An Examination of Leader Portrayals in the U.S. Business Press Following the Landmark Scandals of the Early 21st Century

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ABSTRACT. Following the landmark corporate scandals of the early 21st century, there appeared to be a tremendous increase in the U.S. business media’s emphasis on issues of ethics in corporate leadership. The purpose of this research was to examine whether that apparent increase was reflected in an actual change in that media’s portrayals of successful leaders. We content analyzed the text of a total of 180 articles in Business Week, Fortune, and Forbes magazines, 90 from the five years preceding the landmark scandals and 90 from the five years following the scandals. We found no evidence that the landmark scandals had any impact on the media’s incorporation of ethics in their portrayals of leaders. We attribute this substantially to the persistence of a worldview in the U.S. business press that emphasizes leader traits and actions that have a direct impact on corporate profits. Additionally, we found some interesting consistencies and differences in media portrayals across the two time periods, likely related to the rise and fall of dot-com businesses. We discuss the implications of these findings for researchers and corporate leaders.

KEY WORDS: business media, corporate leadership, corporate scandals, Enron, ethical leadership, media agenda-setting, media framing

Introduction

In the past few years corporate America has witnessed what Rockness and Rockness (2005: 31) described as "...the largest dollar level of fraud, accounting manipulations and unethical behavior in corporate history." The size and impact of the scandals at companies such as Enron and Worldcom meant that they attracted considerable attention from the U.S. business press. In the five years following Enron’s bankruptcy in late 2001, the word Enron appeared in a total of 26,799 articles in the Business Source Premier database after having appeared only 3,924 times in the five years before that. And in that same database, Worldcom was mentioned 6,656 times between January 1996 and December 2000, and 12,490 times between January 2001 and December 2005.

As the U.S. business press presented its interpretations of and reactions to these landmark scandals, much of their focus was on the leadership of the companies, and in particular, on the role of personal ethics (or lack thereof) in the actions of leaders. As Table I indicates, in the five years before the Enron bankruptcy only 15 articles appeared in the Business Source Premier database that included the words Enron, ethics, and leadership; in the next five years,