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Authors: Benyamin A. Lichtenstein, Beverly A. Smith,
William R. Torbert

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LEADERSHIP AND ETHICAL DEVELOPMENT: BALANCING LIGHT AND SHADOW

Benyamin M. Lichtenstein, Beverly A. Smith, and William R. Torbert

Abstract: What makes a leader ethical? This paper critically examines the answer given by developmental theory, which argues that individuals can develop through cumulative stages of ethical orientation and behavior (e.g. Hobbesian, Kantian, Rawlsian), such that leaders at later developmental stages (of whom there are empirically very few today) are more ethical. By contrast to a simple progressive model of ethical development, this paper shows that each developmental stage has both positive (light) and negative (shadow) aspects, which affect the ethical behaviors of leaders at that stage. It also explores an unexpected result: later stage leaders can have more significantly negative effects than earlier stage leadership.

Introduction

What makes a leader ethical? One answer to this question can be found in constructive-developmental theory, which argues that individuals develop through cumulative stages that can be distinguished in terms of their epistemological assumptions, in terms of the behavior associated with each "worldview," and in terms of the ethical orientation of a person at that stage (Alexander et.al., 1990; Kegan, 1982; Kohlberg, 1981; Souvaine, Lahey & Kegan, 1990). Developmental theory has been successfully applied to organizational settings and has illuminated the evolution of managers (Fisher, Merron & Torbert, 1987), leaders (Torbert 1989, 1994b; Fisher & Torbert, 1992), and organizations (Greiner, 1972; Quinn & Cameron, 1983; Torbert, 1987a). Further, Torbert (1991) has shown that successive stages of personal development have an ethical logic that closely parallels the socio-historical development of ethical philosophies during the modern era; that is, each sequential ethical theory from Hobbes to Rousseau to Kant to Rawls explicitly outlines a coherent worldview held implicitly by persons at successively later developmental stages. Because each later developmental stage includes all the abilities and distinctions of earlier stages, later stage leaders are theoretically capable of more subtle and appropriately nuanced ethical judgments that are responsive to more elements of a given situation and dilemma. Therefore, in answer to the question, what makes leaders more ethical, developmental theory can be understood to say that leaders who evolve to the later developmental stages are more ethical.

This paper critically examines that answer, showing that each developmental stage has both positive (light) and negative (shadow) aspects, which affect the ethical behaviors of leaders at that stage. We will also explore an unexpected result: that later stage leadership can have more significantly negative effects

than earlier stage leadership. Further, we will illuminate the paradox that different ethical systems define "the good" and "the bad" differently, which confounds any strict evaluation of the ethics of a manager at any given developmental stage. To begin, we will briefly review the focus of developmental theory, and outline some of the research about managerial developmental theory, connecting each managerial stage to its ethical framework.

Developmental Theory

A basic premise of developmental theory, consistently supported by the research, is that there is a natural ordering or progression of personal worldviews; thus, as a person grows and matures, their worldview tends to move through a fairly predictable sequence of stages (Kegan 1982, 1994; Kohlberg, 1969; Piaget, 1967). Table 1 signifies eight primary stages of development from the managerial perspective, along with corresponding counterparts in the theoretical frameworks of Kegan (1982), Loevinger (1978), and Kohlberg (1990).

Table 1

Stages of Development According to Different Theories

<i>Stage</i>	<i>Torbert</i>	<i>Kegan</i>	<i>Loevinger</i>	<i>Kohlberg</i>
1	Impulsive	Impulsive	Impulsive	Heteronomous Morality
2	Opportunist	Imperial	Opportunist	Instrumental Purpose
3	Diplomat	Interpersonal	Conformist	Interpersonal Conformity
4	Technician	(transition)	(transition)	(transition)
5	Achiever	Institutional	Conscientious	Social System/Conscience
6	Strategist	(transition)	Autonomous	Social Contract/Rights
7	Magician	Interindividual	Universal	Universal Principles
8	Ironist	-----	-----	Natural/Eternal Law

Through quantitative empirical research and qualitative case studies of individuals at each stage, the following brief descriptions have been developed to describe managers at each of the eight stages (see Table 2).

Table 2

*Descriptions of the Central Managerial Stages of Development**[Taken from Torbert (1991) Table 2.4;**Torbert (1994) Table 1; Fisher/Torbert (1992) pg. 145-146]*

