

EDITORIAL

On the global emergence of responsible leadership: purpose and social identity [version 1; peer review: not peer reviewed]

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Abstract

Responsible leadership is a concept that links leadership, corporate social responsibility, sustainability and ethics to business performance and actions of senior executives and board members. This keynote illuminates how responsible leadership mindsets and their diverse understandings of the purpose of business are related to organizational level stakeholder engagement and corporate social responsibility approaches at the upper echelon. A first link is established between broader social movements (e.g., US Business Roundtable, Conscious Capitalism, Social Entrepreneurship movement) and the social identity of responsible leaders, thereby contributing to the discussion of the changing nature of the purpose of business. The article closes with a Q&A-session.

Keywords

Leadership, Responsible Leadership, Responsible Leadership Mindsets, Strategic Leadership, Ethics, Stakeholders, Moral Motivation, Social Identity



This article is included in the [Responsible Management gateway](#).

This article is included in the [Responsible Leadership Re-imagined Conference – selected outcomes collection](#).



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Competing interests: In this article, I mention the World Economic Forum in Davos, where the first edition of my Routledge book on Responsible Leadership was presented. I also mention the GRLI (partner of AACSB, EFMD and United Nations Global Compact), where I hold a governance position as Guardian to the council. A variation of this keynote was presented in the TOPOS Distinguished Speaker Seminar Series at the University of Oxford, Saïd Business School in 2022. An education focused version was presented at a Symposium by the Aspen Institute on Business Education: Meeting the Talent Challenge in New York in 2013, where I received the Aspen Faculty Pioneer Award for Teaching Innovation and Excellence. This keynote address is based on a best conference paper published in the Academy of Management Best Paper Proceedings (2012, pp. 1-7, co-authored with T. Maak) and an article published in the journal Academy of Management Perspectives (2012, 26(4), 51-65) entitled "Different approaches toward doing the right thing: Mapping the responsibility orientations of leaders" (co-authored with T. Maak and D. Waldman), reprinted in: Pless, N. M. & Maak, T. (Eds, 2022). Responsible Leadership, London, New York: Routledge.

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Author note

This article is an edited version of the transcription of an invited keynote speech delivered at the Responsible Leadership Reimagined Conference 2022 hosted by Stellenbosch Business School in South Africa.

Speaker introduction

We welcome Prof Nicola Pless, the Chaired Professor of Management at the University of South Australia, a former Vice President of International Leadership Development in a global financial services firm, and a Guardian of the board of the Globally Responsible Leadership Initiative. She has also served on the faculties of ESADE and INSEAD and worked for UBS AG and the World Bank Group. Importantly for our conference, she was a co-founder of the responsible leadership research movement in its early days, and she has contributed extensively to the body of knowledge in this field. It is an immense pleasure to have her as the first keynote speaker and scene setter for the theme of our conference.

Keynote speech

Introduction: responsible leadership

Thank you very much for the warm welcome. I am happy to be here to provide a keynote on the topic of responsible leadership. I will give a broad overview of the landscape of responsible leadership which does not pertain to a particular geography. While the academic discourse has started in the northern hemisphere, it has quickly become global with the first International Conference on Responsible Leadership being held in South Africa in 2010 (Pless *et al.*, 2011). I am currently affiliated with institutions both in the northern and southern hemisphere, and the topic has attracted researchers from all around the world (see Pless & Maak [2022a] for examples from US, Europe, South America, Africa).

So, responsible leadership is a topic that speaks to different cultures, to different contexts. I will use some examples from the northern hemisphere, but I invite you, particularly as part of the dialogue of this conference, to think about examples from South Africa and from other parts of the world as well.

Since 2005, responsible leadership has emerged as a movement and research field of great practical relevance (Doh & Stumpf, 2005; Maak & Pless, 2005; Maak & Pless, 2006) and has entered corporate boardrooms. It now contributes to addressing grand societal challenges with an aspiration of changing the world for the better. The field of responsible leadership examines the roles, responsibilities, and relationships of business leaders as they conduct business in a stakeholder society. As such, it is a normative phenomenon rooted in stakeholder theory and business ethics.

Since the first call for responsible leadership by the European Foundation for Management Development in collaboration with the Globally Responsible Leadership Initiative (GRLI) in 2006, the topic of responsible leadership has emerged. The field has rapidly grown and in 2017 the World Economic Forum dedicated its meeting in Davos to the topic of “responsive

and responsible leadership”. This development mirrors the realisation of a growing number of business leaders that change in the world demands a new leadership style emphasising, relational intelligence, stakeholders inclusion, commitment to the common good, and societal impact (Pless & Maak, 2005; Pless & Maak, 2022b).

