

Loyalty to a leader is overrated, even dangerous

The other night I watched Raymond Reddington, fictional star of the TV series *The Blacklist*, pull off another impossible plotline without breaking a sweat, explaining calmly to one of his minions that the key to winning is to “value loyalty above all else.” The notion of loyalty as a protective force that leads to great success is so much a part of how we think about leadership that it is very easy to accept, even when it is not espoused by someone as exceptionally interesting to watch as James Spader.

I would contend that loyalty is linked with success in many people’s minds because the archetypal successful leader always demands utmost loyalty and in turn this demand is linked with a special competence. Remain loyal, the story goes, things will go well. Think of (my daughter’s favorite) Kung Fu Panda only developing as a fighting warrior when he submits fully to his master, Grand Master Oogway or (in a more serious vein) Moses leading his people out of Egypt because they believed in him enough to follow. On the other hand, when followers don’t do as they are told and express disloyalty, then disaster ensues. Think of Homer’s description of Odysseus’ men, who encountered hardship primarily when they disobeyed their warrior leader, such as opening the “bag of winds” even though he had ordered them not to and thus being unable to ride the winds home. Over and over again throughout history and art we are given the strong leader who simply wants to aim for the proper goal, and the disloyal underlings who continually threaten to undermine his (or her) greatness by disobeying. Over time these stories lead to an implicit expectation that when loyalty prevails, so does success.

This idea is, I submit, one of the most dangerous myths in organizational life.

I teach a course on ethics at the McCombs School of Business and have run the McCombs Speaker Series on Ethics and Corporate Social Responsibility for the last seven years. I have had many speakers share their stories with our community, including people convicted of very serious corporate crimes. Despite a popular conception of governmental and corporate crime as stemming either from rampant greed throughout the ranks, or from the solitary crimes of a few misfits, in my experience unethical behavior in organizations almost always is caused by belief in and too much loyalty to a “great leader” who turns out to be morally compromised.

For example, take the experience of one of my most popular guest speakers, Egil “Bud” Krogh, one of the Watergate co-conspirators. In his excellent book about his crimes and his prison time, *Integrity: Good People, Bad Choices, and Life Lessons from the White House*, Bud recounts the 1970 spring day when President Nixon left the White House to reflect at the Lincoln Memorial, and ended up chatting with a number of student anti-war protestors while sitting on the lawn. Bud writes that, “the profound quiet of the Lincoln Memorial blended beautifully with the changing morning colors,” and that he felt “a sense of amazement and awe that I had just

witnessed one of history's most extraordinary presidential visits." It is clear in his prose that Nixon held enormous heroic sway over his young employee. The chapter in the book that directly follows this tableau is entitled, "Ensnared in Watergate by Blind Loyalty": as often happens, somehow Bud's belief in the specialness of Nixon got tangled up with belief in the need to do whatever Nixon asked, even if what he asked for was in retrospect pretty ridiculous and definitely unethical (i.e., approving the burglary of Daniel Ellsberg's psychiatrist).

Another speaker in our speaker series, Aaron Beam, also wrote a book about his (in this case accounting) misadventures and prison time, entitled *HealthSouth: Wagon to Disaster*. His talk, as well as his book, presents a self-exposé of an intelligent and nice man with too much loyalty to his CEO, Richard Scrushy. Aaron recounts how he was roped in by this seemingly unique and important figurehead: "I soon realized that you had to be Richard Scrushy's 'boy' and that you could not avoid him—he demanded your attention." Before he knew it, Aaron had agreed to numerous accounting missteps in order to please his leader.

It is not difficult to find numerous echoes of this story, from Bernard Madoff's employees to executives at Enron and Worldcom, all showing the subsuming way in which charismatic managers first attract their employees and then start to demand more and more from them until the employees' behavior crosses an obvious moral line.

Several misconceptions underlie the loyalty myth, but most important seems to be the expected link between demanding loyalty and possessing talent. In the *Odyssey* or *The Blacklist* when the leader demands loyalty it is because he simply knows best; his followers are flawed in some way that does not allow them to see the truth. What makes the story interesting is the tension between the person who knows the right way to achieve success, who knows the truth about a situation, who is in some way superior to the rest of the world, and all of the background folks in the story who are getting in the way.

In truth, this archetype bears very little relationship to the actual day-to-day operation of an organization, where leaders are actual flawed humans who are (hopefully) more interested in meeting common goals than in living out a dramatic narrative.

In real organizations, leaders don't have all the answers, and followers have more responsibilities than just blindly submitting to whoever is at the top of the food chain. Organizations are not set up as perfect hierarchies in which a leader swoops down from on high to make declarations of brilliance which loyal employees follow (and traitorous employees oppose); as Alice Eagly and Linda Carli explain in their book, *Through the Labyrinth*, in actual organizations "leadership does not come merely from one or two individuals located at the tops of hierarchies but from people who are spread throughout the organization." Eagly and other experts have

repeatedly shown that a more “transformational” leadership style, which focuses on working together with employees to produce superior work, leads to better organizational outcomes than a “heroic” leader helming a loyal crew.

So let’s retire this entire model of the fearless leader and the loyal minions — it relies on a childlike view of leadership that does not benefit anyone. It is nice if people who work at a company believe in their job, within reason, but there is no need to expect them to swear their utmost allegiance to their managers as if they were pledging to a god. Allowing employees to speak up and take an active part in the decisions of organizations has been shown to be an effective strategy across industries. This strategy may be uncomfortable for a manager because it means listening to potentially negative feedback. On the other hand, it is not particularly helpful to one person who is trying to accomplish complex tasks to be expected to possess masterly powers and the ability to perform every task perfectly without input from anyone else.

Taken together, it seems pretty clear that it makes sense to retire the idea of complete employee loyalty, and its supposedly evil twin, “insubordination.” Undoubtedly a manager who is unwilling to hear negative feedback, or who is uncomfortable leading without the unwavering loyalty of every employee, makes an entertaining television character.

In real life, though, he would make a terrible manager.

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