The Journal of Values-Based Leadership

Manuscript 1455

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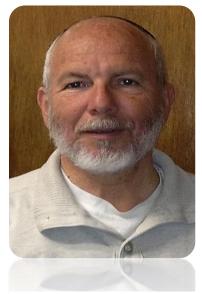
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Article



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Self-Centered vs. Humanity-Centered: The Most Critical Continuum for Choosing Today's Leadership

There is a leadership continuum that ranges from extreme self-interest/narcissism to human-centered leadership. During these chaotic times, corporate boards must hire human-centered CEOs and understand that companies must focus on society's needs, not only profit if capitalism is to thrive. People want to work for companies with a soul and desire to purchase products — and even pay more — from firms that seek to improve the world. Maximizing shareholder value is as outdated as Taylor's theory of scientific management. America becomes stronger if corporate leaders work together to help everyone prosper, not just the top 1%. Everyone wins.

Introduction

We live in uncertain and tumultuous times. The U.S. military calls it a VUCA world with an environment that is volatile, uncertain, complex, and ambiguous (Cotton, 2019). It is crucial for an organization and country to have the right kind of leader. During the late 1700s, the Industrial Revolution dramatically changed how war and business were conducted. Thanks to

digitization, breakthrough technologies, the exponential growth of information, globalization, climate change, political turmoil, global pandemics, and machine learning, the rules of conducting business have drastically changed. Thanks to evolving technology and globalization, every firm and industry is vulnerable to sudden obsolescence. A successful firm can suddenly and unexpectedly find itself bankrupt or in serious trouble. Think of what happened to once-successful firms such as Kodak, Blockbuster, Yahoo, AOL, Myspace, Toys "R" Us, Blackberry, Radio Shack, Netscape, A&P, and Sears.

During these chaotic times, the biggest threat to an organization is not necessarily a traditional competitor and can emerge from any sector of the economy because the customary industry boundaries are being torn down (Atluri, Dietz, & Henke, 2017). Cascio (2020, para. 1) observes, "It's hard to see the big picture when everything insists on coloring outside the lines." The prediction tools such as regression and simulation that worked in the past make little sense in a nonlinear world characterized by disproportionate and seemingly disconnected cause and effect (Cascio, 2020).

This is one reason corporate boards have to hire the right leaders; leadership styles that worked in the past will be disastrous during the Information Age (Friedman & Lewis, 2021, 2014). Thus, Taylor's (1911) outdated theory of scientific management, which in effect treats people as automated cogs in a machine, and dehumanizes them, may have made some sense during the Industrial Age would be a disaster in the knowledge-intensive economy. In the military, "fighting the last war" has become shorthand to describe the folly of using old strategies when fighting current battles. The same goes for hiring leaders with an obsolete mindset. It is not surprising that Jeff Bezos, CEO of Amazon, is constantly trying new ideas. He believes, "Doing things at high speed, that's the best defense against the future" (Stone, 2021, para. 8).

Friedman and Mizrachi (2022) highlight that corporate boards are "fighting the last war" and are often impressed by individuals who have a great deal of self-confidence and charisma, are not plagued with self-doubt, and appear to have a clear vision for building a powerful organization. Unfortunately, the CEOs selected using the above criteria may be narcissistic leaders who only care about themselves, surround themselves with loyal but incompetent people, and have no problems acting dishonestly to get what they want. Moreover, they drive out capable employees and may cause irreparable damage to an organization (Simmons, 2020).

Ethical misconduct continues to be a serious problem. Unsurprisingly, it is said that we live in a post-truth era (e.g., MacMullen, 2020). Recently, Ernst & Young agreed to pay a \$100 million fine after admitting that it allowed auditors taking ethics exams to cheat by receiving answer keys. This is particularly outrageous given that auditors are the gatekeepers whose job is to audit the financial records of corporations (Schonfeld, 2022). There is a considerable amount of evidence consisting of emails and many other documents showing that McKinsey was providing a great deal of marketing and strategic advice to Purdue Pharma, a firm that bears a great deal of responsibility for the opioid crisis. Maura Healey, attorney general for Massachusetts, said: "as Americans were dying from the opioid epidemic, McKinsey was trading on its reputation and connections to make the crisis worse" (Hamby & Forsythe, 2022, para. 10). College rankings are untrustworthy and Columbia University is not going to participate in the next U.S. News & World Report's rankings of colleges. In the past,

universities such as Temple were caught using fraudulent data to boost their standings (Hartocollis, 2022).

Every company talks about the importance of ethics. Still, it will not pervade the company and become part of the culture unless the CEO talks about it regularly and makes it evident that it is personally important to her and essential for the firm (Chestnut, 2021). It should be highlighted that rules alone do not suffice to improve corporate ethics (Hamel, 2009). Organizations genuinely concerned about ethics should follow what the Veteran's Administration (VA) is doing and concentrate on *preventive ethics,* which means a proactive approach is taken. Work processes are restructured to preclude unethical behavior. The organization's culture is changed to an ethical environment concerned with ethics as much or more than costs or profit. Ethics must be value-driven, not rule-driven. Fox notes, "A rules-based culture tends to emphasize compliance with 'the letter of the law' as opposed to fulfilling 'the spirit of the law'" (Fox et al., 2007, p.3). The key responsibility to create a "workplace culture based on integrity, accountability, fairness, and respect" lies with the CEO (p. 8).

Several researchers have developed models of corporate moral development indicating a hierarchy of ethics (Friedman & Globerman, 2021; Reidenbach & Robin, 1991). At the highest level, firms emphasize ethics so that the entire corporate culture is infused with it, and individuals will not find themselves in situations where they are unsure how to act. In organizations operating at the lowest level of ethics, the financial bottom line is all that matters. Bending or breaking the rules is acceptable as long as "we don't get caught." Occasionally, a CEO might end up incarcerated, but it's a rarity. And when the judicial system does catch up to these organizations, it's viewed as collateral damage. Enron was the paradigm for the totally unethical corporation, and several executives were eventually incarcerated for fraud.

