What do you think is the key leadership challenge in the 21st century for India?

Systems-led leaders are constantly guided by the larger system they work in, with the goal of *making the system better*. Daniela Papi-Thornton, who has worked extensively on the idea, says that systems-led leaders envision wider system change goals which "they can't achieve alone… and contribute to the wider impact of the collective" (*Systems-Led Leadership*). A core assumption in this system is that "leadership is ethical and values-driven" ("Core Leadership"). However, what challenges arise when ethical leaders work in systems which are rigged to promote unethical behavior, and where several actors are similarly unethical? This essay argues that a key leadership challenge in India is the challenge faced by ethical systems-led leaders *working in an unethical system*. It starts by defining what a 'key leadership challenge' means, and then moves on to elucidate why the pervasiveness of unethical systems in India poses a key leadership challenge. The essay ends with some suggestions on how ethical leaders can navigate an unethical system despite the difficulties, using the tool of foresight.

Defining a Key Leadership Challenge

It would be helpful to define what a key leadership challenge means before explaining why working in an unethical system is one. A useful way to look at leadership challenges is to use the Cynefin framework (Snowden and Boone). While the "simple" and "complicated" domains often require leadership, they are not inherently 'challenging' because there is always a "clear relationship between cause and effect". Decision-making becomes challenging in the "complex" and "chaotic" domains, where "the right answer is elusive" or "in the realm of unknowables".

One possible way of differentiating a *key* leadership challenge is that the stakes are usually much higher – there is the possibility of great success or great ruin, and the consequences of the challenge are felt over a large scale in terms of the sectors, systems and people affected.

There is the opportunity for great positive change, which is however blocked by some issues which a leader needs to address. An alternative situation is one wherein there is the threat of a system falling into ruin causing great negative repercussions, and it lies in a leader(s)'s hands to avoid that. Moreover, the effects from such challenges are far-reaching – they extend beyond any one sector or community and can affect the state of *other* persisting challenges. Widely prevalent systemic issues like climate change or global poverty thus fit the above definition. As a result, systems-led leaders often work on tackling key leadership challenges, although they comprise only one part of a collective system working on the same challenge.

Unethical Systems as a Key Leadership Challenge

Even though there is an assumption that "good character… is often a locus of descriptions of leaders" (Levine and Boaks), this is not always the case. At times, systems-led leaders may work in systems which *operate unethically*. This means that components of the system intentionally make decisions or take actions that are either antithetical to solving the issues being worked on, or in violation of commonly accepted ethical principles of right and good. There is a range of complex factors which can contribute to this unethical behaviour of a system. Sometimes, leaders are intentionally unethical and driven by sullied, selfish motivations that do not hold any genuine consideration for the wider system. A good example of this is the rise of corrupt leaders in different settings, who abuse their power to the disadvantage of others (Grant). However, intentional unethical behaviour does not always stem from malicious actors – structural workings and "organizational factors… can affect individual misbehaviour" within a system (Roszkowska and Melé), such as when cutthroat environments encourage unethical behaviour to come at the top. As a result, it is possible for systems to encourage choices and outcomes which go against their goals and principles, making them unethical.

While unethical systems exist in several nations, India is one of the nations most mired in them. India ranked 86th in the 2020 Corruption Perception Index, which contrasts its public sector corruption to that of Singapore's, which ranked 3rd. Private sector in India is not an exception, given how India ranked the most unethical of 13 major economies in the 2016 Global Business Ethics Survey. These indices and rankings indicate that unethical systems in India are rampant, yet something systems-led leaders must interact with to address national systemic issues.