<i>Opportunist</i>	Their focus of attention is on tangible symbols of power and unilateral manipulation of others and the outside world. Opportunists are often deceptive, distrustful, externalizing of blame, and seek to 'get away with anything they can.' Feedback is neither sought, accepted, nor viewed as legitimate.
<i>Diplomat</i>	The implicit goal of Diplomats is to gain group membership and status by observing protocol and conforming to prevailing social norms. Their loyalty is to the immediate group, not to a distant organization or to "principles." They strive to avoid inner and outer conflict, often speak in cliches and platitudes, and find face-saving essential.
<i>Technician</i>	Technicians treat people and events as technical systems that can be influenced by finding the 'key' to their inner workings. Their attention is on analytical coherence. In general, multiple possibilities are seen but a single position is usually asserted as "the right way". Often dogmatic and perfectionistic, Technicians want to stand out and be unique.
<i>Achiever</i>	Emphasis is on competent execution of pragmatically interrelated steps leading from the presenting problem to a solution that works. Achievers appreciate complexity and seek mutuality in relationships. They strive for excellence in terms of self-set standards, and though they welcome behavioral feedback, will defend their assumptions (i.e. that they are objective) as beyond question.
<i>Strategist</i>	Strategists aim to get things done systemically, yet value the existence of multiple perspectives, and see that their own and others' perceptual frameworks are modifiable. To this end, open exploration of differences is seen as essential, paradox and ambiguity are accepted and even prized, and integrated patterns are recognized among disparate events. Choices are made on the basis of principles and historical timing, rather than through adherence to rules.
<i>Magician</i>	Magicians focus (softly) on the interplay of consciousness, thought, action and environment in a spontaneous moment-by-moment awareness. Time and events are viewed as symbolic, not merely literal; Magicians' work is not merely to produce tangible results, but to encourage the development and transformation of individuals, relationships and the systemic whole. They are consistently engaged in public inquiry and reframing action, with the goal of exercising vulnerable, mutually transforming power.

Empirically, a complex method for 'measuring' the developmental stage of an individual has been worked out by Loevinger (1978). In six major studies examined by Torbert (1991) almost 500 managers have been identified at distinct developmental stages. Table 3 gives the distribution of managers by developmental position in the six studies.

Table 3

Distribution of Managers by Developmental Position in Six Studies
[From Torbert (1991) Table 2.2]

Studies:

	<i>Study 1:</i> First-line Super- visors	<i>Study 2:</i> Nurses	<i>Study 3:</i> Junior & Middle Managers	<i>Study 4:</i> Senior Managers	<i>Study 5:</i> Execu- tives	<i>Study 6:</i> Entrepre- neurial Professionals
N:	(37)	(100)	(177)	(66)	(104)	(13)
<hr/>						
<i>Developmental positions:</i>						
Impulsive	0%	0%	0%	0%	0%	0%
Opportunist	0	2	5	0	0	0
Diplomat	24	9	9	6	3	0
Technician	68	54	43.5	47	43.5	22
Achiever	8	31	40	33	39.5	39
Strategist	0	4	2.5	14	14	39
Magician	0	0	0	0	0	0

As Table 3 shows, most managers operate at the Technician stage or below. Only about 10% of all managers measured operate at the Strategist stage where one realizes that entirely different worldviews and ethical perspectives are among the issues that require mediation in ethical action, and that timing is of the essence in determining the meaning and the effects of an action.

Fisher *et al.* (1987) describe several other key propositions of developmental theory, including:

- (1) Each more evolved world view represents a more adequate understanding of the world than prior world views (Kohlberg, 1969).
- (2) Individuals at later stages tend to have greater cognitive abilities and a more developed sense of conceptual complexity (Harvey, Hunt & Schroeder, 1961; Loevinger, 1976).
- (3) As one matures developmentally, one becomes increasingly able to (a) accept responsibility for the consequences of one's actions, (b) empathize with others who hold conflicting or dissimilar worldviews, and (c) tolerate higher levels of stress and ambiguity (Bartunek, Gordon, & Weathersby, 1983).

As one grows from one stage to the next, the beliefs and values that had formed one's world view or frame of reference become one choice among many variables within a wider, more complex personal reality. Managers at later stages of development are aware of more complexity, both in real events and in ways of making ethical judgments about events. Managers at later stages also take more responsibility for the effects of their actions; they can therefore develop actions that have positive ethical ramifications when measured in several different ways

(e.g. utilitarian outcomes *and* preservation of individual rights). Consequently, such later stage managers can be thought of as being more ethical. Table 4 summarizes the ethical frameworks for each managerial stage. According to this theory, only at the Achiever stage and still later stages do managers begin to use (usually implicitly) multiple ethical frameworks to plan and judge actions.

Table 4:

Leadership Development and Ethical Awareness

*[Taken from Torbert (1991), Table 2.1 and 2.3;
and Fisher/Torbert (1992), Table 1]*

Stage Name	Governing Frame	Mode of Ethical Awareness	Political/Ethical Position	Interpersonal Style
OPPORTUNIST	Needs/Interests govern action	"Eye for an eye"	Hobbes / utilitarian	Manipulation, deception
DIPLOMAT	Expectations govern interests	Right = social norms	Rousseau/ consent	Conflict avoidance
TECHNICIAN	Technical logic governs expectations	Legalistic	Kant/ rights—duties	Assertive, critical
ACHIEVER	System's success rules logic	Internalized standards that balance Rousseauvian/ Kantian views	Rawls/ justice	Team captain; organizer—director
STRATEGIST	Principles rule system	Universal ethical principles in historical concept	Hegel-Marx/ affirmative action	Collaborative inquiry, mutual influence
MAGICIAN	Process rules principles	Responsibility for interpersonal organizational societal impact of present action	Gandhi/ mutual, transformational "truth-force"	Public, symbolic reframing action combined with inquiry
IRONIST	Intersystemic development rules process	Responsible for intersystemic development over time	Plato, Michnik/ Action inquiry	Wears a mask to expose others and self to new realities

The Light and Shadow Poles of Each Leadership Stage

While there is truth and comfort in the hypothesis that later stages of development result in more ethical behavior, three critical issues that change the flavoring of this simple conclusion must be examined. First, since the very criteria of what's good changes from one stage to the next, how can they be compared to one another? Second, since every ethical system must have a shadow side consisting of what it ignores, is the shadow side perhaps more dangerous at the later stages which overfocus on how they are "better?" Third, since leaders at later stages tend to take larger risks in relation to larger systems over longer time periods, when they fail won't they have a more negative impact? We will address these issues one at a time, with the bulk of the article devoted to the second question—the relation of light to shadow at each stage.

