

LEADERSHIP

Authentic Leadership:
Rediscovering the
Secrets to Creating
Lasting Value by Bill
George

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In his book *Authentic Leadership*, Bill George attempts to reintroduce the concepts of personal values and personal responsibility to the discussion of corporate leadership. George uses his experiences as chair and CEO of Medtronic as well as his less illustrious career at Honeywell, to exemplify his vision of authentic business leaders and their companies. While his focus is on the private sector, George's advice that we should commit to leadership responsibilities (beyond appearances and stock prices) while maintaining our core values, is important for non-profits and public sector agencies alike.

George believes the recent scandals amongst corporate giants, like Enron, are the natural results of the corporate shift away from the importance of customers and employees, to the supremacy of shareholder demands and stock prices. In *Authentic Leadership*, George (2004) explains

We are witnessing the excesses of the shareholder revolution... companies and shareholders alike developed an inordinate focus on short-run results... Somewhere along the way we lost sight of the imperative of selecting leaders that create healthy corporations for the long term (3).

For George, this shift toward short-term thinking (to maximize stock price) is a direct result of bad leadership amongst top CEOs in America. Instead of focusing on personal wealth and image as the marker of success and leadership respectively, George demands that CEOs become *authentic*. By being authentic leaders, they recognize their responsibility to "serve others through [their] leadership, empower others and make a difference" (George 2004,12).

According to George (2004), authentic leadership means "being yourself—being the person you were created to be" (11) by focusing on character rather than style. Merely emulating a style of leadership generated from a book or a list is wholly inauthentic and results in a leadership where image and the opinions of others are more important than doing one's job well. Unfortunately, George does little to elaborate on the definition of authentic leadership and his talk of character versus style is confused and poorly defined as well.

What does it mean to be the person we are created to be? There is an assumption that we are all born with certain intrinsic values and work ethics that meet George's implied (but never stated) criteria. Authenticity, like integrity, seems to be a tough word to define in this context. According to the Oxford English Dictionary, online, *authentic* is a noun, verb and adjective. The definitions include the following:

- legally or duly qualified
- reliable, trustworthy, of established credit
- real, actual, genuine
- acting of itself, self-originating
- the original

George's version of authentic leadership could encompass many of these ideas. However, what he seems to mean by authentic leadership is driven by results of that leadership rather than definitions. An authentic leader, for George, builds value by running a strong company with a positive mission, committed employees, high market share, and high profits while maintaining a strong ethical standard.

Despite his lax definitions, George makes a powerful and compelling argument that emerging leaders can become authentic in their own right by examining and developing themselves early in their careers. His approach explains that developing authentic leadership is possible by looking inward and examining one's own deep sense of purpose, core values, courage to build, and desire to serve society. By looking inward and building our strength, we can withstand the pressures of outside influences that may sway us to behave contrary to our natures (assuming our natural state is a good one). The only way to attain an understanding of oneself and the latter concepts is to be honest and accepting of one's shortcomings and weaknesses. According to George, strengths and weaknesses are two sides of the same coin and often those around us can see both (especially weaknesses) far more clearly than we can. By hiding or avoiding our flaws, we are doomed to inauthenticity.

Authentic leaders spend years on personal development, gaining both life and job experience, and doing the emotional hard work necessary to understand themselves. Although we may have the potential to be one, George believes no one is born an authentic leader; it is only through experiencing some difficulty in life that we test ourselves and plumb out depths to find the source of our personal strength. While George's (2004) description of the "journey to find your true self and the purpose of your life's work" feels a little too pop psychology, his personal life examples are intense.

George's personal trials give weight and meaning to his descriptions and make his claims more persuasive. Unlike many senior leaders today, writes openly about the power of faith and community to "provide a basis for healing" (George 2004, 32). The key to later life and work success for George is his belief that what we learn and how we grow during the frustrating moments of our lives is crucial for knowing ourselves—the times when we are in the crucible. The crucible is a time of difficulty or pain—for George it was when he lost his fiancé as a young man and later when his wife developed breast cancer. These life changing moments developed George's inner strength, helped him reach out to others for support, and revealed to him his core values. It is through tough life experiences that one comes to truly know her limits and priorities. The image of the crucible life experience, articulated by George, is juxtaposed with the image of the 'shooting star' or "golden boy/girl."

