Leadership, Morality, and Power: The Leadership Quotient

1. Introduction

The following essay deals with two questions: 1. What is leadership? 2. Why do we need it? It refers to the big debates in leadership theory: value-free versus value-laden leadership and transactional versus transformational leadership. This essay is not a neutral overview on the development of leadership theory[1], but it argues in favor of a value-laden transactional and transformational leadership concept which regards morality and power as essential aspects of leadership.[2]

This introduction (1.) is followed by a discussion of transactional and transformational leadership approaches (2.). The definition of leadership as the product of morality and power (3.) leads to the development of a "leadership quotient" (4.). The concept of leadership as moral execution of power has to discuss two challenges: ethical relativism (5.) and egalitarianism (6.). The conclusion (7.) summarizes why leadership is simultaniously a challenge and a necessity.

2. Transactional and Transformational Leadership

Modern leadership theory does not define leadership in the traditional way as "leaders making followers do what followers would not otherwise do" but as "leaders inducing followers to act for certain goals that represent the values and the motivations (…) of both leaders and followers" (Burns 1978:19). The new paradigm is called "transformational leadership" as opposed to "transactional leadership" or leadership as good management or the "twentieth-century school of leadership" (Rost

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[1] For this purpose the article of Sashkin and Rosenbach in Rosenbach and Taylor (1998) can be recommended even if the authors include many references to their own work in their overview.

[2] This text is an updated and modified version of an essay published earlier (Tenbergen: 2001) but it also includes subtantially new aspects.

1993). This paradigm shift is summarized by Bennis' famous aphorism that managers do things right while leaders do the right thing.

Transactional and transformational leadership styles are not end points of a continuum but two independent dimensions: a person could exhibit one, the other, both, or neither (Sashkin and Rosenbach 1998: 63). To be both a transactional and transformational leader is the objective according to this leadership model. The following Table 1 illustrates this relationship:

Table 1:
Management and Inspiration, Transactional and Transformational Leadership

The manager: Good management; No or not so much inspiration; Transactional leadership but no transformational leadership.	The leader: Great inspiration; Good management; Transactional and transformational leadership.
The non-leader: No inspiration; Poor management; No transactional and no transformational leadership.	The inspirer: Great inspiration; Poor management; Transformational but no transactional leadership.

Burns' ground-breaking definition of transformational leadership that "leaders and followers raise each other to higher levels of motivation and morality" (Burns 1978:20) underlines a theoretical development towards value-laden theories of

leadership. Heifetz claims that we cannot complain about a crisis in leadership if we assume that the concept itself is value-free (Heifetz 1984:14). Heifetz defines leadership as "adaptive work", as closing the gap between different values or between values and reality (Heifetz 1994:22). In this sense, leadership has a transactional problem-solving component and a transformational adaptive component.

We need leadership because it might be a necessary or at least desirable element of problem-solving (transactional leadership), but we need it often even more because it helps us to identify the right problem (transformational leadership).

3. Leadership, Morality, and Power

The inclusion of morality as a central aspect in value-laden concepts of leadership by the majority of modern leadership theorists is a new development whereas the importance of power for leadership has never been challenged: "All leaders are actual or potential power holders, but not all power holders are leaders" (Burns 1978: 18). If we asssume the difference has something do with morality, it seems fair to say that power[3] and morality are the two most important components of leadership. This essay goes even further and proposes that it is exactly the product of both so that we can create a simple formula as a definition of leadership:

Leadership = Morality x Power

It is not the sum but the product because one component alone (however strong it might be) is not sufficient to create "positive leadership". At least some power is necessary to get good values implemented[4] and it needs some positive moral input to make good use of power. If there is someone who is very powerful but has no or

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[3] The term power is used according to Weber's famous definition as "the probability that one actor within a social relationship will be in a position to carry out his own will despite resistance, regardless of the basis on which this probability rests" (Burns 1978: 12). This does not exclude the possibility that an inspiring leader might refuse to lead against the will of followers.

