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The Strategic Leader

Examining Effective Leadership Through the Two Frameworks of Authentic Leadership and Storytelling

by Julie Rasmussen© 2020

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Introduction – A Story

Mary Kathlyn Wagner was born in 1918 in the defunct spa town of Hot Wells, Texas, USA (Kohout, 2020). When she was two years old, her father became ill with tuberculosis and the family relocated to Houston's 6th ward, a declining ghetto area known for its crime and poverty (Lane, 2014). Her mother had to work fourteen hour days at her restaurant management job to support her ill husband and four children. From the age of six Mary Kathlyn was mostly on her own, going to school and spending hours at home caring for her sick father. There were many days when she did not even see her mother, but was only able to speak with her on the phone when her mother would encourage her saying "You can do it, I know you can" (1032692, 1992).

In spite of her difficult home circumstances, Mary Kathlyn was an excellent student, graduating from high school a year early with straight As and ambitions of becoming a doctor. However, with no money to pay for her tuition, she married at 17, becoming the mother of three children. When her husband returned from serving in the US military during WWII in 1943, he divorced Mary Kathlyn, leaving her to raise their three children (Encyclopedia.com, 2020).

Gifted at debate and public speaking, Mary Kathlyn rose to the top ranks of Stanley Home Products (Fuller Brush Company, 2020) before being recruited to join World Gifts as National Sales Director. During the next decade, she expanded sales to 43 states, one year increasing company sales by 53%. She was even appointed to the company's Board of Directors.

Her reward for more than ten years of service? In 1963, World Gifts took one of Mary Kathlyn's male assistants, whom she had trained, and promoted him above her, paying him twice her salary. Devastated, Mary Kathlyn quit.

Five years later, Mary Kathlyn, still with only a high school education, had become nationally known as Mary Kay, the founder of Mary Kay Cosmetics. Her company IPOed on the New York Stock Exchange (NYSE) in 1968, becoming the first publicly traded NYSE company chaired by a woman (Encyclopedia.com, 2020). More than 57 years later, Mary Kay Inc., the company she founded, sells more than \$ 3 B worth of skin care and cosmetics products in more than 40 countries. How did she achieve such a tremendous result? Mary Kay was a charismatic, transformational and visionary leader who provided value driven and uplifting leadership (Hernandez, et al., 2011) through the use of storytelling and authenticity. This story is her story.

Another Story: How I Know Mary Kay

My earliest memories of Mary Kay begin in 1969 at age four and end with her funeral in November 2001 in Dallas, Texas.¹ By the age of six, I knew Mary Kay's story by heart. The story of how she had overcome her life of hard knocks only to be betrayed by the very company for whom she had done so much. How after she retired, she sat down to write a book about how a company should be run and how women should be treated only to decide that the only thing to do was to create such company herself. How she wanted to found a company based on her own personal values of "God First, Family Second, Career Third" and "praising people to success" (1032692, 1992) (Hernandez, et al., 2011). How on the eve of sinking her life savings of \$5,000 into the opening of the company, her then husband and business partner suddenly died of a heart attack and how, with her son Richard, only 20 at the time, she decided to launch her company anyway despite the admonitions of her accountant and business advisor not to.

My mother, who joined Mary Kay in 1968, held her weekly sales meetings in our basement. I saw for myself how Mary Kay's beliefs, philosophy and personal story inspired women. In 1978,

¹ My mother was a second grade school teacher in Dallas, Texas in 1967. One of her students was chronically late for school. When my mother met with the student's mother, Sue Vickers, Sue convinced her to sign up with Mary Kay's new company. Sue was one of Mary Kay's original sales force members, joining the company less than two years after it was founded. My mother joined the company and through a 37 year career, rose to become a National Sales Director, the highest level a member of the independent sales force could achieve in the company. She created a sales unit of more than \$22 M and earned more than \$ 5 M in commissions throughout her career (Mary Kay, 2020) (1032692, 1992).

when I was 13 years old, Mary Kay was nominated for and won the prestigious Horatio Alger Award, an award given to recognize distinguished Americans who have by virtue of moral principles and perseverance, overcome adversity to achieve great success (Horatio Alger Association, 2020).