Almost all scholars conducting research in leadership would agree that the traits of trustworthiness, vision, and expertise are critical if one is going to be a successful leader (Mayer, 2013; Kouzes & Posner, 2010), and untrustworthiness is a significant cause of leadership failure (Kouzes & Posner, 2010; Nahavandi, 2003, p.79). There is also evidence that humility is a critical trait for leaders to possess since it unlocks various other leadership skills and virtues that are key to being successful (Argandoña, 2015; Bhattacharya, Chatterjee, & Basu, 2017; Collins, 2001, 2005; Orendorff, 2015; Owens, Johnson & Mitchell, 2013; Owens & Heckman, 2012; Pearse, 2018; Prime & Salib, 2014). Individuals with humility are likelier to listen to what others say and not rely only on their own insights. Even the military recognizes the importance of humility in leaders: "Humble leaders can be very successful in the military because they are focused on developing those they are leading while accomplishing the mission" (Farmer, 2010, para. 10).

This paper will highlight the new kind of CEO needed during these chaotic times. Peter Drucker said that "What's measured improves." This is why it is vital to examine the correct business metrics. The authors will explore a leadership continuum that ranges from extreme self-interest/narcissism to humanity-centered leadership. Regarding marketplace morality, there are "consumers who act against their self-interest in efforts to bolster social good" and there are consumers who are only concerned with their self-interest (Campbell & Winterich, 2018). The same is true for leadership; when hiring a CEO, boards must determine where prospective leaders fall on the continuum.

Narcissistic Leaders/Extreme Self-Interest

Higgs (2009) reviewed the literature on awful leadership and found that narcissism is the primary cause of horrendous leadership. No board should ever consider hiring such an individual as a CEO.

Narcissistic leaders have little empathy for other people; they are too concerned about their own needs — money, power, and adulation. They certainly have no interest in the plight of their employees. They are supercilious, disdainful, and excessively self-centered. Dame and Gedmin have the following to say about this kind of leadership:

Narcissism combines an exaggerated sense of one's own abilities and achievements with a constant need for attention, affirmation, and praise. While the label tends to be applied loosely to anyone behaving in a self-absorbed way, psychologists know narcissism to be a formal personality disorder for some, and a real impediment to their forming healthy relationships. The narcissist lacks self-awareness and empathy and is often hypersensitive to criticism or perceived insults. He or she frequently exaggerates contributions and claims to be "expert" at many different things (Dame & Gedmin, 2013, para. 5).

Kets De Vries describes how a narcissistic leader can create a toxic environment and harm an organization.

In fact, we need a modicum of narcissism to function properly — it's part of the immune system, if you will, defending us against the vicissitudes of life. It enables us to feel good about ourselves and to impose ourselves a little. But too much narcissism is dangerous. Driven by grandiose fantasies about themselves, pathological narcissists are selfish and inconsiderate, demand excessive attention, feel entitled, and pursue power and prestige at all costs (Kets De Vries, 2014, para. 6).

There is no question that a narcissistic leader is toxic and can help destroy an organization. Narcissistic CEOs will often participate in unproductive "window dressing" activities to make themselves look good, but which can ultimately hurt a firm's reputation. They might even engage in fraud to enhance their image (Braun, 2017). Those who scorn others because they disagree with them are not open to listening to facts and can cause irreparable damage to an organization or a country (Warren, 2022a).

Simmons (2020, para. 19) posits that "self-serving, unethical behavior at the top cascades through the organization and becomes legitimized, or at least normalized." In addition, narcissists surround themselves with sycophants with little integrity and flatter the leader. Anyone who challenges the narcissistic leader is fired. In this day and age, organizations cannot afford to hire this kind of person. They need leaders who can hire and retain the best minds, are receptive to ideas from anyone in an organization, and make an organization nimble and resilient.

Because they act in their own self-interest and have little concern for the needs of others, narcissistic leaders can destroy a country. The testimony of Cassidy Hutchinson, an aide to Donald Trump's chief of staff, makes it clear how far the former president was willing to go to maintain power. He allegedly strongly supported the rioters on January 6 when the mob attacked the Capitol Building in Washington, D.C., and did not care that they had weapons and were threatening to hang the Vice President. A president takes an oath to support the Constitution, not encourage insurrections against the United States (Eisen, 2022).

It has been noted that "much of what has driven Trump's approach to legislation in the past has been self-interest and personal grievance" (McGraw, 2021, para. 5). He had a chance to pass an infrastructure bill that would have helped the United States and create numerous jobs, but because of the Democrats were in the process of impeaching him, refused to do what was best for the country. When Biden was working on an infrastructure bill, Trump attempted to derail it again, not caring about doing what was best for America (McGraw, 2021).

The Democratic Party is behaving as badly as Trump and placing loyalty to the Party above doing what is best for the United States. The Party has been spending millions to help Trumpist candidates win in Republican primaries because it is believed that it will be easier for a Democrat to defeat a Trumpian Republican. Unfortunately, this action does not demonstrate a love for the United States. Those who love the country should hope that the best candidates from both parties run for office and not promote extremists that can cause severe damage to the U.S. (Brooks, 2022).

Hitler was another leader who was so narcissistic that he was willing to turn Germany into one vast wasteland in the final months of World War II. Some generals defied him and did not allow all their soldiers to die in the war's last weeks. He took the coward's way out and committed suicide. The war was only about his needs, and he could not care less about Germany. He had good justification to explain why Germany deserved to be totally demolished if the war was lost: Germany deserved to be destroyed if it could not be a world power, fulfilling his need to rule much of the world. Germany was unworthy of his "greatness" (Friedman & Friedman, 2013).

Ironically, after the swift German victory over France, Hitler may have been among the most popular leaders in history. He was seen as someone who brought jobs to the people and restored Germany to its previous glory as a world power. There was full employment, and millions of German soldiers plundered other people's wealth (mainly Jews and those living in the occupied territories). Scholars may disagree on whether it was greed, full employment, anti-Semitism, revenge for the humiliation of World War I, or all of the above. However, one thing is clear: Hitler was admired and liked by the German people almost until the end.

The litmus test of leadership should be whether one puts the needs of one's country (or organization if the leader is a CEO) ahead of one's own. There is no question that Hitler believed he was more important than Germany. Nixon, who may have thought he was a great patriot, ensured he would win the election against Humphrey in 1968 by sabotaging the Vietnam peace talks. This unfortunate episode in history is known as the "Chennault affair." Thousands of people probably died needlessly because Nixon wanted to become president. For a long time, there was no evidence that Nixon was personally involved in throwing a monkey wrench into the peace talks. Farrell uncovered H. R. Haldeman's notes, making it evident that Nixon was part of the conspiracy to interfere with the peace talks (Farrell, 2017). There is evidence that John B. Connally, former Governor of Texas, and a few other Ronald Reagan supporters were part of a conspiracy to get word to Iran not to liberate the 52 American hostages before the election. The Iranians were told they would get a better deal with Reagan than with Carter. Connally was allegedly hoping to become Secretary of State or Secretary of Defense in a Reagan administration (Baker, 2023).

