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# Ethical Leadership in the Age of Apology

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# ARTICLES

## Ethical Leadership in the Age of Apology\*

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The growing importance of public apology makes forgiveness seeking a critical responsibility for ethical leaders. Leaders must offer apologies on behalf of themselves (in their roles as moral people) and on behalf of the organizations they lead (in their roles as moral managers). Morally satisfying apologies adequately acknowledge offenses, express remorse, offer explanations, and make reparations for damages. The apologies of disgraced professional cyclist Lance Armstrong and General Motors CEO Mary Barra demonstrate how incomplete apologies can undermine ethical leadership. Armstrong's apology did little to atone for his failings as a moral person. In her role as a moral manager, Barra did not fully account for GM's cover-up of a defective, fatal switch problem or demonstrate enough concern for victims and the public. The shortcomings of these forgiveness-seeking acts demonstrate the importance of providing a complete accounting, matching the depth of the apology to the depth of the wrongdoing, following through on commitments, and carefully choosing the venue for delivering an apology.

**Key words:** apology, ethical leadership, ethics, forgiveness, Lance Armstrong, Mary Barra

“An outbreak of apology has swept the globe.”  
(Thompson, 2000, 470)

Hardly a day goes by without news of a public apology offered by a political, corporate, military, sports, religious, educational, entertainment, or religious figure. Some offer apologies for their personal failings; others seek forgiveness for the shortcomings of their governments and organizations.

The number of public and private apologies appears to be increasing over the past few decades. Lazare (2004) counted apology-related articles in *The New York Times* and *Washington Post* from 1990 to 1994 and from 1998 to 2002. The number of apology articles rose from 1,193 to 2,003 between the two periods. This “apology phenomenon” is also reflected in the books, television and radio broadcasts, Web sites and blogs devoted to the topic (Smith, 2008). Doctors and hospitals now apologize to patients who are the victims of medical mistakes, thus

reducing malpractice claims (Krell, 2013). Contrite companies reduce the potential for liability lawsuits by expressing empathy for those who have been harmed by service failures, accidents, employee misconduct, and other corporate misdeeds (Patel & Reinsch, 2003). Political apologies offered on behalf of nations are also on the increase (Celermajer, 2009; Nobles, 2008; Weiner, 2005). Surveying this evidence, Kador (2009) concludes that we are living in the “Age of Apology.”

The Age of Apology is not likely to end any time soon. Cell phones, YouTube, e-mail, and social media make it harder to hide mistakes or misbehavior, which are then broadcast around the world (Kador, 2009; Lazare, 2004). President George Bush, for example, was forced to apologize after pictures of prisoner abuse at Abu Ghraib were released to an international audience. Globalization has increased contact (and friction) between cultural groups, increasing the need to seek forgiveness. Communities expect that corporate leaders will apologize when their organizations cause harm through such crises as chemical spills, explosions, and product contamination (Hearit, 2006). As previously marginalized groups (e.g., minorities, women) gain power, a number of governments and other institutions find themselves seeking forgiveness for past abuses (Lazare, 2004). Australian Prime Minister Kevin Rudd acknowledged his nation’s mistreatment of its aboriginal people (Celermajer, 2009). Wachovia Bank and the Southern Baptist Convention expressed regret for supporting slavery. The Catholic Church issued a series of apologies for sexual abuse by priests, inaction during the Holocaust, denigration of women, and other sins (Nobles, 2008).

Moral obligations lie at the heart of apologies. In seeking forgiveness, offenders acknowledge that ethical violations have occurred; that a moral or social contract has been broken (Davis, 2002; Lazare, 2004; Smith, 2005). The perpetrator accepts responsibility for these transgressions and pledges to repair the damage. Apologizing puts the offender in a humble position while helping to restore the dignity of the victim(s). Offenders acknowledge that the victims were right in feeling harmed and signal that they are committed to the relationship and shared values. In a number of cases, apologies lead to reconciliation (Lind, 2008).

German leaders, for instance, offered sincere apologies for the Holocaust and military aggression during World War II. These statements opened the way for alliances with France, the United States, Israel, and other nations.

