Which tools are you using, and which are you not using? How do you think you can best grow as a leader?

Effectiveness becomes your personal choice.

* Critical success factor

The fundamental business problem is stated in terms of chaos: a world difficult to understand and impossible to predict. Chaos not only means randomness but is compounded by human free will. Even if we had a theory of randomness, the free choices of men and women could always invalidate our most sophisticated predictions and probabilities.

You must therefore change. You must work smarter, not just harder; differently, not just better; in breakthrough ways, not just incrementally.

- *The solution:* Develop a leadership mind. Leadership means greatness in all you do.

What paradigm shift will give you the competitive advantage? To work smarter means to make the commitment to the leadership mind. It is as if you were to take an oath—the oath of leadership—that henceforth your mind shall always function in accordance with the criteria of the Leadership Diamond.

There is a pragmatic and a philosophical definition of greatness. The pragmatic definition consists of ten propositions that seem to work in practice. If you think the way the propositions suggest, the promise here is that your leadership capacity will at least double on any terms you choose for measurement. The key word here is *effectiveness*. The deeper, philosophical definition of greatness centers on character, that is, human authenticity and depth—the fully developed mind.

Ten Leadership Propositions

Proposition 1: Be effective. Emphasize results, both through management by objectives and by process.

This is the overall meaning of leadership. If one word can summarize leadership, it is *effectiveness*—results. Rather than choose one style of management over another, the suggestion here is to use both. Whether you plan exactly how to achieve a precise goal or concern yourself with ongoing improvements may matter little. Each approach has its merits and is radical in its own way.

Proposition 2: Understand that leadership is a mind-set and a pattern of behaviors. It is to have made a habit of a new way of thinking and a new way of acting.

Leadership is a way of thinking and a way of acting, and it is new. It is an attitude, a mind-set. The Leadership Diamond suggests not so much specific leadership practices as a direction to the mind. It is like health. Medical practice does not tell you what to do with a healthy life; it promotes health, period. But that is enough. So it is with a philosophy of leadership. You will be a

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leader in all you do. Exactly what you do is less relevant; you will figure that out yourself. But whatever that is, you will do it better.

Proposition 3: Be prepared to wake up and to change your perceptions and concepts radically (transformation, conversion) with respect to the human potential and to cultures (corporate, ethnic, national).

Leadership is a conversion to experience. It is a new alertness. It is a “snap” in the mind to a fresh reality. This is the breakthrough theme. Its models are religion, art, politics, and love. The focus is on breaking through to new worlds, on thinking differently, in dramatic ways.

Proposition 4: Lead by teaching leadership, by empowering (releasing people’s volcanic energy and creativity), by fostering autonomy, providing direction, and lending support. A teacher is an experienced and relentless learner.

Proposition 5: Have faith that leadership can be learned and that it can be taught.

Too many people say that leadership cannot be taught. That may be true, but it is irrelevant. It may be better to agree that leadership cannot be taught but insist that it can be learned! The helpful technique is to know that you lead by empowering people, and empowerment is a form of teaching. In fact, it is the best way to teach.

You do not give up on yourself or on the subordinates you need. There will always be people not interested in leadership, but they will be replaced with machines. Many modern businesses cannot afford to hire managers not interested in developing a leadership mind. There is no room in modern organizations for people not prepared to make the decision to think and act as leaders do. More and more CEOs are saying just that and letting their organizations know that they mean it.

Proposition 6: Know that the leadership mind can hold opposing ideas and contradictory feelings at one and the same time. It can achieve comfort with the tensions of ambiguity, polarity, and un-

certainty. The leadership strategies are instruments of an orchestra, playing different melodies to create one symphony.

For many executives, this point is central. This is the principle of polarity. It comes as a relief to know that confusion is in the nature of things. Lifelong efforts to remove frustrating contradictions suddenly cease to be a worry. A weight is lifted. Managing is no longer arduous but actually becomes easy and is even fun.

Proposition 7: Be a leader in all six arenas of life: work, family, self, ecological responsibility, social responsibility, and financial strength.

This seems exceptionally important. Leadership is holistic. It is, in your life, a global need. Many people have an “A-ha!” experience when challenged with this point. Why financial strength? Is that not out of character? Perhaps. But we are dealing here with business, and business is all about money. And for most people in this world, financial strength is their first concern. If that part of their life works, so can everything else. But if that fails, the rest is of little use. Most students go through school without learning financial literacy. They become literate in their own language, maybe also in another. They are likely to learn computer literacy, essential for today’s business and science. But few if any learn financial literacy, the meaning of money, and the instruments available for its management; the price they pay for this ignorance is a lifetime of anxiety that could have been avoided.

