02 The Dark Side of Charismatic Leadership

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Charismatic leaders can transform organizations by motivating members to higher levels of commitment and performance by inspiring them with an appealing vision that is highly discrepant to an unsatisfying status quo. However, there is also a “dark side” to charismatic leaders. They can increase risk levels to organizations and threaten the well-being of members. The personalized need for power, negative life themes, and narcissistic tendencies of personalized charismatic leaders can lead to unethical and destructive behavior. Socialized (rather than personalized) charismatic leaders, on the other hand, are more likely to produce beneficial results. Safeguards to minimize the potential negative consequences of personalized charismatic leaders include effective accountability structures, viable support systems, and leader selection processes. The Christian understanding of human nature and community provides a useful perspective in developing a beneficial working relationship between the leader, the organization, and its members.

Charismatic Leadership

Charismatic leaders are different from other leaders in the way that they transform organizations and their members. They are able to articulate a vision for an organization’s future that motivates its members to extraordinary effort and achievement (House & Howell, 1992). They can generate
enthusiasm among the members of the organization by describing a better organizational future, by presenting new opportunities and solutions, and by connecting the needs of the members of the organization to the projected vision (Boal & Bryson, 1988).

The notion of charismatic leadership is derived from the Greek word *charisma* which means "divinely inspired gift.” The German sociologist Max Weber instigated the contemporary focus on charismatic leadership when he described a type of leader who exerts remarkable influence by demonstrating "a certain quality of an individual personality by virtue of which he is set apart from ordinary men and treated as endowed with supernatural, superhuman, or at least specifically exceptional powers or qualities" (Weber, 1947, 358). The followers of charismatic leaders perceive them to be endowed with qualities not found in ordinary leaders. This perception of the charismatic leader’s qualities motivates followers to higher levels of commitment and task performance than would otherwise be the case.

Charismatic leadership occurs when an organization and its members believe that they have found in some individual a solution to the problems that confront them (Jones, 2001). People generally feel better about themselves and their circumstances when working with a charismatic leader. Charismatic leadership has the potential to help an organization rise above unsatisfactory performance and internal cultural restrictions to develop a positive interface with its operating environment. Charismatic leaders can transform organizations through their ability to see opportunities and their willingness to implement unique strategies. They bring solutions to organizational problems and hope to organizational members.

A charismatic leader typically advocates an inspirational vision for the future of an organization that is highly discrepant from the status quo, but which still seems possible and desirable. The leader is prepared to take on high personal risks, to engage in self-sacrifice, and to act in innovative, unconventional and effective ways to achieve the vision. The leader acts with confidence and demonstrates dedication to his or her convictions with high energy and persistence. As a result, the charismatic leader achieves radical change in the organization and is judged by its members to have achieved unusual success (Conger & Kanungo, 1998).

The members of an organization led by a charismatic leader are likely to agree with, feel affection for, and obey the leader. A charismatic leader has the ability to transform the nature of work and make it more meaningful by de-emphasizing extrinsic rewards and focusing on the intrinsic
qualities of the task. Work becomes an opportunity for self- and collective expression. The reward that organizational members derive in the accomplishment of tasks is one of enhanced self-worth. They are likely to make a strong and close connection between organizational tasks and their own self-concepts. A shared identity develops among organizational members that increases the perceived importance of the charismatic leader and his or her vision. The self interests of organizational members are likely to be subjugated to the leader’s vision and goals for the organization (Shamir, House, & Arthur, 1993). The members of organizations led by charismatic leaders can be distinguished by their greater reverence, trust and satisfaction with the leader, and by a heightened sense of collective identity, perceived group task performance, and feelings of empowerment (Conger, Kanungo, & Menon, 2000).

Charismatic leaders *can* provide very effective leadership to organizations. They are able to inspire increased member satisfaction and commitment by connecting their activities to an inspiring vision. Organizational members are likely to feel stronger and more in control of their own destinies. A positive correlation between charismatic leadership and reported follower performance and satisfaction has been demonstrated in empirical studies (Shamir, House & Arthur, 1993; Shamir, Zakey & Popper, 1998). Charismatic leaders can generate organizational meaning and excitement with the worthwhile vision that they articulate. The organization can take on characteristics of a cause, or a movement of reform (Berlew, 1974). Consequently, the efficiency and effectiveness of an organization in attaining its goals can be enhanced because of the influence of a charismatic leader. Considerable evidence points to a positive correlation between charismatic leadership and enhanced organizational performance (O’Connor, et al., 1995; Conger, Kanungo, & Menon, 2000).