While apologies can be powerful moral acts that restore dignity and relationships, they often have the opposite effect. Those offering failed apologies (e.g., inauthentic, pseudo- or incomplete) refuse to take responsibility and do further damage to victims by trivializing their concerns. The community suffers because the social or moral contract remains broken. Any opportunity for reconciliation is cut off, and future conflict is likely. Rwandans rejected former United Nations Secretary-General Koffi Annan's apology for failing to intervene in the country's genocide because Annan failed to acknowledge that his inaction as UN leader contributed to the carnage (Edwards, 2008). JPMorgan Chase CEO Jamie Dimon initially described a massive loss generated by a rogue trader as a "tempest in a teapot." Later he found himself apologizing and vowing to correct the bank's lax oversight (DeCambre, 2013). Bernie Madoff offered a courtroom apology at his sentencing for a \$64-billion Ponzi scheme. However, he only expressed regret for the harm he had caused to his immediate family, saying little about the damage he had done to thousands of investors (Koehn, 2013).

The growing importance of public apology, as well as the power of apology to produce good and/or harm, makes crafting and delivering moral apologies a critical responsibility for ethical leaders. This article describes the two types of apologies offered by ethical leaders and outlines the essential components of apologies that fulfill their moral obligations (referred to as "morally satisfying apologies"). This framework is then applied to the public apologies of two leaders—Lance Armstrong and General Motors CEO Mary Barra—to evaluate the moral success or failure of these forgiveness-seeking attempts. Finally, we present implications from the analyses for the practice of ethical leadership.

## **Apology: An Analytical Framework**

Leaders offer both individual and collective apologies, seeking forgiveness on behalf of themselves and/or the organizations they lead. These apology types

reflect the two dimensions of ethical leadership. According to Brown and Trevino (2006) and Brown, Trevino, and Harrison (2005), ethical leaders act as moral people and as moral managers. As moral people, they act in normatively appropriate ways through their actions and relationships. They obey laws and policies, act with integrity, behave in a trustworthy manner, and demonstrate concern for followers. Leaders offer individual apologies when they act inappropriately, as in the case of Atlanta Archbishop Wilton Gregory, who apologized for building a \$2.2-million mansion with church funds (Henry, 2014). As moral managers, leaders exercise influence over the ethical behavior of followers by acting as role models and reinforcing ethical messages. Leaders performing in their roles as moral managers give collective apologies in front of external audiences, taking responsibility for the immoral actions of followers, both past and present. Harvard Business School Dean Nitin Nohria, for example, said he was “sorry on behalf of the business school” for its poor treatment of female students and pledged that the business program would do better in the future (Byrne, 2014).

Leaders faced with offering personal and collective apologies can turn to a variety of models for guidance. These include the OOPS interpersonal apology format (Explain your Err**O**r; Say you’re s**O**rry; **P**romise of forbearance; Offer to restore; Biesel & Messersmith, 2012), the categorical or maximally meaningful apology (Smith, 2005, 2008), the consummate apology (Davis, 2002), the 5R effective apology (recognition, responsibility, remorse, restitution, and repetition; Kador, 2008), and the authentic corporate apology (Koehn, 2013). All of these approaches are based on the premise that successful—complete, meaningful, moral, and authentic—apologies identify the offense, express remorse, and include the promise of restoration. Lazare (2004) incorporates these themes into his guidelines for the creation of ethical apologies. His framework is particularly useful because it not only identifies what must be present in moral apologies, but also specifies ways in which apologies fall short. According to Lazare, complete apologies contain four components: acknowledgement, remorse, explanations, and reparations.