Responsible leadership has also become the most widely discussed topic in the broader public debate on leadership, dominating the leadership discourse on the World Wide Web. As one can see by recent research on Google, responsible leadership had more than 2 billion hits (Table 1). Ethical leadership had 1 billion fewer hits and then the traditional leadership styles, like authentic leadership, transformational leadership, and servant leadership have considerably less impact in the broader discourse (see below, March 14, 2022, tweeted by GRLI, 2022).

This demonstrates how the discourse on responsible leadership has emerged and how it has impacted the broader debate. As Anne Tsui (2022), a prolific researcher, recently said, “The world has changed, giving urgency and legitimacy to the idea of responsible leadership.” (Tsui, 2021, 168)

What is responsible leadership?

I will provide a bit more substance to the concept so that we really know what the academic debate is about. The concept links leadership research and the discussion on corporate social responsibility. It is a moral leadership construct that is rooted in business ethics, thereby acknowledging the different philosophical traditions that influence the understandings of leadership and of responsibility. It is largely also grounded in stakeholder theory, and therefore influenced by Edward Freeman’s approach (Freeman, 1984). In contrast to other moral leadership constructs, followers are understood as stakeholders. They are not simply understood as subordinates within an organisation, but as constituents inside and outside the organisation with whom leaders need to build relationships and whom leaders need to mobilise in order to have a positive impact on business and society (Maak & Pless, 2006; Pless & Maak, 2005; 2008; 2011). Here leaders consider an extended stakeholder environment. Different stakeholder interests and needs are acknowledged, which also means that a diversity of demands need to be taken into account

Table 1. Hits on Google for responsible leadership.

Leadership Concept	Hits on Google (14.03.2022)
Responsible Leadership	2.750.000.000
Ethical Leadership	1.790.000.000
Authentic Leadership	138.000.000
Transformational Leadership	75.100.000
Servant Leadership	68.200.000

when making decisions. Often conflicts arise that leader need to mitigate. They need to balance different interests (Pless *et al.*, 2022).

Responsible leadership is also a *multi-level phenomenon*. At the individual level, we talk about responsible leadership behaviour and leading followers, but we should also consider the macro-organisational level. What kind of purpose should organisations pursue and what is the role of leaders in this? Then there is the broader contextual and societal level in the sense of leaders' engagement with societal stakeholders and in contributing to the United Nations Sustainable Development Goals.

Briefly, we understand responsible leadership from an academic perspective "as a relational influence process between leaders and stakeholders, geared towards the establishment of accountability in matters pertaining to organisational value creation" (Maak *et al.*, 2016, 464), and, one may add, creating positive change. Purpose and intention play an important role in responsible leadership, particularly in how business executives drive businesses and what kind of value they create and for whom. In the end, the purpose proposition also determines what kind of solutions are developed for grand societal challenges (Pless *et al.*, 2021).

Responsible leadership mindsets

In the following sections, I will draw on an article that was published originally in the journal *Academy of Management Perspectives* (Pless *et al.*, 2012) and recently reprinted (in Pless & Maak, 2022a). I will describe a landscape of responsible leadership and responsible leadership orientations, showing that there are different leaders with different mindsets and very different approaches toward responsible leadership. I will also draw broader connections, showing how this has evolved over time, how the debate has further developed, and also how this framework (see Figure below) has basically mirrored real-world developments over the past ten years.

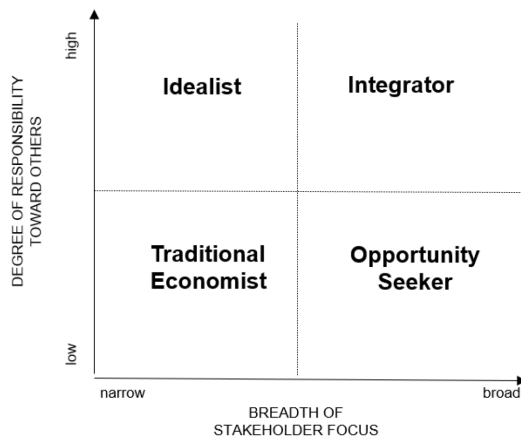


Figure 1. Responsible Leadership Matrix. Reference: Adapted from Pless, Maak & Waldman (2012, p. 56; 2022, p. 210).