Proposition 8: Inform your products and services with a leadership-teaching component. You do not sell a product or service; you help customers buy leadership in their affairs.

Selling anything means helping customers buy leadership in support of their own values. That is the first principle of business. Teaching leadership—empowering—is not only a principle of management. It goes deeper. It is a principle of marketing. It is the heart of the business. If you teach leadership to your customers, then you will prosper, for you will have created a satisfied customer. If you merely sell something to your customer, they will feel exploited and become hostile.

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Proposition 9: Use both reasons or models (living from the “outside in”) and instincts or intuition (living from the “inside out”).

Let us be fair. To create a model of success and then train your mind to follow it is surely effective. It is the yoga of business. The mind’s discipline is the body’s success. This approach is used in the performing arts, in athletic competition, in public speaking, and in salesmanship. But if we are to be truly multicultural, we must acknowledge that there is another way. “Going with the flow” may be too simplistic, but it means not imposing anything on your mind—not disciplining it (that would be too Victorian) but presuming that it has its own secret inner voice, silenced for too long. Once the chatter ceases and the interference stops, the mind may talk back with its original, pristine needs. These may be quite different from what business has learned to prize. Intuition means that you listen to this inner voice.

Proposition 10: Expect leadership to lead you and your organization to a higher state of health (associated with psychoneuroimmunology in medicine and with salvation in theology, as suggested earlier).

This point is controversial. Your state of mind influences your body’s health. Few doubt it, but even fewer can show any exact correlation. The hypothesis offered here is that the Leadership Diamond, based as it is on the tradition of the humanities, delineates the way you must think if your mind is to influence your physical health. The subjective power of a healthy mind is translated into the objective power of your immune system. But this connection presumes an in-depth understanding of the Leadership Diamond theory of personality, and that is not easy to accomplish. This is an important hypothesis, and it must not be presented irresponsibly. This last point is stated here with as much caution as fervor.

The Philosophical Definition of Greatness

At the center of the leadership mind is greatness—statesmanship. Greatness may not be a sufficient condition for effective leadership, but it surely is a necessary one. In effect, you lead people by

modeling greatness. Before we delve further into the Leadership Diamond model, it is important to pause and reflect on what philosophical greatness is.

Philosophical greatness is the commitment to relinquish mediocrity forever. Greatness is not sought because it furthers other values. It is not an instrumental good. Greatness is an intrinsic value, an inherent good, a pure virtue. It is good in and of itself. It is to be sought for its own sake. It is chosen as a way of life because it is right, because it ennobles the human spirit, because it honors the fact that we are alive, and because it is our meaning for being on this earth. The fact that the commitment to greatness is good for politics and business, medicine and literature, and everything else it touches is almost incidental.

How do you motivate people? By giving up techniques and by risking—you, yourself—in a personal, lifelong commitment to greatness. Can this pursuit of greatness be taught? Let's just say it can be challenged into existence.

Greatness is the struggle against mediocrity. It is the upgrading from good to excellent. At a profound level, greatness is the struggle against nihilism (what philosophers call the descent into nothingness). Nihilism involves accepting an inner emptiness as tolerable, even natural. This inner emptiness is then covered over with sensory hyperexcitation—thrills for the sake of thrills, thrills to extinguish any remnants of spiritual depth, thrills to hide the horror of the hollow darkness. It is because of nihilism that there is evil in the world, the cruel indifference to human suffering. Ultimately, nihilism is the unwillingness to confront the painful mystery of death.

In a later chapter, you will read about a general who proposed that confronting death is a necessity for the leadership mind. This view is not so remote from leadership in business as it might seem. Death makes one honest. It gives one the sense of time. Death is the source of anxiety and the motivation for seeking depth. John Donne refers to "the Democracy of Death: It comes equally to us all, and makes us all equal when it comes." To be great is to stand up to nihilism. It is to live out the belief that perfection matters, that excellence—as in sports and the arts—is worth pursuing for its own sake. Leadership means that transcending the self is an inherent value.

