

# Leadership in Cinema



Wildland Fire Leadership Development Program

(Partnership with Drexel University's LeBow College of Business students

<http://www.lebow.drexel.edu/index.php>)

## *Wall Street*

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Phone: 571-439-0034

Studio: Fox ..... Released: 1987

Genre: Biography/ Drama/ Action ..... Audience Rating: R

Runtime: 177 minutes

### **Objective:**

Students will discuss and provide examples in order to display the various leadership theories illustrated within the film. The following issues discuss leadership lessons learned. The Movie and its examples are provided to educate the reader about the Leadership styles within movies, specifically *Wall Street*.

### **Basic Plot:**

Bud Fox (A *Wall Street* broker in N.Y) is highly ambitious and determined to get to the top. Working at his firm during the day, he awaits until his spare time to work on an angle with the highly powerful and successful broker Gordon Gekko. Taking Gekko's advice of "Greed is Good". Fox soon finds himself in a world of "yuppies", shady business deals, the "good life", fast money and fast women. This was not the way of life for Bud Fox. Gekko's estranged personality and ruthless greed pushes Bud Fox to begin retrieving insider information from the airline company in which his father works for. Their illegal scheme and company stock purchases can only do so well. Nothing could stop Mr. Fox from looking up to Gekko, but how far could this life really go? We find out soon that "what goes up, must come down" strongly influences the plot and how the destructive events begin to unfold.

## Cast of Main Characters

Michael Douglas .....	Gordon Gekko
Charlie Sheen .....	Bud Fox
Daryl Hannah .....	Darien Taylor
Martin Sheen .....	Carl Fox
Hal Holbrook .....	Lou Mannheim
Sean Young .....	Katherine Gekko
John C. McGinley .....	Marvin
Terence Stamp .....	Sir Lawrence Wildman
James Spader .....	Roger Barnes
Sean Stone .....	Rudy Gekko
James Karen .....	Lynch
Frank Adonis .....	Charlie
Franklin Cover .....	Dan
Tamara Tunie .....	Carolyn
Saul Rubinek .....	Harold Salt

## Part One: Kirkpatrick and Locke Traits in *Wall Street*

*Wall Street* contains many leaders, from ethical union bosses to power-hungry investors. Many triumph or fail because of the traits they have. Our protagonist, Bud Fox, has some leadership traits, but initially fails for lack of others, which, by the end of the film, he acquires. More static characters, like his father, are a compass for positive leadership traits. Mr. Gekko, our main antagonist, is brilliant in his narrow set of skills, but lacks things like honesty and integrity, because he has a personalized power motive instead of a socialized power motive. Bud Fox moves from the former to the latter throughout the film as a result of his underlying character traits and the painful lessons he learns from losing his father's respect, his girlfriend's love and, ultimately, his financial success.

### Drive

Both are relentlessly tenacious, like when Bud goes to stalker-like lengths to get an audience with Mr. Gekko. Bud takes the initiative not only to show up out of the blue, but he has the ambition to plan it out beforehand, with a computer reminder and a gift prepared for the moment. Mr. Gekko even says to Bud at one point that his picture should in the dictionary next to persistence.

## Cognitive Ability and Subject Knowledge

There's no doubt that both Bud Fox and Mr. Gekko have cognitive ability and subject knowledge. They know enough to locate potential sources of money, and both are good at negotiating with people whose loyalty they're good at winning. Bud understands the ins and outs not only of his investing but even the industries in which he invests- advising his father and crafting a business austerity plan that will in turn reverse the fortunes of stockholders.

## Charisma and Self-Confidence

Both also have charisma. Bud charms his way past Mr. Gekko's secretary, just as he charms his own secretary as a matter of course. Bud and Gekko are excellent schmoozer's, showering friends with gifts and honeyed conversation. Gekko actually calls Bud out on his charade when Bud asserts that Gekko is "with a winner", because they're just so in the same manipulative game that it's pointless to keep the tricks up around each other. Neither appears to lack self-confidence, although Kirkpatrick and Locke would assert that those with a personalized power motive are actually profoundly insecure- a message ingrained in the movie. For example, early on we see Mr. Gekko declare that "love is a thing the weak made up" to distract themselves from material affectations of confidence, a priority, Kirkpatrick and Locke say, of those who want power to mask their own feelings of helplessness.

