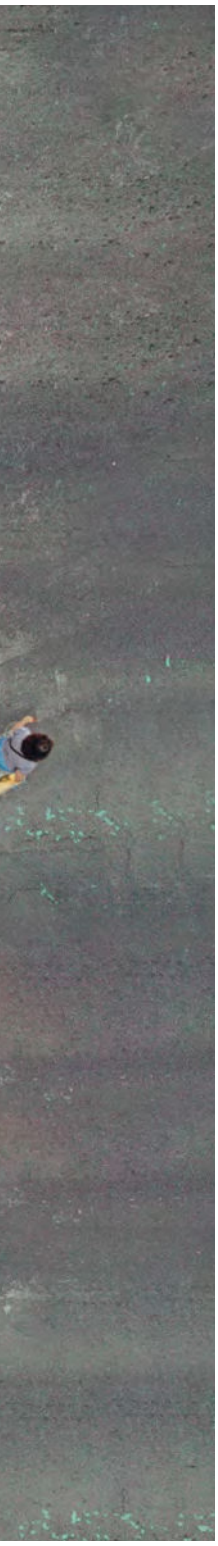
GRLI Special Supplement

By
Nicola Pless and **Thomas Maak**

The Evolution of the Responsible Leadership Discourse



The idea of good leadership has traditionally been linked to the effectiveness of a leader, or a leadership team, in influencing others to achieve a set of given objectives. This view, and concomitant research and leadership practices, has always suffered from two major flaws: one, it assumes that leadership work happens predominantly in dependent dyadic relationships in organisations and two, it overlooks the fact that to determine good leadership we must look at both the ethics and the effectiveness of leadership. This is especially true in multi-stakeholder environments where values are contested and role expectations of leaders are changing to include not only multiple stakeholder concerns, but also a broader set of responsibilities – social, environmental, and political. In other words, in an environment of contested values, not to be responsible means not to be effective as a leader.

Since 2005, *responsible leadership* has emerged as a research field of great practical relevance. It contributes to addressing grand societal challenges with an aspiration to change the world for the better. The field of responsible leadership examines the roles, responsibilities, and relationships of business leaders in a stakeholder society (Maak & Pless, 2006). As such, it is a normative phenomenon at the interface of leadership studies and corporate social responsibility and rooted in stakeholder theory and ethics.

Since the first call for responsible leadership by the European Foundation for Management Development (EFMD) in collaboration with the Globally Responsible Leadership Initiative in 2004, the field has grown rapidly. Indeed, in 2017, the World Economic Forum in Davos dedicated its summit to the topic 'Responsive and Responsible Leadership'. These developments reflect the realisation of many business leaders that 'a changing world demands a new leadership style emphasizing societal impact and commitment to the common good' (de Bettignies, 2014 – https://knowledge.insead.edu/responsibility/the-five-dimensions-of-responsible-leadership-3685). Responsible leadership has also become the most widely discussed topic in the broader public debate on leadership, dominating the leadership discourse on the World Wide Web exceeding two billion hits. (Google, accessed March 11, 2022)

Hence, the study and practice of responsible leadership responds to an ever-growing need for guidance on, and enaction of, "good" leadership in a complex and unpredictable world. What good means may be contested, but scholars and stakeholders alike agree that leaders need to do better, and more. Leaders must recognise that their organisations operate in multi-stakeholder environments and that many of these stakeholders may have legitimate claims and that these claims should be considered in the form of inclusive value-creation. The acknowledgement by the U.S. Business Roundtable in 2021 and the commitment of its members to all stakeholders was an important step in this direction.

However, as operating environments have become more complex, and often create paradoxes and dilemmas, business leaders need to step up their game by embracing more responsibility for the state of the world and their organisation's role in it. This requires leaders to have a role understanding that mirrors this complexity, shifting between different role expectations, the interpersonal ability to span boundaries and connect stakeholders, *relational intelligence*, a moral compass and the reflective capacity to deal with ethical dilemmas, or *moral intelligence*; and vision work that seeks to clarify not only the purpose of an organisation but enables "new ways of seeing" – in other words, integrative, creative, and connected thinking.

The publication of our book *Responsible Leadership* comes at a time when there is an urgent need to orient knowledge and ideas on the matter. Leading authors in the field remind us of challenges and core concepts, but also point us in new directions spanning a wide canvas and conceptual frame on how to lead responsibly, what it means to do so, and how responsible leadership qualities can be developed. Core ideas continue to focus on how leaders can integrate ethics and effectiveness, and the relational abilities and role definitions of being a responsible leader. It has become clear in recent years that leaders need to embrace the role complexity of varying but interconnected role expectations: providing inspiration through vision and purpose; acting as a steward of organisational resources *and* the environment; serving others to become leaders in their own right; and living political co-responsibility as a citizen, committed to the well-being of communities, countries, and the planet as a whole – as indeed, many business leaders have done recently in matters pertaining to diversity and inclusion, climate change, and the Russian assault on Ukraine.

