Integrity is Vital for Leadership today

"The wealthy are not necessarily virtuous. The virtuous, however are the truly wealthy"

Dr. Jagmohan Reddy*

Anonymous

Introduction:

The success of every industrial enterprise is dependent upon the quality of its leadership. For example, the Tata Iron & Steel Co. Jamshedpur or the Reliance, would not have attained their present success but for the able leadership of J.N. Tata and Dhiru Bhai Ambani respectively. In a business enterprise, several tasks, such as determining the objectives of the enterprise, designing the methods to achieve them, directing and coordinating the activities of various departments, etc. can be successfully performed only if there is **able leadership**.

What is Leadership?

According to Peter Drucker "Leadership is the lifting of man's visions to higher sights, the raising of man's performance to a higher standard, the building of man's personality beyond its normal limitations." Quite often we define Leadership as getting other people to do what we want. Using this definition it is no wonder that many people revert to using underhanded tactics to try to "trick" their followers into doing what they want. This is a shortcut to leadership and doesn't result in long

term value. It is this type of "leadership by trickery" that makes people automatically suspicious of their leaders. If you want to develop a long term foundation for leadership, these types of short cut tricks will only prevent you from achieving your goals. Once some of your followers realize that they have been tricked you will lose any credibility you started with.

What does ancient wisdom says?

In Srimad Bhagavatam, the greatest of all Puranas which is in relation to the Supreme Truth, learned Vyasadeva begins and ends this vedic literature with the verse: "Satyam Param Dhimahi". In essence meaning, "seek the truth, the whole truth and there is nothing else but the truth." Further, it may be worth recalling of what Dhritarashtra said to Duryodhana in this regard:

"Not harming any body, an empathy with all living beings, charity - are the three components of virtue. The virtuous never do any thing which doesn't benefit others, never get close enough to any thing that warrants subsequent shame are contrition. They always perform every action in a manner that wins universal approbation." In this back drop let us look at the shocking incident recently happened in India, which was

^{*} The author is Associate Professor (H.R.) at the Institute of Public Enterprises, Osmania University Campus, Hyderabad, He writes on spirituality and Management subjects. E-mail: amareddy@yahoo.co.in

exactly contrary to the above Vedic dictum/ ancient wisdom.

CEO of Satyam Computer Services, Ramalinga Raju, attempts to purchase the twin companies – Maytas Infra and Maytas Properties run by his sons, making mockery of the principles of corporate governance. Satyam – Maytas is the story of how anybody having a stake of just over 8.5 per cent can ignore the interests of fragmented shareholders who account for 91.5 per cent. Satyam was officially declared ineligible for World bank contracts for providing "improper benefits" to the bank staff and for failing to maintain documentation of support fee charges for its subcontractors.

The inference we can draw from the above incident is that if you want a solid leadership foundation you must take the long view and consider how every action will impact your ability to lead further down the road. To build trust with your followers you must act with integrity.

What is so special about integrity?

According to Oxford Advanced Learner's Directory of Current English "integrity means the quality of being honest and morally upright" i.e. not braking up promises etc. Integrity is the foundation upon which the other elements of character are placed. A leader has to be true to his values and honest in his deeds and words. Once you have proven that you are worthy of respect and trust, whatever unpopular decisions you have to deliver will sound palatable to the audience.

Good management requires a constant stream of communication with the employees, clients and stakeholders. Keep it as truthful as possible. Once you are found to have lied, it will be a daunting task to regain that confidence and trust in you. Many a politician have bowed out of the political scene on this ground. Let us look at Mahatma, the father of our nation in this regard.

Case of Mahatma:

We all are aware that Mahatma Gandhi was perhaps one of the greatest leaders produced by mankind. He was a simple person. When we read his autobiography "My Experiments with Truth" we realize how absolute integrity and ensuring that there is no shadow between what he practiced and what he preached, resulted in his enormous credibility and effectiveness as a leader. In fact the basic route of Mahatma's success was his absolute integrity.