## Power-Centric Motives versus Socialized Motives

One of Bud's mentors is his manager Lou, who tells him as he first begins to descend into insider training that "you can't be a little bit pregnant", meaning, "you can't be a little bit guilty". In this, Lou is the early voice of integrity. And, in fact, at the end of the movie, he asserts his overarching lesson that "man stares into the abyss and finds his character", that is, at the chance of fulfilling his selfish desires, would Bud remain ethical? The answer ends up being yes, but somewhat too late. Lou is the picture of someone within the buying and selling game who nonetheless had the mental fortitude to resist cheating the system for personal gain.

Bud's father tries to teach him honesty by offering him real, productive jobs, instead of being "a born liar" as a "buyer and seller". Bud's father recognizes his son's flaw absolutely, but might lack the flexibility, the compassion, to communicate it to his son. Greed, contrary to what Mr. Gekko proclaimed, was not good, for him or Bud. But it wasn't necessarily the dirty-hands and clean soul logic of his father that would have saved Bud from himself. Rather, he needed a message more like Lou's, which maybe he just didn't get enough of. Bud transgressed on his father's personal ethics by embracing greed, but he might have also been an ethical investor if he had simply realized that character is important to a functional system, and trust is essential in a leader or a protégé.

Ultimately, it's Bud's ethical conversion and incredible dogged tenacity that allow him to turn the table on his manipulative boss. He is willing to surrender to the authorities and subject himself to a rough time in prison just to pay his ethical debt, which allows him to flip the script on revealing Gekko's corruption. He also refuses to quit on Blue Star, winning over Gekko's main investment rival in order to engineer a conspiracy against Gekko. Even though he feels like he was played for a chump, and totally politically outmaneuvered, he still refuses to give up on his (changed) goals, and wins out in the end through sheer perspiration. His plot also shows creativity, and

again, simple subject knowledge, both of Blue Star as an industry and of the financial machinations, which in tandem, can engineer an investment coup.

Gekko fails to select and train Bud. He tries, but the one thing a subordinate/leader relationship needs is trust, and that's the one place in which Gekko fails. Ultimately his highest lieutenant does follow in his footsteps in terms of genius, skill, drive and charisma, but he also inherits his disloyalty, the ultimate weakness of a person who can't set the bar for trust because he has none. This shows the fragility of the power-centric mindset.

Another source for Bud's conversion to ethical principles from simple indulgence is his girlfriend Carolyn, who Bud ultimately alienates by refusing to believe their relationship could be anything other than the same type of mercenary contract he's used to negotiating over. All she can say when she leaves him is "I actually cared for you, you know", showing us that Bud has simply disavowed real relationships rather than admit that things could be more important than the bottom line. We see him begin to doubt himself on their apartment's balcony when he asks, "Who am I?" Ultimately it takes his father's heart attack to rock him out of his forced apathy, and this is when he finally switches from Personal Power to a Socialized Power Motive.

Bud's socialized motive comes from his friends and family, and his desire to protect their interests, rather than his own. His father might get his from the satisfaction of hard work, or respect for his community. Lou might have a more existential ethical code. For Bud, however, it's kinship that ultimately gives him principles above simple greed. This is what Kirkpatrick and Locke are talking about when they say that those who are motivated by principle rather than personal gain are capable of earning trust, and therefore loyalty, because they're static in their values, instead of erratically searching for new avenues of power. Once this last trait is in line, Bud's genius and hard work which legitimately did win him a great deal of power and influence, should presumably shine without evil shortcuts that ultimately destroy him.