The award ceremony took place in Washington, D.C. where my family lived. Mary Kay ran a contest to recognize the Mary Kay sales force member who had the highest sales in that quarter. The prize was a personal visit from Mary Kay. Mary Kay was famous for awarding diamond rings, trips, fur coats and pink Cadillacs to her most accomplished saleswomen. A personal visit from Mary Kay was the ultimate prize that money could not buy. My mother passionately wanted Mary Kay to come to our house. Taking Mary Kay's life story of hard work as a personal example, she won that visit from Mary Kay.

The atmosphere in our house leading up to Mary Kay's arrival was like a birthday, Easter, Thanksgiving and Christmas all wrapped up into one. My mother spent the day preparing for Mary Kay's dinner visit, cooking New York Strip steaks and making salad, baked potatoes and mushrooms sautéed in butter and red wine to garnish the steaks. I will never forget the moment that Mary Kay, the Founder and Chairman of the Board of a \$100 M+ company, all by herself, dressed in her trademark heels and suit, opened the side door to our house and walked into our kitchen, just like our next door neighbor coming over to borrow a cup of sugar, except that our neighbor would have been wearing jeans and not a business suit and several thousand dollars' worth of diamond rings.

Neither will I ever forget the meetings I had with her in her office in Dallas in 1992 when I was hired by the new CEO of Mary Kay to open their operations in Russia, or the personal letters she would send me noting and recognizing all of my accomplishments, or the meetings she would have with my top sales force members from Russia, recognizing them and praising them for their achievements. I had many chances to see May Kay in her daily interactions.

Mary Kay Ash, gifted in rhetoric, public speaking and debate, was a master storyteller, communicator and influencer. Her personal stories and her ability to tell them, along with her authentic value centered leadership, define her leadership style as an inspirational, strategic, transformational, visionary and charismatic leader. Her story was so powerful and effective, it inspired not only women in capitalist America but women in Russia and China, bastions of communism. It resonated in countries as diverse as Mexico, Spain, Germany, Hong Kong, Singapore, Kazakhstan and Poland. The evidence? I saw and experienced it first hand as a key international executive for Mary Kay Inc.²

² I personally used Mary Kay's story to great effect to launch Mary Kay Cosmetics in Russia where we became the largest international subsidiary in the history of the company in five years with over \$100 M in sales and hundreds of thousands of independent Beauty Consultant sales representatives. Without Mary Kay's story, there would never have been any Mary Kay Cosmetics or the multi-billion dollar company that bears her name today.

What made her story so compelling? Her storytelling was not only authentic, being based on her own true personal experience and her own moral and ethical values (Gardner, et al., 2011), but it also contained the elements necessary *for Storytelling that Moves People* (McKee, 2003) and effectively used the framework of “Self, Us, Now” (Coleman, 2015). These two frameworks, authenticity and storytelling, are inseparable in understanding her effectiveness and are combined together and given equal weight in the analysis below.

Authentic Leadership

I use the definitions of Authentic Leadership provided by Luthans and Avolio, Avolio et al and George and Sims provided in Gardner et al’s review of the literature on this topic as the most descriptive of Mary Kay (See Appendix A). Mary Kay knew who she was, what had made her and what her personal story of hardship and perseverance was. She survived poverty, a difficult childhood, divorce and the deaths of two husbands and two of her children and yet remained “confident, hopeful, optimistic, resilient, transparent, moral/ethical [and] future oriented” (Luthans & Avolio, 2003) (Mary Kay, 1965-1999) She “[gave] priority to developing associates into leaders themselves,” praising and recognizing her followers on stage in front of thousands, telling them that they could do whatever they set their minds to (Mary Kay, 1965-1999) (Luthans & Avolio, 2003).

She was more concerned about inspiring, developing and serving others by helping them to achieve success than she was about her own success or recognition (George & Sims, 2007; Mary Kay, 1965-1999). Through the career path she designed that enabled women to self-promote themselves through the levels of Team Leader, Director, Senior Directors, Executive Senior Director and National Sales Director based solely on the results they produced, Mary Kay created followers in her own image that were leaders in their own right (Mary Kay, 1965-1999) (1032692, 1992). She told her story on stage in front of thousands “to motivate [them] to high levels of performance” (George & Sims, 2007) saying to them as her mother had to her “you can do it” (Mary Kay, 1965-1999). She ignored the advice of her accountant not to open her business after the death of her business partner husband but made her own decision and “went her own way,” opening the company anyway (George & Sims, 2007) (1032692, 1992).