Figure 1: Roles, Responsibilities, Relationships
Reference: Image prepared by Hans-Juergen Frank, Dialogarchitect

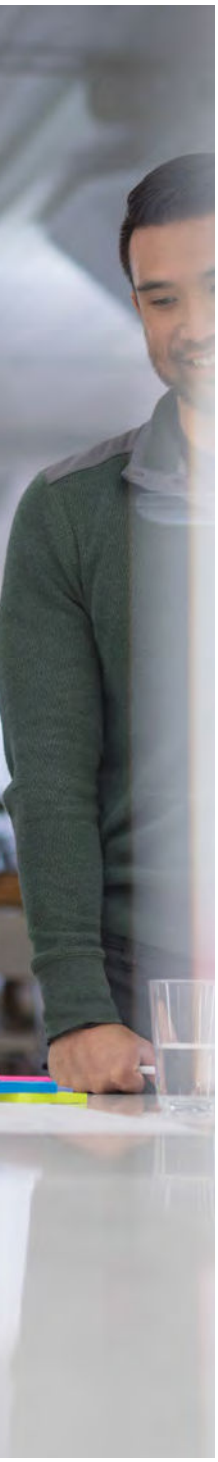
Figure 1 visualises the essence of responsible leadership as an enacted relational, inclusive, and virtuous approach to business. It is about mobilising stakeholders for a common and good purpose. It is about addressing societal challenges, dealing with paradoxes and reconciling dilemmas through inclusive dialogue and empowering responsible followership. Actors are guided by a moral compass and a purpose-based vision, apply integrative thinking and moral intelligence, and behave as boundary spanners, stewards, servants and citizens for changing the world for the better.

In the new edition of *Responsible Leadership*, newly added contributions shed a light on how the field has developed in recent years. For example, Peter Wuffli, former CEO of UBS and Chairman of IMD, makes the case for inclusive leadership against the background of his work on social impact leadership through the elea foundation. Anne Tsui addresses the paucity of reliable science-based knowledge on responsible leadership and encourages the scientific community to share in the

responsibility to address the grand challenges of humanity by engaging in responsible research which strives for *both* rigour (credibility of evidence) and relevance (usefulness of the knowledge). Steve Kempster argues that a moral form of capitalism can realise good purposes and enable humanity to flourish. However, a shift in thinking about capitalist leadership is required, namely a focus on "good dividends" – a case for coupling together the notions of moral capitalism and responsible leadership through purpose. Ed Freeman and Ellen Auster, in their contribution, shed light on the concept of "authenticity" for the study of responsible leadership. They argue that the idea of simply "acting on one's values" or "being true to oneself" is at best a starting point for thinking about authenticity. Freeman and Auster develop the idea of the poetic self as a project of seeking to live authentically. Kim Cameron argues that responsible leadership is rare, not because most leaders are irresponsible, but because responsibility in leadership is frequently defined in a way that ignores an important connotation of responsible leadership: *virtuousness*. Indeed, in his chapter, Cameron equates responsible leadership with virtuousness. Barbara Kellerman has shed light in her work on two areas of leadership that are often overlooked: the nature and impact of bad leadership and the "flipside" of leadership, that is the nature and social construction of *followership*. Kellerman argues that leadership should be conceptualised as a system with three equally important parts: the leader, the follower, and the context within which they are situated. Arménio Rego, Miguel Pina e Cunha, and Stewart Clegg argue that, while leaders with a responsible leadership mindset are more likely to adopt a responsible leadership style, two leaders' characteristics – namely a paradox mindset and practical wisdom – operate as boundary conditions. Their argument is based on two interrelated observations: (1) responsible leadership implies engaging in dialogue with a plurality of stakeholders; (2) considering that stakeholders' identities, claims, and interests are frequently conflicting, managing the stakeholders' network is fraught with contradictions and tensions. Daniel Diermeier, Chancellor of Vanderbilt University, argues that leaders need to develop the tools and mindset to operate in a world of contested values where they are increasingly pressured to take positions on

controversial social and political issues. This requires the ability to understand different moral motivations and incorporate them into corporate decision-making. In other words, leaders need to learn how to compete in an environment of moral values.

Additional contributions investigate RL from an Asian perspective, through the lens of different conceptual frames, and with a focus on social impact through the analysis of qualitative cases in South America building for instance on the 'Roles Model of Responsible Leadership' (Maak & Pless, 2006). David Waldman calls for more systematic efforts to conduct quantitative research (e.g., through developing measures of responsible leadership, orRL, and examining antecedents and outcomes of RL, conducting RL research across levels, and cross-cultural comparisons. Nicola Pless and Thomas Maak start to tackle the question of responsible leadership measurement. They unpack and explain the relationship between individual-level responsible leadership orientations, or styles, and organisational-level outcomes such as stakeholder engagement and the breadth and depth of corporate social responsibility (CSR), and the societal-level impact of CSR regarding the Sustainable Development Goals. Finally, Hans-Juergen Frank, Nicola Pless, and Thomas Maak introduce 'dialogarchitecture' as a platform for methodological processes or artistic practices that facilitate dialogue, co-creation, problem solving, learning, and development. The authors give an overview of its process, providing insights into how it can be used for learning purposes, especially with a view to leadership development.