## **Acknowledgement**

Acknowledgement of the offense lays the groundwork for the apology process. To be effective, acknowledgement must identify both the responsible and offending parties, describe the offensive behaviors in detail, recognize the negative impact of the behaviors on the victim(s), and confirm that the grievance violates the moral/social contract between the parties involved. Failed acknowledgements include

- offering a vague and incomplete acknowledgement (“I apologize for anything I did”);
- using the passive voice (“Mistakes have been made”);
- making the offense conditional (“If mistakes have been made”);
- questioning whether a victim was injured (“If anyone was hurt);
- minimizing the offense (“There’s nothing—or very little—to apologize for”);
- using the empathetic “I’m sorry” or “I regret” (“I am sorry you are so angry or upset”);
- apologizing to the wrong party; and
- apologizing for the wrong offense (e.g., apologizing for making a mistake rather than for deliberately lying, cheating, polluting, etc.).

## **Remorse**

Expressions of remorse demonstrate regret for the harm caused by offender and signal that he or she will act differently in the future. Important related attitudes include shame, humility, and sincerity. An apology is likely to be rejected if any of these emotions are missing or poorly communicated.

## **Explanations**

Lazare (2004) argues that offended parties believe that perpetrators owe them explanations for what happened. Such explanations help restore the victims’ sense of order. Unethical explanations reduce the seriousness of harm by, for instance, claiming the grievance was not intended (“It was an accident”), the misbehavior wasn’t a reflection of the offender’s “real self,” and that the immoral

behavior was a product of a unique set of circumstances (“I was under a lot of pressure from the board of directors”).

## **Reparations**

Reparations demonstrate that the offending party is serious about the apology and wants to repair the damage. However, when reparations are missing or insufficient, the apology is rejected. The United States government gave \$20,000 to Japanese Americans who were forced into detention camps during World War II. Some recipients thought this amount woefully inadequate given that they were detained for several years of their lives.

Applying the four-component framework to well-publicized cases of leader apologies can not only explain why these acts failed or succeeded, but also provide useful guidance to leaders who must seek forgiveness on behalf of themselves and the groups they represent. We apply the model to two public apologies—one offered by Lance Armstrong and the other by General Motors CEO Mary Barra. Armstrong apologizes for his failings as a moral person; Barra apologizes in her role as a moral manager for the safety failure of the automaker. We’ll describe the context for both apologies and examine the extent to which each can be considered morally satisfying.

## **Lance Armstrong Doping Apology**

Professional cyclist Lance Armstrong is one of those rare athletes, like Michael Jordan, Tiger Woods, and David Beckham, who transcended his sport to become a household name. Few Americans cared much about cycling before Armstrong began winning the sport’s most prestigious race—the Tour de France. Between 1998 and 2005, Armstrong won the grueling two-week race a record seven times. He returned to ride in the Tour in 2009 and 2010. What made his story more compelling is that Armstrong is a cancer survivor. In 1996, he was treated for testicular cancer that had spread to his abdomen, lungs, and brain. He recovered and founded the Lance Armstrong Foundation in 1997 (later renamed Livestrong) to fund cancer research and support cancer victims. The foundation raised \$500 million, largely through donations from Nike and Armstrong’s other

corporate sponsors, as well as through the sale of 87 million rubber yellow bracelets for \$1 each (Macur, 2013g). His racing victories and foundation made Armstrong a symbol of hope to many cancer victims. After retiring from cycling, Armstrong began competing as a tri-athlete, hoping to keep himself in the public spotlight while continuing to attract corporate sponsors and selling Lance Armstrong sports gear.

Throughout his career, Armstrong was dogged by accusations that he used performance-enhancing drugs. The cyclist responded by not only vehemently denying these allegations, but by also attacking his accusers. He successfully sued *The Sunday Times* of London for defamation when it reported that he had been doping. A French rider who publicly voiced his suspicions was told to quit cycling by Armstrong and shunned by other riders. Teammate Frank Andreu and his wife, Betsy, claimed they heard Armstrong confess to doping while receiving treatment for his cancer in 1996. Armstrong made it hard for Andreu to get a job in the cycling industry and called Andreu's wife "crazy." Armstrong employed even stronger language when describing former masseuse Emma O'Reilly, calling her a "whore" and an alcoholic when she admitted to helping Armstrong in his doping scheme (Macur, 2013c, B13).

