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## Values-Based Leadership

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# Values-Based Leadership

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— Professor M.S. Rao, Hyderabad, India

## *Abstract*

*It is imperative to underscore the urgent need for values-based leadership worldwide – in our governments, academic institutions, and businesses. The lack thereof explains the collapse of global companies such as Enron, Tyco, Lehman Brothers, WorldCom, and Global Crossing due to unethical practices. This clarion call to inject principled decision-making in all forms of life and work is demarcated by inspiring examples of ethical leaders including Mahatma Gandhi, Martin Luther King, Jr., and Mother Teresa. It places emphasis more on the “means” of attainment rather than on “ends” to excel as ethical leaders. It outlines the characteristics of values-based leaders and justifies the relevance of values-based leadership in today’s world. It concludes with the postulate that creating a better legacy for future generations is predicated upon living one’s values and principles.*

## **Introduction**

**“I am not interested in power for power's sake, but I'm interested in power that is moral, that is right and that is good.” – Martin Luther King, Jr.**

Although the righteous man falls ten times, he rises again repeatedly whereas the wicked man never falls twice. God extends a hand number of times to the righteous man who has values and morals to rise again. However, God never extends another opportunity to the wicked man because he doesn’t deserve it.

With the fall of several business empires globally, people began doubting the credibility of business leaders. People go to the extent of blaming the business schools that created such leaders. Where does the problem lie? Are the individuals or institutions to be made accountable for the failure of business empires? If so, the engineering institutions that produce incompetent engineers and the medical institutions that produce unethical doctors are to be blamed. In fact, it is not the institution that should be blamed, but the individuals for the current business mess. The dearth of leadership values and morals among the business leaders is responsible for the current business scandals. In this editorial, I will discuss the values-based leadership which is so urgently needed in this 21<sup>st</sup> century.

## **What is Values-Based Leadership?**

**“A business that makes nothing but money is a poor kind of business.” – Henry Ford**

Values-based leadership highlights *what* is right and what is wrong *not who* is right and who is wrong. Its emphasis is on means, not ends. For instance, Mahatma Gandhi led India’s freedom struggle through non-violence. Martin Luther King, Jr. fought for racial by leading the Civil Rights movement through non-violence. He is still revered worldwide. Nelson Mandela fought against Apartheid in South Africa. Leaders

who divide countries based on religion, language, ethnicity, and geography are never appreciated in history. However, the people who fought for equality and human dignity will be revered and respected in perpetuity.

“Truth alone triumphs at the end” is the hallmark of values-based leadership. It is one’s values that count. It is the journey that matters, not the destination. How long one lives is not important, but how well one lives with principles and integrity is paramount. It is not the material but the principles, values, and morals that count for these leaders.

People flout norms and rules and deviate from basic ethics and morals because of various reasons such as to ensure their survival — a desire to excel at any cost. It is a complicated situation for many leaders who occupy higher positions. Empathizing with their situation would be tantamount to justifying their deviation from basic values. However, wrong is always wrong.

Charisma is the key to values-based leadership. It emphasizes integrity and ethics. It emphasizes ideas, ideals, values, and morality. It is about being transparent and fair in dealings while leading. It is all about adding value to organizational goals and objectives, and the people contributing to those goals. It is to stand by values regardless of challenge and share the same with others with enthusiasm and unwavering commitment. Finally, values-based leadership is all about adding value to the institutions proper rather than individuals who pioneer values-based leadership.

Although leadership warrants values and morals, values-based leadership raises the infusion of morality, values, ethics, principles, and integrity to a much higher level to communicate the message to those who occupy positions of influence. This marks the difference between normal leadership vis-à-vis values-based leadership.

Values-based leadership calls for corporate social responsibility. It looks for comprehensive development of the organization and society as a whole. It pays taxes promptly and looks for longevity without assuming any short cuts. The path to values-based leadership is replete with obstacles, but treading the path makes the journey exciting and inspiring.

All humans possess the ability to discern right from wrong — albeit at times in a subjective manner. There are cultural issues involved in the development of ethics and morals. For some societies, what is right may be wrong for other societies. Hence, values-based leadership is contextual and cultural, but at the core it is based on convictions with everlasting values and morals.

### **Characteristics of Values-Based Leaders**

**“It is better to suffer wrong than to do it and happier to be sometimes cheated than not to trust.” — Samuel Johnson**

Values-based leaders avoid litigation and ill-will. They don’t hesitate to lose money and material to uphold their credibility and goodwill. Money can be earned, but not a lost reputation. They look for longevity, not perfunctory temptations as they rarely take into account short-term setbacks. They maintain a sustainable vision to fashion a strategic call.