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Greatness means more than facing death and confronting evil. It also means appreciating the mystery of being, the miracle that things are, the inexplicable truth that there is a world, and the wonder that consciousness and perception exist, for they are the only miracles we shall ever need. To acknowledge them is to step into a separate reality. Greatness is having a sense of the esthetic and a feeling for the religious. Greatness is appreciating the value of art and the religious sensibilities of humankind.

Attempts to live out greatness inevitably summon resistances. The resistances to greatness (discussed in more detail later) fall into three categories: (1) psychodynamic, (2) systemic, and (3) existential resistances.

First are the *psychodynamic* resistances, the unfinished childhood business, the neurotic behaviors. These are modes of coping appropriate to the different reality of an earlier age. They are atavisms, residues from long ago, encrusted in the soul's perceptions and in the body's behavior patterns. They must be shed and not—as is usually done—exaggerated. A good example is dependency—the unwillingness to take personal responsibility. Children are taken care of; adults take care of themselves. That is a key principle for successful competition in the marketplace.

Second are the *systemic* resistances. Systems essentially do not change. Their inertia stops movement. Some people, regrettably, act out the system's resistance to change. They are marionettes. They rationalize. From a helicopter point of view, their behavior is transparent, but from the myopia of their own inwardness, the irony is virtually imperceptible. People often espouse political positions that they believe are the result of independent thought, when in truth they are but the automatic parrotings of what society has taught them.

Third are the *existential* resistances we find to the radical transformation of worldviews that is required when we move from reflection to action. Because many people do not believe that leadership requires conversion, they hope that theory will automatically be translated into action. They ignore the anxiety of shifting world designs, the fear induced by change. Change leads to uncertainty, to insecurity. It leads to anxiety and then to isolation. We feel out of touch, and it hurts. That is why the twentieth century has been called the Age of Alienation.

The concept of self-deception is an entry into the realm of the unconscious. The unconscious is *prima facie* a contradictory concept, but it is essential to carrying out a successful transformation. In-depth change is not possible without touching and exploring unconscious material. Resistances to authentic personal and organizational existence express themselves differently in each one of the dynamic corners of the Leadership Diamond. Resistance to vision is blindness. Resistance to reality is denial. Resistance to ethics is indifference. Resistance to courage is fear.

To repeat, greatness means to

1. Honor life by striving for depth and for perfection (self-transcendence) and by devoting yourself to what is worthy and noble. Have standards for their own sake.
2. Stand up to death and evil.
3. Be humble. Be open-minded. Understand the magnitude of self-deception, and identify your resistances to authenticity.
4. Appreciate the mystery and miracle of being. (See the Toolbox.)

To these four characteristics of greatness correspond the four levels of depth that we will explore in the tactics of all the dominant leadership strategies. To honor life by achieving something noble with it is an everyday task. It is the background for all of life. That is the *professional* level. To stand up to death and evil represents one's contribution to the social order. This defining trait of greatness therefore describes the *social* level. To identify resistances is to touch the unconscious—to reach out to intuitions, to the roots of feelings. This refers to the *psychological* level. Finally, the miracle of being stands for the *philosophical* level, par excellence. Individuals who cannot relate to these themes of greatness are not the kinds of people we want for our leaders.

Greatness and Ultimate Questions

The opposite of greatness is depression. Greatness is the decision to live, to say yes to the life force, to choose to be constructive. Depression is not only to have given up the will to live (not “lost” it, for you are responsible) but actually to have chosen its converse—to want to die, to be destructive, to obstruct progress—for the depressed person is not only sad but chooses not to be helped.

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Shakespeare, in *Twelfth Night* (act 2, scene 5), writes, “Be not afraid of greatness: some are born great, some achieve greatness, and some have greatness thrust upon them.” How much attention do *you* give to greatness? In *Henry VIII* (act 5, scene 5), Shakespeare gives an even stronger eulogy to greatness:

Whenever the bright sun of heaven shall shine,
His honor and the greatness of his name
Shall be, and make new nations.

Greatness, however, is not limited to famous figures. In the aftermath of the terrorist attacks of September 11, 2001, stories abounded describing the heroism of victims, emergency workers, and others. Perhaps most dramatic is the story of passengers of United Airlines Flight 93, hijacked after taking off from Newark, New Jersey. Several of the passengers learned of the attacks on the World Trade Center and the Pentagon from cell phone conversations and decided to take action, in spite of their fear.