Armstrong took advantage of a variety of public forums to declare his innocence. While on the victor's stand at the 2005 Tour de France (the last of his seven Tour triumphs), Armstrong took this shot at his doubters: "I'll say to the people who don't believe in cycling, the cynics and the skeptics, I am sorry for you. I'm sorry that you can't dream big. I'm sorry you don't believe in miracles" (Macur, 2013a, B15). In a Nike television commercial, Armstrong told viewers: "Everybody wants to know what I'm on. What am I on? I'm on my bike, busting my ass six hours a day. What are you on?" (Macur, 2014, 168). When he returned to competition in 2009, Nike broadcast another commercial with Armstrong declaring: "The critics say I'm arrogant. A dooper. Washed up. A fraud. That I couldn't let it go. They can say whatever they want. I'm not back on my bike for them" (Macur, 2014, 299).

In 2012, the United States Anti-Doping Agency (USADA) conducted a thorough investigation of the doping allegations against Armstrong. Largely based on testimony of fellow team riders, the USADA banned Armstrong from cycling and stripped him of his Tour de France titles and every other award he had won from 1998 onward. He was also prohibited from participating in other sports, such as marathons and triathlons, that follow the World Anti-Doping Code. According to the head of the USADA, Armstrong's cycling team ran "the most sophisticated, organized and professionalized doping scheme in the history of cycling" (Macur, 2013b, B11).

Armstrong stepped down as chair of his foundation and decided to apologize during a televised interview with Oprah Winfrey in early 2013. During the interview, he confessed to doping during his seven Tour de France victories by using blood transfusions, cortisone, human growth hormone, steroids, testosterone, and EPO (an endurance-boosting drug). He maintained that he did not dope when he returned to the Tour de France in 2009 and 2010 and declined to name others who were involved in his doping efforts. He acknowledged that he would not have won the Tour de France without cheating. At one point, he told his supporters: "I lied to you, and I'm sorry. I am committed to spending as long as I have to make amends, knowing full well I won't get very many [fans] back" ("Lance Armstrong & Oprah Winfrey," 2013).

Reaction to Armstrong's apology confirms that he is not likely to win back many of his previous supporters. He was roundly criticized in the media, with some observers using the term "sociopath" to explain why Armstrong was unable to express deep remorse. Viewership dropped from 3.2 million viewers to 1.8 million viewers between the first and second installments of the apology interview. Armstrong has largely disappeared from public view since his confession (Albergotti & O'Connell, 2013).

Armstrong's apology was far from complete, falling short on each of the four elements of ethical apologies identified by Lazare (2004). To begin, the cyclist failed to acknowledge the extent of his illegal behavior, thus minimizing his offenses. While he offered details of his transgressions between 1998 and 2005,

he claimed to have stopped cheating before returning to compete in the Tour de France in 2009 and 2010. Cynics argue that he did not admit to doping upon his return because the statute of limitations for criminal fraud had not run out. During the interview, Armstrong denied offering a bribe to the International Cycling Federation to convince it to squash the results of a positive drug test. He also refused to discuss his alleged hospital doping confession.

Armstrong rejected the USADA claim that he directed a sophisticated doping scheme. His teammates claim otherwise. They say it was Armstrong who bullied reluctant riders into participating, secretly paid for the drugs and treatments, flew in doctors, and orchestrated the cover-up. Armstrong called his approach “very conservative, very risk-averse” when compared to the doping program of the East Germans, who systematically drugged thousands of swimmers, sprinters, weight lifters, and other athletes participating in the Olympics and other international competitions in the 1970s and 1980s. (“Lance Armstrong’s Interview,” 2013). However, Floyd Landis (who was stripped of his 2006 Tour de France title for using testosterone) testified that Armstrong and the U.S. Postal team went to great lengths to hide their blood transfusions. Months before the race, blood was drawn from the racers and refrigerated. Every few weeks leading up to the race, doctors would draw more blood and re-infuse the old blood back into the riders, keeping them fresh during their training regimen. During the race, bags of blood were smuggled into France in a camper and transported by motorcycles equipped with refrigerated panniers. Transfusions took place in a hotel room guarded by security personnel and during a “staged” breakdown of the team bus (Abergotti & O’Connell, 2013; Longman, 2012).