The idealist. I will start by going through these different prototypes and providing some ideas on how individual-level leadership is related to purpose of the firm and also to value creation. The first type of leader is the idealist, which is not exactly the norm in business. The idealist is a particular type of responsible leader who cares about the needs of marginalised stakeholders, those in need, and those who are usually excluded from the broader discourse in business. Responsible leaders with an idealistic orientation have a very narrow focus on people in need and they have high accountability and responsibility for providing solutions for them.

Now, I have studied a number of business leaders in different countries, such as Cambodia and India, and I found that it was mostly social entrepreneurs who represented this idealistic responsible leadership orientation. Their purpose is to create value for stakeholders in need and for society at large. They are driven by humanitarianism. Their motivation is altruistic and often they get psychological fulfilment through their engagement and through their value creation for this stakeholder group (see GRLI, 2022; Pless & Appel, 2012). I found that their leadership style is often a servant one, which is caring, and service-oriented towards followers.

It is very interesting to trace how this form of responsible leadership as social entrepreneurship has developed over the past 20 years. A social identity has emerged among these leaders, particularly through institutions like Ashoka and the Schwab Foundation, which provide them with a sense of belonging, the means to better understand who they are and what they are achieving, and to foster and **build a network of like-minded responsible leaders.**¹ They understand that for them business success means long-term value creation for stakeholders in society, particularly those in need, and also sustaining their organisational viability. Their responsibility approach in general is proactive and business is seen as a means to resolve societal issues.²

The traditional economist. The idealist prototype can be sharply distinguished from the traditional economist, the second prototype. While both share a very narrow stakeholder focus, the idealist is focussed on stakeholders in need and the traditional economist is focused on shareholders with a low degree of accountability towards other stakeholders.

Today, there are not so many business leaders that would proudly say they represent this type. There are still some leaders that claim to be disciples of Milton Friedman, for instance TJ Rodgers, the founder and CEO of Cypress Semiconductor.

¹ See also GRLI Responsible Leadership Dialogues No. 1 with Dr. Peter Wuffli (2021). <https://www.youtube.com/watch?v=PejQ24Ya-qY>

² See the following website for teaching resources on Responsible Leadership, Social Entrepreneurship and Inclusion for courses in Social Entrepreneurship, Business in Society, CSR, Sustainability, Governance and Responsible Leadership: <https://blog.grli.org/teaching-responsible-leadership-and-inclusion-gram-vikas/>

However, most of them are not that open anymore about their narrow shareholder focus. Yet, we should not be mistaken, there are still a lot of business leaders in many parts of the world that pursue this approach.

As we all know, driven by neoliberal thinking, shareholders and profitability are the main foci of this type of leader. Their motivation is economic self-interest, going hand in hand with economic income maximisation and profit maximization. Their leadership style is usually rule-based and autocratic, and their relationships to followers are instrumental. This type of leadership has dominated teaching in business schools, and while a large number of business schools and universities have moved to a stakeholder approach, the shareholder paradigm is still dominant in disciplines such as finance, accounting and governance.

From the traditional economic perspective, a responsible business leader is someone who ensures payment of taxes and compliance with laws and regulations in the particular country in which a company is operating. However, this responsibility understanding represents a minimal standard of responsibility. And as numerous past scandals have shown, there are particular risks with this type of leadership that can turn into bad and irresponsible leadership (Kellerman, 2022) through the encouragement of self-interest and greed.

In management education this type of leadership was criticised by Mintzberg & Gosling (2002), Pfeffer (2005) and Ghoshal (2005). The latter said that it involves operating in a vacuum and can support a dysfunctional leadership approach, that of a “ruthlessly hard-driving, strictly top-down, command-and-control focused, shareholder-value-obsessed, win-at-any-cost business leader” (2005, p. 85).

Over the past decade, we have seen a gradual shift in mindset, and not only in business schools, but also in the broader context as many more business leaders take on active responsibility towards broader societal problems, are engaged in the World Business Council for Sustainable Development, are active in the GRLI, have set up their own foundations, and actively support the United Nations Sustainable Development Goals.

A shift from the traditional economist towards an opportunity seeker orientation

There is a growing shift from this rather narrow responsible leadership understanding, which is compliance-oriented and engages in CSR to help save costs and minimise risk, towards a third type, the opportunity seeker or instrumentalist, which takes a broader view on serving or responding to the needs of different business stakeholders.