Todd Beamer, Mark Bingham, Tom Burnett, Jeremy Glick, Lou Nacke, and perhaps others attacked the hijackers. “Are you ready? Let’s roll,” [a GTE Airfone] operator heard Beamer say. We do not know exactly what happened. But the plane went down in rural Pennsylvania and did not crash into the White House or the Capitol. [Barone, 2001]

Greatness emerges in everyday situations as well. Periodically, for example, *Newsweek* has published an edition saluting everyday heroes—people quietly making a difference in communities across the country by contributing to the welfare of others. The May 29, 1995, issue mentions Anita Septimus, a social worker for HIV-infected children in New York City. Her job is

helping families make the most of the lives they have. Happily, that time is expanding for some of them. One AIDS baby at the center wasn’t expected to see her first birthday. Now she’s 10 years old. Such “long term” clients give Septimus something in return—what she calls an “indestructible sense of hope.” As she puts it, “You don’t choose the day you enter the world and you don’t choose the day you leave. It’s what you do in between that makes all the difference.” [Chinni et al., 1995]

Another of *Newsweek's* everyday heroes is Pedro Jose Greer, a physician whose clinic in Miami is one of the largest medical facilities for the poor in South Florida. The clinic began in a shelter, where Greer, an intern, provided medical care for homeless people. Once, as a patient lay dying, "Greer spent four days searching the streets for the man's family, hoping to keep him from passing his last days alone," according to *Newsweek*. Greer, who has won numerous awards, is "surprised by the attention he's received. He says: 'I've had the privilege of treating the sick and the honor of working with the poor'" (Chinni et al., 1995).

The eternal questions emerge also in the concerns of executives. Asked what their one root leadership question is, executives in my inner-side-of-greatness seminars are led through a Delphic Oracle exercise. Like the great and powerful of antiquity, they "ask" questions of the god Apollo. After considerable reflection, they formulate anonymous questions. In so doing, they demonstrate deep sensitivity to the eternal questions (some of the questions used in this book have been rendered into English from other languages), which arise camouflaged in many forms (for instance, there are many symbols of death, such as rejection or retirement). Here are some examples:

Oracle Questions

I *love* my present job within the company structure. I can see that the realization of my life's work is coming within reach. My colleagues and staff represent the closest personal relationships (contact with my family is loving, but quite infrequent). I may need ten to twenty years more to bring home the needed changes in process, systems, and people. My question: How do I reconcile the implicit dichotomy? I want to spend all my time on my dreams, time that I enjoy most, and every day, yet retirement will terminate my work and leave me stranded in a vacuum of not having an intimate relationship and/or alternative goal.

How do you balance the need to be loved with the loneliness of leadership?

What is the purpose of the intense efforts toward self-improvement and development, if the end result is death?

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I have, in my life, been burdened with a series of personal tragedies, which have left a certain residue of bitterness. From a philosophical point of view, how can one rationalize that such experiences were “useful” in developing one into the person he is now?

Although I am relatively comfortable with my present perception of self in pursuit of greatness, I don’t believe the real me has emerged. How do I find the real me in such a way as to enhance the value of the rest of my life?

Dear Oracle: I have three questions. (1) How can I achieve a higher level of self-development while so encompassed by mental struggles with impersonal data? (2) What does God want from me? (3) How do leadership qualities work or apply to life after work (retirement)?

How do I discover the real purpose of my life?

I am, perhaps, at the midpoint of my life. I have been successful so far, as many would judge success—married, and happily so; a parent, and happily so; and engaged in fulfilling and challenging work. But if I ask whether what I am doing will take me on a trajectory of being all that I can be—of contributing something to the world that will truly mean I made a difference—then what I am doing presently is not enough. My question: How do I choose where to go to offer my gifts? No one issue, as yet, beckons me in a compelling way; no one people speak to me to join my strengths to theirs. Will I know the issue when it comes? Will I recognize my people when I pass among them? Or is it the leader’s task to choose—now—despite the uncertainty?

The Contemporary Need for Greatness

Late in 2001, *Fortune* magazine made this assessment:

After years of losing ground to its dowdy cousin, Management, Leadership is back. And it’s looking more vital than ever: With the double threat of terrorism and recession in the air, employees are worried about both their lives and their livelihoods. The current crisis has transformed George W. Bush’s presidency and Rudy Guiliani’s place in history—and it’s likely to affect your career too. [Useem, 2001, p. 126]

As we have seen, extreme situations like those of 9/11 remind us of the need for greatness. Mayor Guiliani urged us to return to work energetically in response to the crisis, and President Bush made a similar request in his address to Congress on September 20, 2001:

Americans are asking, what is expected of us? . . . I ask your continued participation and confidence in the American economy. Terrorists attacked a symbol of American prosperity. They did not touch its source. America is successful because of the hard work and creativity and enterprise of our people. These were the true strengths of our economy before September 11th, and they are our strengths today.