During his conversation with Winfrey (“Lance Armstrong’s Interview,” 2013), Armstrong appeared remorseful at some points but less so at others. He hinted that his USADA punishment was excessive and unfair. He appeared to smirk when speaking directly to Betsy Andreu. In an ill-considered attempt at humor, he said, “I called you [Andreu] ‘crazy,’ I called you a ‘bitch,’ I called you all those things, but I never called you ‘fat.’” Andreu called the interview a “train wreck,” noting, “It’s like telling the truth and being contrite are something new to him”

(Macur, 2013c, D2). At one point, the disgraced cyclist seemed more concerned about losing endorsements (\$75 million) than in the harm he caused the legion of cancer victims and American citizens who believed in him. Macur (2013h) noted: “Armstrong failed to offer his fans what they were seeking: genuine contrition. For a few minutes here and there, he seemed sorry, but only about being caught” (B10). His expression of shame and humility seemed woefully inadequate given the length and magnitude of his deception, the vehemence of his earlier denials, and his betrayal of millions of fans and cancer victims.

Armstrong’s explanation for his behavior was also suspect. He asserted that he acted under a unique set of circumstances, saying that at the time he cheated, doping was an integral part of the cycling culture, like putting air in his bike tires. He did not think he could win without cheating and didn’t feel any guilt for doing so. Armstrong admitted to being a bully and blamed his behavior on a “ruthless desire to win at all costs” (Lance Armstrong’s Interview, 2013).

While Armstrong vowed to make amends (reparations) during the Winfrey TV interview, he had not done so as of 2014. Armstrong and his attorney assert that he should not have to repay the U.S. Postal Service (USPS) any of its \$30 million in sponsorship money because the USPS “benefited tremendously” from its association with the cyclist (Macur, 2013d). He faces several lawsuits, including one charging that he defrauded taxpayers, that could cost him over \$136 million in damages. Armstrong refused to meet with the USADA to identify others who helped him cheat, even though he said he wanted to help clean up the sport of cycling (Macur, 2013d, 2013e, 2013f).

Legal concerns and a desire to protect his friends were factors that prevented Armstrong from offering a more complete apology, one that admitted the full extent of his guilt and the harm he caused. However, poor character also played a role. The same traits that got Armstrong into trouble—arrogance, competitiveness, his desire for control, narcissism, and greed—apparently made it impossible for him to take full responsibility. As a result, his victims were victimized again. This is particularly true for cancer survivors who looked to Armstrong as a role model and drew inspiration from his story. Fewer cancer

patients will now receive help through the Livestrong Foundation. Nike discontinued its Livestrong clothing brand, which had been licensed to the firm by the foundation. The athletic apparel manufacturer then cut off its contributions to the organization, as did Oakley, Radio Shack, Giro, Trek, and other corporations, forcing the charity to scale back its operations (Elson & Pilon, 2013; Macur, 2013g). Revenue dropped 22 percent between 2011 and 2012 (“Lance Armstrong’s Livestrong Charity,” 2013). Had he been forthright, Armstrong might have lessened the damage to Livestrong.

A morally satisfying apology could have been an important first step in Armstrong’s redemption. Americans seem willing to forgive public figures that confess their sins. NFL quarterback Michael Vick is a case in point. Vick was jailed for his involvement in a dog-fighting ring in which poorly performing animals were electrocuted, drowned, and hung. Like Armstrong, Vick lost millions in endorsements and was banned from his sport. However, unlike Armstrong, he accepted full responsibility for his actions, expressed regret, and then offered reparations. Vick spent \$1 million to rehabilitate dogs at his kennel and became an anti-dog-fighting spokesperson for the Humane Society of the United States. He rejoined the NFL, signing a multimillion-dollar contract with the Philadelphia Eagles (“Apologetic Vick,” 2007; “Michael Vick and the HSUS’s work,” 2014). Former South Carolina Governor Mark Sanford left office in disgrace after lying about an extramarital affair. (He once told constituents he was walking the Appalachian Trail when he was actually visiting his Argentinean mistress.) Sanford apologized to everyone from family and friends to “anybody who lives in South Carolina” in public appearances, meetings, and a newspaper column. He was then reelected to his old Congressional seat in 2013 (Associated Press, 2013).