In the first place, there will always be a difficulty in evaluating which managerial behaviors are more or 'ethical' or 'just', because, as a person progresses through the initial developmental stages, the assumptions upon which such judgments are made change with each new theoretical frame. In the simplest terms, the very definition of 'good' and 'bad' changes as one moves (historically) from one ethical theory to the next.

This issue is made more complex because several researchers have shown that individuals at a given developmental frame can neither see, nor understand, nor act upon the assumptions used by individuals two stages beyond theirs (Kegan, 1982; Fisher, et al., 1987; Torbert, 1991). This makes the ethical evaluation of managerial actions even more difficult, for that evaluation may be made by peers or supervisors who are at a very different stage of development; i.e. they may see the other's behavior from a completely different ethical perspective. One response to this critique is that later stage judgments *are* ethically better according to the more inclusive logic of the later stages, which can only be understood as one develops to these stages. Although this response has an elitist tone that many people dislike, it may nonetheless be true.

Our second question leads us to examine the behavioral complexity of managers in terms of the positive ('light') and negative ('shadow') elements of individuals' behaviors in organizations. That is, both positive and negative behavioral repertoires inherently exist in each stage of development; thus at any given point in time an individual can be acting either with more 'light' or with more 'shadow' depending on a variety of both internal and external factors. As a result, in a given instance, a later stage person may behave in a way that has a worse ethical impact than an earlier stage participant.

The bulk of the descriptive analysis that follows illustrates how managerial behavior changes depending on one's developmental stage, and give examples of the light and the shadow elements of managers' ethical behavior.

The Opportunist Manager¹—Stage 2

An Opportunistic manager relies first, foremost, and fundamentally on the use of monetary incentives, direct threats, and unilateral power to control subordinates. Implicitly an Opportunist manager is operating on a Hobbesian/Benthamite

utilitarian ethical calculus, which emphasizes the physical, monarchical, executive function in the government of oneself, of an organization, or of a state. An Opportunistic manager explicitly treats desires as ends, and reason as a calculative means toward those ends (Torbert, 1991, pg.18).

The *lighter side* of the Opportunistic manager resembles that of an adventurous young child, with the appeal of one eager to learn and to explore the world. In him or her, one may find a naive wonder and an admirable courage. These characteristics may evoke in the subordinate a constellation of visionary dreams through the Opportunist's sense of personal power. However, the *shadow side* of the Opportunistic manager holds deception, manipulation, unwillingness to accept responsibility, and a penchant for blaming others for his or her own mistakes. Such behavior is likely to intimidate others into submission at first; in the longer run it is likely to evoke hostility and conflict among subordinates and lead to acts of revenge and retribution. Hardly a comfortable environment in which to work, an organization led by an Opportunist will probably end in disorganization and disintegration, as individuals seek new employment or stay to continue the back-stabbing game until it is interrupted. Moreover, as in the case of the next two early stage managerial styles, the Opportunistic executive makes no effort (except possibly for short-term, cynical reasons) to articulate an organizational vision or mission, or an organizational strategy, and no effort is made to take responsibility for and correct negative side effects.

The Diplomatic Manager—Stage 3

Diplomatic managers can be counted upon to agree with and support group decisions. However, they also try to avoid conflict and smooth over controversy, producing little that is new or creative. Implicitly, the manager at this stage operates with a Rousseauvian ethical framework, which emphasizes the emotional, democratic and legislative function. The very notion of what is 'good' or 'bad' ethics and leadership changes between these two stages: Whereas Opportunists ethically evaluate their behavior according to its overall utility to their narrow self-interest, Diplomats define both the powerful and the good as action in accord with the existing implicit norms developed by the immediate community.

The Diplomat's behavioral regime extends from a positive to a negative pole. On the *light side*, the Diplomatic manager specializes in charm and charity. The appeal of the Diplomat is his or her cooperation, willingness to please, and loyalty to organizational norms. Such managers or support staff are often experienced by others as providing much of the sense of "glue" or "solidarity" to the organization. Among colleagues these characteristics will likely evoke feelings of camaraderie, coherence, stability, and a sense of belonging. On the other hand, the Diplomatic manager's *shadow side* is the inability to criticize others and question group norms, or to work through in a constructive way negative feedback that he or she may receive. Because of their past-oriented focus, Diplomats in organizational executive roles will be unable to adapt to a changing environment or take advantage of beckoning opportunities for growth. Subordinates will feel a sense of stagnation and disillusion. The result is likely to be an

organizational culture that tolerates and may even encourage a lack of effort, a slacking-off, and a falsification of information such as sales records. As with executives of the other early developmental stages, the Diplomat leader's shadow side in general negates attention to creating systematic inquiry within the organization to detect or correct unethical or low quality actions, because such inquiry is bound to lead to moments of criticism, to moments of questioning existing norms, or to moments of explicit loss of face, all abhorrent outcomes to the Diplomat.