The first reason unethical systems in India pose a leadership challenge is that their causes are complex and unclear, bringing them into the challenging regions of the Cynefin framework. According to a study aimed at understanding the causes of corruption in India, "corruption is by its very nature difficult to objectively measure", since its transpires out of public view and parties have an incentive to keep it hidden. Moreover, there are "markedly divergent predictions about the causes and consequences of corruption" (Sukhtankar and Vaishnav). Thus, systems-led leaders working in a corrupted system are faced with a problem that is pervasive yet seems highly intractable. Beyond the overarching problem of corruption itself, they are constantly faced with impossible decisions on whether to "indulg[e] in corrupt practices… [for] less interference" or stay true to their principles and suffer at the whims of other corrupt actors and institutions for their refusal to compromise (Velamuri et al; Dhillon).

A second reason unethical systems in India pose a key leadership challenge is that they significantly hamper tremendous progress. In principle, there are numerous initiatives in India aimed at improving healthcare, education, and other basic provisions for those who need it. However, in the words of the former governor of Reserve Bank of India, "teachers do not show up at schools to teach", "the police do not register crimes… especially by the rich and powerful", and "public hospitals are not adequately staffed" ("Raghuram Rajan"). Thus,

perfectly good ideas do not work out because they are embedded in a system which drives funding away from them and encourages unethical behaviour. Systems such as capitalism, when intertwined with corruption and unethical behaviour, reinforce each other and make the problem all the worse (Sanchez). Beyond limiting the ability of systems-led leaders, unethical systems *discourage* them to work on systemic change, because a lot of their efforts will either not be appreciated or be punished because it goes against the workings of the unethical system. A manifestation of this is the severe brain drain problem in India, where "corruption increases emigration among… all education levels" (Schneider). Thus, unethical systems discourage able leaders from wanting to work in the system, reducing the possibility for change even further.

What makes unethical systems an even deeper leadership challenge is that beyond hampering progress, they influence other systems to act unethically too. When leaders and organizations are embedded within an unethical system, they are incentivised to work unethically too because the "perceived costs are low" and "indulging in corrupt practices means… less interference" (Velamuri et al). Ethical leaders in unethical systems might themselves succumb to unethical behaviour because of systemic pressure to adapt or risk getting phased out. A good example is the degrading quality of Indian journalism, where "reporting that's sympathetic to the government proceeds unchecked, even if it's inaccurate" (Tharoor). Moreover, unethical systems sometimes have control over other systems, which empowers them to change these other systems and make them work unethically too. A classic case is when "laws against activists [are used] for criticizing the government" ("India: Activists Detained"), and an unethical political system leads to unethical applications of law and order.

Futures Thinking To Explore Potential Solutions

However, the situation is not completely bleak. "Every so often we see the emergence of a group… who want to clean up politics" ("Raghuram Rajan"), and the emergence of tools like

information provision and digitisation present important opportunities to curb unethical systems (Sukhtankar and Vaishnav). If ethical leaders effectively use these tools, then some headway can be made towards changing unethical systems in the long term.

Foresight and futures thinking can provide an effective method to understand the workings of these unethical systems and devise solutions to counter them. As detailed in UNDP's Foresight Manual, foresight builds up situational awareness in leaders, helping them "plan for long-term and deep uncertainties" . Thus, with adequate foresight, ethical leaders are *better prepared* to navigate a system which does not work on the same rules. The participative nature of foresight ensures that stakeholders at different levels are able to share experiences relating to unethical systems. This helps devise targeted solutions which not 'one size fits all' – solutions to tackle corruption in national institutions are probably different from addressing bribery in local schools and police stations. Finally, unethical systems in India are always evolving with time – how corruption looked 10 years ago is very different from how it looks now (Ray). Foresight is especially suited to counter such evolving systems, since it is based on imagining the "broad space of possible futures" instead of relying on "assumptions and hindsights from the past". Foresight has previously been used for development of national anti-corruption frameworks before (Rushdi), which further establishes its effectiveness in countering unethical systems.

Thus, unethical systems pose a key leadership challenge in India. They not only hamper the progress of other ethical systems but also enable other systems to work unethically, and their effects are felt far and wide. While the problem seems highly intractable, systems-led leaders can explore methods like foresight and futures thinking to be better equipped to navigate and gain an effective understanding of deep-rooted unethical systems.

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