## Part Two: Power and Influence in *Wall Street*

### French and Raven's Power Traits

**Objective:**

Students will review French and Raven's Power traits and use critical thinking to identify an explanation of when each trait was portrayed by characters in the movie, specifically Gordon Gekko.

Trait	Trait Definition	Character	Example/Explanation
Legitimate	The person has the right to make demands and expect obedience from others	Gekko	Gekko was a <i>Wall Street</i> Guru that was well respected in the industry. Gekko was a man who was able to "call the shots". Because of his reputation and the position he held, he had the right to tell people what to do and specifically how to get it done. When he talked, people listened just as it should be with someone who is considered to be "legendary."
Reward	The ability to compensate someone because they were loyal	Gekko	With Gekko's Position, came wealth. Once Bud starting giving Gekko inside information about companies, he was "Rewarded". Gekko gave out of many things a penthouse to Bud. He also was able to promote him and of course Bud was well paid. Gekko was able to use Rewards to influence Bud to do what he wanted.
Expert	When someone has superior skill or knowledge about one particular subject	Gekko	Gekko was a legendary man on <i>Wall Street</i> and was definitely considered an "Expert" in the industry.

Trait	Trait Definition	Character	Example/Explanation
Referent	This is the result of a person's perceived attractiveness, worthiness, and right to gain respect from others.	Gekko	Since Gekko had been known in the industry, people were drawn to him. People like Bud wanted to become as successful as Gekko was. Because of Gekko's success, it was no reason why anyone wouldn't respect him and what he did.
Coercive	Belief that someone can punish others for not being loyal	Gekko	Bud wanted to do whatever it took to see Gekko proud. Afraid of repercussions, he agreed to whatever Gekko wanted him to do. This included activities like spying on companies to get inside information.

**Conclusion:**

Gekko used all of these power traits to influence Bud to perform his “dirty work” throughout the entire movie.

## Yukl's Influence Styles

### Objective:

Students will identify which Push and Pull tactics that were imbedded in Yukl's influence styles were used by Gekko to influence Bud in the movie.

Tactic Type (Push or Pull)	Tactic	Example/Explanation
Push	Pressure	Bud had a lot of responsibility. Gekko pressured him to find out insider information he needed to make specific decisions. Without that information, money wasn't being made and Gekko was not happy.
Pull	Inspirational Appeal	Bud always looked up to Gekko before even meeting him. He aspired to be as successful as Gekko was in <i>Wall Street</i> . Because of this, Bud was easily influence to go against his father's beliefs and became successful by gaining inside information. Bud would stop at nothing to impress the one who inspired him.
Pull	Personal Appeal	Gekko was in a position that all " <i>Wall Streeter's</i> " would have loved to be in. He had the nice cars, houses and anything one could ever ask for. This appealed to others. People like Bud wanted to get close with Gekko because of who he was and the power he held.
Pull	Ingratiation	Gekko gave Bud praise when he provided information that led to more money being made. He used his position to get Bud a new corner office and gave him gifts to "praise" Bud for the good information he was extracting illegal.

### Conclusion:

Gekko used both Push and Pull tactics to influence Bud.

Ultimately, Power and Influence was portrayed throughout the entire movie. Gekko used his power to influence Bud into doing illegal activities. Bud's father didn't even believe in gaining success from *Wall Street* and insider trading. Gekko was able to get Gekko passed that hurdle and influence him to get the information he needed to make decisions.