Abraham Lincoln is an example of a leader who placed principles before his own needs and was more concerned about doing what was best for America (not allowing the South to

secede) than winning the election. In the summer of 1864, the North was not faring well during Civil War. The Democrats nominated General McClellan for president on a peace platform. President Lincoln was warned that he might lose the election because the country was weary of the war. Lincoln replied, "You think I don't know I am going to be beaten, but I do and, unless some great change takes place, badly beaten" (Waugh, 2001, p. 267). Lincoln would probably have lost the election had not Sherman's burning of Atlanta and march to the sea done wonders for Lincoln's campaign. Sherman's victory refuted the claim of the Democrats that the war could never be won (Waugh, 2001, pp. 296-297).

Lincoln's Gettysburg address is among the classic speeches of all time. Howard Schultz, CEO of Starbucks, asserted that Lincoln "taught us that whether you are a business leader, an entrepreneur or a government official, one's foremost responsibility is to serve all of the people, and not just one's self-interest" (Koehn, 2013, para. 37). What is remarkable about Abraham Lincoln is that he appointed to his cabinet three major rivals who ran against him for the nomination (William H. Seward, Salmon P. Chase, and Edward Bates). Doris Kearns Goodwin, who wrote a biography about Lincoln (*Team of Rivals: The Political Genius of Abraham Lincoln*), describes how it took an extraordinary person to appoint former adversaries to his cabinet and how this helped "steer the country through its darkest days" (Fried, 2016).

Leadership Focusing on Maximizing Shareholder Value

Corporations and business schools have regarded maximizing shareholder value (MSV) as a definitive tool for measuring management performance. Clarke and Friedman (2016) underscore that more shareholder value has been destroyed pursuing profits in the name of MSV than for any other reason. MSV often encourages CEOs to focus on increasing the value of the stock using all kinds of financial and accounting gimmicks (and even fraud) that increase the stock's short-term price but weaken a firm in the long run. Thus, firms focus on cutting costs rather than innovation. They also take on too much risk to boost profits and pump up the stock price. They use stock buybacks to enrich executives who hold many shares and stock options. The problem with buybacks is that this money is not used to strengthen the company's future by making capital investments. It is also a myopic strategy that results in fewer jobs and weakens the entire economy of a country. On the other hand, capital investment results in more jobs and greater profits for all firms, and everyone gains from a thriving economy.

What strengthens a company is constant innovation and the making of high-quality products that maximize customer satisfaction. Denning (2019) describes the ruinous economic effects of MSV and how it is counter-productive to its stated purpose. For two decades, the mantra of more than 200 major CEOs was "maximize shareholder value." In 2019, the Business Round Table (BRT) declared that the idea that profit for shareholders is the sole purpose of a corporation is dead. This is a major turnaround since the BRT stated in 1997 that MSV was indeed the sole purpose of a corporation. The father of this destructive idea was probably Milton Friedman (1970), who attacked the idea of businesses having social responsibility in a well-known *New York Times Magazine* article. The article's title summarizes his belief that "The Social Responsibility of Business is to Increase its Profits." The following summarizes the harm caused by MSV:

In its more corrosive application — the one that is inculcated in business schools enforced by corporate lawyers and demanded by activist investors and Wall Street analysts — maximizing shareholder value has meant doing whatever is necessary to boost the share price this quarter and the next. Over the years, it has been used to justify bamboozling customers, squeezing workers and suppliers, avoiding taxes and lavishing stock options on executives. Most of what people find so distasteful about American capitalism — the ruthlessness, the greed, the inequality — has its roots in this misguided notion about what business is all about (Denning, 2019, para 5).

Nocera (2012) believes that the financial crisis of 2008 that almost destroyed the world economy resulted from the goal of MSV, which encouraged leaders to focus on short-term earnings and largely ignore long-term value creation. Because over 90% of shareholders are institutional investors who expect to hold the stock for about ten months and then sell, the MSV strategy may not make sense. Short-term institutional investors have no interest in the long-term health of an organization; what matters is appearances, i.e., that the firm looks solid and viable (Adams, 2012).

Jack Welch was called the "Manager of the Century" by Fortune magazine. GE was a \$14 billion company when Welch became CEO and was worth \$600 billion when he retired. This appears to be a huge accomplishment, but it is now becoming clearer what Welch actually did. He took an industrial company that manufactured products such as appliances, light bulbs, and jet engines and transformed it into what was essentially a giant unregulated bank (most of its profits came from GE Capital) (Gelles, 2022a).

He believed in outsourcing, offshoring, and firing the bottom 10% of employees annually, thus destroying morale. He kept the stock price up by focusing on cost-cutting and financial manipulation — the company got into trouble with the SEC for accounting fraud charges. It became evident that Welch created a culture of doing anything, including deceptive tactics, to distort earnings and keep the stock price increasing (Gelles, 2022a, 2022b). Amazingly, Jack Welch asserted that the corporate objective of MSV was immoral, the "dumbest idea in the world," and an excellent way to destroy an organization in the long run (Denning, 2011). He may have mocked MSV as a corporate goal, but he made sure that GE would meet or beat analysts' estimates for approximately 80 quarters in a row by using GE Capital, the finance division, as a tool to accomplish this. After he retired, GE went into a nosedive and never recovered.

Welch influenced numerous managers and is seen as "The Man Who Broke Capitalism" by Daniel Gelles, author of a book with that title. One company that Welch acolytes greatly influenced was Boeing. Following Welch's management philosophy, the firm became more interested in cost-cutting than safety and quality. Prior to this change in attitude, if executives were not satisfied with the reliability of a plane, they would modify it despite costly delays. Once Boeing shifted its focus to its stock price, the culture changed, and the goal was to cut costs, look for shortcuts, and ignore what deliberative and cautious engineers wanted. This led to the two 737 Max crashes that killed 346 people (Robison, 2021).