We see an evolutionary shift from a shareholder focus to a stakeholder perspective, even in those institutions like the US Business Roundtable that were spearheading the Milton Friedman perspective until recently. Today they say that a redefinition of corporate purpose is needed, which they initiated in 2019 with a [statement](#) signed by 181 US CEOs who

committed to leading their companies for the benefit of all stakeholders – customers, employees, suppliers, communities, and shareholders. That indeed is quite a remarkable historical shift.

Let us take a closer look at this shift. First, why has it happened? It happened because of increasing stakeholder expectations where businesses and their leaders are held accountable for their actions toward different stakeholders. This includes expectations of fair employment contracts and safe working environments, of engagement in communities, of actions to alleviate the climate crisis, and of businesses to consider the interests of future generations. Business leaders are called today to act as corporate citizens and to take a more active role vis-à-vis pressing societal challenges and to achieve the Sustainable Development Goals (Maak & Pless, 2009; Pless *et al.*, 2022).

The opportunity seeker. The opportunity seeker mindset has developed over time with the particular influence of Porter and Kramer’s (2006) Harvard Business Review article in which they introduced the concept of “creating shared value”. In this approach the purpose of business is still understood to be profit maximization, so it is still predominantly about economic value creation for shareholders, but it is what I call a “profit plus” approach. This means it also incorporates creating benefit and value for society and reducing the environmental footprint, particularly when it is beneficial for the business. In their discussions of sustainability and engagement in CSR, a business case and a cost-benefit analysis are usually done first. The main motivation is to realise competitive advantage through social engagement, to enhance public relations and firm reputation.

The leadership style of instrumental leaders is mostly transactional, and relations are mainly established with key business stakeholders. Also, the focus on the business outcome is still very much rooted in the tradition of economic thinking. However, due to stakeholder pressure, instrumental business leaders are more responsive towards CSR. They comply with laws and regulations, but they also pursue societal issues that are beneficial for the business, especially if they are a way to realise quick win-wins.

For example, at the beginning of the millennium General Electric introduced an eco-imagination component. Jeff Immelt, the then CEO, was very clear about their approach and their intentions and motivation: “We are investing in environmental cleaner technology because we believe it will increase our revenue, our value, and our profits. Not because it’s trendy or moral, but because it will accelerate our growth and make us more competitive.” (Economist, 2005, 63)

The strength of this instrumental approach is that, when large multinationals adopt it, they have a chance of producing quick wins and generating broad and positive impact, also on the Sustainable Development Goals. However, there are also some weaknesses. One is that those solutions are often driven by a business case logic, not systemic thinking. The latter is often necessary to tackle more complex and paradoxical problems

and to achieve sustainable development solutions that alleviate the problems at their root.

The integrator. I have talked about the idealist, the traditionalist, and the opportunity seeker and I have one leadership type left, the integrator. I see a lot of reimagination of responsible leadership occurring in this quadrant. Here, there is truly a paradigm shift, a normative shift from a profit-driven approach to a social purpose-driven approach. The integrator has the humanitarian drive of the idealist, they have the economic sense for the bottom line from the traditional economists, and the strategic thinking that we see in the opportunity seeker and instrumentalist approach, and they try to bring it all together. They have a broad stakeholder focus and high accountability towards all legitimate stakeholders.

A new narrative has emerged here, and this is aligned with the discussion around conscious capitalism (Mackey & Sisodia, 2013) and the new development of for-benefit corporations and hybrid organisations (e.g., Marquis, 2020). Integrative business leaders are driven by a pro-social motivation, and humanistic values, and try to translate them into a substantial business purpose. They do not see profit making as the purpose of business, unlike the traditional economists and the opportunity seekers; instead, here profit making is seen as an outcome.

This approach aligns with Paul Polman's view, who stated the following in an interview with Jo Confino (2012) from the Guardian:

I don't think our fiduciary duty is to put shareholders first. I say the opposite. What we firmly believe is that if we focus our company on improving the lives of the world's citizens and come up with genuinely sustainable solutions, we are more in sync with consumers and society and ultimately this will result in good shareholder returns.

Under Polman, Unilever abolished, for instance, short-term reporting, so they took some steps to create a new reality (Polman & Winston, 2021). In general, the mission of integrative business leaders is dedicated to a higher purpose (e.g., Kempster, 2022; Maak & Pless, 2019). They are motivated to create value for shareholders inside and outside the organization and to create change for the better. When making decisions they apply a social cost-benefit analysis balancing economic, social and environmental considerations (Pless *et al.*, 2012; Pless *et al.*, 2022).