These leaders follow the law of the land and the rules of the game meticulously, but are not afraid to call out injustices and discrimination. There is total synchronization between their words and deeds. They are aware that their actions are under scrutiny. They firmly stick to their commitment and lead by trust and confidence. In fact, trust is the foundation of values-based leadership.

Values-based leaders leave a great legacy behind; there will not be any leadership vacuum because they load the leadership pipeline. They start the fire that fuels the virtuous cycle of success. They do right things rather than doing things right.

These leaders infuse their people and organizations with their ideological values and morals that last longer than themselves. Their preaching, practices, policies, and procedures are much stronger and more pervasive and enduring with long-term effects. They sacrifice their privileges for the betterment of the people. They create a strong and compelling vision statement replete with values and morals, and are ready to face challenges head-on. They are undeterred about the pinpricks on the way. They set personal examples and focus on the collective interest of all individuals. For them, people's interests are superior to their personal interest.

They are constantly under the scanner of their people. They are watched closely and keenly. When people are convinced about their credentials and values, people follow these leaders. These prototypical leaders have to undergo several series of severe tests to prove themselves in the eyes of the public.

They don't like to catch people making mistakes for which they offer corrective measures. They would prefer to take notice of people succeeding and turn that into an even greater success. As is widely known and acknowledged, success is contagious.

They walk the talk. They set examples. They risk their lives for the advancement of their values. Their core is based purely on principles, values, and ethics. Humility is their hallmark. Succinctly, the common qualities that connect all values-based leaders are: being passionate with expressing their values, principles, ideas, and ideal; leading by example; sticking to commitment; and looking for similarities, not differences.

### **Relevance of Values-Based Leadership**

**“We have in fact, two kinds of morality, side by side: one that we preach, but do not practice, and another that we practice, but seldom preach.” — Bertrand Russell**

We find people being fired after being hired. The general perception is that the lack of hard skills is ascribed to firing of an employee. The hidden truth is not that but the contradiction in the value system of the employer with the values and ethics of the employee.

Few people make several mistakes to guarantee their survival. But survival is only temporary with long-term implications and complications. It is always the means that counts, not the ends. Those who compromise their values find it difficult to justify this deviation and ultimately suffer at the end. At times, a situation may support the installation of the wrong person, but the end result is disastrous for this person. Hence, it is essential to continue to emphasize values as what counts at the end of

life are such values. There are several leaders who are revered globally even after their death because of espousing such convictions.

## **Conclusion**

**“Try not to become a man of success but rather try to become a man of value.”**

**— Albert Einstein**

When leaders keep their personal interests above their organizational interests, they are bound to fail miserably. Companies including Enron, Tyco, Lehman Brothers, WorldCom, and Global Crossing collapsed because of lack of values-based leadership at the top echelon.

Leaders like Mahatma Gandhi, Martin Luther King, Jr., and Mother Theresa are revered and remembered even after their deaths because of their principles and contributions toward right and just causes. Abraham Lincoln also represented values-based leadership. Despite facing several hardships and failures in his life, he never compromised his moral stance. He fought against slavery and for the unity of America. Corporate leaders like Warren Buffet and Bill Gates represent values-based leadership where they make money through ethical means, and share their wealth for the benefit of mankind through their philanthropic activities and charities.

The secret of successful functioning of several global companies is due to the values-based leadership. They demonstrate leadership, accountability, integrity, and trust. These companies make a difference in the lives of others while maintaining a strong financial commitment to their shareholders.

Values-based leadership is the key to survival and success in 21st century. Leading a life that is purposeful and meaningful makes life interesting and exciting. Money comes and goes. What stands at the end of one's life is the legacy left to future generations. Leave an indelible mark behind. Become a value-based leader. You may not be a good inheritor but you can be a good ancestor. To conclude in the words of Tiorio, “Every man, at the bottom of his heart, wants to do right. But only he can do right who knows right; only he knows right who thinks right, only he thinks right who believes right.”

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## **About the Author**

**Professor M. S. Rao, Ph.D.** is the Father of ‘Soft Leadership’ and Founder of MSR Leadership Consultants, India. He is an International Leadership Guru and an internationally-acclaimed leadership educator, executive coach, speaker, and consultant. He has 36 years of experience and is the author of 36 books including “21 Success Sutras for Leaders.” Professor Rao is a regular contributor to the *JVBL* and can be contacted at [msrlctr@gmail.com](mailto:msrlctr@gmail.com).