The senior engineer commenting on the culture at Boeing stated, "Boeing's actions on the issue pointed to a culture that emphasized profit, in some cases, at the expense of safety" (Kitroeff, N., Gelles, D. & Nicas, J., 2019. p. 10). It is now known that Boeing employees questioned the design of the 737 Max and contended: "This airplane is designed by clowns, who are in turn supervised by monkeys" (Kitroeff, 2020).

Compare Jack Welch with Henry Ford. Some believe that Henry Ford saved capitalism by raising the daily wage. He demonstrated that a company could make a healthy profit and still pay employees a fair salary, enabling laborers to live a middle-class lifestyle and purchase their own cars (Herndon, 1969). Even as Ford lowered the price of his automobiles, his profits continued to soar. He decided to pay his employees \$5 per day, \$3 above the typical 1914 salary and reduced the workday to 8 hours. The *Wall Street Journal* stated that a salary this exorbitant was unethical; Adolph S. Ochs, the publisher of *The New York Times*, said that Ford went crazy (Herndon, 1969). All corporations should strive to help people get jobs and become part of the middle class; a solid middle class makes a country great. Welch believed that goal was to reward shareholders and make CEOs incredibly wealthy. In fact, when Welch retired, he received a \$417 million severance package (Gelles, 2022a).

Firms abiding by the MSV philosophy will find recruiting competent employees more difficult. Most young people prefer working for an organization that stresses the "triple bottom line," i.e., people, planet, and profits. High salaries alone will not attract millennials who seek meaningful jobs where they can improve the world (Friedman & Mizrachi, 2021).

As early as 1981, the Business Roundtable recognized that corporations are responsible to all stakeholders, not just stockholders (Yang, 2013). These stakeholders include customers, employees, unions, suppliers, local communities, local and national governments, and the environment. Each of these may be affected by corporate activities; therefore, the well-being of society depends on the business sector behaving responsibly. Corporations should provide the public with quality goods and services at fair prices, create jobs, invest in their firm, and thereby help develop the economy. Virtually all firms have embraced stakeholder capitalism and abandoned shareholder capitalism.

Servant-Leadership

The first two types of leaders focus mainly on themselves. Even those who work to maximize shareholder value also are concerned with enriching themselves. There is no reason to worry about employees, and cost-cutting via outsourcing and offshoring is not an issue if it results in a higher price for the stock. The servant-leader is the antithesis of the autocratic, authoritarian leader primarily concerned with power and wealth – one who believes in "leader first." Servant-leaders are not worried about personal aggrandizement and self-interest and focus on others (Greenleaf, 1970; Greenleaf, 1977; Greenleaf, 1978). Robert K. Greenleaf introduced the theory of servant-leadership in a seminal essay he wrote in 1970 (Greenleaf, 1970).

The notion of the leader as a servant is more than three thousand years old and is rooted in the Bible (Asamoah, 2018; Sendjaya & Sarros, 2002). Christian scholars (e.g., Flanike, 2006) underscore that Jesus said to the Twelve Apostles (Mark 9:35): "Anyone who wants to be first must be the very last, and the servant of all." King Solomon's son Rehoboam was told by the elders who served his father (I Kings 12:7): "If today you become a servant to these people and serve them and give them a favorable answer, they will be your servants forever." Rehoboam did not listen and caused the empire to be split up.

In Greenleaf's words: "The servant-leader is servant first... It begins with the natural feeling that one wants to serve, to serve first" (Greenleaf, 1970, p. 6). With servant-leadership, the emphasis is on the well-being of one's subordinates.

The litmus test to determine whether one is a servant-leader is:

The best test, and difficult to administer, is: Do those served grow as persons? Do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants? And what is the effect on the least privileged in society; will they benefit, or, at least, not be further deprived? (p. 6).

Spears (2004) identified ten characteristics of a servant-leader based on the works of Greenleaf:

- *Listening* Listening intently and receptively to what others say. This, of course, means that one has to be accessible.
- Empathy -- Having empathy for others and trying to understand them.
- Healing -- Possessing the ability to heal the emotional hurts of others.
- Awareness -- Possessing awareness and self-awareness.
- *Persuasion* Having the power of persuasion; influencing others by convincing them, not coercing them.
- Conceptualization -- Possessing the knack of being able to conceptualize and communicate ideas.
- Foresight -- Having foresight, which also includes learning from the past and having a vision of the future.
- Stewardship Seeing themselves as stewards, i.e., as individuals whose main job is serving others.
- Commitment to the Growth of People -- Being firmly dedicated to the growth of every single employee.
- Building Community -- A commitment to building community in the institutions where people work.

Russell and Stone (2002) reviewed the literature dealing with servant-leadership. And found 20 attributes of servant-leadership: nine were classified as functional attributes, and 11 were accompanying attributes. The nine functional attributes were vision, honesty, integrity, trust, service, modeling, pioneering, appreciation of others, and empowerment. Note that many are similar to Spear's ten attributes. They found that servant-leaders show appreciation and concern for their followers, listen to their constituents, and encourage them. In his review of servant leadership, Van Dierendonck (2011) postulates that humility is a crucial trait in servant leaders. Compassionate love has been seen as an antecedent for servant-leadership (van Dierendonck & Patterson, 2013). Saleem et al. (2020) discovered that trust plays a crucial mediating role in how servant-leadership affects performance.

While there is no consensus on one good definition of the concept, it is undoubtedly a viable organization theory linking ethics, morality, and virtue; it improves the welfare of employees (Parris and Peachey, 2013). Instruments have been developed to measure servant leadership (Barbuto and Wheeler, 2006; Sendjaya, 2007; Sendjaya, Sorros, & Santoro, 2008; Van Dierendonck & Nuijten, 2010). Hoch et al. (2018) provide some evidence of the value of this leadership approach in their meta-analysis, which compared three types of positive leadership models that stress moral and ethical behavior with transformational leadership. Servant-leadership showed the most promise as a stand-alone model; the other approaches correlated too strongly with transformational leadership.

Hayden (2011) found that servant-leadership positively affected followers, with the most substantial impact on health. Organizations headed by servant-leaders will create an environment where followers feel and, indeed, are healthier. Hess (2013) studied effective CEOs and found they tended to be servant-leaders and cared about all stakeholders, not just shareholders. Barbuto and Wheeler observed significant relationships with positive outcomes, including extra effort by employees, job satisfaction, and perception of organizational effectiveness. Timiyo and Yeadon-Lee (2016) cite several studies and conclude that there is a positive relationship between the performance of organizations and servant-leadership. They also found it is a universal leadership construct and is not "contextually bound to any specific type of organization nor is it restricted geographically to a particular country/society" (p. 15).