The Technician Manager—Stage 4

As Table 3 shows, by far the largest percentage of managers fall into the Technician developmental category. Not usually "team players" because of their dogmatic demand for perfection, Technicians subordinate the need for peer approval to the need for self-approval for a job well done. Kant's "universalizable principles" is the ethical theory that most corresponds to the implicit framework of the Technician, who (like Kant), is "resolutely puritanical in his devotion to the rational" (Torbert, 1991, pg. 23). Again, in this developmental shift, the very logic for evaluating good vs. bad ethical leadership changes. Whereas the Diplomat evaluates ethics on the basis of legitimacy and consent, the Technician eschews subjective evaluations of power. Instead, a Technician relies on a purely rational judgment of ethical behavior, and expects others to follow a similarly decontextualized framework for ethical decisions and action.

Dr. An Wang, founder of the computer company Wang Laboratories, may serve as an example of an executive at the Technician stage. During the 1970s, Dr. Wang built a highly successful enterprise based on the concept of integrating company office systems through a single network. The Wang wordprocessor's ease of use and software standardization accounted for its wide appeal; it became an early standard for many large companies. Dr. Wang, who had invented both the concept and the computer that bore his name, announced his belief that Wang customers would remain loyal to his office systems; however, he refused to acknowledge the personal computer revolution of the early 1980s and as well as the explosive growth of nonproprietary software systems and applications programs. The well-known and disastrous consequences of this Technician-type strategy were a late-entry personal computer that could not possibly succeed in an already mature market, a decision to virtually eliminate the company's hardware manufacturing capabilities, a layoff of thousands of employees and filing for bankruptcy. Dr. Wang's neglect to designate his corporate successor (because neither his Chief Financial Officer nor his sons were "perfect") further complicated the situation at Wang Laboratories, which has yet to recover from continuous changes in management. Dr. Wang's single-minded Technician's focus on the presumed superiority of his product, and his reluctance to let go of the reins of power, practically ensured that his company would disintegrate following his death.

As is the case in all developmental stages, a Technician's actions embody both a positive aspect and a shadow side. On the *light side*, their clearly-stated

admiration for a job well done and for an individual's technical skill can evoke among subordinates a striving for praise through perfection. The Technician's sense of structure may bring welcome order during the early, relatively chaotic stages of a company's development. A Technician will give her best effort to every task, and will be rewarded with a sense of worth through her own achievements. Paradoxically, the *dark side* of the Technician's value system is this same emphasis on perfection. The manager at the Technician level—with his or her emphasis on the primacy of rational thought—will expect strict adherence to a higher “moral code” adopted from a specific societal institution. There is no *gradient* of light to dark—there is only good or bad, perfect or imperfect. Such high expectations of subordinates and frequent criticism of a job poorly done according to the Technician's own standards are likely to produce a culture of competition and stress. Although an emphasis on quality performance is not in itself unhealthy, its imposition from without, rather than its cultivation from within, and the Technician's focus of perfectionism rather than on quality improvement, will gradually have deleterious effects on the organization.

The Achiever Manager—Stage 5

Having evolved beyond the Technician stage in which personal skills are valued above all else, Achievers are oriented toward implementing the organization's existing strategy. Their measure of personal success is the success of the organization in its chosen mission. In recognizing the interplay between plan, practice and effects on the external environment of the organization, the Achiever stage becomes the first one where several ethical goals may be implicitly aligned, somewhat similar to the way that John Rawls' theory of justice explicitly aligns utilitarianism with Rousseauvian and Kantian principles. In other words, Achievers focus on the organizational utility of actions. The Achiever will not bewail the Diplomats and Technicians who, inadvertently or intentionally, resist her initiatives. Instead, she will navigate around them (Diplomatically) while adjusting the original plan even though it loses its logical coherence (its Technician-like perfection).

Harold Geneen, the former CEO of ITT, represents the prototypical Achiever; his intensely goal-oriented managerial style, focused on quantifiable results, produced huge increases in both sales and earnings per share during the years 1959 through 1977. At the heart of Geneen's management philosophy lay two convictions: First, he was convinced that the purpose of business was not to create any particular product but rather to make money for the business' shareholders. Second, he believed that the successful operation of a major business enterprise required close and continuous monitoring and analysis of its financial status. Both of these convictions treat the firm in terms of abstract, neoclassical economic theory, and ITT's financial performance during the Geneen years seems to support the effectiveness of adherence to such theory.

However, Geneen's focus on the objective information available within the business blinded him to its more subjective, human aspects. Although, as an Achiever, he was actively open to personal feedback that would enhance the

achievement of his financial goals, he displayed an unshakable confidence in his own effectiveness that prevented him from seeing that his own objectivity was not absolute but rather was defined by his own framework of nonobjective assumptions. At his initiative, ITT funded opposition to Allende in Chile, subsidized the Republicans, and lobbied intensely in Washington. All these interventions seemed unproblematic to him; they were merely "clearing the way for managers to manage" (Torbert, 1987).

