

Leadership Is a Covenant

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Introduction

At any upscale bookstore these days, one can find an array of well-marketed, attractively packaged books on leadership—leadership laws, leadership habits, leadership secrets and more. In fact, in one store, I counted twenty different titles with the word “Leadership” in them and dozens more on subjects related to leadership.

With so much literature available on the topic, one might assume that in America we have a pretty good grasp on the essence of leadership. However, even a cursory view of the nightly news demonstrates that in reality the opposite is true. Almost daily we are confronted with stories of people entrusted as “leaders,” who violate that trust with breaches of integrity.

I believe we hear and read so much about leadership because we are in the midst of a leadership crisis in our country. Although my hypothesis has not been tested empirically, the anecdotal evidence supporting it is overwhelming. A business fails because of illegal accounting practices ... a CEO is implicated ... a priest is arrested ... a senator cheats ... an intern is missing ... a civil rights leader has a child out of wedlock ... they are all haunting reminders of people who were entrusted as leaders but failed. Unfortunately, the crisis is not limited to the business or political realms. It is evident in our homes, our colleges, our communities and even our places of worship. Simply stated, people are deeply interested in leadership because they don’t see it that often and, when they do, it inspires them.

A Relational Model

Why is leadership becoming so obscure? In part, it’s because people tend to confuse leadership with headship or leadership with certain activities. However, leadership is more than presiding at the top of an organization or getting things done through other people. Many heads of organizations (including Sadaam Hussein in Iraq and Hitler in Nazi Germany) have been able to get things accomplished through the use of power, but that doesn’t make them leaders.

In 1979, political scientist, James MacGregor Burns, wrote what I consider to be (besides the Bible), the definitive book on leadership. In his Pulitzer prize-winning work, which Burns appropriately entitled *Leadership*, he argues that leadership is not headship, it is not winning friends and influencing people, and it is not power wielding. Leadership, according to Burns, is best understood simply as a relationship between leaders and followers. Inherent in that relationship is power and how that power is used as it converges with the dynamics of the relationship, determines whether a person is leading or power wielding. Of course, the dynamics of the relationship are determined in part by the purposes that drive it. As Burns further notes,

relationships are nothing if they are not linked by common purposes, ones that are bigger and more meaningful than our own selfish purposes.¹

A Common and Ethical Purpose

Now, if I understand and embrace leadership in the context that Burns describes, then that should influence the way I lead. By this definition, if I'm a leader at any level of an organization, my relationships with others will be based on more than just the pursuit of my own wants, needs or goals. They will be based on the pursuit of a common and ethical purpose that promises also to fulfill mutual wants, needs or goals of the people pursuing them. That is essentially what Burns meant when he indicated that relationships were meaningless apart from being linked by common purposes. Relationships, if they are meaningful, are formed by the convergence and subsequent fulfillment of organizational mission and individual aspiration.

Recognizing Responsibility to Others - Of course, as a leader it goes without saying that the pursuit of that common purpose will also serve my own self-interests. However, in that pursuit, I also recognize that I have responsibility to and for others, and I demonstrate a commitment not only to the organization's well being, but also to the personal and professional well being of those I lead. Achieving that balance requires a certain amount of selflessness and even humility. In fact, in his study of "Good to Great" companies (eleven companies that returned an average of \$471 for every \$1 invested over 35 years), Jim Collins found that the most effective leaders (what he calls level 5 leaders) are a "paradoxical blend of personal humility and professional will." According to Collins, the high profile leaders with big personalities were not nearly as effective as leaders of "Good to Great" companies.²

Going Beyond Performance to Service - There are occasions when our company works with individual clients who have "big personality" leaders at the top. The culture they create is one where leadership is not always viewed in a mission oriented, selfless manner. Instead, they think of leadership as a self-serving contract that encompasses a series of power-driven transactions, negotiations or even manipulations between the person in charge and the rest of the team. Everything and everyone in the company seem to serve the leader's immediate needs, often without regard to the long-term cost. True, people operating under this paradigm may wield power and, in the short-term, achieve a modicum of quantitative success, but they are not necessarily leading. While leadership cannot be separated from performance, it also involves more than just a simple performance contract or a series of transactions. In fact, leaders understand that "hitting the numbers" at any cost may not be in the long-term best interest of the company. As Collins' research demonstrated, leadership is about building credibility, using influence, demonstrating commitment and serving others both inside and outside the organization to achieve its common and ethical purpose.

In this context, leadership has very little to do with charisma and very much to do with setting the example for followers and building trust as the leader and followers work toward the common purpose. Peter Drucker (2001) put it this way:

"The final requirement of effective leadership is to earn trust. Otherwise, there won't be any followers – and the only definition of a leader is someone who has followers. To trust a leader, it is not necessary to like him. Nor is it necessary to agree with him. Trust is the conviction that the leader means what he says. It is a belief in something very old-

fashioned, called “integrity.” A leader’s actions and a leader’s professed beliefs must be congruent, or at least compatible.”³

Attending to Process, Not Just Outcomes - Certainly, Mr. Drucker’s comments imply that leadership is a bit more complex than completing tasks, fulfilling contractual obligations or reaching numeric goals. Those may be by-products of effective leadership, but they do not capture its essence. A leader’s effectiveness is determined as much by the process of how he achieves something as it is by what he achieves. Hitler was certainly charismatic and he achieved a great deal. However, in the language of Peter Drucker, he was a “misleader” because of all the evil and suffering he inflicted.⁴ In the end, his “mis-leadership” or “power-wielding” was far more about his own selfish purposes than it was about the common and ethical purposes of the German people. In fact, to Hitler people became objects to be used and manipulated for his own purposes, or destroyed and discarded at his whims. Their value was not intrinsic but solely utilitarian. The intrinsic worth and humanity of individuals should cause leaders to serve people as well as receive from them in the process of achieving desired outcomes. Whenever that concept of worth is forgotten or even discarded as it was in Hitler’s case, then it’s easy for people simply to become objects available for the selfish exploitation and manipulation of those in power. In some respects Hitler delivered on his contractual promise to elevate Germany but the process of fulfilling that contract lacked an ethical base. It was brutally enforced through power wielding, deceit and intimidation and, because of that, eventually Hitler failed. Apart from a relationship based on common and ethical purposes and a process that demonstrates a concern for individuals as people with needs instead of objects, leadership cannot exist. In fact, the more the selfish purposes of the “mis-leader” are served, the more power, deceit and manipulation are required to keep people serving those purposes.

A Covenant – Not a Contract

I believe true leadership is actually a covenant and not a contract. The failure of our society to differentiate between the two concepts contributes heavily to our leadership crisis. In fact, in many ways we have lost the language of covenant in our society. For example, if you were to consult *Webster’s Dictionary* regarding covenant, you would find that it defines the term simply as “a contract.” However, a covenant is different than a contract; it is far more demanding and also far more flexible and powerful than a contract.

