

6 Looking Back and Looking to the Future: The Growing Role of Personal Responsibility and Accountability

Peter Koestenbaum

It's not surprising that some days you just want to go to the nearest window, lean out, and yell, "OK, I give up! What are the rules for today? Old Economy, the stock market and Internet reign New Economy, or Post New Economy rules?" Peter Koestenbaum has scouted this new era and with compassionate clarity explores nine themes that he believes future leaders must understand.

Looking Back



and Looking to the Future

The Growing Role of Personal Responsibility and Accountability

BUSINESS TODAY IS BEING FORCED TO RETURN NOT ONLY TO ITS COMMERCIAL FUNDAMENTALS BUT ALSO — ABOVE ALL AND MORE SO THAN EVER — TO ITS HUMAN FUNDAMENTALS. IT IS NOT EXACTLY THAT BUSINESS IS CHANGING. BUSINESS IS BECOMING WHAT IT IS, TRANSFORMING ITSELF TO WHAT IT IS MEANT TO BE.

The intensity of the demands for personal responsibility and accountability and their unforgiving nature, that is what is new and that is the core, both for you and for your customer, for culture, and for product.

The keys to the future of business, the human fundamentals, are these five principles:

1. At the roots, today's sophisticated customer wants help in moving from deficit to satisfaction and from want to fulfillment. The range of applications is vast, from groceries to the children's education, from medical emergencies to pampering at the spa, and from road service for a stalled car to legal help for philanthropy.
2. In order to run a business today you need unprecedented levels of personal responsibility and accountability. And this means everyone, from the lowest employee to the most powerful CEO. To fully understand what that means is the number one task of leadership in the Post New Economy.
3. Initially, you need to understand the meaning of responsibility and accountability in you. This requires understanding the underlying tools and concepts such as:
 - The meaning of free will.
 - The nature of anxiety.
 - The importance of guilt.
 - The responsibility for co-creating the organization that you have contracted to serve.
4. Then you need to help your customers in the same way, with how you treat them and how you related to them, which is in great measure through your products and services.

The bottom line is that you help your customers, through their contact with you, achieve enhanced control over the values of their lives—which translates into their personal responsibility and accountability. For example, a family needs food. You, as a businessperson, help families to achieve success and control over that aspect of their lives.



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The key word is control. Your business is to help family heads and homemakers to fulfill their obligations, so that each of them says, “If I get good price, high quality, and superior service, then I am discharging well my personal responsibilities to my family, to which I am accountable.” That is how the business system works, up and down the hierarchy of needs.

5. You market personal responsibility and accountability, which is leadership, but you sweeten it with your unique product and service. Whoever understands this founding principle also understands the new way of doing business in the Post New Economy!

The long past

Throughout the history of our economy, personal responsibility and accountability have been the foundation. But it never has been as strong, comprehensive, and thorough as it will be from here forward.

We have the sequence of the Old Economy, the Economy, the New Economy, and the Post New Economy.

The Old Economy was based on the image that the United States is the land of opportunity. An idea traced back to Benjamin Franklin and Horatio Alger—that industriousness pays off, that the pioneer, the entrepreneur, and the industrialist are woven of the same cloth. You, too, could be a Carnegie, Ford, Edison, Mellon, or Rockefeller. That was an attractive goal to follow, a seductive hope, an energizing vision. Attached to this visionary image of opportunity were a set of

values—the value of work, dignity of the worker, preeminence of God and of religion, and the axiom of love of country and of fervent patriotism.

This worldview did lead to a hierarchical, class society, i.e., capitalists and workers, with nevertheless reasonably homogeneous values and opportunity for all. You were not born into a class or condemned to a class,

your moxie would place you into the class where you wanted to be. The feeling of an open future that is totally yours was a good feeling. It attracted many to these shores. Many magnates of industry, while derisively and not infrequently referred to as robber barons, nevertheless also became benefactors. They left prestigious foundations that still benefit thousands. The base was personal

responsibility and accountability. *But it was each man for himself.*

Then came the Economy, the great equalizer, the predictable Hegelian antithesis, the unions and the income tax, and later the civil rights movements. These had the effect to spread around the country’s wealth and the ownership of the political currency. It has led today to a synthesis of an unprecedented wide ownership of stock.

Here again the focus was on personal responsibility and accountability. *But here you were more your brother’s keeper.*

Yesterday

Then the New Economy became a geyser, a peak, a spike. Technology was needed to win World War II, the first true global event in history. Victory was based on technology, specifically information technology, communications technology, and travel technology, together with a new worldview referred to as internationalism and global thinking. The blocks of the New Economy became contrivances from airplanes to computers to the Internet. All this became a new god, a baal, a golden calf.

An idea of the new person came with the New Economy, an exaggerated resurgence of the Age of Reason, the seventeenth century untrammelled faith in progress achieved by the application of pure logic. Today we would call it the engineering mind. It was the victory of reason, the supremacy of the conceptual intellect. Technology would lead us to salvation.