The leadership style that I have observed from integrators is relational, shared, transformational, compassionate, and inclusive. In terms of stakeholder relations, stakeholders are not simply seen as instrumental tools – 'means to an end', but as end in themselves. Thus, the emphasis is on creating valuable and trustworthy relationships with different stakeholders important for achieving positive societal outcomes together. Together they are pursuing economic viability, social value, and reduction of the environmental footprint, and at the same time develop social innovation to change the world

for the better (Pless *et al.*, 2021). In essence, integrative leaders pursue a proactive CSR approach and partner with stakeholders to create societal innovation. The social identity of these leaders is often aligned with broader social movements, such as Conscious Capitalism, which some of them also shape (Mackey, 2009).

This goes along with certain behaviours as specified in the roles model of responsible leadership that Thomas Maak and I introduced in 2006 (Maak & Pless, 2006) and which describes the key roles of the integrative responsible leader. Responsible leaders pursue a *servant* style (e.g., Sison & Potts, 2022). They are *visionaries* for positive change. They are *stewards* of the environment and of society. They are *citizens* who try to create value for their different groups of stakeholders and to tackle grand societal challenges (Maak & Pless, 2009). These are the key normative roles. In addition, there are some supporting roles that help to put this into practice, like the communicator, the coach, the architect, the networker, and the change agent.

The goal of these integrative responsible leaders is to fulfil a higher purpose through business, reconciling profit and purpose (Roddick, 1991). Examples are founders of enterprises, like Ray Anderson or John Mackey, and also CEOs of multinational companies who try to create organisations that are ethical, sustainable and responsible, including being responsible to stakeholders, society and future generations.

Leaders adopting this emerging responsible leadership approach are guided by ethics (Ciulla, 2022; Donaldson, 1996; Paine, 2022), including moral values (Freeman & Auster, 2022; Maak & Pless, 2022) and virtues (Cameron, 2022). For them the priority is doing the right thing; they are not primarily guided or driven by reputation or competitive advantage. They embed their actions in an integrative approach, combining seemingly conflicting logics, like the commercial logic with the social welfare logic, the business case with ethical reflection, the competitive approach with cooperation and care for stakeholders. This integrative and connected thinking is related to the systemic understanding of business in society, where leaders understand that they and the organization are part of a larger context in which they operate, from which they take and to which they contribute (Pless & Maak, 2005; Werhane, 2019). Therefore, the performance that they generate needs to be balanced and there is a responsibility to give back to the different stakeholders that are engaged in creating economic and shared value. In this spirit, relationships are focussed on engaging and partnering with diverse stakeholders. In this sense, diversity and inclusion are an essential part of integrative responsible leadership (Pless & Maak, 2004; Mirvis *et al.*, 2022; Wuffli, 2022).

Example of an Integrative Responsible Business Leader

A responsible leader that I studied early on and that exemplifies this prototype is Dame Anita Roddick (Pless, 2007). She founded the Body Shop and embraced a broader business-in-society view at a time when the cosmetics industry had not yet

embraced sustainability, corporate responsibility and ethics. She put a stakeholder perspective into practice by pushing for environmental protection. She was against animal testing, responded to the needs of clients and ran campaigns on domestic violence. The Body Shop was one of the first companies to have a childcare facility in the UK and to provide volunteering and meaningful work environments for its employees by allowing them to dedicate a percentage of their working hours to volunteering. Under her leadership, the Body Shop and its employees created partnerships and long-term relationships with suppliers. They offered fair business conditions and cultivated sustainable relationships with underprivileged communities in the developing world from which the company sourced ingredients for its products. They paid a fair price and became a trendsetter in the development of fair trade.

This approach of integrative responsible leadership includes building sustainable relationships with different stakeholders and an engagement that is proactive. Integrative leaders contribute through business to stakeholder value creation, and positive social change. They engage in cross-sector collaboration, which they understand as part of the business approach (Austin *et al.*, 2022). They are inclusive, they have a whole-person approach and are collaborative and engage in co-creation processes with stakeholders (Frank *et al.*, 2022).

I see this integrative leadership orientation and style applied in a number of “benefit corporations” and I will only name a few here. They include multinational corporations like Danone, and founder-led companies like Natura and Patagonia. More and more multinationals are striving to become part of this big corporate movement and to create change, which obviously brings new challenges and new expectations for leaders. We need to develop new competencies in these leaders to tackle multiple objectives, multiple performances and bottom lines, and help them to navigate through the VUCA world, through a volatile, uncertain, complex, and ambiguous environment.