A Basis of Good Faith - Illustrating the difference between covenants and contracts does not suggest that contracts are inherently bad. On the contrary, we use contracts daily, but it is important to understand their limitations. Contracts tend to encourage people to negotiate the terms of a relationship based on their own self-interest. Consequently, as the contract is fulfilled each of the parties tends to evaluate the value of the relationship based on the performance of the other party. If one of the parties believes his or her self interest is not being served through this contractual relationship, then that constitutes justification for either breaking or renegotiating the contract. In a very real sense, such a relationship breeds mistrust and commitment only to self. Even in an environment that is heavily contractual, when trust is missing in relationships, then the contracts quickly deteriorate. In fact, most lawyers with whom I have discussed the subject freely admit that, for a contract to work for an extended period of time, it has to be supported by an underlying basis of “good faith.” That “good faith” is one of the elements necessary for moving beyond a contract into a covenant.

Simply defined, *a covenant is a relationship based on mutual trust, respect, values and commitment in which two or more people are willingly bound together by a common and ethical purpose. That purpose is bigger and more important than any one individual, and it provides meaning and hope for everyone involved.*

A Model in Marriage - Today while the debate about the definition and forms of marriage has been elevated, the vast majority of people understand the model of marriage in a traditional sense. In its ideal form it is a long-term, unconditional commitment of two people who are willingly bound together in a monogamous relationship. For a covenant like this to work it takes respect, trust, shared values and a willingness of each partner to give to as well as receive from the relationship. While marriage is the most intimate of covenants, it is not the only place the model of covenant applies. In fact, in the 1830's Alexis de Toqueville observed that the strength of America was found in what he called "covenants" that existed between and among its people, covenants in which they cooperated, helped and supported one another in ways that created functional communities.⁵

What Toqueville observed in communities is possible in any kind of organization of people. In fact, our company helps nonprofit organizations and businesses apply the principles of covenant to help them become more functional, both operationally and relationally. Our primary objective is to help their people achieve higher levels of productivity and fulfillment both in their personal lives and in their work. My experience convinces me that many of us truly desire the benefits of a covenant in our homes and our businesses, but we don't always know how to achieve them, and therefore we fail. I believe at least part of that failure is due to the fact that we often impose contractual expectations and a contractual framework on what's intended to be a covenant.

An Assumption of Goodwill - While contractual expectations are common in business, they can sometimes detract from the goodwill and spirit of trust that are central to building healthy relationships. This is particularly true when the interpretation of these expectations becomes overly legalistic. For example, a nonprofit client of ours recently went through a national search for a senior officer of their organization. After several rounds of interviews with staff and Board members, one candidate emerged as their choice. Both the candidate and the Board members were excited about the prospect of the relationship. They simply had to work out the details of the agreement. After several versions the agreement was just about finalized. Goodwill began to fade when the candidate then chose to give the agreement to his lawyer for further review. He came back with several additional demands that extended the negotiations and required more conversations and concessions by the organization. Even though he had clearly been the best candidate, as the negotiations dragged on the Board and staff began to question whether or not they could trust this candidate and decided to reopen the search. Eventually, they found another candidate who was equally qualified but less demanding and they hired her. Unfortunately, the first candidate missed the opportunity to work with a great group of people because his demands demonstrated that he could not bring himself to trust them. As a result, he lost credibility with the group because they suspected the candidate was greedy and interested only in himself. On both sides trust and good will diminished in ways that caused irreparable damage.

The matrix that follows demonstrates some of the differences between a covenant and a contract. Sometimes a contractual relationship can lead to a covenant, but that is a direct result of the leadership values and choices of the people involved.

| <i>Tend To</i> | Covenants | Contracts |
|---------------------------|---|---|
| <i>Build</i> | Community and Mutual Responsibility | Clearly Defined Territories and Individual Rights |
| <i>Promote</i> | Common Good, Win/Win | Self-interest, Win/Lose |
| <i>Foster</i> | Relationships, Mutual Prosperity | Terms, Individual Prosperity |
| <i>Be Driven By</i> | Mission / Values | Transactions |
| <i>Be Bound By</i> | Spirit / Integrity | Law or Legal Interpretation |
| <i>Encourage</i> | Free Exchange / Vulnerability | Conditional Exchange / Protection |
| <i>Be Oriented Toward</i> | Service and Development of Individuals | Performance and Evaluation |
| <i>Imply</i> | Trust / Positive Assumptions | Mistrust / Negative Assumptions |
| <i>Focus On</i> | Giving and Sharing | Receiving |
| <i>Support</i> | Principles and Liberty | Rules and Restrictions |
| <i>Define</i> | Accommodation | Contingencies |
| <i>Promise</i> | Long-term Commitment | Short-term Execution |
| <i>Lead To</i> | Loyalty and Motivation | Shopping Around / Detachment |
| <i>Favor</i> | Recognition of Others | Recognition of Self |
| <i>Create</i> | Synergy / Emotional Attachment / Increased Social Capital | Limits / Emotional Distance / Diminished Social Capital |

A Foundation of Trust

Approaching leadership as a covenant can be demanding and at times trying because making covenants functional requires establishing a foundation of trust. Trust is not something that comes automatically, and establishing it requires effort, particularly in an environment of declining trust. In fact, recent Gallop polls have demonstrated that the percentage of Americans who believe most people can be trusted has declined from 55 percent in 1966 to about 30 percent today.⁶ Accordingly, as leaders attempt to lead, they often must spend a great deal of energy breaking down cynicism and mistrust in their organizations. That is part of the reason why it is often much easier to engage people contractually with a straightforward and simple transaction: “If you will perform this task in this way, I will compensate you in this manner.” While contracts and transactions of this type allow organizations to achieve certain tasks at a basic level, they do not build ownership or maximize productivity as people perform those tasks.

Giving Meaningful Work ... Valuing People - Research demonstrates ownership and high productivity inside an organization come from simply giving people meaningful work to do and treating them well as they do it. Giving people meaningful work to do means helping them understand both how their specific jobs are related to the larger mission and goals of the organization and why those jobs and their personal contributions are important. When leaders take time to do this, they communicate to people that their work is meaningful and that they are important to the success of the organization. When workers understand these things, they are likely see themselves as valued members of a team who have been entrusted with something that makes a difference. This kind of trust tends to breed more trust and good will inside the organization. Of course, in addition to communicating to people the importance of their work, building ownership requires that leaders also trust people to do that work without hovering over

them. This means that leaders must provide necessary resources, remove barriers, empower people to make decisions and recognize them appropriately as they make contributions.

Recognizing Contributions - Relationships begin to fail when people take each other for granted. While taking people for granted comes in a variety of forms, it usually comes down to a failure to recognize the value and contributions of another individual. In a corporate setting higher turnover rates among employees can sometimes signal a lack of appropriate recognition. Also, appropriate recognition is not always verbal or written; sometimes it means allowing people who make significant contributions to share in the profits of their labor. For example, in December of 2003 the San Antonio Shoe Company in Pittsfield, Maine made national news when owners of the privately held company decided to recognize their employees in a special way. At about 2:30 in the afternoon the management team called employees together and announced that each employee would receive a one-time bonus of \$1,000 for every year of continuous service. In their announcement to employees, they thanked them for their loyalty and dedication and for helping make the San Antonio Shoe Company a success.⁷

In the case of one married couple, each spouse had worked for the company for 19 years, which meant together they received \$38,000. While that level of profit sharing is not always possible, in this case it went a long way towards recognizing the contributions of the workers and building good will and trust. In other words, assuming that a leader endeavors to actualize the potential of workers or associates, that leader will have to give something to the people he or she seeks to actualize. Getting more out of a relationship in any context requires giving more, and when people begin to trust and give freely they start to move out of the realm of a contract and into the realm of a covenant. In this sense, covenants are far more complicated than contracts. They require a willingness on the part of leader and follower alike to trust one another and to give to rather than just receive from the relationship. In essence, it means sharing their talents, resources, work, problems and even revenues in ways that create an environment of mutual trust.