Integrity leads to credibility. People find out very soon if there is a gap between what you preach and what you practice. The reason why many of our so called leaders today do not carry credibility is because there is a gap between what they practice and what they preach. As we all know, Jack Welch is considered one of the greatest managers of the twentieth century and lets see what Jack Welch had to say about integrity;

"Excellence and competitiveness are totally compatible with honesty and integrity. That a student, the four-minute miler, the high-jump record holder—all strong winners—can achieve those results without resorting to cheating. People who cheat are simply weak."

A professor gave a hypothetical case to his business school students. He said, "if you were running a business for a larger company and

were about to book a \$ 50 million order, but to do so you had to deposit \$ 1 million in a Swiss bank account to an agent would you do it? Approximately 40 per cent to 50 per cent said they would. I was shocked! Shocked! I told the students someone was teaching them the wrong thing. This was not one of those cases where you had to interpret the law; this was a simple bribery case."

OK all this is fine. But what is **leading with** integrity:

Leading with integrity means doing what you say you will do. Many leaders get themselves into trouble by making commitments off the cuff and then not following through on those commitments. If you are careful what you say, you will increase your integrity with your followers simply because you won't have to back out of commitments you made. When you do make commitments make sure they are tied to realistic timeframes. If you tell someone you are going to give them a raise next year, you are making a commitment with many factors you can't control. Sometimes saying that you will give them a raise when sales reach \$ 1,000,000 will be a better commitment because it is tied to a goal that will enable you to give the raise.

During the Second World War when the supply of meat was rationed in England, Winston Churchill used to receive no more quota of meat than the least important person in the country i.e., a consistency of motives as evidenced in the leaders' public and private affairs. Secondly, leading with integrity means going through with something to keep your word even when you would rather not. Not keeping your word will often hurt much more than any inconvenience

that is caused by keeping your word. In this regard it's worth recalling a small story of cow and tiger, where in how the cow succeeds in being with its calf by being truthful.

Story of Cow and Tiger:

A Brahmin had a cow named Baula, who used to go to the forest all by herself. One day on her way back from the jungle she met a tiger. The tiger wanted to eat her up, but Baula told the tiger that she had a three-day-old calf that was very hungry. She pleaded the tiger to let her go back and feed it, promising to return after she had fed the calf. She repeated the promise three times and the tiger let her go. Baula fed her calf and returned to the tiger as promised, her calf running after her. When the tiger saw Baula and the calf, he could not believe it. Out of pity and being impressed its truthfulness he let the cow free.

However, always it may not be possible to keep up our word/promise. Then what to do. If you ever have to go back on a promise, don't hide it under the rug. Take the time to apologize to the people you made the promise to. Apologize and try to come up with some way to work things out even if you can't make the original commitment.

Another important element of leading with integrity is owning/delegating responsibility. A perfect example of owning one's responsibility is provided by Abraham Lincoln. After the battle of Gettysburg. Lincoln urged General Meade to pursue Lee in his retreat attack him, and with one bold stroke, end the war. A friendly note came with the above order. "The order I enclose is not of record. If you succeed, you need not

publish the order. If you fail, publish it. Then if you succeed, you will have all the credit of the movement. If not. I will take the responsibility."

On the other hand we find many leaders delegate responsibility but take back when their delegate does some thing they don't want. When you delegate you need to be willing to part with the responsibility. If your delegate does something differently than you, you need to support their decision. That doesn't mean you can't steer them in a different direction, but always support their decision whenever possible. If you delegate responsibility and then pull it back, you will demotivate your followers and make it difficult to delegate other items in the future.

Never try to cover up...