[4] Heifetz (1994: 69) describes how power (and therefore leadership) can be executed with or without authority. He defines authority as "conferred power to perform a service" (Heifetz 1994: 57). Power without authority is possible but conceptually different.

even bad moral values[5] this creates "negative leadership"[6] and is the worst case for society. It would be better (less bad) if this person was less powerful, a type we could call the "negative non-leader" without good moral values but fortunately also without power. Society should make sure that the negative leader has not too much power. It is the task of leadership development to transform the negative non-leader into a positive non-leader, the positive non-leader into a positive leader, and (most difficult) the negative leader into a positive leader.

Table 2:
Morality and Power

The negative leader: No or bad moral values, unfortunately very powerful. Worst case.	The positive leader: Good moral values, fortunately very powerful. Best case.
The negative non-leader: No or bad moral values, fortunately no power. Second worst case.	The positive non-leader: Good moral values, unfortunately no power. Second best case.

Table 2 shows ideal types in Weber's sense. The negative leader for example exists in history but seldom in everyday life where we often find the mangerial type of Table 1. This type is not the evil negative leader but rather the not so good leader, who is very good at one dimension (here the transactional management and power aspect) and not so good at the other (here the transformational value-oriented aspect), which

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[5] The possible content of "good moral values" cannot be discussed here, but the concept excludes relativism as a theorectical basis which will be explored later in this essay.
[6] Kellerman (2004) devotes a whole book to the discussion of the different aspects of "bad leadership".

typically includes good values but difficulties to implement them or to use their full potential. In this case, the task of leadership development is to focus on the weaker point to make both dimensions very good.

This applies in a similar way to the positive non-leader of Table 2 or the more advanced inspirer of Table 1, who might already have some impact. It is the objective for these types to start to create impact or to ensure a more powerful implementation of the good inspiration. Power and morality constitute a double leadership challenge: people with good intentions should increase their power to realize their goals and especially gifted individuals should try to find a morally sound application for their talents. In short, leadership development tries to help great people to be good and to help good people to be great.

4. The Leadership Quotient (LQ)

If leadership is the moral execution of power, we can even try to measure leadership skills mathematically in the formula:

Leadership = Morality x Power

To compare leadership skills to other abilities, it makes sense to develop a "Leadership Quotient" (LQ) similar to the Intelligence Quotient (IQ) or the EQ to measure emotional intelligence. Based on the leadership definition mentioned above, this LQ could be expressed as:

LQ = Morality : (1 : power)

or

LQ = Morality : Lack of Power

If the above-mentioned diagnosis of a leadership crisis is correct, the opportunity to test such an LQ is very important to identify how individuals can lead society out of

this crisis and how they can be supported in this task. It is not the objective of this essay to develop the details of such a test. To give examples, one could use research results such as Sashkin´s leadership profile (Sashkin and Rosenberg: 1998), Kienbaum management consultant's test of soft skills (for the power component) or Kohlberg´s analysis of the development of the moral conscience (Kohlberg: 1981)[7] to develop this test. An example of a first hypothesis for such a test (only for positive leadership) could be:

LQ = stage of the moral development according to Kohlberg : (1: result of the Kienbaum test)

The greater the LQ, the more leadership is exercised.

If the concept of leadership is defined as the product of morality and power, it has to deal with two strong challenges which are dominant tendencies of the theoretical mainstream in modern societies: ethical relativism and, as a consequence, egalitarianism.

5. Leadership and Morality: Against Relativism

Theoretical, cultural, political and ethical relativism dominate the mainstream of our time. Examples for such theories are analytical philosophy, existentialism, critical rationalism, open systems theory, post-modernism, critical theory, political realism and other theories. Relativism is not able to solve the problem that sound judgements need non-relative criteria. The development of ethics has made little progress in this regard in the last two thousand years.[8] In contrast, enormous technical developments have brought human power to dimensions hard to imagine. Together with this power the importance of moral development increases and it creates the duty of a responsible execution of power.

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[7] If the formula includes Kohlberg's attempt to measure morality, it has to deal with counter arguments against this approach (Kohlberg: 1981).