Benefiting Mutually - When trust is high in an organization, then the benefits are shared and flow both ways. However, if the benefits are perceived to flow just one way, then trust dissipates and the sharing declines. For example, the headline of a 2002 *Wall Street Journal* article read, "On Factory Floors, Top Workers Hide Secrets to Success." In the article, author Timothy Aepfel provided examples of exemplary workers who refused to share with their companies the "tricks" that enabled them to "out produce" their peers. One highly productive, manufacturing worker explained his reluctance. This veteran employee of 24 years commented that if he gave the company his secrets, he feared they would use them to "speed things up" and increase work demands for everyone.⁸ In other words, this worker's experience taught him not to trust management and therefore not to share his knowledge and talent with them. Mistrust like this costs organizations untold millions and possibly even billions in lost productivity each year, and productivity is clearly a leadership issue.

Covenants that are built through trust take time and energy, and in some ways make people more vulnerable, but they also promise higher productivity and greater rewards. However, for a relationship to be a true covenant, the benefits and/or rewards must flow both ways. For example, consider the case of the manufacturing worker who refused to share his secrets. He may have had full knowledge of the importance of his job and may have been freely trusted and empowered to do it. However, had he been able to share in some of the profits from his ingenuity without fear of excessive workloads, then he might have been more inclined to share his knowledge. Because the benefits of covenants flow both ways, they tend to create a

culture of trust and a spirit of cooperation where people are more willing to share. Also, since covenants are flexible enough to accommodate a variety of circumstances, they don't have to be renegotiated like contracts do when conditions change. In fact, because of the trust that exists in covenants, they are far more adaptable, forgiving and trusting than contracts, and all of these elements are essential for organizations to be successful in the 21st century.

Sharing Information - Sometimes the lack of trust can push a company to the brink of failure. Consider the case of a small telecommunications company that came to us for help a few years after I started my business. They were having trouble motivating workers to go the extra mile and produce high quality work. Competition was increasing and profit margins were quickly declining, so the company brought in a new CEO and management team to turn things around. Both the industry and their company had experienced a great deal of change in the late 90's. The new leadership group needed to pull the workers together, but the workers resisted it. Regardless of how hard they tried, getting people to come together and assume ownership for their work and for the welfare of the company proved to be a daunting task for the new management team. As we interviewed the workers, we found that many of the former managers refused to share crucial information about the company with the workers. Essentially, they kept the workers in the dark and tried to drive them to higher levels of productivity. These managers had been taking a strict contractual approach with people ... one that was *inflexible, unforgiving* and rife with *mistrust*. In fact, the perception among the people to whom we spoke was that the managers themselves really didn't care about the organization or its mission; they were simply trying to drive the workers and bleed the company for their own benefit. In this case, credibility had eroded, a foundation of trust was missing and the negative results were quite predictable.

If people in an organization can't trust each other, it's just a matter of time before that organization begins to deteriorate. At this telecommunications firm, it took the new CEO months of hard work and information sharing to begin regaining the trust of his workers. Clearly, trust is a leadership issue because leaders are the ones responsible for initiating and creating the culture. In fact, when leaders fail in an organization, it's often because of their inability to engender a trusting environment where people are willing to cooperate in achieving a common purpose.

Of course, on a larger scale the same thing is true of our society. In his best-selling book, *Trust*, author and social philosopher, Frances Fukuyama, compared what he called, "high trust societies" with "low trust societies." He demonstrated how trust in American society gives American business a strategic advantage that is absolutely critical to our economic prosperity. Simply stated, when we work together towards common purposes in clubs, social service agencies, religious organizations and communities, we learn to trust people outside our families and develop skills that transfer into the workplace.⁹

An Alignment of Core Values

Trust and cooperation in American life and work have traditionally been supported by a set of core values. Until recently, those values were agreed upon and deemed important by most Americans. They were taught in our homes, our churches and our civics classes in ways that both created and preserved a uniquely American culture.

Moving Away From Legalism - Today the climate has changed, and our communities, our businesses and our organizations have suffered as a result. We have less of a consensus regarding our common values, and therefore less of a basis for trust and cooperation. We have replaced the flexible concept of covenant with a rigid concept of contract and, instead of integrity and commitment binding our agreements, it is now the law. But building meaningful and productive relationships based primarily on law is virtually impossible.

The by-products of this rising legalism are an increased rigidity and a focus on self. Mr. Fukuyama cautions that the recent legalistic preoccupation with individual rights in the U.S. undermines American economic interests because it dissipates trust. That dissipation is evidenced in the growing frequency with which people today look to the courts and to government to solve their problems. However, at some point we have to ask where that takes us as a society. The 2000 presidential election gave us a taste of what life and decision-making are like in a legalistic society that values winning at any cost and requires trial lawyers and judges to arbitrate differences.

Fukuyama's notion of the importance of trust certainly coincides with what the former head coach and president of the Boston Celtics, Red Auerbach, said about his now legendary run of success. He explained that trust and loyalty were central to his philosophy, and those values applied in relationships with players helped the Celtics win 16 world championships. Auerbach also commented on the lack of ingenuity and productivity that come from mistrust: "If you have employees who work through fear, you're not going to get any ingenuity out of them ... all you'll have are robots that are going to do their jobs, have a low-key approach, stay out of trouble."¹⁰

Walking the Talk - Unfortunately, many organizations are rife with mistrust and operate in the legalistic, contractual manner that Messrs. Fukuyama and Auerbach both warn against. Again, this does not negate the use of contracts. We live in a world that sometimes demands the use of contracts to do business. However, for a contract to work well it requires the assumption of some underlying values such as integrity, trust, cooperation, a sense of common purpose and respect; values that are shared among the parties involved and, therefore, central to the relationship.

Of course, it will not do simply for organizations to have stated values. There must be alignment between those values and the daily practices within the organization. In fact, misalignment between values and practices often is where the seeds of an ethical breach take root. That's why leaders must assume responsibility for ensuring that relationships are respected and that the core values are aligned with practices and lived daily.