### **Mary Barra: General Motors Defective Switch Apology**

General Motors (GM) is one of the Big Three U.S. automotive manufacturers along with Ford and Chrysler. Founded in 1908 by Billy Durant, the company has been an icon of American business for over 100 years, with such product lines as

Chevrolet, GMC, Oldsmobile, Pontiac, and Cadillac. International holdings include Opel, Holden, SGMW, and others. Additionally, the company has a financial component (General Motors Financial Company) that provides automotive loans. GM currently employs more than 212,000 employees in almost 400 locations (General Motors, 2014a). In 2013, the firm earned \$3.8 billion on revenues of \$155.4 billion (General Motors, 2014b).

In 2008, GM, burdened by high labor and pension costs and shrinking sales, declared bankruptcy and received a \$49.5-billion government bailout. The government lost \$11.2 billion after the U.S. Department of the Treasury sold its final shares of the company in 2013 (Frizell, 2014). Mary Barra became GM's CEO in January 2014.

Barra faced a major crisis immediately after becoming GM's leader. The company issued a recall for 2.6 million Chevy Cobalts, Saturn Ions, and other models equipped with a faulty ignition switch. The switch would turn to the accessory position or to the off position if accidentally bumped or pulled down by the weight of a key chain. When this happened, the engine, power brakes, and power steering shut down and the airbags were disabled. At least 13 deaths have been attributed to this faulty switch.

According to internal documents, GM first learned about possible problems with the switch in 2001. The switch manufacturer, Delphi, told GM officials in 2002 that the part did not meet specifications (Ivory, Ruiz & Vlastic, 2014; Wald, 2014). In 2006, two engineers ordered that a replacement part be substituted for the original switch, but didn't change the part number, thus disguising the defect. In May 2009, company engineers met and concluded that the switch was faulty, but the firm didn't issue a recall. Instead, GM issued dealer service bulletins, which are much cheaper than recalls but are not designed to address serious safety issues. At the same time, company representatives told victims' families and customers that there wasn't enough evidence to establish that the switch was defective. In some cases, GM lawyers threatened victims' families or reached settlements that forced claimants to keep silent (Stout, Vlastic, Ivory, & Ruiz,

2014). The cost of replacing the part would have been less than \$1.00 per vehicle (Lauener, 2014).

After GM finally issued the ignition switch recall in February 2014, Barra offered an apology for the safety scandal, which she repeated during her testimony on Capitol Hill. She stated in part:

Today's GM will do the right thing. That begins with my sincere apologies to everyone who has been affected by this recall, especially the families and friends of those who lost their lives or were injured. I am deeply sorry. (Healey, 2014, "Testimony," 1)

She announced the appointment of former U.S. Attorney Anton Valukas to conduct an internal investigation and selected Kenneth Feinberg (who headed up the September 11th Victim Compensation Fund) to oversee the firm's compensation program. In addition, Barra created a "product integrity group" focused on safety, made it easier to employees to report safety problems, increased the number of investigators assigned to analyze safety data, and suspended the two engineers who approved the part switch without changing the part numbers (Priddle & Bomey, 2014; Vlastic, 2014).

Barra's apology clearly falls short based on Lazare's (2004) framework. The apology was vague and did not clearly acknowledge everyone affected by the safety scandal. In addition to the friends and families of those killed or injured, hundreds of thousands of other customers and those sharing the road were also put at risk. Barra failed to specify the responsible parties at GM or the firm's offensive behaviors and attitudes, which include deception, delay, bullying, arrogance, callousness, and greed. In fact, Barra continued to distance herself and GM by repeatedly emphasizing that the scandal took place at the "Old GM" that existed prior to her tenure as CEO.