Greatness, as these statements suggest, is linked with work. As a rule, when prosperity rises, the work ethic disintegrates. Conversely, as unemployment rises, absenteeism diminishes. When prosperity is threatened, the work ethic improves. Nevertheless, people spend at work the best hours, days, and months—that is, the finest years—of their lives. The results of work without meaning would be depressed, even wasted, lives, as well as ineffective and therefore noncompetitive organizations.

Today we need greatness in our commitment to the work ethic. Every person faces the ethical responsibility to make a root leadership decision: to create a life of meaning, a commitment to worthiness, a devotion to excellence. If that person is a manager, then only to the degree that he or she releases greatness, creativity, and excellence in his or her subordinates is that person doing the job for which a salary is collected.

The ethical leadership decision to bond meaning with work can go only two ways: resign from work and choose something else that leads to authentic meaning (even though also to poverty), or—and this is what really matters—invest with profound and self-chosen meaning the work that you are now actually doing—or could be doing. That is the Zen of work, the decision to sanctify the work you do—not because the company requires it (which of course it does) but because the salvation of your soul demands that what you do every day be crafted like a poem, be composed like a work of art and illumined by a halo of profound significance. Herein resides the renewal of the work ethic. Kahlil Gibran ([1923] 1988, p. 30) said it well: “Work is love made visible. And if

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you cannot work with love but only with distaste, it is better that you should leave your work and sit at the gate of the temple and take alms of those who work with joy.”

Now that we have discussed greatness in both its pragmatic and philosophic aspects, we are ready to consider the more emotional elements of a commitment to greatness. Specifically, we consider the nature of the breakthrough.

The Breakthrough

The leadership mind is radically different from the ordinary mind. The shift from the latter to the former is a conversion, a transformation, a breakthrough. The leadership mind, mind-set, or intelligence is a radical departure from ordinary, everyday consciousness. The “leadership turn” is a paradigm shift. It is a transformation. It is like enlightenment. Other and related expressions for this new leadership awakening are *expanding our possibilities*, *developing the human potential*, *the exhilaration of discovering one’s freedom*, *enthusiasm*, and *positive thinking*. All add up to one thing: the joy of a leadership mind.

The radical transformation or paradigm shift—the mind’s snap into something different—can be horizontal, or it can be vertical. Horizontal transformation means that the leadership mind expands by challenging itself to brilliance and creativity. Vertical transformation is deep and high. Here, *high* means that in transforming the personal side of leadership, we get in touch with the eternal questions. *Deep* means we touch the unconscious and assiduously dare to go where the pain is.

We find examples of similarly radical transformations in conversions following a religious experience, in reconstructive psychotherapy (such as psychoanalysis), in culture shock, in artistic inspiration, and in Plato’s famous Allegory of the Cave. Plato writes about prisoners in a cave, watching shadows that they accept as real. One prisoner frees himself of his shackles, leaves the cave, sees the sun, and returns to the darkness, temporarily blinded by the star’s brilliance. His fellow prisoners think he is crazy, yet he knows they live a life of illusion. That is the transformation of the enlightened person. It shows itself when we fall in love and in the sudden shift of perspective in humor. Transformation is philoso-

phy's *raison d'être*. Philosophy's hope is to penetrate the depths of being and to provide the magic of radical newness. Leadership intelligence is such a transformation. Plato, in the *Timaieus*, compresses the idea of radical transformation into a stunning image: "Light is the shadow of God." Similarly, Shakespeare, recognizing the existence of a separate reality, has Hamlet say, after seeing his slain father's ghost, "There are more things in heaven and earth, Horatio, Than are dreamt of in your philosophy" (act 1, scene 5).

Experience demonstrates that when the Leadership Diamond model is applied to actual breakthrough decision making, it becomes necessary to make some basic distinctions. Each dominant leadership strategy must then be challenged on three levels: (1) the *pragmatic* (practical, incremental, lower) level, (2) the *breakthrough* (advanced, transformative, higher) level, and (3) the level of analysis of the *resistance* (and the form that it takes) to self-awareness and to change.