Consider the case of the Enron Corporation. Boldly stated in their company literature were their core values of *Respect, Integrity, Communication and Excellence* that were developed to guide their company's operations. Even as the company was deteriorating, CEO Kenneth Lay continued to tout those values and encourage people to buy Enron stock. In fact, at the same time he was telling employees that the stock was an "incredible bargain," he and about two dozen senior executives were cashing in more than \$1 billion worth of that same stock. Two days before filing bankruptcy, Enron gave \$55 million in retention bonuses to "key managers," yet they refused to provide severance pay to the 4,500 employees they laid off of work. In total, the company's indiscretions caused 15,000 employees to lose \$1.2 billion, and the CFO alone to be charged with 109 counts of fraud, money laundering, conspiracy and obstruction of justice. Had

the Enron executives taken their stated values more seriously and aligned their practices with those values, there would not have been an ethical breach.¹¹

Creating a Culture - To be effective, core values cannot be just words. They must reflect the culture or ethos of the organization, and adherence to them is an essential part of a covenant. Core values help build credibility and confidence so that, regardless of how difficult the circumstances might become or how “iron clad” a contract may be, ultimately the people involved can trust each other because the core values will guide their actions. However, maintaining alignment between core values and practices does not automatically happen inside an organization. It requires hard work, vigilance and the presence of at least three conditions:

- (1) ***First, the values must have a basis in objective or universal truth.*** If they do, then the values are transcendent and applicable in all situations; if not, they are relative and applicable only in some situations. For example, if respect and integrity are relative truths, then it is up to me as an individual to decide when and where to apply them. Accordingly, it is a short step of rationalization for me to accommodate disrespect and dishonesty of the kind that led to Enron’s downfall. Conversely, if those truths are universal, then they apply in all situations for everyone, not just in situations where applying the values serves my own self-interest.
- (2) ***Second, those values should be widely communicated and commonly understood.*** For example, my youngest son has been a scholarship athlete at the University of Notre Dame. For each of his four years of eligibility, he has had to attend an orientation/training session that is mandatory for all varsity athletes. At these all-day meetings the President, the Athletic Director and other university officials discuss the values of the Notre Dame athletic program and the behavioral expectations of Notre Dame athletes in alignment with those values. Among other things, they learn about the code of ethics (or as they call it at Notre Dame, the DuLac), how to deal with members of the press and appropriate manners for dining and traveling. They also learn that there is zero tolerance for fighting, drug and alcohol violations and premarital sex. In addition, these athletes learn that they have academic expectations that supersede their athletic commitment and that they are considered Notre Dame athletes 24 hours a day, seven days per week and 365 days per year.
- (3) ***Third, leaders must demonstrate a strong commitment to hold themselves and others in the organization accountable for aligning their behavior with those values.*** Values are intended to help create a organizational culture. At Notre Dame there are no double standards in holding athletes accountable for the stated values and expectations. In fact, several times in the past decade well-known star athletes have been dismissed from the University as a result of a failure to align their behavior with the values. In many cases, after sitting out for a period, these athletes have been able to amend their behavior, return to the university and go on to graduate successfully. At Notre Dame the culture is one in which athletes can learn, contribute and achieve success in ways that will equip them for life. Eric Guerra, the Coordinator of Student Development, works primarily with student athletes at Notre Dame. He noted that leaders at the university take the core values quite seriously and they try to lead by example, aligning their own behavior with those values. He commented, “It starts with Father Malloy (President) and his example. He lives in Sorin Hall with the students and he teaches. It is very much a model of servant

leadership. Then the coaches and the rest of the university officials all try to live by the spirit of ‘DuLac.’” Mr. Guerra explained further, “I feel the responsibility myself. We believe we are compelled to be what we represent and therefore everyone is held to that same high standard.”¹²

In a corporate setting core values make statements about how we will do business, how we will deal with our customers and how we will treat each other. If the culture does not reflect the values, then it’s usually because “leaders” inside the organization do not consider the values serious enough to hold themselves or others accountable for them. Again, had the senior executives at Enron “walked the talk” and aligned their behavior with their stated values of respect, integrity, communication and excellence, they never would have considered deceiving their employees or shareholders in the first place.

An Inspiring Commitment

Because organizations vary by type, purpose and industry, it is sometimes easy to assume that relational principles don’t always apply to them, particularly in organizations that are heavily contract-driven. However, regardless of the venue, the erosion of trust and commitment to a common purpose can be costly. Professional baseball learned this lesson the hard way when they tried to negotiate all of the intricacies and contingencies of complex human relationships into a contract. The free agency of players was pit against the sovereignty of the owners and everyone lost. In the aftermath of the 1994 strike, the owners and players had to put aside some of their self-interest, come together and scramble to restore the trust of fans who had stopped coming to the ball parks en masse. Fortunately, the leadership demonstrated in the unselfish play, commitment and sportsmanship of Cal Ripken, as he set a record for playing in 2,632 consecutive games, and Mark McGwire and Sammy Sosa, as they pursued the homerun record, inspired fans and filled the stadiums.

A closer look at their actions reveals some interesting points. Certainly Cal Ripken had the right to miss a game once in a while. As the Baltimore Orioles short stop, he was playing one of the most demanding positions in baseball, but he also had a higher, more compelling purpose. Mr. Ripkin realized that he was part of something bigger than he was. In pursuit of this larger purpose, he willingly compromised some of his immediate individual rights and made a longer-term commitment to what he considered to be a greater return for everyone involved.

In 1995 when he broke Lou Gehrig’s record of 2,130 consecutive games, he did not bask in the glory of his accomplishment. Instead, he took advantage of the opportunity to call attention to the dreaded disease (ALS) that claimed Lou Gehrig’s life. Cal Ripkin set up the Cal Ripkin, Jr. / Lou Gehrig ALS Research Fund at Johns Hopkins to help find a cure. In much the same way, Messrs. Sosa and McGwire had contractual obligations, but they performed well beyond the expectations of their contracts. Their unselfish commitments demonstrated in their good sportsmanship and the way they gave back to the game of baseball, inspired fans and brought them out to the parks in great numbers. In an environment of free agency and mistrust, this kind of commitment to a higher purpose is unusual but still very much admired. That’s why the leadership and grace manifest in what they did, and how they competed became contagious.

A syndicated columnist, Thomas Friedman, noted that had McGwire clung to the “legalistic letter” of his contract, he could have refused to sign endless autographs for free;

ignored questions about his muscle-building supplements, his son or his divorce; or neglected to acknowledge any obligation to the Maris family or baseball history. Likewise, when McGwire finally hit number 62, Sammy Sosa ran in from the outfield to give his rival a congratulatory hug. Then a few days later when Sosa tied McGwire with his 62nd homer, he humbly said the glory did not belong to him but to baseball, the fans, the people of his homeland and his mother.

Columnist Friedman points out that this kind of unselfishness naturally stimulates unselfishness on the part of others, which is probably what motivated most of the fans who caught McGwire home runs to give them back without collecting a bounty estimated to be worth some \$1 million. Mike Davidson, the fan who gave back homerun number 61, said, "It would mean more to him (McGwire) and baseball than it would to me." Similarly, groundskeeper Tim Foneris, who caught number 62, commented, "It's not mine to begin with. McGwire just lost it, and I brought it home."