How many times have we tried to cover up our shortfalls with lies and brags? There are countless occasions when we have to speak untruths, from wooing girlfriends to impressing big bosses. Often, there is no ill intent. I think it is human nature to lie (coincidentally, monkeys and humans have the same ancestors). Especially in social settings where we have to make small talk, we tend to say things to boost our profile and status. Personally, I respect staffs who are honest about their knowledge and capabilities. Consider a situation where a job seeker adds a lot of hype into his resume in order to clinch a job. This results in an increase in expectations by the employer. If he fails to perform to that level of expectation, he is likely to be kicked out of his job. Conversely, consider another situation where a job seeker admits to his shortfalls, but lets the employer know he is willing to work hard to improve. The employer might give him a chance to try out the job, and with hard work, the employee is likely to surpass the employer's expectations. Hence I would advise all bosses and managers to be honest with their staff as well.

But a question might arise in the minds of young managers whether honesty is the best policy even in work environment. Yes it is.

One of the biggest mistakes leaders make is to withhold the truth and avoid accountability with their own people. Even when there is no official communication, the need for information does not go away. Something will fill the vacuum. There will be hurddles in the hallways, private conversations behind closed office doors, or email flurries that never do the company any good.

There's no way around it. People are always smarter than organizations give them credit for they can smell a dead fish before management does. Even when it is not explicitly stated, your customers know the truth, your people in the organization know the truth, and your suppliers and business partners know the truth. That's why some CEOs rely only on real facts. For instance, Harold Geneen, the CEO of ITT who grew an \$800-million company into a \$28-billion global conglomerate, demanded real facts, not details disguised as facts, in order to keep on top of his far flung empire.

Further, some even may ask whether being humane and ethical we make money.

Costco CEO pays high wages to his employees and analysts criticize Costco and its CEO Sinegal. They think the company could make even more money if it paid its workers less like Wal-Mart does. However, Sinegal is unfazed by his critics. "Wall Street is in the business of making money between now and next Tuesday, 'he said.' We are in the business of building

an organization, an institution that we hope will be here 50 years from now. And paying good wages and keeping your people working with you is very good business."

In an era when many CEOs are seen as greedy and sometimes corrupt, Sinegal is proving that good guys can finish first – and without all the corporate frills. Sinegal even sends out his own faxes from his barebones office – without – walls at company headquarters near Seattle. But the most remarkable thing about Sine gal is his salary \$350,000 a year, a fraction of the millions most large corporate CEOs make.

So what Sinegal has proven is that a company doesn't have to be ruthless. Being humane and ethical can also make you money.

How important to deal with truth?

Of all the values of life *satya*, truth is the highest, "Satyannasti paro dharmah". All have truth as the basis. God is truth. The entire creation came into existence from that truth and will ultimately merge in truth. So, we all need to understand that God is truth and that truth is God. So, live in truth. Truth is the foundation of righteous conduct and the route to peace, which will make your life one of love.

In this era of ethics scandals, economic downturn and an environment of overall lack of trust in leadership, *telling the truth and telling it with care becomes more important* then ever. But too many times the care is missing. A leading electronics retailer, either afraid or unwilling to deal directly with the truth, made the wrong kind of headlines when they laid off several hundred employees via e-mail. How could that possibly build trust in an organization? Such lack of care affects not only the people who are let go but all the people who are still there, who have to

wonder if they are going to be treated the same way.

The inability to deal with the truth in a straightup way has ramifications beyond the immediate situation. A culture of caring and honesty is the backbone of an ethical and productive organization. When that culture is eroded it can be a monumental task to rebuild it. The inescapable reality is that when a sense of caring ends, the sense of trust and shared purpose ends with it.

In Mahabharata, Yudhistira is known for his truthfulness. When Bhima claims he killed Ashwadhama "Ashwadhama Hathaha", Dronacharya does not believe the words of Bhima. He approaches Yudhistira who is known for truthfulness and asks him. Then with the advice from Krishna, Yudhistira tells he won't tell false. Then Krishna asks him to tell "Ashwadhama Hathaha" loudly and then "Kunjaraha" in low pitch.