Most people, executives included, do not have adequate access to the full range of their possibilities. Authentic leadership is not only to be better but to be different. It is to work smarter, not harder. We seek transformation, not just improvement.

What is the precise nature of the important interface between the pragmatic and the breakthrough levels in each of the four dominant leadership strategies? How do we transcend and transform our leadership performance from the merely pragmatic to genius-level breakthroughs? There are four elements: (1) reflection, (2) existential crisis, (3) genius levels, and (4) esthetic intelligence.

First is *reflection*, the foundational skill—not just to look but to look at the act of looking itself; not just to think but to think about thinking itself; not just to learn but to learn about learning itself; not just to feel but to examine the act (or passion) of feeling itself. We must go beyond what the light illuminates (like the dark wall of a cave). We must look at the light itself and attempt to understand it.

Second is the *existential crisis*. This crisis involves the willingness to surrender yourself to anxiety and other negative emotions (guilt, depression, disorganization, anger, indignity, ignorance, lack of intelligence, tragedy) in the knowledge that, once you reach the other side, you will find strength of character, a new level of power, and a new depth of happiness. In other words, the distinction between

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higher and lower or pragmatic and breakthrough levels of leadership exhibited in each strategy is keyed to anxiety and other negative emotions. The existential crisis uses the energy of anxiety positively; it finds constructive uses for anxiety. For example, lower-level leadership decisions, as a rule, are routine (if sometimes tough) business decisions, but they are business, period. For the experienced executive, they are relatively easy. In contrast, sensitive personal decisions deeply affecting your life and your relationships tend to produce serious anxiety and guilt. Whereas some business decisions are responsive to logical analysis, most personal decisions rarely are. A modest degree of anxiety and guilt indicates that you are operating on the practical leadership level. High or intense levels of anxiety and guilt, however, are likely to be produced by operating in a breakthrough leadership capacity. And, of course, many business decisions are so difficult and involve so much of your ego that they become personal decisions. It is the mark of a leader to manage the anxiety and guilt of making business decisions while retaining the willingness to experience the maximum anxiety and guilt of a unique, life-transforming personal choice.

Third are *genius levels*, that is, the vertical and horizontal expansions of the mind. Vertical expansion means, in height, to reach the eternal questions; in depth, it means to go to the unconscious and to where the pain is. Horizontal expansion means to aim for transformational brilliance and perfection in creativity.

Fourth is *esthetic intelligence*—the use of metaphor, symbol, and abstractions rather than concrete and literal language.

With these four complex and sophisticated competencies, you are ready to move from the pragmatic to the breakthrough level of the leadership mind. If you understand this interface, then you will have an opportunity for an authentic breakthrough in your leadership performance. These four competencies are critically important because they distinguish the common from the uncommon mind.

As we shall see in detail later, to be satisfied that you adequately understand this material you must be prepared, in the end, to produce at least four complete diagnoses of the *organization's* leadership performance and of *your own personal* leadership style. In each case, you must distinguish between *what is* and *what could be*, between harsh reality and imaginative ideals.

Ask yourself, “What do I get paid for?” The usual answer is “To work,” but the correct answer is “To lead,” and leadership is not work. Work is performing a manageable task. Leadership is seizing an impossible situation and either wrestling it into a breakthrough solution or releasing its dormant greatness.

Social and Political Issues

We consider one further set of contextual issues here before discussing the core of the Leadership Diamond model. These issues concern the social and political implications of leadership.

The effect of leadership intelligence on the world population is to divide societies into leaders and nonleaders. Part of the reason for a “decision” in favor of a condition of nonleadership is culture; part of it is individual choice; part of it is economic injustice and lack of resources. There are poor nations, and there are the poor in rich nations. A life that has gone too far into choosing nonleadership may be locked into a pernicious vise, never to extract itself.

Nonleaders are, in the last analysis, the homeless, the urban underclass. They are the hungry. A society or a world that permits their degradation degrades itself. The nonleaders would be more dangerous but for their lack of knowledge. Society’s leaders are compelled to care for them. We are moving not toward one homogeneous society but toward two incompatible ones.

Misunderstood and misused technology is a partial cause; every job that can be automated will be automated. The only nonautomated jobs left will be leadership jobs. There will be no more work for those who do not make the leadership choice. This dilemma will be a key problem facing humanity in the Third Millennium.