Technology gave us new values: fast money, great intelligence, a superb technical education, and great arrogance. Greed extolled to supreme merit. Independence. Self-centeredness. Self-indulgence. Indifference toward others. A “me” society. And, in the end a lack of awareness of the digital divide, unheeding of the fact that some would rather be killed than be fed, rather kill than have dialogue, and rather die than make love.

The affluent technocrats viewed themselves no longer as a machine but now as a stock, and that their salaries were to be determined by the anticipated future value of their marketability, their price on the market, and the probability of their stock appreciation.

Again, the emphasis was on personal responsibility and accountability. The big difference was that we had lost the sense of responsibility for the whole. It was a period of superficial and Philistine values where human beings were reduced to machines, minds to computers, feelings to genetics, and duty to entertainment.

We idolized the child that said, “When I grow up I want to be forced into early retirement.” Becoming wealthier and wealthier, through technology, entrepreneurialism, and IPOs, those were the virtues.

We forgot responsibility for values, for the larger whole, and missed the deeper point about co-creation.

The future leader

We are now in the Post New Economy Era. It is marked by:

- Economic recession.
- Increasing unemployment.
- Lack of clarity about where we are going.
- A redefinition of hostilities after a surreal act of war.

Our mechanistic views have failed. The Post New Economy is a forced return to basics, not just business basics but human basics. Below is a word picture of the leader of the future. Do you exhibit the traits below? Are you able to have intelligent conversations on these nine themes? Do you underscore them with your organizational culture, your products, and the way you do business? Unless these character strengths are emphasized, there can be no Post New Economy.

The leader of the future needs an understanding of these nine themes and how they affect people and organizations:

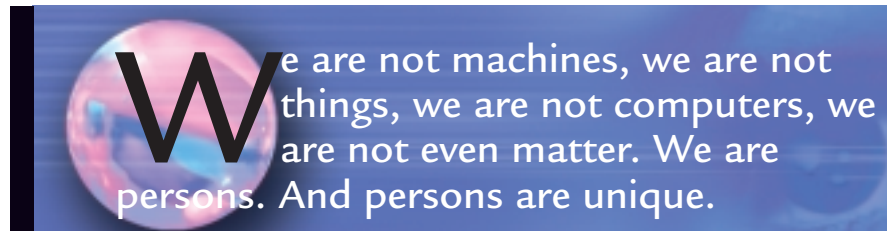
1. Free will and responsibility.
2. Values.
3. Anxiety and guilt.
4. Courage.
5. Duty and integrity.
6. Self-sufficiency.
7. Co-creation.
8. Community.
9. Evil.

1. Free will and responsibility.

September 11 was the overpowering reminder that this is no longer the age of self-indulgence and entertainment, but the age of *total and profound personal and collective responsibility and accountability*. We were shocked as never before into recognizing that we can never let our guard down. The truths that are always present, but in happier times ignored, will reappear in a dreadful way to punish us for having neglected them.

These truths are our ego structures of *free will and responsibility*. We are free, whether we want it or not, and we are responsible, whether we wish it or not. If we ignore these philosophical facts about what it means to be a person, then all hell breaks loose in consequence. These virtues have always existed. We kept them dormant. They have now been forcibly reawakened.

We need to make a complete turnaround from our mechanistic view of the person. We are not machines, we are not things, we are not computers, we are not even matter. We are persons. And persons are unique. They



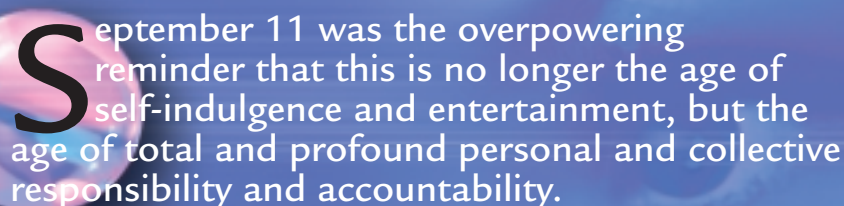
are conscious centers. They are aware. They not only talk about responsibility, accountability, standards, and values, but they feel them, live them, practice them, and suffer for them. They make choices, which are more than mere behaviors. It is behavior plus: behavior plus consciousness, behavior plus choice, and behavior plus conscience.

A choice is an inner feeling, a subjective attitude, not just a measurable action, or a scalable behavior. The distinction between good and evil matters. Quality and standards are sources of pride and honor. These are not meaningless terms. These are not simply behaviors. These are feelings, emotions, passions, meanings, and sources of significance! That is precisely the place where the true human resides. *And that is where the new refocus on personal responsibility and accountability, i.e., human freedom at its fullest, must be understood, emphasized, marketed, and aroused.*

The essence of a person is not sex and aggression, not passion for wealth and security, but the capacity to make free choices. The new leaders feel that their ground is freedom, free will.

