



LIVING
INTO *A Journey in Ethics*
LEADERSHIP

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A STUDY GUIDE

W H Y A S T U D Y G U I D E ?

My book can be read on several different levels. It is the story of a “typical” middle-class American who relied upon and trusted the various institutions that make up our society—universities, the military, a preeminent financial firm—and was enabled to build a successful career and a successful life. It is a story of the now “old” Wall Street of private partnerships, where the firms were much smaller, time moved more slowly, and ethics seemed paramount to a business strategy. It can be read as the story of how Morgan Stanley “came of age” and dealt with the pressures of size and changing industry standards. It can be read also as a series of suggestions as to how one can combine building a successful life with building a successful career. In a sense, it is a combination of recollections of a forty-year career with the principles I have discovered in teaching both ethics in graduate business schools and spiritual literature in religious institutions.

My teaching style tends to be Socratic—attempting to draw out from the students their views and values rather than preaching to them. I have attempted to carry over that style into the book. Various editors have favored making it more didactic and less non-directive. I trust some of the non-directive style has remained.

To bring that Socratic method to people reading this book, whether alone or in a class/group situation, I have created a list of study questions that flesh out some of the issues I think are important. These questions are not meant to be conclusive. Rather, they are intended as a guide to reading the book critically and are by no means definitive. There is nothing, for example, on the ethics of Morgan Stanley’s public offering.

Over the years, I have taught and observed others teaching “The Parable of the Sadhu.” The discussions stimulated in this context can go very deep, involving personal values as well as the theory of the organizations. I would prefer encouraging readers to think about which ethical systems Stephen and I were operating out of rather than making a self-righteous argument about who was right and who was wrong.

In any event, my intention was not simply to tell stories, but to suggest that business can be far more than just power and greed. I trust these jogs and queries will be useful to the reader who wishes to travel below the surface level of the book.

LIVING INTO LEADERSHIP

A STUDY GUIDE

PREFACE

What do you think the author means by “contingent living”?

Do you agree that business ethics in a global environment requires more explicit guidelines?
How might such guidelines be developed?

What is meant by the title “Living Into Leadership”?

PART ONE

SETTING YOUR COMPASS

Is the distinction between businesses oriented by outcomes and businesses oriented by values a valid one?

Is it possible to be the same person at work as one is in other environments, such as family, church, or social occasions?

What do you think of the author’s choices of ethical systems to describe? Has he left anything important out of that discussion?

What types of swings in normative behavior of society have in general affected your life?

Is it valid to say that we are all Kantians?

Can you think of examples where pure application of utilitarian standards becomes offensive to you?

Name examples where the will of the minority ought to trump the will of the majority.

Is it appropriate to include religious ethics in a business discussion?

Give an example where the intention to be ethical can result in an outcome deemed to be evil.

What is the easiest approach for you to attain the deep meaning out of what Dante terms “the fourth level”?

Do you have a handful of relationships with people with whom you can communicate freely about your spirituality and the deep meanings in your life?

CHAPTER ONE
ESTABLISHING A PERSONAL ETHIC

Do you have a real or, as in the case of Bonhoeffer, a mythic mentor on whom to model your life?

What does the author mean when he states that he lived “in conflict” with Morgan Stanley? Is this a positive situation?

Do you have spaces in your life where you can be alone?

Does the friction between solitude and community make sense to you?

How does one remain steadfastly ethical and not become a “house nag”?

How does one decide where and when to take a stand?

Did the author overreact to the issue of the shares of the Australian aluminum company?

What level of risk was he taking? How else might he have dealt with the situation?

How do you react to the phrase “an underlying core ethic is what differentiates a profession from a job”?

Do you believe that trust is binary?

Why do good people, when they stumble, fall farther than individuals with lesser reputations?

Do you think John Wooden, with his value system and charisma, could have successfully run Enron?

Do you believe “making money” is typically the fifth most important criterion for finding meaning and purpose in a job?

Do you think you could have become a rebel against the bad practices at Enron, or would the pressure of the group and the financial rewards have kept you “going along to get along”?

Is fairness contextual, or is there a higher truth in fairness that is inviolate?

CHAPTER TWO
LIVING WITH INTENTION

Do you attempt to live intentionally? What have been some of the key choices in your life?

Is “crony capitalism” the only logical response to an environment lacking fair-minded institutions?

Do you have a personal business plan? A personal life plan?

How much of the author’s business career was “planned” and how much of it was circumstance?

What are you willing to trade off for personal wealth?

How valuable is discretionary time to you? What are you willing to “pay” to get it? How will you use it?

How wise is it to intentionally walk away from matters, for which you deem there is no time, in order to enjoy personal pursuits?

Would you rather be a “star” or a member of a successful team? Why?

What would you have said to Ken Lay if you had a private conversation with him two years prior to Enron’s demise?

Could you put all considerations of job-hopping aside for two or five years and just concentrate on the job at hand? Is this wise?

CHAPTER THREE SUSTAINING INFLUENCES

Do you believe that corporate leadership is fungible? That the right person can manage anything, without necessarily having grown up in the culture?

Is it appropriate to have a spiritual discussion with a business client? Under what circumstances might it be appropriate?

Must the number of deep trust relationships be limited?