Although they can have strong positive effects on organizations, however, charismatic leaders can also produce significant negative outcomes. Conger (1990) has referred to the "dark side" of charismatic leadership which can eclipse the bright side to the detriment of both the leader and the organization. The behavior of charismatic leaders can introduce instability and uncertainty into management and decision-making processes, and can increase the risk levels of the organization (House & Howell, 1992). Organizational members can by subjected to manipulation and deception by charismatic leaders (O’Connor, et al., 1995). Charismatic leaders are unlikely to be able to routinize the positive characteristics of their leadership into the organization to continue beyond their incumbency. It is rare for charismatic leaders to be replaced successfully by leaders with the
same capacity for achieving organizational transformation (Bryman, 1993; Conger, 1990).

**Personalized versus Socialized Charismatic Leadership**

House and Howell (1992) have provided an explanation for the potential liabilities of charismatic leadership by distinguishing ‘personalized’ from ‘socialized’ charismatic leaders. Central to this distinction is the observation that some leaders react to organizational problems in terms of their own needs rather than those of the organization, and may consequently engage in actions which have adverse outcomes for the organization (O’Connor, et al., 1995). Such ‘personalized’ charismatic leadership can be exploitative, non-egalitarian, and self-aggrandizing. By contrast, ‘socialized’ charismatic leadership is more likely to be empowering to followers, non-exploitative, and motivated by organizational rather than personal needs.

Personalized charismatic leaders are typically authoritarian and narcissistic. Their goals reflect their own interests, while the needs of the organization and its members are manipulated in order to achieve the leader’s interests. The relationship between the leader and organizational members can be exploitative (Choi, 2006). The relationship is focused on followers’ personalized identification with the leader. It is likely to generate feelings of empowerment for the leader but, eventually, detrimental consequences for followers (Howell & Shamir, 2005). Personalized charismatic leaders demonstrate little regard for legitimate channels of authority. They are likely to pursue courses of action that enhance their own power within an organization and that attract credit to their achievements (Jacobsen & House, 2001).

Conversely, **socialized** charismatic leaders articulate a vision that serves the interests of the organization and govern in an egalitarian manner. They seek to actively empower followers and to govern through established channels of authority to accomplish their goals (Howell & Shamir, 2005). The leader demonstrates regard for and commitment to legitimate channels of authority to implement their objectives. The relationship between the leader and organizational members is focused less on the personality of the leader and more on the leader’s message about the organization and its ideals and goals. In this relationship, followers are able to place constraints on the leader’s influence and are less open to manipulation by the leader. Socialized charisma is considered non-exploitative and more focused on follower needs (Choi, 2006).

**Characteristics of Personalized Charismatic Leadership**
Personalized charismatic leaders are characterized by personalized use of power, negative life themes, and narcissism (Padilla, et al., 2007). Such leaders are likely to engage in behavior that is destructive to the organization and harmful to its members. This behavior can include self-centered decision making, greed, and lack of communality.

An enhanced need for power is characteristic of all charismatic leaders and a component of effective leadership (House & Howell, 1992). However, personalized need for power is not tempered by responsibility or activity inhibition and produces coercive and controlling leadership behaviors. The attainment of power acts as the goal for the leader. Power is used for self-aggrandizement and possibly to the detriment of the organization and its members. Personalized charismatic leaders are likely to be willing to use people as tools or objects for personal gain (O’Connor, et al., 1995). Their lack of empathy for others can allow them to see actions that result in harm to others as a legitimate path to goal achievement. Uninhibited willingness to use others for personal gain can eventually produce strong negative outcomes for the organization (O’Connor, et al., 1995).

‘Life themes’ underlie and mirror the visions articulated by leaders (Zalesznik & Kets de Vries, 1984). A ‘life theme’ is a person’s story of their own life including interpretation of the past and projection into the future. Personalized charismatic leaders tend to harbor negative life themes (O’Connor, et al., 1995). They can view the world as a hostile place characterized by threats to the leader’s well being. Kets de Vries partially attributes intrapersonal problems in leaders to unresolved issues stemming from childhood. The quality of early human attachments with primary caregivers, especially parents, becomes a powerful determinant of adult behavior (Chandler, 2009). Negative life themes can produce reactive and destructive behavior by leaders as they seek to minimize uncertainty and implement personal control.