Shortcomings of the Servant-Leadership Model

Friedman and Mizrachi (2022) highlight several shortcomings of the servant-leadership model. They cite the work of Camm (2019), who was concerned that, in some cases, leaders might think they are applying the servant-leader model when they are actually paternalistic. This may result in the opposite effect of what servant-leadership is supposed to accomplish, with followers acting like children instead of growing. A servant-leader could be as paternalistic as one who is autocratic. Replacing a critical, authoritarian leader with one who is overly nurturing could be deleterious to the health of an organization.

Camm (2019) depicts circumstances where pseudo servant-leaders can profess to be authentic by using the proper terminology and manipulating others when their actual goal is self-aggrandizement. Followers were lulled into believing that a servant-leader was leading them. Several megalomaniacs (e.g., Hitler) convinced the public that they were primarily concerned with helping their followers. According to Camm (p. 120), "the darkest manifestation is displayed in the narcissistic/authoritarian leader, who nonetheless makes an outward show of leading from a servant-leader style." Lynch and Friedman (2013) highlight another weakness in the construct of servant-leadership. Paying too much attention to the needs of followers might result in the leader ignoring the organization's needs. In addition, leaders should consider higher values, i.e., societal values, when running an organization. Thus, one might posit that providing employees with attractive salaries and enormous bonuses but cutting back on charitable giving and improving the environment would be consistent with servant-leadership principles. Indeed, focusing on the needs of followers might require that a firm find ways to increase sales, even at the expense of consumers.

Thus, tobacco companies promoted cigarettes with menthol. More than one-third of cigarette sales in the United States are menthol brands. Menthol is a chemical compound that reduces the harshness of cigarette smoke and creates a cooling effect on the throat. It also restrains the coughing reflex, making inhaling cigarettes more pleasant. It also makes it substantially easier to start smoking and more challenging to quit (Truth Initiative, 2022; Wailoo, 2022). For decades, the tobacco industry promoted the false claim that menthol cigarettes were a healthful choice for African American communities. The industry also supported cultural events, politicians, and organizations in the Black community to gain support. Unsurprisingly, 85% of African American smokers smoke menthol cigarettes vs. 30% of white smokers (Wailoo, 2022). The latest research demonstrates that "Menthol cigarettes were responsible for 10.1 million extra smokers, 3 million life-years lost, and 378,000 premature deaths between 1980 and 2018" (Truth Initiative, 2022, para. 12).

The U.S. Food and Drug Administration (FDA) is considering new rules that ban the manufacture and sale of menthol cigarettes because that will help people quit smoking. In addition, the FDA wants to reduce the amount of nicotine in cigarettes to make them less addictive and reduce the number of smoking-related diseases.

A servant-leader preoccupied with followers' needs might not be worried about world poverty. Why should a firm go out of its way to hire people with Down's syndrome or other disabilities if it will make other employees uneasy and not improve the bottom line? What has priority: the opportunity to add to everyone's bonuses or the concern for world poverty. Is it acceptable to conduct business in countries that oppress their citizens? Is it wrong to purchase cheap oil from Russia if it means higher employee bonuses, or should Russia be punished for invading Ukraine even if it increases costs for one's firm and reduces profits?

Humanity-Centered Leadership

Lynch and Friedman (2013) add a spiritual component to the concept of servant-leadership. The leader must not only be concerned with the needs of followers but must also incorporate social justice themes into the work environment. Thus, leaders must also ensure that their organization is not causing harm to the environment or society. Servant/spiritual leaders would not want to use sweatshops in Asia to manufacture products even if it benefits their employees. This is consistent with the opinion of Reave (2005), who found that the values of integrity, humility, and compassion are keys to successful leadership. Successful future CEOs must focus on more than shareholder value; they are compassionate and humble individuals who look at the big picture and consider how their firms can better the world.

Daron Acemoglu, a prominent economist, has been critical of how corporations use artificial intelligence/technology. It can assist workers and make them more productive, resulting in higher salaries. Unfortunately, technology may also be used to supplant workers with minimal gains in productivity. He uses self-checkout kiosks in retail establishments and customer service automation over the telephone as examples of "so-so technologies" that barely improve productivity. The same occurred when Tesla decided to fully automate its automobile assembly plant in California. What automating using so-so technologies accomplishes are wage stagnation and rising income inequality. Acemoglu attributes around 50% or more of increasing income inequality to technology (Brown, 2019). In any case, servant-leaders and certainly those that are human-centered should consider the social costs of displacing employees when productivity gains are minimal (and much is lost in customer satisfaction). Acemoglu suggests that CEOs should be concerned about employees as much as they care about shareholder value or profits.

Several major companies are rethinking their hiring requirements because they have prevented numerous qualified workers from obtaining high-quality jobs (according to one study, 7.4 million jobs since 2000) that are a steppingstone to the middle class. These workers have not been able to get better jobs despite having the necessary skills because they do not possess college degrees, a requirement for various positions. This has significantly impacted millions of workers, especially Latinos and Blacks (about 2/3 of American workers do not have college degrees). OneTen and Opportunity@Work are nonprofits that have convinced many companies to drop screening by college degree and instead adopt skills-based hiring (Lohr, 2022). Suppose the choice is between hiring employees with the

appropriate skills without a degree or employing people with no practical skills but college graduates; who should humanity-centered companies hire?

Biblical Servant-Leader is a Humanity-Centered Spiritual Leader

The servant-leader alluded to in the Bible is more concerned with ethical and spiritual leadership than simply caring about followers. Moses is praised as a "servant of the Lord" (Deuteronomy 34:5) and is given this title 18 times in the Hebrew Bible (Sacks, 2015, p. 207). His greatness was not only because he was devoted to the people but because he spiritually elevated the Israelites with his teachings. Thus, for example, a core value of the Bible is supporting the orphan, widow, stranger, and destitute. God is seen as taking a personal interest in their welfare and will punish those who harm them (Exodus 22: 20-26).