The dynamic nature of the manager at the Achiever stage is compelling, and at first their *light side* is easy to identify. First, the Achiever manager values and encourages creativity among subordinates and is able to delegate significant responsibilities to them. Second, their orientation—towards effectiveness and results primarily rather than efficiency—can have positive ethical results. For example, if the organizational culture is highly ethical, Achievers will strive to achieve high ethical standards for themselves and their subordinates. Third, the Achiever's light side welcomes personal behavioral feedback and seeks mutuality in relationships with coworkers.

However, each of these three characteristics can be expressed in terms of *shadow behaviors*. First, the Achiever's focus on instrumental rationality blinds him to the subjectivity behind the objectivity of goal-oriented behavior. This inability to question his or her own limited conception of the organization's larger goals will prevent any serious consideration or acceptance of alternatives that deviate from the official mission. This can become especially dangerous if the organizational culture will tolerate less-than-ethical behavior—in this case so may the Achiever as well. Finally, managers at the Achiever stage, like Geneen, will reward other managers at this stage, but it is highly unlikely that their managerial style will promote development of earlier stage managers or support development of their colleagues beyond the Achiever stage.

By reviewing these four early stages of managerial development, we have explored how each stage, whatever its own definition of the ethically good may be, has both "light" and "shadow" qualities.

Leadership and 'Late-Stage' Managers

There are three stages of managerial development which may be considered as late-stage: the Strategist, the Magician, and the Ironist. These stages are considered to be post-formal developmental stages, since persons at these advanced levels develop their own system of ethics through their interactions with varying environmental contexts, rather than by adopting a specific, formal moral philosophy drawn from a particular societal institution. Since this evolution involves an increasing questioning of assumptions and a continual reframing of experience in the light of increasing sensitivity to all aspects of both the internal and external worlds, not many individuals evolve to post-formal stages. The research results shown in Table 1 exemplify the fact that extremely few managers are found in these three post-formal stages of development.

Late-Stage Managers as Leaders

In later stages of development, there is an increasing sensitivity to, and alignment among, four different territories of experience, a process termed action inquiry (Torbert, 1973, 1987, 1991, 1994a, 1994). In action inquiry, the individual attempts to maintain a conscious awareness simultaneously of his or her thoughts and feelings, actions, and consequential effects on the environment from moment to moment. In seeking to align these four territories of experience—consciousness-attention, thought-feeling, behavior, and external environment—the person becomes aware of the disparities among them and attempts to correct their incongruities. At the organizational scale, aligning the four territories means aligning intuitive mission, rational strategy, actual operations, and outcomes—financial, social, and environmental. On a societal scale, aligning the four territories means aligning myths, institutions, norms of daily practice, and the distribution of wealth, status, power, and esteem.

As Tables 2 and 3 both suggest, the broadened focus of attention that is at the heart of action inquiry—and at the center of good leadership (Torbert, 1994a)—does not emerge until the later stages of development. According to our understanding of developmental theory, managers at the earlier stages are generally able to focus on only one of the four territories: the Opportunist on the outside world; the Diplomat on expected normative behaviors; the Technician on logical thought. The Achiever is the first stage to work implicitly on the interplay of thought, behavior and effects.

However, it is not until later stages of development that the ability emerges to become aware of and explicitly seek to align those three territories as well as consciousness itself, in themselves, in organizations, and in society. This is the process of action inquiry which leads to learning from experience during the very action that one is experiencing. In our theory, this process signals the beginning of true leadership.

Rost (1991) draws a careful distinction between management and leadership that is highly relevant to this discussion. He reviews a multitude of leadership studies and concludes that there has been no recognition that leadership is a *process*. His own view is that leadership is a process that is noncoercive, multidirectional, influence-oriented, real, and mutual (*ibid.*, pg. 124). His approach is consistent with our perspective on effective leadership as a process of ongoing action inquiry at the personal, group, and organizational scales that seeks to test and improve the alignment among mission, strategy, operations, and outcomes.

Rost's definition of leadership, and its analysis, is very close to the concept of transformational leadership practiced by late stage managers, which will be discussed below. In our theory, as in Rost's, management is not synonymous with leadership and in fact can only be called leadership at the later stages, where the focus is on the process of awareness-development, trust-building, transformational action, and mutual accountability for outcomes. Thus, as we understand the matter, the practice of Rost's theory of leadership requires development toward the following three late stages.

The Strategist Manager—Stage 6

Managers at the first post-formal stage—the Strategist stage—focus their attention on developing a critical, normative, synthetic theory intended to guide attention itself, including the interplay of thoughts, action, and outcome (Torbert, 1994b). The dialectical awareness of the manager at the Strategist level involves a sense of historical interplay between the system and the environment, which can generate an explicit theory of development, such as that of Hegel, or Marx, or Freud, or the theory presented here. Historical incongruities in the organization or in society (e.g., across divisions of race or gender) can be seen to call for a period of affirmative action. Such efforts to redress striking inequities provoke the manager at the Strategist level to develop a sense of direction for the organization that is consonant with the ever-changing external world. The balance of light and shadow at this level begins to tilt more towards *the light*, and manifests itself in an enlightened organizational vision for the future.

