Foreword
Building a Better Culture

There are few issues with more significant impact on life in and out of organizations today than that of moral action. Crusades and jihads are moral righteousness taken to harmful and even evil extents—hurting others and demanding homogeneity of beliefs. The moral righteousness involved in trying to fix, save, or punish others has led to some of the most horrible episodes in human existence. Beyond the tragic loss of life, there is the subjugation of the human spirit. There is the loss of dreams and possibilities—the loss of spirit. Ironically, this travesty of moral imperialism comes at the same time as people worldwide are voicing the need for more spirituality and religion.

Most of us know right from wrong. In hundreds of studies of the characteristics that differentiate outstanding from average leaders from their less effective counterparts (both average and poor performers), integrity has never appeared to distinguish high performers. Is this evidence of a morally bankrupt system? No. It is that the moments of "outtegrity" are so egregious and shocking that we become preoccupied

with them. In the process, we miss the many tests of our morality and humanity that we face each day. For example, deciding how to promote a product or service is enacted in the context of one's values and an organizational culture that encourages consistency with a set of shared beliefs and norms.

The essential challenge of moral intelligence is not knowing right from wrong, but doing versus knowing. There are people who are suffering from mental illness and a small percentage of the population that are psychopaths or sociopaths. All of these people may not "know" right from wrong. But most of us are not in that category. So why don't we act appropriately more often? Most of us do—most of the time. Of the hundreds of decisions we make each day, most of us consider what is "right," what will be better and help our community, organization, and fellow humans. But we don't always agree on what is right.

Values and Operating Philosophy

This is where values and philosophy come into play. Our values are based on beliefs and determine our attitudes. A value typically includes an evaluation (i.e., good or bad designation) of an object or subject. Sets of values form proscriptions and prescriptions (i.e., statements of what *not* to do and what *to do*) that guide our daily life. Values also affect how we interpret and perceive things and events around us. But decades of research on values have shown little correlation to behavior.[1]

To understand people's actions, we have to look behind specific values to uncover how an individual determines value. This can be called a person's "operating philosophy." Research into typical operating philosophies has resulted in a test that allows us to measure a person's

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1. Michael Hechter. "Values research in the social and behavioral sciences." In Michael Hechter, Lynn Nadel, and Richard E. Michod, (eds.). *The Origin of Values*. New York: Aldine de Gruyter, 1993.

relative dominance among three different ways to determine the value of a act, a project, a decision, how to spend your time, and so forth.[2] Our philosophy is the *way* we determine values.

For example, a consultant lists "family" as a dominant value, but still spends five days a week away from his wife and two children, traveling for his job. He says he's enacting his value by providing enough money for his family's needs. By contrast, a manufacturing manager who also lists "family" as his dominant value has turned down promotions so he can have dinner each night with his wife and children.

The difference between those two men might be in how aware they are of their true values, how aligned their actions are with those values, or in the way they *interpret* their values. Accordingly, they reveal deep differences in how each values people, organizations, and activities. Such differences may reflect disparate operating philosophies—the most common of which are pragmatic, intellectual, and humanistic.[3] And although no one philosophy is "better" than another, each drives people's actions, thoughts, and feelings in distinctive ways.

2. Gordon W. Allport, P.E.Vernon, and Garnder Lindzey, *Study of Values*. Boston: Houghton Mifflin, 1960.; Chris Argyris and Don Schon, *Theory in Practice Learning.* San Francisco, CA: Jossey-Bass, 1982.; Clyde Kluckhohn. "Values and Value-Orientations in the Theory of Action." In Talcott Parson and E.A. Shils, eds. *Toward a General Theory of Action.* Cambridge, MA: Harvard University Press, 1951. pp. 388-433.; Florence Kluckhohn and Fred Strodtbeck. *Variations in Value Orientations.* Evanston, IL: Row, Peterson & Co, 1961.; Milton Rokeach, *The Nature of Human Values.* New York: Free Press, 1973.; Shalom H. Schwartz, "Universals in the Content and Structure of Values: Theoretical Advances and Empirical Tests in 20 Countries," *Advances in Experimental Social Psychology,* volume 25. NY: Academic Press, 1992. pp. 1-65.; Michael Hechter, "Values Research in the Social and Behavioral Sciences," In Michael Hechter, Lynn Nadel, and Richard.E. Michod, eds. *The Origin of Values.* New York: Aldine de Gruyter, 1993. pp. 1-28.