2. Values.

The first choice of freedom is about values. Taking personal responsibility for choosing values and for



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choosing to bring values to life in our communities and in society at large is still—as it always has been—the largest task, the only task of what it means to be a modern leader.

Some people think they were profoundly wronged and they feel profoundly that they must achieve redress. That is a belief system. It is widespread and it is growing. It is partially connected to the increasing separation between wealth and poverty, and the increasing separation between reason and unreason. These are not one and the same. Making it our agenda to kill people who feel that way is not going to make that philosophy go away. Rather, it will feel even more justified. You counter philosophy with philosophy. That is not to say that you do not counter guns with guns. But you cannot do one alone; you need to do both.

Your security is your capacity to choose. Only death can take it away. We had spent our times looking for ways to escape responsibility. The new person looks for ways to assume more responsibility.

3. Anxiety and guilt.

The supremacy of freedom in the Post New Economy Age leads to a reevaluation of anxiety and guilt.

We think these are forms of illness. The opposite is the case. These are the ultimate forms of health. There are excesses and misuses, to be sure. Anxiety tells me that life is not fun but serious, that I am not being taken care of, but on the contrary, I take care of others. I have the power and the strength to do precisely that. I am much more thankful to see myself as an adult with the power to stand up to tough opposition than to be an infant who is taken care of and cuddled.

Anxiety reveals that I am vulnerable. I will die. I have to make tough choices. I will be defeated. I am responsible. Life is no vacation but a severe task. The good news is that once I pass the tests, I feel refreshed—like coming out of a sauna and jumping into the cold sea. I feel strong, healthy, powerful, and alive. I am self-made. I get a healthy rush of arrogance and pride.

4. Courage.

You cannot live life without courage. Courage combines free will and anxiety. Courage is to act under the shadow of anxiety. Anxiety is different from pain. You cannot really control pain, especially extremely severe pain. But you can control anxiety. You can manage your anxiety.

You can live with your anxiety. You can talk about it, feel it, and observe it. The trick is not to take more anxiety than you can handle. You take small steps.

5. Duty and integrity.

Fleeing pain motivates some people. There is nothing wrong with that, except that animals do it too. Others are motivated by the pursuit of pleasure, fun, entertainment, and experience. Again, there is nothing wrong with that. Except that animals play too.

But there is another source of motivation, exclusively human. That is the sense of duty, obligation, the commitment to right, and the avoidance of wrong. What matters is that we have a conscience. The content is not always clear, there are ambiguities, but we do strive for ethical clarity. We are prepared to do what is right, no matter how it feels. It is right that we value our feelings; it is right that we learn to consult our unconscious. The capacity to be motivated by a principle, rule, or an ethical imperative, rather than by a

sentiment, feeling, passion, or an emotion is where the difference lies. When very tough decisions with long-term consequences need to be made, it is vital to handle it rationally. It is the willingness to accept our conscience, to think through an issue, to sustain ethical standards, and to act on these principles. That is what gives the word duty its meaning.

6. Self-sufficiency.

The new leaders are mature; they take care of their own feelings. If I am depressed then I will take care of that myself and not dump my bad mood on someone else. I expect to take care of my own needs, not to be a burden on another. There are times in which this is difficult indeed. But the attitude remains in place, no matter if I am an invalid or have a major disability.

7. Co-creation.

I am fully responsible for myself. Nevertheless, I recognize that this view does not isolate me from others or from my environment. Extreme isolation is schizophrenia, the narcissistic fantasy. I am always *with* others. I depend on relationships; sometimes they feel good and sometimes bad. The world in which I live is co-created. I am prepared to have dialogue, negotiate, understand, be flexible, see another's point of view, and not feel that I must always prevail.

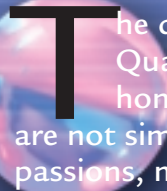
8. Community.

My ultimate responsibility as a Post New Economy leader is to make the decision that I am also responsible for the whole. If I work and my company pays me, then part of my contract is to give the company as a whole a good name. When I live in a free country, I sign the social contract, which means that in return for the protection of my freedoms, I sacrifice a number of my personal interests to that nation. This is known as the social contract.

9. Evil.

Evil is real. We deny evil. We rationalize and explain it away. The new leader knows that evil is real. Evil gives us our life's task. But there is a healthy attitude toward evil and a sick attitude toward evil. Evil is if I can't stand you disagreeing with me. This is fascism. To disrespect and to deny the freedom of others and of myself is evil. We stand up to protect freedom. There are limits to

freedom and that is the freedom of another. These are well-established principles of democracy and to suspend these freedoms is evil. There is another side; you are required to claim your freedom and to take



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responsibility for your freedom. If you don't, you are not free. It is evil to deny freedom to others. It is foolish and self-destructive to deny freedom to myself, to act and believe as if I did not have it.

New business and new organizations are built on this basis. The Post New Economy is not just economics. It is also character. New dimensions of character. New heights of character. Everything else is bankruptcy.



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