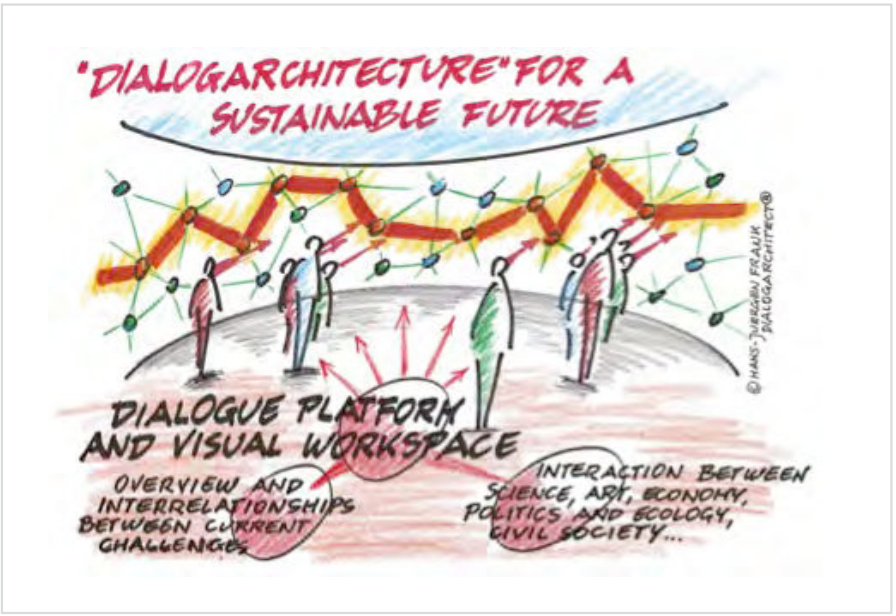


Figure 2: Dialogarchitecture
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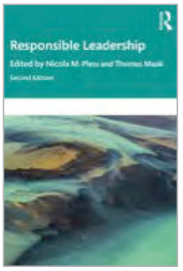
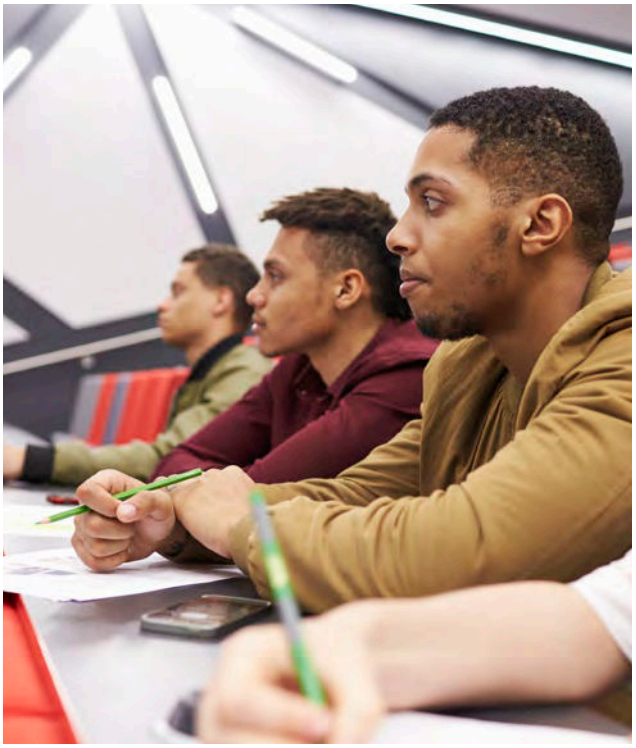


Pless, N.M. & Maak, T. (2021). *Responsible Leadership*. 2nd revised and extended edition. Routledge.



In the coming years, deans and business schools need to make sure that their institutions mirror the complexity and respond to the challenges of leading business in communities and societies around the world. This requires not only new courses on responsible leadership and related topics, including experiential learning experiences, but also an integrated curriculum that succeeds in developing future responsible leaders at a global scale, a curriculum that enables innovation and new ways of seeing, one that nurtures critical and systemic thinking, integrity and character, and develops graduates into responsible leaders and managers, equipping them with the mindset and skillset to build a better more inclusive and sustainable world.

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About the authors
Nicola Pless holds the Chair of Positive Business at the University of South Australia and is Director of the Center for Business Ethics and Responsible Leadership

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