How does one select mentors?

Can you see yourself taking off six months at mid-career? How would you utilize that time?

PART TWO PREPARING FOR THE ETHICAL DILEMMA

Being as imaginative and creative as possible, make a list of stakeholders to the Sadhu situation.

What are some of the exogenous factors affecting the outcome of this situation?

What are the various issues involved here?

What creative options for resolving the issues were overlooked by the parties on the mountain?

What ethical systems are McCoy and Stephen, respectively, operating out of?

What relevance does this situation have for organizational ethics?

Describe the normative swings in mountaineering ethics over the years, bringing into play the much-publicized events on Mt. Everest in recent years and the book *Into Thin Air*.

CHAPTER FOUR LEADING IN THE GRAY AREAS

How would you have responded to the Monumental topping offer?

How does a leading firm maintain professional standards when industry standards are incrementally deteriorating?

Are we habitual liars? Is it OK to lie in order to be socialized? Doesn't telling the "whole truth and nothing but the truth" at all times make us look silly? When is it OK to lie?

Do you believe there are few real secrets in business?

What should the author have said to the young associate returning from the Aspen Ski Resort?

How do we differentiate between networking and spying?

Is ethics always contextual? Are there no hard and fast rules?

Why isn't fairness defined as "equal," especially in matters such as sharing family wealth?

Is it not possible to run an organization purely on trust, without sanctions?

CHAPTER FIVE LEARNING AND FINDING MEANING CONTINUOUSLY

How do you react to the theory of "repotting" every ten years?

How do you choose your clients? Do you ever turn a potential client down? What criteria do you use to do so?

Is it fair to pay a professional service firm to understand a client's business?

How appropriate is it to make a major client "your" client as against the firm's client?

How good a listener are you? Give some examples.

How do you choose what tasks to eliminate and risk not doing?

Are you a good teacher? Do you have to be?

CHAPTER SIX
ALIGNING INDIVIDUAL AND CORPORATE VALUES

To what extent should one adapt oneself to a corporate culture?

How does one discern the characteristics of a corporate culture?

What do you think of the author's making fun of a senior partner because the partner did not recall his name?

How long do you go along with a culture in which you are not comfortable?

Was it appropriate for Morgan Stanley to oust the CEO of J. I. Case and take over running the company?

Is it appropriate to become "subversive" in order to implement cultural change?

How does a leader change the corporate culture?

Should a privately held company be subject to the same standards as a publicly held company?
Should a not-for profit be held to similar standards?

PART THREE
MAINTAINING BALANCE AND RENEWING CONTINUOUSLY

Why has "The Parable of the Sadhu" remained in the business ethics canon for the past twenty-five years?

Did Carlos Buhler do the right thing? By which ethical standards do you make this determination?

Does paying a guide on a high peak change the ethical equation with respect to strangers in distress met along the way?

Does one who accepts the risk of high-altitude mountaineering have the right to expect extraordinary sacrifices from strangers if they get into trouble?

Does the shift from team-based roped climbing to isolated free climbing change the ethical equation on the mountain? Again, to what extent is ethics contextual or are there inviolate rules?

Is there a higher obligation to a friend than to a stranger?

CHAPTER SEVEN
ETHICS AS CONTEXTUAL:
RENEWAL AS A CONTINUING PROCESS

Are “dirty hands” the inevitable lot of successful people with real power and responsibility in life?

Should one’s loyalty to a trusted friend be greater than to the firm? Under what circumstances would the friend, or the firm, be favored?

How do we balance the needs of the individual versus the needs of society?

Would you fire the young trader? Why, or why not?

What should (could) the author’s friend in the price-fixing scandal have done?

What is the difference between bluffing and lying?

Is it correct to term ethics as intuitive and improvisational?

How does one attain emotional maturity . . . a sense of calmness and detachment amidst the stress of a highly competitive business?

CHAPTER EIGHT
ORGANIZATIONAL AND BUSINESS ETHICS:
DEVELOPING ETHICAL SENSITIVITY

What does the author mean by the phrase “ethics is . . . what you are willing to lose for”?

Identify some of the conflicts in your business. How do you manage them?

Was it appropriate for the author to recommend “cramming down” the preferred position of the New York City money center bank? Is this an example of good, creative practice or of deteriorating industry standards? Why?

How does a leader avoid “living in the bubble” of self-delusion?

What are some of the “little” acts you perform that define to others who you are?

How do you avoid paying a high producer solely for his production? How do you make character and training a part of the compensation process?

Should the author have allowed his partners to buy the condominium units in Florida?

CHAPTER NINE
CHANGING MORES THROUGH TIME

What is meant by the phrase “insider trading [is] a state of mind”?

Is it true we can never gain closure on defining our character?

EPILOGUE
GLOBAL MORES FOR GLOBAL BUSINESS

How do you react to the notion that certain cultural conditions enhance economic growth?

Is the evolution of a global ethic going to be determined primarily by various religious values?

How do we balance the call of fundamentalism with the call for inclusiveness and respect for religious plurality?

Is it possible for a variety of dogmatic religions to coexist with the globalization of money and capital markets, and the growth of world trade and telecommunications? How do we balance these forces?

How do you achieve balance in your life?

What is meant by “values-based leadership”?