She founded her company on her own personal values of “God First, Family Second, Career Third,” and “praising people to success. (Mary Kay, 1965-1999) and did not allow drinking or smoking at any company events because those behaviors did not correspond with her personal moral values (Mary Kay, 1965-1999). She truly cared about those that she led, saying “You can love people without leading them, but you cannot lead people without loving them” and that to her P&L didn’t mean “Profit and Loss” but “People and Love” (Mary Kay, 1965-1999). With the help of her staff, she wrote personal letters to everyone she met and everyone she wanted to inspire. She remembered their names, their birthdays and their husbands and children’s names (1032692, 1992). Through these behaviors, she created lasting relationships of “trust and developed genuine connections with others” (George & Sims, 2007). She “[did] not try to coerce or even rationally persuade associates, but rather [her]... authentic values, beliefs, and

behaviors serve(d) to model the development of associates” (Luthans & Avolio, 2003, p. 243). As a woman working in American in the 1960s, she was very “aware of the context in which [she operated]” and was “confident, helpful, resilient, and of high moral character” (Avolio, et al., 2004).

Authentic Storytelling that “Moves People”³

As outlined by John Coleman in *Motivating People: Use Storytelling to Explain Your Company’s Purpose* (Coleman, 2015), Mary Kay was an expert at using the framework “Self, Us, Now” as well the elements outlined by Robert McKee in *Storytelling that Moves People* (McKee, 2003).

Self

She had a personal purpose born of her own self and her own life experiences. You could not learn about Mary Kay Cosmetics without knowing that the purpose of the company was to help women. This desire was born out of Mary Kay’s own experiences of being denied opportunities because she was a woman. She linked her motivations to her mission and connected it through story to the millions of women that she sought to inspire (Coleman, 2015; Mary Kay, 1965-1999). Her story was a “real story of self,” born of self-awareness, her own past experiences and honest communication of those difficult times in the past, including the parts that were “embarrassing and imperfect” like not being able to afford to pay for medical school or being passed over for promotion in favor of a young man. As described by McKee, she “positioned the problems in the foreground and then show(ed) how (she) overcame them” (McKee, 2003)⁴ i.e., by creating her own company.

Us

She connected her values of determination, hope and perseverance “with the broader shared values of the audience” (Coleman, 2015) as well as their dreams and aspirations. Every woman she spoke to could relate to her story of not being appreciated, not receiving equal pay for equal work, having to balance the demands of family with those of personal fulfillment and a desire to have a meaningful career. The 1960s was a time of ferment in American Society and is seen as the “second wave” of the women’s rights or women’s liberation movement (Burkett, 2020).⁵ Mary Kay tapped into the zeitgeist of this era and her own life experiences were a stark

³ (McKee, 2003)

⁴ She also had a “life experience” that McKee noted in “gifted film directors”: the pain of childhood (McKee, 2003).

⁵ The same year that Mary Kay started her company saw the publication of *The Feminine Mystique* by Betty Friedan, a best-selling book that raised the issues of “boredom and lack of fulfillment” faced by women trapped in confining domestic roles. The National Organization of Women (NOW) was formed to lobby for progress on women’s rights such as “enforcement of laws banning employment discrimination; maternity leave rights; child-

illustration of the discrimination that women faced. She employed the classic techniques of transformational and charismatic leaders, using stories to give pep talks centering around the mantra of “you can do it” and “the sky is the limit” using her own life experiences to instill enthusiasm, appeal to her audience’s emotions and make women “feel proud of their accomplishments” (Hernandez, et al., 2011).

Now

Mary Kay offered an immediate solution and call to action: join her company. She offered women encouragement, recognition and support as well as a career opportunity in which they would be not only be recognized and paid for their achievements but rewarded as well with trips, prizes and pay equal to what they had produced and earned.

And it was effective. By 1979 there were over 50,000 independent sales representatives in the US and in 2000, Mary Kay was named “The Most Outstanding Woman in Business in the 20th Century” by Lifetime Television (Biography.com, 2020).

Critique - The Trap of Authenticity

Of course, at the end of the day Mary Kay was not a saint, but merely a human and like all of us had human flaws. As the women’s rights movement opened up more and more opportunities for women, the career opportunity that Mary Kay offered was no longer unique but had competition. Eventually, the company’s sales began to falter.