As soon as I learned about the problem, we acted without hesitation. We told the world we had a problem that needed to be fixed. We did so because whatever mistakes were made in the past, we will not shirk from our responsibilities now and in the future. Today's GM will do the right thing. (Healey, 2014, para. 7)

At another point, she told Congressional representatives that failing to recall dangerous cars was "not the way we do business in the New GM" (Lauener,

2014, para. 5). Nevertheless, Barra, a second-generation GM employee, played an important role in the “Old GM” as vice president of global product development before being promoted to CEO. Additionally, GM claims that the 2009 bankruptcy proceedings protect it from lawsuits filed after that date. By using the 2009 bankruptcy as a way to protect itself, there was a clear message that the apology was more of a legal or business maneuver than it was truly remorseful, the second component of a good apology (Lazare, 2004).

Barra’s explanation for what happened was incomplete. Throughout her Congressional testimony, she offered few reasons for why the company waited over a decade to issue a recall. “Sitting here today, “ she testified, “ I cannot tell you why it took years for a safety defect to be announced that (small car) program, but I can tell you that we will find out” (Healey, 2014, para. 1). She explained to the senators present that the legal and engineering divisions didn’t share information with each other that might have produced an earlier recall.

Barra also offered little in the way of reparations to “make it right” with those who had been damaged. She suggested that the company might consider paying damages to victims who were injured prior to 2009. However, in the interim, lawyers at GM continued to stave off lawsuits. Its legal team opposed a motion to force the company to notify the 2.6-million car owners affected by this recall to leave their cars off the road until the problem had been fixed. GM prevailed and was not compelled to make this advisory statement (Dickerson, 2014; Wald, 2014).

Barra’s apology did little to satisfy critics and victims. Congressional representatives were highly critical of GM and Barra’s testimony. A number of them suggested that the firm should face criminal prosecution for concealing information about a fatal safety problem. U.S. Senator Claire McCaskill (D- Mo.) took issue with Barra’s claim that the company had left behind its “culture of cover-up” (Vlasic & Wald, 2014, B1). Senator Barbara Boxer from California blamed the CEO for not knowing about the problem, arguing that “something is very strange that such a top employee would know nothing.” (Vlasic & Wald, 2014, B1). Boxer pointed out that, despite changes at the company, it was still

responsible for past failures. Family members wanted more than a formal apology. They met with Barra after her testimony to urge her to tell owners to immediately park their Cobalts and Ions. Barra refused. “I requested she park the vehicles,” said the mother of a 2005 crash victim, “and (Barra) said that as long as there was only one key on the chain, the car was perfectly safe” (Liberto, 2014, para. 6). The Securities and Exchange Commission (SEC) launched an investigation to determine if GM failed to disclose the switch problem when it filed for bankruptcy protection.

As with individuals, people seem willing to forgive organizations if their representatives are sincere, acknowledge their offenses, communicate clearly and offer reparations. Netflix CEO Reed Hastings’ apology to customers for raising prices seems to have helped his firm recover and become profitable. JetBlue CEO David Needleman’s 2011 apology to stranded passengers helped convince consumers to continue to fly with the airline. By failing to offer a morally satisfying apology, GM’s Barra further damaged victims; an important social contract (in this case, a “safety contract”) remains broken. Society expects that car manufacturers will do all that they can to protect the safety of customers. Barra failed to reassure the public that her company takes this duty seriously.

## **Implications**

Leaders who seek forgiveness on behalf of themselves and others can gain important insights from the morally dissatisfying apologies offered by Lance Armstrong and Mary Barra. Four implications can be drawn.

First, provide a complete accounting. Armstrong did not fully admit the extent of his offenses. Barra did not detail the extent of GM’s the company’s safety failures and subsequent cover-up. She also tried to distance herself from the scandal even though she was a top-level executive during these events.

Second, match the depth of the apology to the depth of the wrongdoing. Few can match Armstrong’s hypocrisy. At the same time he led a fight against cancer, he was taking drugs that some medical experts suspect increase the chances of cancer. Not only did he engage in lies, fraud, and corruption, he bullied those

who dared to question his innocence and did his best to destroy the reputations of those who told the truth. In the end, Armstrong betrayed the faith of millions. He needed to express heartfelt, consistent remorse during the interview. Instead, he appeared to excuse some of his actions by blaming others and claiming to have suffered unjust punishment.