In Bhagavata, Satya Harishchandra is known for his truthfulness:

Truth is the most fundamental moral to be learnt by everyone and it is alone enough to reach God. When traveling in the forest, with his family and Nakshatraka to the great kaashi kshetram, Harishchandra sees un-controllable Daavaagni (forest fire) surrounding them. They don't understand the reason for it and Nakshatraka worries a lot, not knowing any way of getting out of the fire. Harishchandra worries for a different reason. He was not worried for loosing his life, but if he dies in the agni, then he will not be able to return the debt to Vishwaamitra Maharshi and thus will not be able to keep up his word.

Seeing this, Agnideva (sent by Vishwaamitra) tells them a way to cross the fire safely. He says anyone who says that his name is not his own

name, can safely walk through him. Immediately Nakshatraka, to attract them to say a lie, says my name is not Nakshatraka and walks into the fires. Nothing happens to him and he walks back suggesting Harishchandra and his family to try out the same. Obviously Harishchandra will not say a lie, but gets worried since he will be not be able to repay Vishwaamitra maharshi. Seeing the worry of her husband, Chandramati Devi does a stotram to Agni saying that if she were a pativrata, then the Agni must stop. Immediately the huge daavaagni vanishes and they cross the forest safely.

The whole episode of Vishwaamitra maharshi testing Harishchandra starts with a conversion at Indra Saba: A discussion will be raised to zeroin on a vratam which anyone whether rich or poor, whether king or servant, kid or elder, male or female can follow, exists or not. Vasishta maharshi suggests that satya vratam (speaking truth always) is there and tells that Harishchandra is a firm follower of it. Vasishta and Vishwaamitra both challenge each other, Vasishta saying "In the impossible event of Harishchandra uttering a lie I will leave sandhyaavandanaadi aahnikas, japa, tapas, remove yagnyopavita, become Bhrasta, have wine and behave in a way co-rishis will hate me, throw me out of there community and eventually go to naraka!". Vishwaanitra says "If Harishchandra stands my tests I will give half of my till now earned entire tapashshakti, make him rule the earth for many years and for 14 manyantaras will make him occupy the ardhasimhaasanam of Indra". Harishchandra in the end qualifies the tests of Vishwaamitra, enjoys all these bhogas and in the end with Lord Shiva's anugraham gets Moksham.

The moral of the Story is that, Let even death may come, one must never leave the path of truth. Further, though a person has to face temporary difficulties for following the path of truth, in the end always truth only wins.

Conclusion:

Peter Drucker says that the people decisions are most important when it comes to management. Further, absolute integrity is necessity for leader because with absolute integrity it can be ensured that there is no difference between practice and teaching. This is necessary to bring credibility. Without credibility the followers will not buy into the vision which the leader is projecting. How important for a leader to be truthful can be known from the Story of Prahlada.

When he was the king, one day he saw a beautiful female figure leaving the palace. He asked her, "May I know who you are?" She replied, "I am your Character". Prahlada kept quiet. Next day he saw another beautiful woman was coming out of the palace and when asked who she was, she replied. "I am your Kingdom – Rajyalakshmi". He remained silent. Next day he saw another woman of matchless beauty coming out of the palace. He asked, "Mother! Would you let me know who you are?" She said, "I am your reputation –yashassu." He didn't prevent her from leaving.

Next day he saw still another grand and majestic form, the like of whom he had never seen in his lifetime, coming out of the palace. He gently and reverentially asked her, "Mother! May I know who you are?" She replied, "I am Truth". Then Prahlada fell at her feet and pleaded with her not to leave the palace. She finally agreed to get back into the palace and not to step out. Then what happened? The other angels, Character, Kingdom and Reputation followed her one after another back to the palace. It only means all will follow you if you have truth.

Courtesy: Tattvaloka (The Splendour of Truth), E-mail: info@tattvaloka.com