3. "Assessing Your Operating Philosophy: The Philosophical Orientation Questionnaire" measures the relative dominance of each of these three for the person. Richard E. Boyatzis, Angela J. Murphy, and Jane V. Wheeler, "Philosophy as a Missing Link Between Values and Behavior," *Psychological Reports*, 86 (2000): pp. 47-64.

The central theme of a pragmatic philosophy is a belief that *usefulness* determines the worth of an idea, effort, person, or organization.[4] People with this philosophy often measure things to assess their value, and believe that they're largely responsible for the events of their lives. No surprise, then, that among the emotional intelligence competencies, pragmatics rank high in self-management. Unfortunately, their individualistic orientation often—but not always—pulls them into using an individual contribution approach to management.

The central theme of an intellectual philosophy[5] is the desire to understand people, things, and the world by constructing an image of how they work, thereby providing them some emotional security in predicting the future. People with this philosophy rely on logic in making decisions, and assess the worth of something against an underlying "code" or set of guidelines that stress reason. People with this outlook rely heavily on cognitive competencies, sometimes to the exclusion of social competencies. You might hear someone with an intellectual philosophy say, for example: "If you have an elegant solution, others will believe it. No need to try to convince them about its merits." They can use a visionary leadership style, if the vision describes a well-reasoned future.

4. The Pragmatic Operating Philosophy emerged from "pragmatism" (as reflected in the works of John Dewey, William James, Charles Sanders Peirce, and Richard Rorty,), "consequentialism" (as reflected in the works of C.D. Johnson, and P. Pettit), "instrumentalism" (as reflected in the works of John Dewey), and "utilitarianism" (as reflected in the works of Jeremy Bentham, and John Stuart Mill). See the Boyatzis, Murphy, and Wheeler article cited earlier for the full references.

5. The Intellectual Operating Philosophy emerged from "rationalism" (as reflected in the works of Rene Descartes, Gottfried Wilhelm Leibniz, Benedict de Spinoza), and the various philosophers claiming rationalism as their etiological root, such as Georg Wilhelm Friedrich Hegel and Jurgen Habermas, as well as the philosophical structuralists (Claude Levi-Strauss and Jean Piaget), and postmodernists (Friedrich Nietzsche). See the Boyatzis, Murphy, and Wheeler article cited earlier for the full references.

The central theme of a humanistic philosophy is that close, personal relationships give meaning to life[6]. People with this philosophy are committed to human values; family and close friends are seen as more important than other relationships. They assess the worth of an activity in terms of how it affects their close relations. Similarly, loyalty is valued over mastery of a job or skill. Where a pragmatist's philosophy might lead her to "sacrifice the few for the many," a humanistic leader would view each person's life as important, naturally cultivating the social awareness and relationship management competencies. Accordingly, they gravitate toward styles that emphasize interaction with others.

Each one of us believes in these three value orientations (i.e., pragmatic value, intellectual value, and human value). But most of us will prioritize three value orientations differently at different stages in our lives.

The point is that we have to be more aware both *of* our values and *how* we value—our philosophy. We need to be sensitive to those who have different values and different philosophies if we are to live together and make the world a better place. And we need to be sensitive to such differences if we are to have adaptive, resilient, and innovative organizations. Diversity brings us innovation, but only if we are open to it and respect it.

In this book, Doug Lennick and Fred Kiel define **moral intelligence** as, "the mental capacity to determine how universal human principles should be applied to our values, goals, and actions." They argue we are "hard wired" to be moral but often stray from the path. Within each of us are the values and basis for our moral compass. Each of us should pay attention to our moral compass often—more often than we do.