Mary Kay’s personal brand, personality and personal style of leadership were so strong that many of her corporate employees began to confuse the looks of their skincare and cosmetic products with the core values of Mary Kay herself. The products started not only to look dated but were dated. In many cases formulas had not been updated for years and the particular color of pink of the lipstick compacts and the pink Cadillacs was more reminiscent of Pepto Bismol than beauty and fashion. Women wanted to be able to wear more than just high heels and skirts in their professional lives and needed products that were more modern and contemporary.

When I visited corporate headquarters in 1992, the average tenure of corporate employees was more than 14 years. Mary Kay was consistently voted one of the 100 best places to work in America but Mary Kay’s benevolent grandmotherly approach made employees not only very protective of her, but complacent about change and innovation. Any suggestion of change created the fear of a threat to Mary Kay’s Intrinsic self or the core values of the company. Executives were afraid to undermine or disrespect MK by changing anything and in fact, were so invested in and committed to the mythological aspects of Mary Kay’s story, that they

care centres that could enable mothers to work; tax deductions for child-care expenses; equal and unsegregated education; and equal job-training opportunities for poor women” (Burkett, 2020).

themselves became the biggest resisters to change (Kegan & Lahey, 2001; Farchi, 2020). Although at age 74 Mary Kay was no longer involved in the active day to day management of the company, she remained its indisputable inspirational leader.

To suggest to the marketing or product development team that perhaps a new lighter color of pink might be more appealing or that an update to the career apparel was in order was akin to high treason. Staff associated anything to do with Mary Kay as sacrosanct, confusing her vision and mission of helping women with that spring's lipstick colors.

It took a new CEO, hired in 1990 to turn the company around and grow it from \$600 M in annual sales to more than \$1.6 B over the next decade. He helped the company identify that its vision was not "making pink compacts" or "insisting that women wear skirts" but rather "Enriching the Lives of Women" (Rochon, 1992) (Whatley, 1996).

Although professional personal image consultants were hired to work with Mary Kay to update her image, changing her make-up and hairstyle to a more contemporary fashion, Mary Kay was not open to this change, preferring to keep the styles that had worked for her for years. By the time she was almost 80 years old, she had regressed from being a "high self-monitor...able and willing to adapt to the demands of a situation without feeling fake" to a "true to selfer...expressing what [she] really thinks and feels even when it runs counter to situational demands" (Ibarra, 2015).

Conclusion

At 80 years of age, one can hardly blame Mary Kay, a self-made women who created a billion dollar plus company for "stick(ing) too long with comfortable behavior that prevent(ed) [her] from meeting new requirements instead of evolving [her] style" (Ibarra, 2015). Her story had become so mythologized that it had become a legend. It would have been hard for her to change it even if she wanted to. Fortunately for the company, she realized the need to turn its management over to a new generation and did so graciously and supportively, continuing to serve as the inspirational leader to her salesforce but no longer actively participating in setting the strategic direction or appearing on stage at the annual sales seminar in Dallas.

When Mary Kay heard that I had been hired to open up Mary Kay in Russia, she requested that I come meet with her in her office. She told me that she regretted not promoting more women internally in corporate management. She told me that she had always been so focused on promoting and inspiring her sales leaders that she had neglected to pay enough attention to that side of the business but that she saw in me a new generation of leadership, one that would focus on promoting women in all areas of the business. And with that message ringing in my ears, I realized that it was time to catch a taxi and head to the airport for my flight to Moscow.

Appendix A – Definitions of Authentic Leadership

From Luthans & Avolio:

“The authentic leader is confident, hopeful, optimistic, resilient, transparent, moral/ethical, future oriented and gives priority to developing associates into leaders themselves. The authentic leader does not try to coerce or even rationally persuade associates, but rather the leader’s authentic values, beliefs, and behaviors serve to model the development of associates.” (Luthans & Avolio, 2003, p. 243)

From Avolio et al

“Authentic leaders are ‘those individuals who know who they are, what they think and behave and are perceived by others as being aware of their own and others’ values/moral perspective; knowledge and strengths; aware of the context in which they operate; and who are confident, helpful, resilient, and of high moral character.’” (Avolio, et al., 2004, p. 4)

From George & Sims:

“Authentic leaders are “genuine people who are true to themselves and to what they believe in. They engender trust and develop genuine connections with others. Because people trust them, they are able to motivate others to high levels of performance. Rather than letting the expectations of other people guide them, they are prepared to be their own person and go their own way. As they develop as authentic leaders, they are more concerned about serving others than they are about their own success or recognition.” (George & Sims, 2007, p. xxxi).

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