The strength of the integrative responsible leadership approach is the focus on generating sustainable solutions, solutions that truly resolve problems at their roots (Maak *et al.*, 2016; Pless *et al.*, 2021). These integrative leaders try to have a broader impact through scaling. We see more multinationals engaging here, which can help. They can make substantive contributions to issues related to the UN Sustainable Development Goals. Thereby, these corporations have a higher likelihood of establishing trustworthy relationships with different stakeholders and creating public trust.

However, this approach comes with a weakness, and that is, leaders who are trendsetters have a higher risk of failure. They have to balance competing bottom lines, which can be difficult. And they often require more time and resources to develop systemic and sustainable solutions. Yet this is a new and promising approach to leadership at the strategic organizational level that has emerged over the past ten years and that can generate profound innovations for tackling societal challenges and hopefully save the planet.

Conclusion

Let me summarise this landscape here. Idealists engage in social issues because it is the reason for their being. Traditional economists engage in social issues because it is legally required and perhaps immediately relevant for the economic bottom line. Then opportunity seekers began to use societal engagement to generate a competitive advantage. But this also sparked a shift from a shareholder focus to a broader stakeholder perspective. And then there has been a ground-breaking revolution towards the integrative approach, which is a normative shift where business is seen as a driver of social value creation and positive change for the future.

In conclusion, there are different responsible leadership mindsets. They exist side by side, in different industries, in different countries, and in different contexts. These mindsets have implications at the individual, organisational, and societal levels for decision making, leadership development, the quality of stakeholder relations, the nature, scope, and timeframe of CSR engagement versus sustainability approaches and organisational change, and for the contribution to the United Nations Sustainable Development Goals and resolving societal challenges, and ultimately, for creating public trust.

This is a wide landscape for both business practitioners and for academics. The latter do research that provides us with better knowledge about which of these responsible orientations is suited for what kind of purpose, and what change is needed to reimagine responsible leadership.

Lastly, some final questions. How do we develop responsible leaders who are able to mobilise and include others, and build teams across sectors and countries to tackle grand societal challenges? This is one of the most important questions. But then also, what is the role of business schools? What is the role of governments? What is the role of international organisations? What is the role of network organisations, like the Globally Responsible Leadership Initiative? And what is the role of companies, be they family-run or multinational companies?

Thank you very much for your attention. I have walked you through the landscape and I would like to open up the conversation for questions and discussion.

Questions and answers

Question: *How do we facilitate this conversation within organisations where we might find a microcosm of all four types of responsibility orientations? What have you learned about conducting the conversation and, maybe also at the same time, motivating and moving culture and orientation in organisations?*

Prof Pless: How to facilitate discussion in organisations is a very relevant question. Within multinational corporations there are often different office holders with different positions. The position of the chief financial officer towards responsible leadership may be quite different from the position of other board members, like the chief human resources officer. And so,

there are different views, and I think this is important. While it is important to notice the different understandings and different mindsets, it is even more important that an organisation knows what its purpose is. In light of the purpose, one needs to weigh different arguments, different lines of reasoning, and also to take into account the particular context of the organisation.

If an organisation is, for instance, in a critical situation and its leaders are asking themselves, do we now have to abandon our activities on sustainability and CSR, they have to think twice. It may be that they can save some money in the short term. However, there is the risk that they destroy the trust and reputation that they have built through these initiatives, and trust takes a long time to be rebuilt. If we look, for instance, at Timberland, they went through a very hard time at the beginning of the Millennium, but they had a very strong relationship with a non-profit organisation, which even had offices within their building. During the crisis, the CEO communicated that they will neither break relations with the NGO nor cut costs, but on the contrary will even invest more in this relationship. The employees were empowered by this decision, stayed engaged during these hard times and worked overtime to help the company get through the crisis. And so, they showed that it is possible to stay engaged in CSR even during a crisis, and that it can even build more meaning for the organisation and help the company and its employees to stay true to themselves. I hope that this to a certain extent answers your question.

There are always different thoughts, different mindsets, different opinions in an organisation. However, they need to be brought into a discourse. The leader's responsibility is to facilitate this dialog and act as a moral navigator, if you will, making reference to values and principles and connecting the discourse to the purpose of the organisation, signalling what is important and thereby enabling the co-creation of a meaningful way out of a crisis.