[8] One of the few exceptions is Apel's "Transcendental Pragmatism" in his "Transformations of Philosophy" (Apel: 1973)

This leads Apel to describe a basic dilemma of modern moral philosophy: on one hand global challenges and risks create a necessity of a binding ethic of responsibility, on the other hand the rational grounding of such an ethic is extremely difficult. Modern science defines the term of rational grounding in connection with neutrality of values and all value-laden theories appear as pure ideologies. A rational ethics of conflict management, therefore, seems to be impossible because this ethic appears to be the ideology of one conflict party. This dilemma is, according to Apel, an expression of a paradox: the same science that through its technological consequences creates the main cause for the practical necessity of an ethics of responsibility is the same science that through the self-imposed concept of rationality as value-free objectivity is the cause and reason for the impossibility of rational ethical grounding (Apel 1988: 16-24).

Apel's convincing answer to this problem based on the conditions of reasoning which cannot be questioned without a performative self-contradiction cannot be explored in detail.[9] It is, however, important to stress the necessity of rational grounding of universally binding moral criteria, the necessity of leadership in moral philosophy.

The rejection of relativism is not only a precondition of moral judgements, it is simultaneously a precondition of leadership. Only if leadership actually leads to the improvement of the standard of living of others, it is fair to say that the individual leads and is not led by external factors (history, culture, the system, etc.).

6. Leadership and Power: Against Egalitarianism

Leadership is not only a question of moral principle, but also of consequences. Leadership must be grounded in an ethic of responsibility not just in good intentions (Weber 1973: 542-580). Someone who does nothing wrong but has no significant impact on the external world, is not a leader. A leader must try to develop as much leadership as possible. The more is contributed to the solution of problems, the more leadership is mobilized. This concept demands humility rather than arrogance of the

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[9] For a more detailed discussion see Tenbergen (2000: 29-40)

leader, because the leader must cope with the challenge of fulfilling his or her potential.

Egalitarianism is an approach which contradicts this leadership concept because it is based on relativism. Social envy provides a good example: some workers prefer not to get a salary increase rather than to accept higher salaries of their colleagues. Another example is the OECD definition of poverty, which is on the basis of medium income of a society rather than basic needs. In this sense, an German student who has access to more than $30 per day is poor, but someone who has less than $2 per day is not poor in some other regions of the world.

These effects of egalitarianism are morally problematic, but the most relevant for leadership theory is the rejection of an elite; often combined with the rejection of the term "leadership" as something that is desirable.[10] It is a thesis of this essay, however, that society needs an elite and a value-laden concept of leadership because the gap between the possibilities of the technical development (power) and the development of morality is so significant that it could easily lead to very negative consequences, which likely cannot be avoided with a purely egalitarian approach.[11] One example of this threat is the easy development of biological weapons of mass-destruction. To cope with these problems, one needs a leadership concept which gives everyone (the weakest as well as the most gifted) the opportunity to fully develop their potential. Leadership can neither be only the support of a (difficult to determine) elite nor an unnatural equality, which does not use the necessary potential of the elite.

7. Conclusion

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[10] To mention the term "leadership" in Germany is almost a provocation, at least a challenge. This is on the one hand justified because of the misuse of the term "Führer" (leader) during the Third Reich. Such a history cannot be ignored and must lead to lessons from the past. On the other hand, many people describe a crisis of leadership in western societies (Heifetz 1994:14), rightfully asking whether there is a need for "leadership" and whether the good caution against self-imposed leaders has gone too far causing a lack of a modern leadership

[11] This anti-egalitarian approach should not be confused with anti-democratic tendencies because there is no contradiction in democratically legitimized leadership or in a democratically elected responsible elite as in the ideal of representative democracy.

This essay aims to show why leadership is simultaneously a challenge and a necessity. Leadership challenges because it attacks the dominating paradigms of relativism and egalitarianism. Leadership is a necessity because we need leadership (defined as moral execution of power) to survive. Furthermore, theoretical considerations would support the need of leadership, even if the current development was less dangerous. To identify leadership potential it is important to develop criteria to measure it. For this reason, a leadership quotient LQ = morality : lack of power, was suggested which could be the result of a test development.

Morality and power are the two important elements of this concept of leadership. The approach can be summarized through a short classical poem of Friedrich Schiller:

Nur zwei Tugenden gibt's,
O wären sie immer vereinigt,
Immer die Güte auch groß,
Immer die Größe auch gut!

There are but two virtues,
Oh may they come always united,
Always in goodness be great,
Always in greatness be good![12]

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[12] This translation was created by Sebastian Lorenz for this essay.

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