However, the *shadow side* of the Strategist is still deep. The Strategist's rational focus on personal and institutional development across time may cause a blindness to the present moment, for the related effort to become aware of possible incongruities across two or more qualities of experience at the moment is a 'young' effort easily displaced by the more familiar theorizing process. Also, as the Strategist pursues his or her goals for the organization in interaction with its external context, subordinates who are unable to see from the same complex perspective may feel confused about the organization's direction. Since, as was mentioned above, it is impossible for an individual to see undistortedly more than one stage beyond his or her current level of development (Kegan, 1982; Torbert, 1987a), early-stage subordinates are particularly vulnerable to this alienation. Even subordinate managers at the Achiever level, who need to have the mission and strategy of the organization communicated to them, may experience this feeling. The manager at the Strategist level needs to take special care to maintain institutional and personal connections to subordinates, lest they be forced by their own needs for 'set' organizational policies and goals to seek another environment.

Examples of the Shadow Side of Strategists

Striking examples of the problematic awareness of the Strategist and its dark side can be seen in former Secretary of State Henry Kissinger, and in the founder and longtime CEO of Control Data Corporation William Norris (Torbert, 1987a, 1987b). Each of these leaders, as Strategists, came to realize that all organizing frameworks are created and constructed through one's interaction with the environment. Therefore each such framework is only relatively, rather than absolutely, valid. The knowledge of this relativism can tempt the Strategist to manipulate the social construction of organizational reality for unethical purposes.

Kissinger, in playing his international balance-of-power game, displayed a continual attentiveness to the subtleties of political negotiations and symbolic actions, recognizing the paradoxical nature of political crises as historical moments that invite creative action. However, Kissinger's attachment to his intellectual theory of foreign policy also manifested itself as arrogance that tended

to blur the boundary between good and evil. For example, his elevation of the National Security Council to an informal position of power—superior to and virtually beyond the control of the State Department—became the basis for the Reagan administration's later actions in the Iran-Contra affair, and its arrogant disregard for Congressional legislation.

Another example of the shadow side of the Strategist is William Norris, the founder and longtime CEO of Control Data Corporation, who based his management philosophy on the rational theory of creating new markets in areas of social need. For years Control Data did path breaking work in inner cities and underdeveloped countries. But Norris ultimately pushed his theory too hard and led Control Data to the brink of financial ruin.

These two examples of Strategists seduced by an intellectual theory rather than inspired to a continual questioning of its assumptions reveal the deep shadow side of this developmental stage. A certain lack of conscious awareness can produce a manager too closely identified with his or her theory to see its distortions or failure in practice. Depending on how powerful a position the Strategist holds in an organization or in society, the impact of such unethical outcomes can be enormous.

The Magician Manager²—Stage 7

The second post-formal managerial developmental stage—though rarely seen in practice—is that of the Magician, a figure who is characterized by a deep commitment to ongoing personal, collegial, and organizational transformation (Torbert, 1994b).

Magicians' continual striving for simultaneous attentional awareness of all four territories of experience and their constant efforts to align these four as closely as possible presents an open, vulnerable aspect in which light and shadow—figure and ground—are vying for an equal balance. In a qualitative study of six late-stage executives, a number of common themes surfaced (Torbert, 1994b). These individuals tended: (1) to be key players in several organizations rather than just one; (2) to vary their work pace enormously during the day; (3) to become simultaneously involved in dynamics at the individual level, the group level, and the organizational level; (4) to develop charismatic relationships that challenged others to be their best.

One example of a Magician manager in the study just mentioned is a member of a major consulting firm who interacted with between five and seven organizations each day of the week that she documented. During one week in her office she: 1) trained junior consultants, 2) served on a performance evaluation committee, 3) developed an affidavit for a suit against a Board of which she was a member, 4) billed 37 hours to three different direct client firms as well as five other engagements that she more indirectly supervised, and 5) initiated 42 telephone calls and received 19 on behalf of a newly organizing industry trade association (she called this effort 'market development'). In addition, she offered two different, ongoing workshops from 8-10pm on two of the evenings. The participants in these workshops included former and current organizational

clients who wished to explore their own personal development at a deeper level. (See Torbert, 1994b, for more extensive examples of the Magician manager.)

The *light side* of the Magician's behavior is timely action in a moment-to-moment awareness that has the potential for mutually transforming power. The manager at the Magician stage actively seeks criticism from others and openly expresses in both word and action a willingness to change. The Magician attempts to break through the rationality of the previous stages by producing, through the alchemical artistry of action inquiry, surprising challenges that may disorient subordinates, that may cause them to question their own assumptions, and that may invite creative initiatives and transformation.

This apparently positive characteristic, however, can become a negative *behavior of the shadow*, especially if the subordinates have not implicitly or explicitly agreed to participate with the Magician in this way. To avoid the potential manipulation and control that may accompany this deliberate disorientation, the Magician needs to consider the developmental levels of subordinates. Will more effective transformation come about when the subordinate is actively informed and involved in the action inquiry process as in the case of a subordinate at the Strategist stage? Or will such feedback be misinterpreted as intolerable criticism that in fact delays developmental transformation, as is typically the case with a Technician stage subordinate?