More than 100 precepts in the Torah deal with issues relevant to business ethics that include caring for the poor, not discriminating against the stranger, treating employees fairly, paying wages and rents on time, providing fringe benefits for employees, maintaining honest and stable prices, ensuring accuracy in weights and measures, acting in a manner that ensures one is above suspicion, and providing an honest day's work (Friedman, 2000). Moses understood that his primary mission was to inspire the people by educating them on the importance of compassion for the most vulnerable members of society, the orphan, widow, and the stranger (see Deuteronomy 24:17-19) and to "love your fellow as yourself" (Leviticus 19:19).

Sacks (2015, p. 291) underscores: "It is not the job of leaders to give people what they want. It is the job of leaders to teach people what they ought to want." Leaders must teach the people to build a society based on compassion and justice (p. 291). Moses also instructed the Israelites on the consequences of not following the laws of the Torah (e.g., Deuteronomy 28: 15-69). The people were warned that they would be banished from the Promised Land if they disobeyed God's covenant with them (Deuteronomy 29: 9-28). Moses was more than a servant-leader; he was a humanity-centered leader who understood that a leader's job is to make the world a better place for everyone.

The only one in the Bible commanded to be humble is the king. One cannot be an effective leader without this trait, which is what Moses is praised for (Numbers 12:3): "Now the man Moses was very humble, more than all people who were on the face of the earth." The king is also commanded to keep the Torah with him so that he never forgets that his primary job is to teach the people kindness and compassion to the weaker members of society.

And it shall be when he sits on the throne of his kingdom, he shall write for himself on a scroll a copy of this law, taken from that of the Levitical priests. It shall be with him, and he is to read it all the days of his life so that he may learn to revere the Lord his God and follow carefully all the words of this law and these decrees, so that his heart will not become haughty over his brethren (Deuteronomy 17: 18-20).

Scriptures states (Leviticus 4:22): "When (asher) a leader sins unintentionally and does what is prohibited by any of the commandments of the Lord his God, and he becomes guilty." The previous verses describe the sin offerings of the High Priest *if* (*im*) he sins (Leviticus 4:3). The term "if" is also used "If (*im*) the entire assembly [i.e., the Great Sanhedrin] of Israel shall err." And the term "if" is used for the ordinary person who sins (verse 27). Bahya ben Asher (1255 - 1340) and the Zohar, the most important work in Kabbalah, see the term "when," hinting that

leaders, because of arrogance, will inevitably sin. Rashi, paraphrasing the Babylonian Talmud (Horayot 10b) and Midrash, relates the word *asher* to *ashrei*, meaning happy: "Happy is the generation whose ruler sets his heart to bring an atoning sacrifice for his unwitting transgression. All the more so, he will show remorse over the intentional sins." Two important lessons may be derived from this biblical verse: (1) There is a tendency for leaders to become egotistical, and (2) Leaders must have the ability to admit that they have made a mistake publicly. In modern times, the way to show remorse is via a sincere public apology.

Moses may have been a humanity-centered leader, but he was also a servant-leader who cared more for the people than himself. Moses was not jealous of anyone and declared (Numbers 11: 29): "Are you jealous for my sake? I wish that all the Lord's people were prophets and that the Lord would put His spirit upon them." Moses, a true servant-leader, would have been quite satisfied had all the Israelites become prophets and God communicated directly with them, even if this meant he was no longer needed.

Moses had no problem standing up to God when he felt an injustice had been committed. The first time Moses spoke to Pharaoh and asked him to let the people go in order to hold a feast in the wilderness, Pharaoh responded very harshly (Exodus 5:1- 15). The enslaved people were told that the quota of bricks they had to produce would remain the same but that they would have to find the straw; no one would bring straw to the slaves; they would have to gather straw for themselves. Moses did not understand what God was doing and lashed out, saying (Exodus 5: 22): "My Lord, why have you harmed this people? Why have you sent me?" This is how one expects a servant-leader to speak when his flock is hurting.

Moses was more than empathetic; he identified strongly with his people even when they made terrible mistakes. After the incident of the Golden Calf, God was ready to destroy the Israelites. Moses stood up to God and demanded (Exodus 32:32): "But now, please forgive their sin — but if not, then blot me out of the book you have written." Moses was telling God to remove him from the book of life, i.e., kill him if He did not forgive the people for the sin of the Golden Calf. That is what authentic servant leadership is all about: a great love for followers so that one is willing to die for them.

The Israelites made another severe blunder by believing the false report of the spies (Numbers 13-14). God made a very tempting offer to Moses (Numbers 14:12): "I will smite them with the pestilence, and disinherit them, and will make of you a greater nation and mightier than they." Moses, a true servant-leader, could not be enticed to abandon his flock with any offer, no matter how good. His people came first.

Many Christian leaders have spoken about the obligation of the wealthy to use their fortune to assist the unfortunates in society. These leaders denounced extreme wealth inequality, ostentatious display of wealth, exploitation of laborers, and using high prices to exploit the public (Warren, 2022b). The Abrahamic religions all believe that society (this includes corporations) has a responsibility to rein in greed and use its wealth to improve the world.

Mizrachi and Friedman (2021) use the Bible to establish that giving charity, as crucial as it is, is insufficient because it deprives the receiver of dignity. Society has a greater responsibility than simply providing the underprivileged with donations of money or food to survive. Morality dictates that government find ways to generate jobs and provide meaningful employment for the poor to escape their poverty with dignity. Indeed, this is the purpose of many of the biblical laws, such as leaving the gleanings, forgotten produce, and the corners of the field for the

poor; debt forgiveness; return of land to its original owners during the Jubilee year; the precept of marrying the maidservant; the obligation to lend money to the destitute. The Psalmist understood this when he spoke of "raising the needy from the dust" (Psalms 113:7); the ultimate goal is to help empower the indigent. More than offering a safety net, the Bible obligates humankind to break the cycle of exploitation and power and provide a ladder for society's underdogs to rise out of a cycle of hardship and despair.

Nehemiah was a leader who lived about 2,500 years ago and helped rebuild Jerusalem. He dealt with the exploitation of the poor Jews by the wealthy in the Jewish community. In those times, debtors had to bring their children "into bondage" as indentured servants to pay off their debts. Nehemiah understood that without compassion, the Jews would have no future. He convinced the nobility to remit the debts and restore the forfeited fields of the poor. This type of financial and agrarian reform was unheard of in its time and represented one of the earliest examples of progressive land reform (Nehemiah 5).