Narcissism is a pervasive pattern of grandiosity, self-focus, and self-importance (King, 2007). Narcissistic leaders are principally motivated by their own egocentric needs which, by definition, supersede the needs and interests of the organization and the members that they lead. Egocentric needs (sometimes taken to the point of egomania) include a grandiose sense of self-importance, preoccupation with fantasies of unlimited success and power, excessive need for admiration and entitlement, lack of empathy, and envy (Rosenthal & Pittinsky, 2006).

It is likely that all leaders have some degree of narcissism, derived from assurance of their personal
worth. This contributes to their leadership effectiveness by generating an impression of dynamism and positive energy amongst followers (Kets de Vries & Miller, 1985). Rosenthal and Pittinsky (2006) point out that "narcissism is a key trait of some of the world’s most creative and generative leaders" (p. 628).

However, personalized charismatic leaders exhibit narcissistic tendencies to a degree that is destructive to followers and organizations. These tendencies include a craving for power and consistent attempts to secure more of it regardless of potential peril to themselves and the organization they lead. Narcissistic, personalized charismatic leaders can demonstrate a myopic focus on their personal priorities, including willingness to exploit others and engaging in behaviors of denial and entitlement (Humphreys, et al., 2010). They can be self-absorbed, attention-seeking, and ignorant of the views and welfare of others (Conger & Kanungo, 1998). They often claim special knowledge or privilege and demand unquestioning obedience (O'Connor, et al., 1995). Their sense of personal entitlement can lead to self-serving abuses of power and autocratic leadership styles (Rosenthal & Pittinsky, 2006). Their grandiose dreams of power and success can cause them to ignore the external environment and to avoid testing their judgment against external benchmarks. Consequently, their grand visions often defy successful implementation (Kets de Vries & Miller, 1985).

**Negative Consequences of Personalized Charismatic Leadership**

The personalized need for power, negative life themes, and narcissistic tendencies of personalized charismatic leaders can contribute to a view of the world where personal safety is achieved through the domination and depersonalization of others. In the absence of self-regulatory mechanisms such as guilt, moral standards, and controlled by impulse inhibitors, destructive behaviors can result. Charismatic leaders who choose organizational goals based on personal needs and gain can have a significant detrimental impact on organizational performance and the well-being of the members of the organization. The negative consequences of personalized charismatic power include unethical and destructive leadership behavior.

Ethical leadership behavior is defined as the "organizational process of leaders acting in a manner consistent with agreed-upon standards of character, decency, and integrity, which upholds clear, measurable, and legal standards, fostering the common good over personal self-interest" (Chandler, 2009, 70). Ethical leadership is essential for organizational legitimacy (Mendonca,
2001), earns the confidence and loyalty of organizational members, and enhances organizational moral climate and conduct (Aronson, 2001).

Conversely, unethical leadership behavior is inconsistent with accepted standards of character, decency, and integrity. It fosters distrust among members of the organization and other constituent groups because of perceptions that the leader is acting out of personal self-interest. Unethical charismatic leaders can also produce dependent and compliant followers (Howell & Avolio, 1992). They tend to select (even attract) such followers and then act in ways which further undermine follower independence. The resultant negative outcomes can include the abuse of personal power, the nurture of blind loyalties, and the suppression of criticism (Chandler, 2009). Consequently, when the leader acts in an unethical manner, compliant followers tend not to critique the leader’s decisions or behavior.

Destructive leadership behavior violates the legitimate interests of the organization by undermining and sabotaging the organization’s goals, task, resources, and effectiveness. It also undermines the motivation, well-being, and job satisfaction of the members of the organization (Einarsen, et al., 2007). ‘Destructive’ leadership is systematic and repeated. Every leader is likely to occasionally act in a manner that is self-serving and not in the best interests of the organization and its members. Leaders do make poor decisions and act inappropriately. It is when the behavior becomes systematic and repeated that it can be classified as destructive. Einarsen et al. (2007) describe three types of destructive leadership behavior: tyrannical leadership; derailed leadership; and supportive-disloyal leadership.