The 'shooting star' is a senior manager or executive who has moved up the corporate ladder very quickly often jumping from position to position every 1-2 years. These people never take the time to learn from their mistakes and never stay in a position long enough to pass the test of living with their work decisions. Every time they see the possibility of a crucible experience looming ahead of them, they quickly jump to the next role. This image feels relevant to the generation of job hoppers always looking for the next opportunity—it makes one realize how much growing we're missing.

The 'golden girl' is someone who uses charm, style or good looks to move up the career ladder. More interested in looking good than being good, this golden child sets the bar very low and always seems to succeed as she never really challenges herself. There is no substance, only image and very little skill at leading others. Both the star and the golden child are unprepared for real world challenges. When they finally achieve that senior management role, like CEO, they fail to create any value in their companies and often leave them worse off through bad leadership. It is only through life experiences and failures that people learn to become authentic leaders able to create value for those around them.

From authentic management George moves on to discuss authentic companies. In his first chapters, George stresses the importance of being independent and finding a company that matches one's core values. Working for a firm whose culture and mission don't match your own will lead only to unhappiness that will affect those around you at work and at home. A good company is one that creates value not only for shareholders, but for customers and employees as well. According to George (2004), a company can "create value with a well articulated mission that inspires employee commitment" (62). The mission driven company motivates its employees with a shared sense of purpose, leading to serving customers better and long-term success.

The subsequent chapters in George's book deal with market forces and good governance issues between CEO and Board of Directors. While many of George's market force issues, like negotiating or beating competition, managing sustainable growth and acquisitions, and government regulators may seem to be exclusively private sector problems, those in the public and non-profit world often face these issues as well. However, unlike the earlier sections on developing personal leadership abilities, George doesn't seem to have a coherent or solid blue-print for navigating these various market forces or complications.

As in earlier chapters, George gives many examples of what not to do and what to do. However, unlike his personal anecdotes, much of his corporation narrative feels like it was formulated in hindsight and gives the

impression of being 'slapped on.' George's business successes at Medtronic often sound like he's reading from a brochure rather than sharing his past, making these less than rigorous theories on market forces unconvincing and less compelling. In addition, some of these examples are unappealing to those working for non-profits or public agencies. For example, George's laments on the inefficient and far too slow FDA are only compelling if you don't know the pressures of being part of the FDA. As a public administrator, one can't help but pause and speculate on the FDA's version of these events. Is it a success that the FDA is now in Medtronic's pocket and willing to approve medical devices in less than 4 months?

George's argument in favor of taking the long view of both personal and corporate development seems relevant given the media focus on stock prices and short term results, as opposed to the advice of many corporate strategic critiques. A variety of books lament the lack of investment in R&D and the trend of downsizing by cutting experienced employees by major corporations in the late 80's and 90's—although few blame shareholder obsession directly. One author who does call the shareholder/short term view to task is C. K. Prahalad in both his *Competing for the Future* (1996) and *The Future of Competition: Co-Creating Unique Value with Customers* (2004); both strategy books discuss the failures of big corporations to build from their internal strengths while using R&D and strategic acquisitions to gain market share and create quality products. Instead, many corporate giants foolishly cut their skilled staff for quick fixes that crippled them long-term. George's advice on creating authentic leadership dovetails nicely with Prahalad's discussion of strategic management. George intimates that being an authentic leader allows one to have the foresight and personal strength to manage strategically for long term results, something many of the CEOs in Prahalad's examples lacked.

George's sincerity and belief in his own journey are very powerful forces in his book. His advice on mentoring as a two way street where both parties learn something from each other felt very true. It makes one want to run out and find a mentor or a mentee. George's (2004) discussion of the loneliness of leadership and the struggle to meet "the varied needs of the people you serve" also felt very touching and true. He clearly leads with his heart and works hard to develop deep and meaningful relations with others. The early sections on developing authentic leadership are powerful and useful for both private and public sector future leaders.