Barra faced the daunting task of apologizing for acts that led to deaths and injuries and may result in criminal prosecutions. Her efforts have not been up to the challenge so far. The “Old GM” put money ahead of human lives, hiding defects and substituting safety bulletins for recalls even though the cost of replacing the switch was minimal. The “New GM” seems to be demonstrating the same callous disregard for human life. A top management committee confirmed the potentially fatal switch problem at a meeting but did not direct a recall until six weeks later. GM waited two more weeks before announcing the recall for 778,000 vehicles. Eleven days later, it nearly doubled the number of cars to be fixed. There were further delays as customers waited for replacement parts (Priddle & Bomey, 2014; Stout et al., 2014).

Third, follow through on commitments. An apology is often the first step in a process that unfolds over time; those seeking forgiveness demonstrate their sincerity by taking steps to repair the damage. While Armstrong performed poorly in the interview, he might have blunted criticism had he subsequently made good on his promises. For example, he could have liquidated his assets (including his multimillion-dollar home) to settle claims with sponsors instead of battling them in court; promised to never compete again in any sport; cooperated with the USADA; met with all of his former associates to ask forgiveness; and apologized to donors for raising money for his foundation under false pretenses.

Barra took initial steps to reshape GM, but these steps were overshadowed by the legal stonewalling of the company. She could have pledged from the very start to pay restitution to those who were affected by ignition switch failures after 2009 and encouraged customers to keep their vehicles off the road until repaired. The company appeared more interested in saving money. At the same time she was trying to limit the company’s financial liability, Barra was scheduled to earn

\$14.4 million, a compensation package 59% larger than her predecessor who served under the bankruptcy agreement (Bomey, 2014).

Fourth, select the right venue for delivering an apology. Earlier in his career, Armstrong appeared on *Larry King Live* with Bob Costas to defend his honor. He returned to the celebrity interview format for his confession, perhaps because of his earlier success in this forum. However, the interview setting lessened the impact of his apology. His admission of guilt became a ratings-boosting television event starring Armstrong and Winfrey. Attention and responsibility shifted, in part, to Winfrey. Observers praised Winfrey for some of her questions, particularly at the beginning of the interview, but were disappointed about what she failed to ask him. (It should be noted that Winfrey is a friend of Armstrong.) As a consequence, they believe she shares culpability for Armstrong's failed apology because she did not prompt the cyclist to reveal all of his offenses. Armstrong would have been better served by apologizing at a formal press conference where the focus and burden of responsibility rested entirely on him. Barra apologized via newspaper ads and public appearances, but garnered the most attention through her appearance before congressional committees. She had much less control over the message in this setting. Nonetheless, she would have been more effective if she had spent less time distancing herself from GM's past and been more forthcoming in her responses to questions.

## **Conclusion**

Morally satisfying apologies fulfill important ethical obligations. To fulfill these moral demands, forgiveness-seeking attempts must acknowledge the extent of the offenses, express remorse, offer explanations, and promise reparations. Ethical leaders offer apologies for their individual transgressions (as moral people) and/or on behalf of their organizations (as moral managers). The apologies of Lance Armstrong and Mary Barra demonstrate how incomplete apologies can undermine ethical leadership. Armstrong's apology did little to atone for his failings as a moral person. He does not appear regretful for breaking the rules and demonstrates little integrity or concern for others. He has

failed to win back the trust of fans and cancer victims as a result. Barra's apology also fell short. In her role as a moral manager, she did not fully account for the company's cover-up. Despite her assurances that she has changed the moral culture of the organization, GM still appears more interested in protecting its interests than in caring for victims. Grieving families, customers, and the public feel wronged; the societal "safety contract" remains broken. Barra continues to communicate a morally mixed message to organizational insiders and outsiders alike. While proclaiming that safety is top priority, the actions of Barra and GM signal that protecting customers is not as important as protecting the bottom line.

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