Question: *To what extent do you think that responsible leadership in emerging economies does need a different approach, or at least a specific focus to understand these moral dilemmas? Is there some kind of difference in what you see as a responsible leadership approach in emerging economies?*

Prof Pless: I would like to answer a related question, namely where I see most companies currently sitting. Most of the companies that are very outspoken in the global arena are multinationals, mostly Western and Anglo-Saxon ones. When I talk about this group, then I would say most of them are currently moving into the opportunity seeker, instrumentalist area, where sustainability leaders like Nestlé and Walmart are positioned and shape the "shared value" discourse. But then I think this is only one part of the picture. These are companies that one finds portrayed in *Fortune* and other magazines. But responsible leadership in emerging economies may be quite different. There may already be companies that pursue

an integrative approach. However, the majority of companies, I would say, is still sitting in the traditional economist spectrum.

The positioning in the matrix or the preferred mindset, is often dependent on the context in which leaders are operating. I do not think that emerging economies need a different approach to responsible leadership in terms of underlying moral values or responsibility mindsets. The responsible leadership matrix has been developed based on data across cultures.

What is important for understanding and developing responsible leadership in emergent economies is that one considers the historical context, the socio-political situation, the specific country culture.

For example, a leader in a high-power distance country where leaders are expected to show an autocratic approach may not be heard or taken seriously when coming in with a participative and democratic style (Sackmann, 2022). To create change within a dominant business-as-usual context (Pless *et al.*, 2011) the leader needs to be versatile and flexible. This may require them to be adaptable to the dominant style first and then gradually implement change. This can be difficult and requires the capacity to stay focused on, and remain true to, the responsible leadership objective, and be steadfast and mentally independent enough not to be re-socialized by the system itself.

In essence, the historical, cultural, and socio-political context plays an important role and needs to be considered for understanding responsible leadership in a particular country and to further develop it.

We heard today in [Mark Smith's speech \(2022\)](#) that diversity is an important topic in the South African discourse which is related to the country's history. Diversity is a topic at the heart of responsible leadership and a key challenge in stakeholder engagement. It is a challenge in terms of including different mindset, different voices into the discourse coming with all the challenges of misunderstandings (e.g. due to language, different interpretations of a situation), different value systems and conflicting interests. Therefore, I think this is an area where we need much more research.

One of my first articles was about diversity and building a diversity culture of inclusion (Pless & Maak, 2004). Ultimately, this was the basis from which my approach of responsible leadership and the different mindsets and orientations developed. In fact, we need to have a new understanding of relationships with different stakeholders. If we look into what we want to achieve with responsible leadership, in terms of resolving societal issues and problems, then we can only do it in interaction with different groups of stakeholders. We need diversity and we need an understanding of other perspectives. We need to be inclusive. We need to be non-judgmental, or at least know what judgements we are making and try to put them aside to enter into a constructive dialogue.

I think this is an important part of coping with different opinions in an organisation. Leaders should be able to create, together with followers, a consistent story based on which the business can be run in a responsible way and based on which stakeholders will buy into this leadership project and put in extra effort, engagement, and their capabilities in order to change business and society for the better.

Question: *In relation to sustainability and CSR, and the cynicism and suspicion regarding greenwashing, what is the possibility of 'responsible leadership washing'. Would you like to comment on the prevalence of that and maybe also to ensure that we walk the talk?*

Prof Pless: First of all, there is a lot of buy-in now into sustainability. We see that more and more companies are subscribing to the UN Global Compact and report on the Sustainable Development Goals. Yet, there are also problems around bluewashing, greenwashing and responsible leadership washing, also called "window dressing". This is inherent, I think, in using societal issues as a means to enhance business. It highlights the challenge of putting real principles into practice, principles to which business leaders, current and future, need to adhere. Integrity – making sure that words and deeds are aligned – is an important part to avoid the trap of "window-dressing". However, it is a reality, and we need more instruments to unveil it and to differentiate "authentic" responsible leadership from pure PR. Serious measures and reporting play an important role as well as global governance (see Voegtlin & Pless, 2014). Also, here more research is required.

It is also important to educate future leaders to have a moral compass and to show that 'window dressing' is not what we need, this is not what is accepted. I think this is where we have an important role to play as educators. It is a problem that needs to be addressed. In some of the quadrants of the responsible leadership matrix it poses more of a danger than in others. For instance, the opportunity seeker is more prone to this trap (Pless *et al.*, 2012). A key message of the responsible leadership matrix is that the motivation, the intention, and the purpose of a leader are important determinants of producing genuine outcomes and truly sustainable and responsible solution approaches.