These players and fans acknowledged in their actions that there is something more important than their own personal comfort or prosperity, something bigger than their own self-interests. They obligated themselves in a covenantal way to baseball and history and the people who were watching. Attitudes and gestures like these are the responsibility of leaders. They demonstrate a commitment that goes well beyond the contractual letter of the law and forms the basis for covenants, covenants that inspire people to want to enlist in the leader's quest. Thomas Friedman (1998) commented further that these players gave the country a civics lesson, "reminding us that a democratic society is not just about the letter of laws, but about the spirit of laws. It is not just about rules, but about norms. It is not just about legalistic job descriptions, but about role models. It is not just about the entitlements of 'me' and 'now,' but about the obligations to those who came before and those who will come after."¹³

An Agreement on Good

The essence of a covenant is recognizing that at times self-interest is better served by giving up some individual rights, comforts or interests in favor of the common good. It is an acknowledgement that we are linked to each other by common purposes that are sometimes more important than our own individual purposes. This does not mean that covenants require people to give up the pursuit of their own self-interest. On the contrary, the pursuit of a better life and enhancing one's position in society are keys to the entrepreneurial spirit that has enabled many of us to create wealth and achieve the American dream. However, living by the principles of a covenant recognizes that self-interest is sometimes enhanced and even enabled by achieving a common good that is larger than self. In fact, that is the essence of the World War II generation, people who served and fought and sometimes died to preserve the common good of freedom. They recognized that their individual futures were linked to those of others and would be best served by cooperating, joining forces and pursuing the common good in a just war.

In much the same way they did with the World War II generation and many generations before and after them, covenants compel people to give back rather than just take from the community, the organization or the team.

The problem with cooperating to achieve a common good is that today it is becoming increasingly more difficult for people to agree on what is "good." Again, the absence of core values to help define "good" and guide people, often leads them to pursue their own self-interest

with little or no regard for others. When that happens, trust and civility, whether it's in an organization or a community, normally decline. It is my observation that, as trust dissipates inside an organization, it is often caused by a liberal pursuit of self-interest or a sovereign, legalistic approach to operations that is driven by an assumption of mistrust. Whatever the cause, in an environment lacking trust and civility, people quickly become more territorial and legalistic and less willing to give of themselves and their talents. When that happens, they are also less likely to share resources, defend or support one another or commit to common goals.

In 1978, author Alexander Solzhenitsyn prophetically cautioned the Harvard graduating class that a society (or any organization for that matter) that is devoid of trust and based primarily on the letter of the law, and not the common good, creates an atmosphere of mediocrity. It misses the full range of human potential because legalism stifles a person's inclination towards risk, virtue, duty and eventually greatness. Solzhenitsyn warned, "It is time, in the West, to defend not so much human rights as human obligations ... destructive and irresponsible freedom has been granted boundless space. Life organized legalistically has thus shown its inability to defend itself against the corrosion of evil."¹⁴

A Basis in Truth ... Not Power

Of course, understanding Solzhenitsyn's notion of human obligations requires having a collective sense of common purpose that is based on an understanding of common good. That means also that, beyond my preferences or those of even a large majority, there must be common principles or truths that are constant, regardless the circumstances. Apart from that, it is impossible to achieve an environment of trust or a system of mutual accountability. Likewise, achieving an understanding of common good is an exercise in futility without having some transcendent moral truth to help define that good.

Transcendent, Not Situational - For example, whether it's in an organization or in a community, what is ethical and responsive behavior is measured by how it aligns with the common good. However, just like we discussed in the earlier section on values, if common good is a relative term or if it's defined by comfort, preference or personal gain and not by transcendent moral truth, then what is considered "ethical" and "constructive" changes based on the individual and the situation. Therein lies the problem. In post-modern America transcendent moral truth constitutes an anathema of major proportions. In fact, the post-modernist would argue that agreeing on a common good is an impossibility because at best truth, good and evil are all relative terms and responsibility to others does not supersede responsibility to self. One of the most prominent post-modern philosophers of our day, Richard Rorty, put it this way, "... our responsibilities to others constitute only the public side of our lives, a side which competes with our private affections and our private attempts at self-creation." Rorty suggests further that "moral obligation" is but one of many considerations for an individual and it does not trump all other considerations in motivating behavior.¹⁵

Moral Obligation, Not Personal Power - However, if Rorty is correct, then moral obligation (manifest in the idea of corporate responsibility) will always clash with what he calls "private affections," because at times fulfilling the norms or community obligations requires a certain amount of self-denial. Also, if the notion of objective moral truth is unattainable, and truth, good, evil and even ethical are all relative terms, then the only things left to define obligations or mitigate differences are law and power. The logical creation of an organization or

a society in such a state is an environment where mistrust, power and the pursuit of individual interest dominate. That kind of logic is what brings us some of the corporate scandals and CEO abuses that are so prominent in the press. Unfortunately, all too often with the ascendancy of the individual comes the decline of civility and the common good, and that's exactly the point Solzhenitsyn made at Harvard in 1978.

For an organization that operates under Rorty's assumptions, the concept of covenant is lost. Because "good" is primarily the construct of the individual, there can be no transcendent moral truth to mitigate differences of opinion or reconcile competing goods. Simply stated, if my opinion of good differs from yours, then we are left to fight it out in a Darwinian form of organizational gamesmanship. Instead of voluntary covenants (based on core values and common purposes) arbitrating individual preferences and maintaining the common culture, people must rely on either the legal system or the brute force of power. Those without power who choose not to comply with the rules of the common culture or the prevailing power of an organization (regardless of how "immoral" or "unethical" either may be) are punished, ostracized and often eliminated. Hence, compliance is logical for the individual only inasmuch as it aids in self-preservation and/or the accumulation of power. Consequently, the primary end of competing individuals in such an organization is not the betterment of the organization but the acquisition of power. One is no longer bound by any rules apart from those that serve one's personal benefit. In essence, in Rorty's organizational world, everyone becomes a free agent.

It follows, then, that it is the prerogative of the CEO, without any moral obligation to the company or its members, to use his power any way he pleases to achieve personal gain. That's why it is more common today than it was even a decade ago to see CEOs of unprofitable or even failing companies receiving multi-million dollar salary and benefit packages. Also, because preferences vary with the individual, it's not surprising that rules, values and cultures often change with a new CEO.

Common Values and Culture, Not Preference and Double Standards - A culture that is formed by the consistent application of truth-based values brings stability to organizations. Conversely, substituting preference and power for core values brings both instability and changing cultures. While changing cultures and the double standards that often accompany them may be well within the boundaries of the law, they are rarely well received by anyone other than the individuals who are accommodated by them. Of course, the accumulation and abuse of power and the double standards that often follow are not peculiar to the business sector alone. There are plenty of examples in schools, nonprofit organizations and even churches where these conditions exist and people have been hurt as a result. The problem is that when individuals in leadership positions violate the common culture and/or the common good as everyone understands them, it often has devastating effects. Consider the thousands of people influenced by the decisions of the Worldcom, Enron and Arthur Andersen executives.