The 'Ironic' Manager—Stage 8

The third post-formal managerial stage is the Ironist, the exceedingly rare individual in whom the balance of light and shadow is finally tipped toward *an illumination so bright that it must be hidden from view*. The Ironist maintains a sense of the cosmic interplay among all beings in time and space, a sense of the absurd gaps, distances, and differences within the intelligent universe, and a sense of the limitations of personal and organizational power. The power of the Ironist is self-limiting, self-masking, and self-legitimizing through his or her constant support of the development and empowerment of others (*i.e.*, action) and through the continual public testing generated by the liberating organizing disciplines that she or he engages in with others (see Torbert, 1991, for a full discussion on "liberating disciplines"). Thus, in the Ironist the process of action inquiry is fully developed and suffuses the entire constructed character of the person.

The Ironist is constantly aware of the incongruities among the four territories of experience and values the conscious suffering of such inconsistencies as moments with the greatest potential for self and organizational transformation. The Ironist is also aware of the distances among the worldviews of each of the earlier stages. The distance from others required for this degree of awareness often can only be maintained by assumption of an observable *persona* behind which the Ironist's true self may remain hidden. The Ironist may then assume a role contrary to his or her own natural inclinations in order to communicate effectively with earlier stage managers and to sustain, within himself or herself, and within the larger organization, the dialectic tension that generates increasing

consciousness and increasing openness to developmental transformations. This third stage of post-formal managerial development is extremely rare, though Torbert (1987, 1989, 1991) offers as illustrative examples Mahatma Gandhi, Dag Hammarskjöld, and Pope John XXIII. However, since it is characteristic of the Ironist to refrain from the public exercise of power, many more may remain hidden from view.

The Ironist is aware of the potentially destructive character of charismatic leadership and therefore backs away from it, out of the light that may blind subordinates into mindless following, and into the shadow that permits and encourages others to see themselves and their world more clearly. Thus, *the shadow side of the Ironist seen by subordinates may not in fact be inherently dark but only deliberately cloaked in darkness*. The Ironic leader's baffling appearance, disappearance, and reappearance in its purposeful creation of illusion and disillusion is likely to evoke feelings of discontinuity among others (although Charles DeGaulle was a leader who choreographed his appearances and disappearances from the public eye in a way that bespoke order, continuity, and the uniquely French dignity). This sense of chaos or order is by design, in the sense that it results from the Ironic leader's attempt to create moment-to-moment opportunities for the transformation of subordinates and colleagues, of a whole organization, or even a whole society. Paradoxically, during those times that the Ironist is most actively creating chaos for others, he or she feels least discontinuous, as the four territories of experience become more closely aligned.

Torbert (1991, pp. 37-38) describes Madame Jeanne de Salzmann, for 40 years the leader of a hidden spiritual work in which he himself participated, as an Ironist:

Jeanne de Salzmann became the recognized leader of a spiritual work at the age of 61 when its founder died. This spiritual work does not publicize its existence, or seek converts, but some 100,000 or more persons around the world, including leading artists, movie stars, business people, and scholars, participate. Madame de Salzmann's power of balance was literal as well as social and metaphysical. A teacher of sacred dance, she continued to lead and to demonstrate mindful movement well into her nineties and attended meditation meetings, walking with an unimaginably calm, self-contained, and regal bearing, until her death at 102. Socially, Madame de Salzmann created an environment that reversed the fate of most spiritual organizations, which fragment into separate sects after the death of the founder. Under her watchful gaze, instead, a group form of leadership developed that reunited previously warring factions.

Spiritually, her English, richly flavored with French and Russian, bespoke a continual conscious interplay among a rising biological energy, a permeating intelligence, and a spontaneous generosity. She describes the effort, in this school, to develop aspirants' awareness through liberating disciplines:

Unexpected conditions were brought about in order to upset habits.... This put the pupil on the spot. What his intellect had become capable of conceiving had now to be experienced with his feeling.... Then the body, in its turn, was required to collect all the energy of its attention so as to attune itself to an order which it was there to serve. (De Salzmann, 1973)

Conclusion

We have told a story—in a brief, episodic, discontinuous fashion, heavily laden with theoretical language—about a journey. This is the journey each of us must take—not in thought alone, but in the living of our lives—if we seriously wish to know how to practice ethical leadership. Plato knew this and suggested that good political leaders could not be developmentally “ready” before the age of 50. While age is not logically tied to one’s developmental stage, Plato’s vision hints at the amount of inner work that is required to actually practice ethical leadership.

The story we’ve told suggests that it is a journey filled with disquieting uncertainties that cannot be resolved before we start the journey. Although the aim from the start of the journey is to become a better person and a more ethical leader, there are three profound dilemmas that are encountered in determining whether we are following Gandhi’s dictum of ethical integrity: “You must be the change you wish to see in the world.”