Tyrannical leadership behavior undermines the motivation, well-being or job satisfaction of organizational members, without necessarily being clearly destructive to the organization. Tyrannical leaders may behave in accordance with the goals and strategies of the organization, but they typically obtain their results at the cost of followers. They may humiliate, belittle, and manipulate followers in order to get the job done. Examples of tyrannical behaviors include creating groups of insiders and outsiders, fomenting distrust within the group, using propaganda, and creating scapegoats to be punished as a warning to others.

Derailed leadership behavior has adverse impacts on both organizational members and the organization. Derailed leaders may display behaviors destructive to the well-being of followers, such as bullying, humiliation, manipulation, deception, or harassment, while at the same time
undermining the effectiveness of the organization. Examples of derailed behaviors include the inability to adapt to changing circumstances, being insensitive to the needs and concerns of others, failing to build teams, failing to think and plan strategically, and intimidating and bullying followers.

Supportive-disloyal leadership behavior shows concern for the welfare of organizational members while violating the interests of the organization. Supportive-disloyal leaders may encourage the personal loyalty of followers to the leader by granting them benefits and allowing behaviors that are detrimental to the organization. Examples of supportive-disloyal behaviors include allowing loafing and misconduct by followers, granting followers privileges and benefits at the cost to the organization, and not policing and punishing behaviors such as theft or fraud.

Conger (1990) refers to unethical and destructive leadership behavior as the "dark side" of charismatic leadership. He points out that leaders may use their charismatic qualities for personal gain and act in an abusive manner that is contrary to the interests of an organization and its members. Conger highlights three skill areas where a charismatic leader might act in a destructive manner: the leader's strategic vision; their communication and impression-management skills; and their general management practices. The strategic vision advocated by the leader might reflect the internal needs of the leader rather than those of the organization. It might also reflect the leader's unrealistic or distorted perception of what is best for the organization. The charismatic leader might use his or her communication and impression-management skills for exaggerated self-descriptions and claims, and may seek to gain commitment to his or her vision by restricting negative information and maximizing positive information. The potential liabilities of a leader's management practices may be displayed in poor management of followers, unconventional behavior that alienates followers and other constituents, and an autocratic management style.

There can be significant negative consequences arising from the exercise of personalized charismatic leadership. A leader's lack of genuine concern for the needs and welfare of other people can result in the use of their persuasive skills to manipulate and exploit followers. They can have difficulty maintaining cooperative relationships with followers, peers, and superiors. Therefore, followers can be induced to be open to manipulation and deception as the leader pursues his or her self-interest. Followers' sense of awe in the leader and desire for acceptance by the leader can inhibit criticism and the offering of good suggestions. Charismatic leaders can also introduce instability and uncertainty into management and decision-making processes, and increase the risk
levels of the organization. Denial of problems and failures can reduce organizational learning. Risky, grandiose projects are more likely to fail.

**Minimizing the Risk of Charismatic Leadership**

Charismatic leadership is ‘risky’ for an organization. It is difficult to predict the result when too much power is placed in the hands of an individual leader. Charismatic leadership brings radical change into the strategy and culture of an organization. This degree of change is appropriate when an organization is in need of significant transformation or is facing a crisis. However, the centralization of power and the implementation of risky strategies are unlikely to continue to be appropriate when the organization achieves a more normal operating mode. While charismatic leaders are generally good at rescue operations, they are often poor at achieving long-term success and management.

Compounding this is the fact that it is unlikely that a charismatic leader will modify their leadership style or cooperate in the appointment of a successor. Charismatic leaders often have a difficult time developing successors. They enjoy the center stage too much to share it. To find a replacement who is a peer may be too threatening for leaders who tend to be so narcissistic. The appointment of a charismatic leader should be done with awareness of both the positive and negative effects that are likely to accompany such leadership. Safeguards should be implemented within the organization to maximize the unique contributions of the charismatic leader while minimizing the potential negative consequences.

One appropriate safeguard in the appointment of a charismatic leader is the implementation of an effective accountability structure. Lack of effective accountability structures contributes to unethical and moral leadership failures (Chandler, 2009). Charismatic leaders usually strive for personal autonomy and can react negatively to attempts to subject them to accountability (Conger, 1990). This impulse should be addressed at the time of appointment of the leader and standards of accountability and reporting established. Effective accountability measures might include careful oversight from boards of directors, agreement on financial and decision making parameters, and establishment of an effective system of checks and balances (Chandler, 2009). Leaders who are held accountable are more likely (than those who are not) to take into consideration the broader consequences of their behavior and to consider the interest of the organization and its members.