There has been much written in attempt to hypothesize and understand the abuse of power. In one now classic Business Week report, "CEO Disease," John Byrne, William Symonds and Julia Flynn cited examples of many CEO's who seemed to change dramatically once they came into power. The authors explained the seductive nature of the self-serving power shift that often has a negative influence on the company, "Pampered, perked and protected, many American CEO's have developed an unhealthy love of power which threatens their companies'

well being.” They note further that the power to control this “CEO disease” rests with the shareholders, but often by the time it gets to the shareholders the damage is irrevocable.¹⁶

It shouldn’t surprise us when we hear of corporate heads abusing power to serve their own purposes. Absent the notion of moral truth and the values that flow from it, values that define common good and help guide behavior, we are left with preference and power. What I find interesting is the fact that while people seemingly have difficulty defining or agreeing on common good in public discourse, they appear to achieve consensus about it quickly once that common good has been violated. It is clear evidence that while individuals may postulate in the public square as if common good and moral truth do not exist, they order their lives and their expectations as if they do.

A Loss of Free Agency ... A Larger Meaning

On the individual side of the equation, it’s important for us to realize, as the baseball industry realized, that ultimately none of us is a free agent. We are all part of something bigger than us, whether we acknowledge that fact or not. It might be a larger organization, industry, community, or even an idea, but that “something” does exist, and we simply cannot function effectively independent of it. Though we like to think of ourselves as independent and self-sufficient, in essence, none of us is a free agent. In fact, an awareness of our interdependence and the concept that we are linked to others by a common purpose, “something bigger than us,” better enables us to establish covenants with one another and deal with both prosperity and hardship more effectively. Having a consciousness of our common connections to others better equips us to achieve success. Those common connections help us derive meaning and ultimately hope in life because in and through them we can gain understanding that we have purpose and that we are not alone in the purpose. In *Man’s Search for Meaning*, psychiatrist and survivor of Nazi war camps, Victor Frankl, noted that happiness and success do not occur as they are pursued. Instead, he observed that they ensue as a person gets lost in the pursuit of a purpose with a larger meaning or in the service of another. He explained it this way, “A man who becomes conscious of the responsibility he bears toward a human being who affectionately waits for him [a covenantal connection and commitment], or to an unfinished work (a larger purpose), will never be able to throw away his life. He knows the 'why' for his existence, and will be able to bear almost any 'how.'”¹⁷

Giving, Not Just Receiving - In Frankl’s terms, a larger sense of purpose helps us define who we are and why we exist and it enables us to cast a vision for the future. Whether our larger “purpose” is found in God, work, family, community, or an integration of all four, we rely on it to help us make sense of the world and sustain us in times of hardship. In part, “making sense” means having healthy, fulfilling relationships with any of these “bigger” entities, which demands that we acknowledge our interdependence and give back to them rather than just receive from them.

There is probably no industry where the concept of free agency is more prevalent than professional sports. Yet, professional football player Pat Tillman demonstrated his understanding of this concept of a “larger” purpose when, in the wake of the 9/11 attacks on the World Trade Center, he gave up a lucrative career with the Arizona Cardinals to enlist in the Army. At the time of his enlistment, Tillman commented, “My great grandfather was at Pearl Harbor, and a lot of my family has gone and fought in wars, and I really haven’t done a damn

thing as far as laying myself on the line like that.”¹⁸ Pat Tillman derived meaning from knowing he was connected to his ancestors and fellow Americans by the ideals they embrace. His understanding of this connection and the larger meaning of the ideals compelled him to give back rather than just receive from the covenant they shared. Unfortunately, Pat Tillman paid the ultimate price when he was killed in Afghanistan fighting for the ideals he believed and giving back so that others might be free.

However, giving back like Pat Tillman and many other leaders have done necessitates that we put aside some of our immediate selfish interests (our free agency) and serve the interest of someone or something else. That also requires a certain amount of trust, trust in the importance of the mission and trust in the people we serve. It is an environment in which we must rely on the pursuit of a larger meaning to motivate us and the good will of others not to take advantage of us, clearly knowing that at some point we are likely to encounter people and circumstances that will test our resolve in this matter, but also understanding that it is well worth the risk.

Creating Purpose and Momentum - On the corporate or organizational side the same is true. A sense of common purpose, created and demonstrated through the unselfish acts of leaders, enables them to build trust, cast a common vision and give the organization direction. When those elements are present, they provide both meaning and momentum in ways that are crucial to long-term success. Max DePree, an author and Chairman Emeritus of the Board of Directors of the Herman Miller Company, notes that helping create meaning and momentum is the responsibility of leaders. In *Leadership Is An Art*, he explains how momentum and common purpose help people derive meaning: “Momentum in a vital company is palpable.... It is the feeling among a group of people that their lives and work are intertwined (common purpose) and moving toward a recognizable and legitimate goal (meaning). It begins with competent leadership.... Momentum comes from a clear vision of what the corporation ought to be, from a well thought out strategy to achieve that vision, and from careful conceived and communicated directions and plans that enable everyone to participate and be publicly accountable....”¹⁹ When people are engaged this way, both benefiting from and contributing to a purpose that is larger than their own individual purpose, they are able to derive meaning in much the same way as Victor Frankl described it.

Acknowledging Interdependence - The process described by Max DePree takes work on the part of leaders. It involves building synergy by creating an environment that acknowledges interdependence and a sense of common purpose. It is quite contrary to a power driven environment where organizational heads try to assume a certain amount of organizational sovereignty. In fact, for individuals or organizations to assume they are sovereign usually means that they also assume they are independent of all others and above all others. In this kind of environment the concept of “larger meaning” derived from pursuing a common purpose is lost. This may work for a short period of time but, as Jim Collins discovered in his research in *Good to Great*, to build companies with sustained results over a long period requires that leaders engage the talent and energy of the people they lead.²⁰ Though some organizational “heads” at times operate as if they were totally self-reliant, there is really only one sovereign in the universe. People and corporations who operate as if they rely only on themselves for their existence eventually collapse under the weight of their own egos.

A Positive Recognition

In his 1988 speech at Moscow State University in the then USSR, President Reagan described freedom as "... the recognition that no single person, no single authority of government has a monopoly on the truth, but that every individual life is infinitely precious, that everyone of us put on this world has been put there for a reason and has something to offer."²¹ In his comments the late President Reagan was clearly recognizing the value and importance of every person. He spoke with moral clarity, because he believed in the transcendent truth that every life matters. His comments stood in sharp contrast to the Soviet Union, where scholars estimate some 75 million people had relatives either slain or imprisoned by the totalitarian state terror machine. This repressive, power-driven "evil empire," as President Reagan called it, systematically eliminated freedoms of press and speech, and executed some 35 million people in 70 years. Because the former Soviet Union intimidated and exploited its people and failed to recognize their value apart from their power or their dramatic contributions to the system, it lost its ability to motivate them. This led to declines in both productivity and hope, and the government eventually toppled.

The Soviet example remains as a powerful reminder that even in an organization as large as a country, success is found in the dynamics of the relationships within its borders. Whether it's in a country, a company, a team or a marriage, how people relate to one another matters. One simply cannot expect an organization of any kind to be successful if the people within it do not experience dignity and respect. That's why the manner in which we recognize and value others in those organizations influences greatly both our ability and, in some cases, our inability to motivate people and establish covenants with them.