The servant-leader of the Bible cares about the plight of laborers and despises leaders who build huge homes for themselves and are indifferent to the plight of their employees and the needy.

Woe to him who builds his house without righteousness and his upper rooms without justice; who uses his neighbor's services without payment and does not give him his wages (Jeremiah 22:13).

If one does justice to the poor and needy, then it is good; Is that not what it means to know Me?" declares the Lord (Jeremiah 22: 16).

Ezekiel sees leaders' job as strengthening the hand of the poor, not enriching themselves.

Behold, this was the sin of your sister Sodom: She and her daughters had pride, plenty of bread, and untroubled tranquility; yet she did not strengthen the hand of the poor and the needy (Ezekiel 16: 49).

Isaiah referred to the rulers of ancient Judah and Jerusalem as "chiefs of Sodom" and the citizens as "people of Gomorrah" (Isaiah 1: 10). He was angry about the dishonesty and immorality he observed and was especially upset with the leaders.

How the faithful city has become a prostitute! She once was full of justice; righteousness lodged in her — but now murderers! Your silver has become dross, your choice wine diluted with water. Your rulers are rebellious and partners with thieves; they all love bribes and pursue gifts. They do not render justice to the fatherless; the grievance of the widow does not come before them (Isaiah 1: 21-23).

In the Abrahamic religions, the ultimate humanity-centered leader is the Messiah, who is supposed to bring peace and prosperity to all. World peace can only happen when there is social justice, everyone is concerned about the oppressed and impoverished, and when supposed enemies work together and cease senseless conflict.

He shall judge between the nations, and shall decide disputes for many peoples; and they shall beat their swords into plowshares, and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war anymore (Isaiah 2:4).

The wolf will live with the lamb, the leopard will lie down with the goat; the calf, the lion cub, and the fatling [will feed] together, and a small child will lead them. A cow and bear will graze together and their young will lie down together. The lion will eat straw like the

cattle. An infant will play over a viper's hole, and a newly weaned child will stretch forth his hand over an adder's den. They will do no harm or damage anywhere in all of My holy mountain; for the earth will be filled with the knowledge of God, as water covers the sea (Isaiah 11: 6-9).

He will judge between many peoples and settle the disputes of mighty nations far and wide. They will beat their swords into plowshares and their spears into pruning hooks. Nation will not lift up sword against nation, nor will they learn war anymore (Micah 4:3).

Rae (2004) notes that Isaiah's messianic vision (2:4), in which nations will "beat their swords into plowshares and their spears into pruning hooks," is of a world at peace, its inhabitants working with farming implements instead of weapons. Isaiah might very well be describing a just world with full employment, tolerance for others, and little poverty.

Ideal leaders in the Bible are more than servant-leaders. They understand that their job is to build an organization on a spiritual, moral foundation, one dedicated to helping the weakest members of society. Leaders must have values and compassion and focus on social justice; they should not be haughty or self-absorbed (Friedman & Fischer, 2021). Indeed, the Torah has a unique law prohibiting a king from amassing too much personal wealth (Deuteronomy 17:17). Kings (and CEOs) who emphasize accumulating wealth lose sight of the higher purpose of leadership. Wealth leads to conceit and losing sight of the true responsibility of a leader. Scripture (Deuteronomy 17:20) provides the reason the King should not amass riches: "so that his heart may not be lifted above his brethren and not turn from the commandments right or left."

Higher Purpose of a Corporation

We sometimes forget how effectively corporations and capitalism have reduced poverty and improved the world. According to Hazelton (2005), the corporation is "unquestionably one of the most important inventions of humanity" because they have produced a fantastic amount of wealth for people. Indeed, 24 out of the 50 largest economic entities in the world are corporations (Hazelton, 2005). Even more impressive about capitalism and free enterprise is that they have done more to eradicate poverty than any other economic system. The percentage of people in the world living on a dollar a day dropped by an astounding 80% between 1970 and 2006 (Pinkovsky & Sala-i-Martin, 2010). In 1990, 36 percent of the world's population lived in extreme poverty; by 2015, this percentage had declined to 12%.

Unfortunately, because of the Covid-19 pandemic, extreme poverty has increased for the first time in decades (Tompkins, 2022). It is evident that humanity-centered capitalism can be a powerful tool for eliminating poverty. Malloch-Brown (2022), president of the Open Society Foundations, has been promoting the idea that wealthy countries should help poorer nations deal with issues such as food shortages and debt. He argues that the whole world requires a Marshall Plan, and this would mean that the wealthier countries would have to contribute a reasonable 2% of GDP to reduce hunger and suffering. Desmond (2023) is also concerned about the poverty problem in the United States and believes we should all be ashamed of it. There is no reason that about a third of Americans live in households making less than \$55,000 a year. He advocates that we become "poverty abolitionists" and understand that "profiting from another's pain corrupts us all" (para. 13). Desmond underscores that this country has the means to abolish poverty; we need the will.

The belief that a corporation's purpose is to benefit society and make the world a better place is gaining traction. Howard (2015) asserted that leaders in the 21st century should be using their skills to improve the world, i.e., becoming humanity-centered. At the Davos 2019 World Economic Forum, Punit Renjen, Global CEO of Deloitte, discussed a major survey by his firm that polled 2,000 C-suite executives across 19 countries. The results showed that executives are now aware that societal impact is crucial when evaluating performance, not shareholder value (Renjen, 2019). Larry Fink, CEO of Blackrock, wrote in his 2022 annual letter to corporate America that "prioritizing environmental sustainability, racial justice and other social goals is not "woke" and not about "politics" (Phillips-Fein, 2022, para. 1). Businesses must drive social change and improve the world.

Several organizations are working on instilling a sense of higher purpose into capitalism. They include Conscious Capitalism Organization, JUST Capital, Coalition for Inclusive Capitalism, and Chief Executives for Corporate Purpose (Friedman & Mizrachi, 2021). Many investors are demanding metrics like ESG (environmental, social, and governance criteria) to see the impact of a company on all stakeholders – customers, employees, suppliers, communities, society, and the government. The Big Four accounting firms are working on new ESG standards that can become part of annual reports. Gallup is working with Chief Executives for Corporate Purpose (CECP) to get firms to use its ESG analytics tools to give capitalism a heart (Clifton, 2021).