The first profound dilemma we face is that there are entirely different systems of ethical thought for “counting” whether a given act is in fact good or evil. What is good at one stage may be perceived as bad at another. The story claims that, although this dilemma is unresolvable in theory, it *is* resolvable if one travels far enough on this developmental journey. For example, beginning at the Achiever stage one is no longer so locked into a single logic as is the case at the earlier stages. From the Achiever stage, one is seeking, in one’s actions, for ever new ways to measure “the good,” ways to establish collective preferences about “the good,” conclusions about “the good” reached through principled, historically-contextualized reasoning, and exercises to widen one’s awareness of multiple interacting “goods.” In this view, what makes leadership action more likely to be ethical at the later stages of development, is that such leadership is less likely to exclude *a priori* certain logics about “the good” and more likely to generate conversational and organizational processes that transcend and integrate different parties’ initial views of “the good.”

The second profound dilemma that confronts us if we wish to become a better person and leader, or if we wish to determine whether someone else is a good leader, is that the play of light and shadow persists throughout the developmental journey. This means that even if later stage leaders are better in general, a given late stage leader on a given occasion may temporarily be dominated by unconscious shadow issues, and thus may act more unethically than an earlier stage leader making a comparable choice.

In fact, as we’ve seen, since shadow issues (and behaviors) continue throughout every stage of the developmental journey, a leader will never find a resolution in the balance of light and dark as s/he moves to later stages of development—there is no resolution into the ‘light’. One can only expect a clearer recognition of the interplay between ‘figure’ and ‘ground,’ —like the black-into-white-into-black Taoist yin/yang symbol—and thus a wider awareness about the disparities overall.

To emphasize this point, we will briefly explore a well known example, someone who is perceived to have been completely in the 'light,' namely Jesus. As powerfully redemptive as his actions have been taken to be by a large part of humanity, he also was involved in constraining behaviors and unclear results. For example, with all of his disciples being men, what is the right relationship between the genders? And how are we to understand his model of a short, single man's 'messianic' life drama in light of our strivings for a more fully mature developmental cycle among a lifetime circle of friends and family? What he didn't say and do leaves a shadow as much as what he did say leaves us light.

The third profound dilemma, and the one that is least easy to reconcile, revolves around the long-term impacts of leadership decisions. With their widening awareness of an interplay across various spatial and temporal scales, later stage leaders are apt to lead organizations, direct projects and take on issues which reverberate across many horizons. Therefore, when they err, their negative impact may be far greater than whatever temporary, local waves an earlier stage leader's actions have.

Late-stage leaders are working with major archetypes of awareness and thus with the 'symbolic resonance' of actions, not just with the details or outcomes of specific behaviors. Since the resulting effects are symbolic, meanings and interpretations are made by individuals surrounding the leader. However, such interpretations are likely to be limited, for two reasons. First, if developmental theory is right, the complex and subtle judgments and actions of very late stage leaders are undecodable by earlier stage participants; thus, some of the leader's intentions will be unnoticed, and other unintentional effects may be focused on inappropriately.

Secondly, a late-stage leader's actions tend to operate at many different levels simultaneously—their actions will 'refract' in all ways possible. Yet most of us tend to think in more concrete ways; *i.e.*, individuals will likely choose one single frame of reference from which to understand the leader's actions. Over time, due to sociological forces and historical fate, one of these interpretations will tend to crystalize—*i.e.* become the orthodox viewpoint. This can happen years, decades, or centuries after the leader's presence.

These orthodox beliefs—generated by individuals who may not even see, let alone understand, the subtle meanings of the leader's actions and effects, can result in massive damage to others in the society, precisely because a late-stage leaders' impact is so broad. How else can one explain the continued 'discrimination' against women in the Catholic church? Or the fact that much emphasis is placed in Christianity on being 'born again' while little is made of 'growing old' in the faith? Or even more to the point, how can one understand the violence and general lack of charity that Jesus' followers have periodically visited upon one another and other members of humanity during the past two millenia, especially in light of Jesus' own teachings?

In each case, we see that there are no pre-determinable, "final solutions" to these problems, only increasing awareness of them and increasing inquiring action in the present to address them. The best one can say is that late-stage leaders are more likely to take inquiry into, become aware of, take responsibility for, and suffer all of the effects that result from their actions, without being paralyzed from further humble effort.

Notes

¹Our descriptions begin at the opportunist stage, because there were no managers who were found at the impulsive stage of development.

²The lack of examples of magician-managers may be due to the fact that the evolution to this next level of development is perhaps the most difficult of all the transitions between stages. One reason for this difficulty is that, although there are some Strategists found at senior management levels, the six surveys of managers found *no* Magicians. Hence a given Strategist probably finds no Magicians to serve as an example, or whose mentoring influence may enable the Strategist to further evolve. Another reason is the very human, Western, scientific attachment to the rational, intellectual world as the source of solutions to all problems. Letting go of this dependence upon the rational involves a virtual rejection of what most individuals learn within their workplaces, schools, and families.

A third reason why persons may hesitate to enter this transition is that it requires a repeated, unending, moment-to-moment questioning of both one's incidental assumptions (*e.g.*, that I know what the expression on your face means) and one's most cherished assumptions. There is a dawning awareness that at the Magician stage one will be continually vulnerable. Those who choose to take the risk may experience the rewards of a larger scope of vision and understanding, but will also be confronted with a degree of isolation and an awareness of their own differences from others that is not often anticipated. Yet once sought and attained, it is impossible to return to the previous level of awareness. One can only, paradoxically, look ahead to the next developmental stage for a relief which, the late-stage person now sees, may not exist at all.

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