Making Positive Assumptions - Of course, our recognition of people is driven by the assumptions we make about them. For example, if I assume that I am dependent upon the people I supervise for my success, then I will recognize them differently than if I assume that they are dependent upon me. In the former case, I am more likely to recognize the importance of these people and express appreciation for their individual contributions. I am also better able to understand their need for me to serve them by removing barriers and giving them what they need to contribute to our collective success. That really was the vision of the Reagan presidency in the 1980's: to remove barriers installed by big government and allow the initiative and entrepreneurial spirit of capable Americans in the private sector to repair our economy and put our people back to work. It assumed and relied on the initiative and talent of the American people.

Conversely, if I assume that success is dependent on me as a leader (or, as in the former Soviet Union, if I'm fearful of a loss of power due to the personal initiative of others), I am more likely to recognize my own importance and the need of the people I supervise to be controlled and to serve me. While this is typical of power-wielding hierarchical environments, it does not build strong and committed relationships of the kind that are necessary for long-term success. Covenants simply cannot be established without recognizing the importance and value of other people.

Attracting and Keeping the Right People - Actually, recognizing that we do depend on other individuals, who can use their talents and experiences to help us, is an important step both in establishing a covenant and becoming a leader. In fact, leadership is less about aggrandizing

self and more about attracting the right kind of talented people and then serving and influencing them to secure their help in achieving a shared vision. In his book, *Good to Great*, Jim Collins explains it this way,

“Those who build great companies understand that the ultimate throttle on growth for any company is not markets, or technology, or competition, or products. It is one thing above all others: the ability to get and keep enough of the right people.”²²

Embracing Humility - In order to recruit, retain, serve and influence the “right people,” leaders must first recognize the worth of these individuals and the gifts and abilities they bring to the organization. Beyond that, leaders must use power in ways that influence people to contribute their gifts and abilities in the work of achieving the mission. Most of the time, that means leaders must understand and serve simultaneously the mission of the organization and the needs of the people who work there. That’s why the blend of humility and commitment to mission are central to Collins’ “level 5” leaders. Serving the needs of others and recognizing them in positive ways always requires a certain amount of humility, the ability to put the mission and the needs of others ahead of our own needs. Of course, leadership is made more effective by recognizing and accommodating the fact that two of the more prominent needs of individuals are the need to contribute in a meaningful way and the need to be recognized for that contribution.

By contrast, power wielders have difficulty acknowledging the value of the abilities and experiences of others. They seldom trust their associates or people they supervise and exhibit a compelling need of almost Soviet proportions to control everything and everyone around them. In so doing, power wielders seldom move to empower or serve other people to achieve. In fact, a great deal of a power wielder’s energy is directed at accumulating power for his or her own benefit rather than giving it away for the benefit of the organization. Of course, this behavior stands in sharp contrast to the humility author Jim Collins found in “level 5” leaders, because it comes from a combination of a lack of trust in the ability of others to complete tasks effectively and an over-inflated opinion of the importance of self.

Management guru, Peter Drucker, explained why effective leaders empower others and power wielders or ‘misleaders’ don’t:

“... precisely because an effective leader knows that he, and no one else, is ultimately responsible, he is not afraid of strength in associates and subordinates. Misleaders are; they always go in for purges. But an effective leader wants strong associates; he encourages them, pushes them, indeed glories in them.”²³

Allowing People to Contribute - In the leadership training sessions that our company facilitates, I often take participants through a series of 20 questions early in the day. The questions are designed to identify people in the group who have had unique experiences and have developed a variety of talents and skills. The sessions are interactive and lively as people enthusiastically share about themselves. That particular exercise is used to illustrate some important assumptions underlying covenant leadership:

1. In any group there is a wide range of experience and talent.
2. That experience and talent represents a major resource for the relationship ... the team ... the organization.

3. People come into relationships, teams and organizations with a desire to give others the benefit of their experience and talent.
4. If one wants the relationship, team or the organization to be successful ... allow the people to contribute their experience and talent by:
 - a. removing barriers, and
 - b. empowering them to take risks and make decisions.
5. When they do contribute, recognize them.

To demonstrate further the power of these principles, I ask members of the group to recall specific instances when they scored a basket, got a hit or made a play to win a game. As volunteers share their experiences, it never ceases to amaze me how much detail people remember about events, even 20, 30 or 40 years later. Typically individuals become animated as they relate the particulars of how they made the play or how they contributed and how they were recognized. They own the moment because they were allowed to use their talents to contribute to the success of the team, and they were recognized for their contributions. The exercise clearly shows the power of recognition, and that kind of recognition and the affirmation it represents are central to covenant leadership.

Of course, as Douglas McGregor pointed out in Theory X and Theory Y,²⁴ the assumptions I make about people influence both my attitudes and behaviors toward them. Those same assumptions also affect the kind of recognition I give them. For example, if I assume the people I supervise are unmotivated, inexperienced, lazy, can't be trusted and need to be controlled, and I act on those assumptions, then any recognition I give them is likely to be negative. Likewise, those same assumptions are likely to influence their behavior and attitudes toward me. In a self-fulfilling way my negative assumptions have created angry, frustrated, unproductive, unmotivated and even vengeful employees.

As silly as this seems on paper, many managers operate in just this manner. Rather than trying to control others, these managers or "would be" leaders in organizations might benefit from taking a covenant approach by making positive rather than negative assumptions about people. This begins first by trusting and empowering individuals to contribute to the success of the organization and then by recognizing them when they do so.

A Self-imposed Accountability

Understanding the principles of covenant is a lot easier than living by them. Simply stated, old habits die hard. For control oriented power wielders to become covenant keeping leaders requires a change of assumptions and behaviors. In fact, organizational covenants begin with leaders assuming people are responsible, capable and willing to contribute, and then acting on those assumptions by trusting and empowering them. Such attitudes support an environment of mutual respect, accountability and cooperation in ways that allow covenants to flourish. It follows then that individuals who approach leadership in this manner are also likely to be more willing to share information, create a culture of mutual accountability and support the people they lead. Of course, these actions are undergirded by a fundamental belief that, given the opportunity, the followers will also be willing to contribute their talents, assume ownership for the organization and share accountability for success or failure.