The Conscious Capitalism organization is a network of corporate leaders committed to the idea that business is about more than just making money. The philosophy of conscious capitalists is on their website, where the "Four Principles of Conscious Capitalism" are stated (Conscious Capitalism, 2016):

We believe that business is good because it creates value, it is ethical because it is based on voluntary exchange, it is noble because it can elevate our existence and it is heroic because it lifts people out of poverty and creates prosperity (Conscious Capitalism, 2016, para. 1).

Conscious business leaders aim to use capitalism to "elevate humanity" by serving all stakeholders, not just shareholders, and thus enhance the world. This is not to be confused with corporate social responsibility. Mackey observes: "Conscious capitalism puts higher purpose and creating value for the community stakeholder at the core of every business decision rather than being added on later as a program to thwart criticism or help manage a business's reputation" (Schawbel, 2013, para. 15). There is evidence that firms that practice conscious capitalism outperformed the S&P 500 firms by 14 times (Lewis, 2020).

A "B" Corporation, or benefit corporation, is a label created by B Lab in 2006 that indicates where all firms should be heading. B Corporations agree to balance profit and purpose and satisfy the highest transparency, accountability, and social and environmental performance standards. These organizations commit to producing a benefit for society and want business to be a force for improving the world, not just making a profit for shareholders. B Corporations are held publicly accountable to stakeholders beyond shareholders, such as employees, customers, the local community, and the environment. There are more than 2600 Certified B corporations across 60 countries (Feloni, 2018).

Part of being humanity-centered is caring about your firm's employees. Leaders today have to respect employees and thereby have access to their collective wisdom and experience.

Moreover, a CEO must believe that a company's reputation for integrity, being socially responsible, and selling high-quality products is more important than short-run profits and the stock price (Hindery, 2005, p. 10). Consumers, especially millennials, are willing to pay more for ethically produced products and services and avoid buying products from companies engaged in unethical behaviors. (Aflac, 2015; Banker, 2021; Dodds, 2019; O'Donnell, 2019; Trudel and Cotte, 2009). According to a recent study, 83% of consumers indicated they would be willing to spend more (on average, an additional 17.5%; more than 17% of respondents would be willing to pay 50% more) on an ethically-sourced product (Banker, 2021).

Conclusion

Shneiderman (2022) asserts that being humanity-centered is crucial not only in leadership but in artificial intelligence as well. Human-centric Al algorithms are more likely to improve the world by boosting human potential. Machine learning can be used by specialists to find the latest research by sifting through massive amounts of literature and finding only the relevant information. For example, doctors specializing in a narrow area can easily find only the information they need without reading numerous medical journals (Reese, 2022).

The average tenure on the Fortune 500 list was 33 years in 1965, and 20 years in 1990, and it will probably decline to 14 years by 2026 (Perry, 2019). Thus, every Fortune 500 CEO should know that there is a 50% chance their firm might disappear from the list during the next ten years. This is why corporate boards must choose the right leaders for the age of chaos and disruption. Friedman and Mizrachi (2022) discuss three trends that may considerably impact business.

- (1) Young people are disillusioned with capitalism. Many believe that socialism is the superior economic system. Several elected officials have openly declared that they support socialism over capitalism.
- (2) People, especially those who are younger, prefer to do business with companies that have a reputation for trying to make the world a better place. They also like working at meaningful jobs for organizations trying to better the world.
- (3) Companies are being evaluated on new metrics that measure how they treat stakeholders, the environment, local communities, and society. Investors are starting to shy away from firms that have no interest in the needs of society (p. 18).

Volvo demonstrated how human-centered capitalism with the right kind of leader could work when it made its patented 3-point seatbelt, invented by Nils Bohlin, a Volvo engineer, available to all automobile companies rather than licensing its technology. The company valued saving lives over billions in profits. It has been estimated that Volvo's generous gift to humankind saved millions of lives (Bell, 2019).

Purdue Pharma shows what happens when a company becomes totally self-centered and only concerned with making huge profits. Purdue Pharma, the manufacturer of Oxycontin, aggressively marketed its product, knowing that it was addictive and resulted in overdoses. This is not surprising given that opioids are appropriate for chronic pain because patients develop a tolerance for them and need higher and higher doses for them to work. Opioids have been responsible for over 500,000 deaths since the mid-1990s (Lopez, 2019).

George Bernard Shaw said, "The worst sin towards our fellow creatures is not to hate them, but to be indifferent to them." Many business leaders reject the idea that a corporation's

purpose is to maximize shareholder value. Instead, they believe CEOs and their firms must care for people, the planet, and society (Stobierski, 2021). Marc Benioff, CEO of Salesforce, proudly called CEOs heroes for saving the world during the pandemic. He stated, "They're the ones who stepped forward with their financial resources, their corporate resources, their employees, their factories, and pivoted rapidly – not for profit, but to save the world" (Goodman, 2022, p. BU1). Some CEOs have used capitalism to improve the world. Many greatly enriched themselves and showed little or no compassion for their employees who risked their lives working in warehouses and delivering needed products at low wages and without adequate protective gear. Benioff was correct that CEOs do have the potential to use corporate resources to improve the world significantly. During the two years of the Covid-19 pandemic, the wealth of the ten richest people doubled while the incomes of 99% of humanity decreased. These ten richest men currently have six times more wealth than the poorest 3.1 billion people (Oxfam, 2022).

Most Americans want their country to be one with less inequality of wealth and income distribution. There is little difference between Democrats and Republicans when it comes to beliefs regarding ideal wealth distribution: 32% of wealth for the wealthiest quintile (top 20%) and 11% for the poorest quintile (Ariely, 2012; Norton & Ariely, 2011). Unfortunately, we are nowhere near this distribution of wealth.

Everyone wins, and America becomes stronger if corporate leaders work together to help everyone prosper, not just the top 1%. CEOs have a choice as to which of two vastly different philosophies to follow. One stresses maximizing shareholder values and is focused mainly on enriching key executives and self-aggrandizement. The other is human-centered, based on the Bible, and emphasizes compassion and concern for the plight of the weaker members of society. Human-centered capitalism can create a "Messianic" society where no one goes hungry, making the world a better place (and making a profit doing so). This, however, requires leaders that understand that capitalism can elevate all of humanity and should not be used to make the wealthy even wealthier. Boards should not hire leaders without knowing where they stand on this spectrum: self-centered or human-centered? This should be the litmus test of leadership.

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