Too many people cannot cope with life today, nor can today’s society cope with those who cannot cope. The failure of the prison system in the United States is only one of many examples. Consider these figures, which describe the situation on December 31, 2000 (U.S. Department of Justice, Bureau of Justice Statistics, 2001):

- A total of 1,381,892 prisoners were under federal or state jurisdiction, an increase of 1.3 percent from year-end 1999.
- There were an estimated 478 federal and state prison inmates per 100,000 U.S. residents, up from 292 at year-end 1990.

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- State prisons were operating between full capacity and 15 percent above capacity, while federal prisons were operating at 30 percent above capacity.
- Between 1990 and 1999, violent offenders accounted for 51 percent of the total growth of state prison populations; 20 percent of the total growth was attributable to the increasing number of drug offenders.

Or examine the following statistics, taken from a nationwide survey (see Kann et al., 2000) on our children, the leaders of tomorrow:

- Among youths and young adults between ten and twenty-four years of age, 12 percent of deaths are suicides.
- Almost 20 percent of students in grades nine through twelve said they had seriously considered committing suicide at some time during the past year.
- Almost 15 percent said they had made a specific plan to do so.
- Over 8 percent said they had actually tried at least once.
- Some 80 percent reported having used alcohol at some time in their lives—about 32 percent before they were thirteen years old.
- About 50 percent said they had used alcohol at least once in the last thirty days; more than 30 percent said they had had five or more drinks during that time.
- Almost 50 percent reported having used marijuana at least once; 25 percent had used it at least once in the past month.

There is danger that the lack of leadership may become institutionalized. Here, more than anywhere else, worldwide leadership—in every sense of that word and in its very best application—is mandatory.

Management today—in industry and government, in education and the military—has reached an unprecedented impasse. In the past and in many companies today, the formula for management has been an 85 percent emphasis on technologies—the architectures, both a technical architecture (automation, machinery) and a people architecture (human engineering, quality circles, self-managed work teams, matrix organizations)—and a 15 percent emphasis on the human core (which means intense focus on per-

sonal, that is, emotional and intellectual maturity). This pervasive structure is referred to as the “15/85 formula.” Many leaders today agree, however, that 85 percent of organizational effectiveness and industrial competitiveness can be attributed to morale, spirit, and heart, and to the commitment and loyalty employees give their companies, to the inventiveness, imagination, and creativity they devote to their jobs, and to the understanding they have of the real world within which their companies exist and operate. Perhaps only 15 percent of organizational effectiveness and corporate competitive advantage can be attributed to the systems and the technologies designed to cope with current economic realities.

A basic feature of the new leadership is thus the inversion of the old 15/85 formula. Although 85 percent of executive energy had been invested in applying the principles of analysis and technology to systematizing machinery and people for more effective production, only 15 percent had been devoted to understanding the human core required to support the existing systems. When things go wrong—for example, program management is often simply not a good return on investment—the tendency has been to increase the pressure on technology and human systems: more expensive equipment and more intensive skills training; turning up the volume instead of changing the station. The solution is in fact a path of diminishing returns. That is another reason why the leadership challenge is of such grave importance to business and, in general, to the management of the social and economic order. The competitive advantage is now with companies that invert the ratio and invest 85 percent of their energies in supporting the people who need to support the complex systems. It is sufficient to use the remaining 15 percent to improve the systems incrementally and keep them finely tuned.

The senior vice president in charge of all technology in one of the world’s leading technology-application firms was asked, “What percentage of effort should executives devote to technology and what percentage on teaching leadership to your people?” Without blinking an eye, he replied, “The technology takes care of itself; 2 percent on technology, and 98 percent on leading people!” This inversion means that time must be spent on leadership, not just on work. Spending time on leadership means learning leadership and teaching leadership, and teaching is carried out by giving lessons,

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by providing experience and a practicum, by challenging people and confronting them with their possibilities, and by personal example.

The situation is similar in the military. Officers' leadership training is 85 percent weapons and tactics and 15 percent people. But when you ask an officer how his time is actually spent, he'll say, "85 percent people and 15 percent tactics." The inversion is difficult, for it requires a shift in our perception of leadership; hence the Leadership Diamond model.

Having now covered several foundational issues, we move on to an exposition of the mind-set required for thinking and acting as a leader—a discussion of the four strategies for being great that make up the heart of the Leadership Diamond.