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6. The Human Operating Philosophy emerged from "communitarianism" (W. F. Brundage), "hermeneutics" (Hans-Georg Gadamer), "humanism" (Francesco Petrarch and R.W. Sellars), and "collectivism" (R. Burlingame and W.H. Chamberlin).

Lennick and Kiel's exploration of this topic could not have come at a more important time.

Cultural Relativism and Moral Horizons of Significance

We are exposed to the vast differences in the world on the Internet, television, movies, and newspapers. We see it in our organizations and schools. We see it walking down the street of most cities of the world. Is every culture and subgroup within it assured that its values and philosophy are "OK" with the rest of us? Maybe not.

In his 1991 book, *The Ethics of Authenticity*, McGill University Professor and prominent philosopher, Charles Taylor, claimed that cultural relativism and postmodernism both violated basic ethical standards.[7] He claimed that cultural relativism ("everyone has their own morality based on their situation and culture") taken to its ultimate conclusion becomes moral anarchy. It breeds a form of egocentrism and selfishness. It suggests everyone is in their own world. Similar to the argument in *Moral Intelligence*, Taylor suggests that there are, among humans and society, "moral horizons of significance." These are the universals that Lennick and Kiel propose are so crucial to organizational success. We know it is wrong to kill another human. But we can be brought to that point by contingencies. Is it acceptable to kill someone to defend your family? To get food for yourself? To take their shirt or sneakers because you like them and cannot afford to buy them? Because they annoy you? Because they have insulted your faith? Taylor's concept is central to the application of the ideas in this book. How do we determine what exceptions to moral universals are justified and which show a lack of moral intelligence?

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7. Charles Taylor. *The Ethics of Authenticity*. Cambridge: Harvard University Press, 1991.

But this brings us back to whose values and philosophy are right or more right than the others? Without a high degree of moral intelligence, Lennick and Kiel illustrate in their book with marvelous and moving stories, we fall back into fighting to defend our own views as best—and imposing them on others.

In deconstructing the components of moral intelligence, Lennick and Kiel show us how four clusters of skills integrate to form this capability: integrity, responsibility, compassion and forgiveness, and emotions. They offer many ideas as to how we can use our moral intelligence to evoke moral intelligence in others. Their combined effect will be more effective organizations. Why? First, we will be proud of where we work and for what it stands. Therefore, we will feel more committed to the organization, its culture, and vision. Third, we will access and utilize more of our own talent (and that of others around us) because we are free from guilt and shame. And fourth, it is the right thing to do!

Believing and Belonging

There is another crucial business impact from values, philosophy, and collective moral intelligence—they form the basis of our organizational vision, purpose, and culture. We want to believe in what we are doing. We want to feel that we are contributing and our work has some meaning. But looming labor pool demographics and skill shortages suggest that, as McKinsey and Company said, we are in a "war for talent."[8] This will become a battle for the hearts and minds (and even the spirit) of people your organization wishes to attract, keep, and motivate. Over the course of the next decades, an organization's vision, sense of purpose, and culture will become even more significant recruitment differentiators to discerning job applicants.

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8. Elizabeth Chambers, Mark Foulon, Helen Hanfield-Jones, Steven Hankin, and Edward Michaels, III. *The War for Talent. The Mckinsey Quarterly*, #3, 1998.

Moral Intelligence

In the following pages, you will be provoked into reflecting on your own beliefs and style of using them. You will be inspired by reading about effective executives with high moral intelligence. You will be ashamed and embarrassed reading about ineffective executives who do not seem to be able to spell moral intelligence, nonetheless, live it. The apparent simplicity of their argument and smoothness of their writing style should not be misunderstood. This material is deep and significant. The impact of moral intelligence is much more than the long-term success of your organization. It is the preservation of our civilization and species.

—Richard E. Boyatzis
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