Question: *My question relates to the UN Sustainable Development Goals, which you referred to in your presentation. As we know, Goal 17 speaks about collaboration and partnership. Now, I am interested to know from you whether you have delved into that dark space of collaboration and partnerships, and to what extent you have found answers from responsible leadership theory in terms of dealing with these very complex multisector relationships. Because, as we know, partnerships seem to be the only way out for us to solve these complex problems.*

Prof Pless: I think you are referring there to ongoing research that I am doing. I do not have the results from that yet. I am

analysing companies and their approaches in terms of, firstly, social innovation and cross-sector collaboration. One of the important research focuses is the partnership side. In the responsible leadership literature this collaborative dimension is underexamined. My research in this area is still on-going and I do not have particular outcomes that I can share right now. This is an area where more research is needed, and I would really like to encourage everyone to look into this because collaborating and partnering across sectors is an important aspect of responsible leadership. Societal problems cannot be resolved by one party, they cannot be resolved alone by business, government or the social sector but require cross-sector collaborations. There is a chapter in the second edition of the *Responsible Leadership* book, written by Jim Austin and colleagues (2022), that looks into responsible leadership and cross-sector collaboration, which can provide further insights into this question.

Question: *Firstly, I really appreciate your presentation, insights and thinking. It was wonderful and inspiring. As a representative of corporate South Africa, noting our challenges with sustainability and social justice, my question to you is, what is the role of educators and the potential role of other stakeholders within the system to create human beings that excel in their humanity over technical competencies and put those people in positions of authority and power within the system?*

Prof Pless: I think when you talk about human excellence and technical competencies, you are alluding to the false paradigms that were set in the past and that many current leaders still act upon namely to approach leadership with a technocratic approach instead of a human one. In fact, there is agreement among many educators today that we need a more human approach to educating current and future leaders. Current leaders can be reached through executive education, and future leaders through bachelor's and master's programmes. More and more institutions integrate the topics of sustainability, corporate social responsibility, citizenship into their programmes but teach them as technical issues. However, it is not only important to know about societal issues from a technical point of view but also to be able to apply the knowledge in business and interaction with people, particularly with different stakeholders to co-create solution approaches. Technological knowledge is important but not sufficient. The human side of engaging with and mobilizing people becomes essential for managers and leaders to contribute to resolving sustainability and social justice challenges. Therefore, diversity skills need to be developed and this includes relational and interpersonal competencies and an inclusive approach. One would hope to then see those people in positions of power and authority that demonstrate both technical knowledge, humane and interpersonal skills and moral intelligence (Diermeier, 2022). The role of educators is to ensure that not only technical knowledge is transferred, but that interpersonal skills and emotional and moral competence is developed, so knowing oneself and one's emotions and values, and also those of others and then being able to step into their shoes and understanding issues from another person's point of view. Leaders also

need ethical intelligence, that is, developing a moral compass that can guide current and future leaders through difficult and complex problems and help them to make morally imaginative decisions (Pless & Maak, 2005). In my courses, I use stakeholder computer-based simulations and decision-making scenarios that develop systemic thinking, and problem resolution competence. Role plays can also be used to help practice new and inclusive approaches to interacting with stakeholders. I also use real-life case studies – for example a child labour case that foster ethical deliberation, critical reflection, and moral imagination in the development of solutions to ethical problems (Pless & Maak, 2017). This learning is then used to help students develop an ethical compass.

In my experience, the work with business practice is extremely fruitful. When I develop cases, I either select cases where an organisation developed a ground-breaking approach, or a

leader faced an ethical dilemma (e.g., Pless & Schneider, 2022; Pless *et al.*, 2022). This allows students to apply ethical theories and use their learnings and moral imagination to develop a new responsible approach to resolving the dilemma which can then be discussed in the broader group.³

Data availability

No data are associated with this article.

³ See the link below for a teaching resource on responsible leadership, stakeholder conflict, dilemma reconciliation and moral imagination, which can be used in courses in the areas of OB, Responsible Leadership, Business Ethics, International Management, Stakeholder Management: <https://responsibility.global/teaching-responsible-leadership-moral-imagination-and-stakeholder-dilemma-reconciliation-d66fe328e7c>

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