



## Principled Leadership: A Call to Action

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I am committed to ensuring that women have expansive opportunities for organizational leadership. I am committed because I know, from research and experience, that organizations are more effective when they have talented women, as well as men, at the

helm. But my work and research at Simmons School of Management has given me a second, and more profound, reason to pursue this commitment.

I am struck and inspired by the findings from our surveys on women's aspirations for leadership and power. The majority say they aspire to leadership not only to achieve exceptional results, but to make positive changes in their organizations, in their communities, and in society more broadly. These women's voices are both striking in their uniformity of message and uplifting in their promise for our future. They have captured my imagination and led me to view leadership in a richer and more compelling way. I call this emerging model of leadership — **principled leadership**.

What do I mean by principled leadership? Principled leaders do everything effective leaders do to mobilize groups to achieve exceptional results and to build strong, inclusive, and enduring organizations. Of these fundamental goals there is no question. But principled leaders do something more. They ask the questions "Leadership for what?" and "Leadership for whom?" And that is the difference.

With these questions always in mind, principled leaders ensure — in every decision they make and action that they take — that they and their organizations are contributing in a meaningful way to building a vibrant, prosperous, ethical, caring, and sustainable society.

They do this in three key ways:

- They foster a work culture where decisions, large and small, are evaluated against a code of ethics and guiding values, and where integrity in decision-making is an explicit measure of success;
- They shape and meet shareholders expectations while also holding themselves accountable to a broader set of stakeholders — employees, customers, suppliers, and the communities and societies in which they operate;
- They match their focus on short-term success with rigorous assessments of the long-term impact of their enterprises on the environment and the resources we bestow to future generations.

Now, some argue that these are mere platitudes. Others say that this

model of principled leadership is simply beyond our reach. And yet others say that it is fine for not-for-profits, but simply unrealistic, or indeed, harmful for for-profit business. I respectfully disagree.

I struggle to understand why this notion remains so contested. Why do so many of us still get trapped in the false dichotomies of profitability or social responsibility, meritocracy or diversity, productivity or work/personal life integration; and ethics or the bottom line?

While all these dichotomies challenge the goals of principled leadership, I believe that it is the polarization of profitability and social responsibility that is the most tenacious and the most pernicious. Somehow we can not yet fully imagine how social responsibility can truly be at the core of a business enterprise. Yet, there are examples all around us. Let me cite just one.

In this past year, we have seen demand far outstrip supply with customers waiting six months to buy a Toyota Prius — a hybrid car that gets 50 miles to the gallon. Toyota is building new plants in the U.S. and China. At the same time, U.S. automakers are laying off workers, closing plants, and launching massive discount programs to move their cars off dealers' lots. Toyota is consistently winning market share. Many analysts see Toyota emerging as the No. 1 automobile maker in the world by 2008.

Just imagine if the big three automakers had adopted a strategy that incorporated environmental sustainability into their measurements of success. If their cars met the fuel economy standards offered by hybrid technology today, we would save 4.3 million barrels of oil a day — 20% of current daily consumption in the U.S. and 30% of what we import daily. Imagine the impact on our economy, our foreign policy, our environment, and our ability to invest in our civil society. Toyota's hybrid strategy is an unequivocal example of where profitability and social responsibility align, generating both wealth and long-term societal welfare.

For me, the call to action for principled leaders is two-fold. It is to always ask the questions "Leadership for what?" and "Leadership for whom?" And, it is to work assiduously to dismantle the false dichotomies that limit our imagination and forge a third path — a path that integrates these seemingly opposing concepts in new and creative ways.

My vision is for Simmons School of Management to help forge this third path — to educate our students to excel at principled leadership wherever they choose to lead. This is not a simple proposition, but it is a compelling one.

*Based on Dean Merrill-Sands' 2005 Commencement Address. To read the full speech, please go to [www.simmons.edu/som/docs/enters/Grad05\\_deans\\_remarks.pdf](http://www.simmons.edu/som/docs/enters/Grad05_deans_remarks.pdf). To learn more about SOM research on women's views on leadership and power, see the CGO Insights on the web at [www.simmons.edu/som/centers/cgo/resources](http://www.simmons.edu/som/centers/cgo/resources).*