Another safeguard is the establishment of a viable support system for the leader. The lack of an
effective support system can contribute to the demise of otherwise successful leaders because the very nature of leadership contributes to isolation (Chandler, 2009). Social support bolsters emotional reserves, helps balance perspective, and provides an outlet for self-expression outside of the organizational setting (Winnubst, 1993). It contributes to emotional health and appropriate self-image. A viable support system might include having personal confidantes, developing mentoring relationships, formal and informal training (including ethics education), and the provision of personal and professional development opportunities.

A third safeguard is a leader selection process that differentiates between socialized and personalized charismatic leaders. A desirable quality in a charismatic leader is a socialized power motivation which incorporates humility as well as egotism. Such a leader engages in the behaviors of envisioning, energizing, enabling, and empowering organizational members (Humphreys, et al., 2010). The leader’s focus is on seeking to enhance the capabilities of the organization and its members. A socialized charismatic leader is likely to create an organizational culture which is egalitarian, non-exploitative, and altruistic. Effective procedures can be implemented to identify potentially destructive individuals in the leader selection process by including assessments of need for power, negative life themes, and narcissism. Other useful assessments would relate to selfish versus socialized motives, and moral and ethical standards. The desired outcome of this selection process would be to fill available positions with socialized rather than personalized charismatic leaders.

*A Christian Perspective on Leadership*

An organization seeking to implement Christian values in its operation has additional motivation to appoint a socialized charismatic leader whose self-concept has been shaped by Christian understandings of human nature and community. Such an understanding can be developed on the basis of the trinitarian nature of God. Christian theology understands God as three persons existing in eternal relation to one another. God is what he is in virtue of what the Father, Son, and Spirit give to, and receive from, one other. It is in the mutual relations of giving and receiving that each of the divine persons both manifests his own personhood and affirms that of the other persons.

Theologian Jürgen Moltmann (1981) suggests that the doctrine of the Trinity points "towards a community of men and women without supremacy and without subjection" (p. 192). Community is the appropriate way of organizing human organizations. This is so, first, because it reflects the
nature of the God in whose image humans are created. It is so, secondly, because it recognizes the fundamental equality of persons and allows for the development and expression of human potential. Power relationships exist within every organization. The dynamics of power can be used to create interdependence and mature relationships or to foster relationships of dependence and control. Contemporary leaders should use their power to release the potential of all the members of their organization.

When we apply trinitarian theology to organizational understanding, the picture that emerges is that an organization is likely to function at its optimum when there is a fundamental equality of persons expressed in mutual giving and receiving. This leads to the conclusion that hierarchical structures and authoritative leadership styles which generate dependency, helplessness and servitude do not reflect God’s nature, and neither do they enhance human or organizational potential. The more an organization is characterized by symmetrical and decentralized distribution of power and freely affirmed interaction, the more will it correspond to the nature of God and the more likely it is to unleash the human potential of its participants.

An organization reflecting the trinitarian community can have both leadership and rich diversity without a heavily autocratic hierarchy. It can be a community with a structure and a chain of command but without superiors and subordinates. As Moltmann says, the community of the Father, Son, and Holy Spirit finds its earthly reflection, "not in the autocracy of a single ruler but in the democratic community of free people" (p. 198). Any organization can be conceived of as "a community in which people are defined through their relations with one another and in their significance for one another, not in opposition to one another, in terms of power and possession" (Volf, 1998, p. 198). A socialized charismatic leader with this relational understanding of organizational structure and process is likely to provide constructive and beneficial leadership to an organization.

Conclusion

Charismatic leaders can have both positive and negative effects on organizations and their members. The positive effects can be sufficiently significant to warrant the risks of appointing a charismatic leader. An effective socialized charismatic leader can revolutionize an organization and inspire its members to enhanced performance. On the other hand, a personalized charismatic leader has the capacity to destabilize and damage the organization and its members because of the
leader’s focus on personal advancement and interest. The positive contribution of a charismatic leader to an organization can be enhanced — and negative effects minimized — by introducing appropriate safeguards into the selection and tenure of the leader. These safeguards would need to address the accountability structure, the support system and the selection process which surround the leader. Finally, the Christian understanding of human nature and community provides a useful perspective in developing a beneficial working relationship between the leader, the organization, and its members.

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References


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