Whenever I present the covenant model of leadership, I inevitably get comments like this one: “That’s good in theory, but what about accountability?” My answer is simple. Consider the case of a direct marketing giant, Land’s End. This company has long been known for trusting employees in this covenant leadership mode at their Dodgeville, Wisconsin headquarters. Despite the fact that there are millions of dollars worth of merchandise in their warehouse, there are no gates or guards at the employee entrance. There are also no timecards for employees. Several years ago (1996) I had the opportunity to talk with the director of customer service, Joan Conlin, who enthusiastically described a covenant approach to leadership that pervades the atmosphere at Land’s End:

“Land's End does a terrific job of taking care of the employee.... We have the tools to do our job. The front line operator has all kinds of information that they can provide to the customer. They have a lot of control of what they can do for the customer; they make the decisions ... if they think the customer should get the product free because we made a mistake, that's their decision and they make that.... You have to trust your employees to do the best job that they can for the customer. And they know that we trust them. And when they make a decision, we don't go back and question. Sometimes we'll have suggestions on maybe a better way to handle it, but you don't ever say it was a bad decision, because they tried to service the customer the best they can.... I've never worked for a company like Land's End, and I've been here for 13 years, so I haven't worked a lot of places. I mean, I love my job, I love the company, it's a fun place to work. They empower people to do what needs to be done. Nobody's ever criticized if you make a mistake. You can take a chance. It's just a very good environment. And that's probably the best thing about Land's End.”²⁵

By trusting Joan and other workers, Land’s End created a form of self-imposed accountability. This does not suggest that covenant leadership means a lack of accountability. On the contrary, accountability is central to a covenant. It also does not mean that people will never violate our trust. Clearly, as we work with people with a variety of needs and experiences, we are likely to find individuals who operate contrary to the common culture of a covenant and the common purposes of the group. When people do things that violate the common culture, a covenant demands that we serve our common purposes by holding them accountable for their actions. However, covenant also allows people at all levels of the organization to hold each other accountable. That means that workers have the freedom to hold leaders accountable when their actions are contrary to those same common purposes. While that requires honesty on the part of the leaders, it also engenders credibility, trust, and eventually a higher level of accountability.

An Individual Choice

Ultimately, living or operating in a covenant is a choice that people make, and sometimes those choices affect change. Accordingly, a covenant approach to leadership involves choices that may change the way organizations and the people in them relate to one another. Those choices begin with relying on the goodwill and honesty of people. The results of that action alone should at least cause leaders to rethink some of those thick policy manuals and lengthy contracts in favor of a little more trust. Living in fear of someone taking advantage of you is a far greater tyranny than getting burned a few times by trusting others. Understanding that point alone is a major step in turning control-oriented managers into covenant-keeping leaders. At its

best, covenant leadership can change and revitalize the entire ethos of the organization and greatly heighten the fulfillment and productivity of its people.

In the final analysis, the risk of wasting talent and experience by demanding sovereign, contractual control of people is far greater and far more stressful than trusting and empowering them to contribute. Leaders recognize this point and they also recognize that living, working and leading by the principles of a covenant is not dependent upon circumstances. Again, effective leaders understand almost instinctively that how one relates to others in an organization and how one uses power are first and foremost decisions that every leader must make. Choices like these rely heavily on the leader's character and beliefs, and at the same time they define them. As Cal Ripken, Mark McGwire, Sammy Sosa, Pat Tillman, Ronald Reagan, Victor Frankl and many other leaders have demonstrated, those choices usually begin with the simple, benevolent and sometimes courageous acts of individuals who are compelled by a higher purpose and motivated to contribute to the common good!

A Selfless Sacrifice - No better example of covenant exists today than the heroism we witnessed in the wake of the World Trade Center attacks. We saw great strength and character manifest in the many gracious and selfless acts of simple human beings. Based on their positions, many of the heroes of the New York City attack on the World Trade Center would not have been considered leaders by most Americans prior to September 11. However, it's difficult to deny that the firemen, construction workers, police officers, clergy and volunteers who chose to take such bold and decisive action, were very much leaders. Therein lies the irony of leadership. Though we ascribe the title of leader to most heads of organizations, leadership is rarely defined by position. Instead, it is demonstrated by action that is motivated by values. In the case of New York City, we saw leaders who made choices and took actions that were motivated not by a contractual responsibility or a sense of personal gain, but by a love of humanity and a higher sense of purpose. The noble purpose of these selfless individuals led them to labor tirelessly, to give from the depth of their souls and to sacrifice even their lives for the sake of their fellow citizens and the covenant they shared.

A Way of Life - In a parents' orientation meeting I attended on the campus of the University of Notre Dame just prior to the World Trade Center attacks, I had the good fortune of hearing the women's basketball coach of the 2001 national champions, Muffet McGraw, give this advice to entering freshmen: "When you were born you cried and people rejoiced. Live so that when you die people cry and you rejoice."²⁶ Though I'm not sure that saying is original with her, in those few words, Coach McGraw captured the essence and the bigger picture of covenant leadership. Leadership is about choices ... how to live, how to lead and how to leave a legacy. Coach McGraw's comments remind us that the choices we make influence the legacy we leave. Leaders who are able to engage others, build a strong coalition of support and leave a lasting legacy are also those who choose to serve a purpose that is larger than their own. Again, this does not suggest that the leader's self-interest is never served. That would require a level of altruism that is admirable but unrealistic. However, for a person truly to demonstrate leadership (as Burns defines the term), the choices that leader makes and the life he or she leads must also serve a larger common purpose. In fact, the degree to which leaders choose to act on common and ethical purposes that serve the interests of others is the degree to which they are able to create lasting and endearing legacies. Our country was founded by leaders who made exactly these kind of choices. They were people who, in the midst of crisis, covenanted together and pledged their lives, their fortunes and their sacred honor for a common purpose and a way of life.

An Inspiring Legacy - Almost prophetically, Coach McGraw described the state of many Americans as they mourned both the victims and the heroes who died as a result of the World Trade Center attacks. However, beyond the mourning, as we heard the stories of bravery and benevolence, we were also encouraged to see that the same spirit and the same kind of covenant leadership that gave birth to our country were still alive and on display in New York City. Like our founders did in the 18th century, in the midst of crisis these modern day leaders stepped forward in powerful and inspirational ways and showed us all how to lead. But then again, that is exactly what we expect from real leaders, an unconditional and exemplary covenant commitment to a higher purpose. In that sense, leadership truly is a covenant that inspires others and engenders trust, cooperation and commitment.

Certainly the crisis in America on 9/11 was dramatic, but these kind of crisis conditions always seem to provide opportunities for leaders to emerge, and emerge they did. But, leadership doesn't require a crisis; it requires a choice. Whether we do it actively or passively, consciously or subconsciously, we all make choices about how we will live; where, when and to what extent we will lead; and what we will leave as a legacy. Throughout history we have had many great examples of leadership, but in each of these cases an individual made a choice about how to lead. The success any leader has in motivating and inspiring people is not a function of his or her ability to wield power over them or to make things happen. On the contrary, what inspires and motivates people is a leader who uses and even gives away power to influence and motivate others in achieving a common and ethical purpose.

Ultimately, contractual obligations enforced by power don't inspire us, but covenant commitments from leaders who care do. Maybe that's why Americans were so inspired to volunteer thousands of hours in a very short time period and to give more than \$1.5 billion to the relief efforts in New York City. Americans clearly were moved to give and to follow the brave and benevolent examples of police officers, firemen, construction workers and ordinary people who cared. In their brave and exemplary actions these city workers and volunteers demonstrated leadership as well as a covenant commitment to each other, to the people they served and to a larger ideal. The bravery of these men and women serves as a strong testimony to the fact that they were motivated by a purpose higher than their own individual safety or interests. That higher purpose compelled them to act and give in ways that went well beyond their contractual obligations. And, in the final analysis, whether it's in the workplace or at ground zero, we all become better people when we are inspired by that kind of covenant driven leadership.

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