## Part Three: Wildland Fire Values and Principles in *Wall Street*

### Duty Examples and Clip Usage

#### **Gordon Gekko**

- Be proficient in your job, both technically and as a leader - Gordon Gekko thought of a plan, conveyed it to Bud Fox and had him complete the plan. The plan was for Fox to spy on the very successful British CEO Sir Lawrence Wildman and find out his next business move. Even though the plan was illegal due to it being inside information, Gekko still got Fox to do it and Fox succeeded. Through following and spying on Wildman, Fox discovered he was attempting to buy a steel company. After then buying many shares of the steel company before it is bought, Gekko made a fortune from that plan.  
<http://www.youtube.com/watch?v=vUXGDk4iVfA>
- Make sound and timely decisions - Dealing with stocks and bonds, making sound and timely decisions is very important in order to be successful. Gekko made a great decision in the short run by bringing in Fox as his apprentice. While being one of Fox's clients, Gekko made even more millions. He could have easily shot down Fox's offers, but instead gave him a legitimate chance, listened to him, and watched him become successful. Gekko made millions off of a young junior stockbroker who was nobody.
- Ensure that tasks are understood, supervised, and accomplished – The biggest example of this is once again Gekko's plan for Fox to spy on British CEO Sir Lawrence Wildman. Throughout the movie, the tasks are understood, supervised, and accomplished, even though they are mostly all illegal with inside information and trading. Gekko rewards Fox with positive feedback with his “perks” such as a beautiful girlfriend, a luxurious penthouse, and more money than he ever thought he would have.
- Develop your subordinates for the future – Gekko gives Fox much advice throughout the movie. One bit of advice he gives him is how the people who succeed are the “Poor and hungry” over the Harvard MBA's. Another bit of advice Gekko gives Fox is to be more cutthroat with a killer instinct. The most famous bit of advice and speech from this movie is the “Greed is good” speech. These bits of advice delegate the tasks for Fox to do aggressively and really step out the box for.

[http://www.youtube.com/watch?v=PF\\_iorX\\_MAw](http://www.youtube.com/watch?v=PF_iorX_MAw)

### Respect Examples and Clip Usage

#### **Bud Fox**

Know your subordinates and look out for their well-being. When Fox first learned of Gekko's plan to sell Bluestar Airlines which would cause his father and all the other employees to be laid

off, Fox freaked out and immediately told Gekko it was not the right thing to do. Fox would have made millions off of this plan, but instead wanted to make sure it did not happen since he was looking out for his father.

Keep your subordinates informed – Fox told his father everything that was going to happen and then devised a plan to stop it all. Fox shared the inside information to make Bluestar Airlines not worth owning forcing Gekko to sell all his shares.

Build the team – Fox knew he could not devise Gekko's plan all alone, so he had to build a team. Fox's unofficial team was all his co-workers he instructed to all buy Bluestar Airlines making it impossible for Gekko to own it.

## Integrity Examples and Clip Usage

### Carl Fox

- Know yourself and seek improvement – Fox's father, Carl Fox, was satisfied with his job as an honest, hard working employee for Bluestar Airlines. He was the head of the workers union. He always tried to convince his son, Bud, to not get caught up in the stock market game because of its high illegal and immoral activities.

<http://www.youtube.com/watch?v=QrMlzPPfDo4>

- Accept responsibly for your actions – Carl Fox told his son, Bud, that him getting caught and going to jail is probably the best thing for him to happen and learn from his mistakes.
- Set the example - Carl Fox set the example for Bud Fox his whole life. He was always there to support him, raise him and give him advice even when Bud was a struggling stockbroker with no clients. He also was the leader of the union.

## General Discussion Questions

- How could have Bud Fox been more responsible in dealing with Gordon Gekko at first instead of using inside information such as spying on British CEO Wildman?
- Who was the best leader out of Gekko, Bud Fox, and Carl Fox? Why
- Explain how duty, integrity and respect play a pivotal role in the plot of *Wall Street*.
- Even though both Gekko and Fox went to jail, were they role models in working hard and harder than anyone else?
- Do you think Bud Fox would have gone through with the Bluestar Airline plan if his father were not an employee?
- How are both Fox's and Gekko's morals compromised throughout the film?

## Part Four: Transformational Leadership in *Wall Street*

Both Carl Fox and Gordon Gekko are transformational leaders who exemplify honor and greed, respectively.

### Developing the Vision:

In *Wall Street* Bud Fox leads a monotonous life, where he spends his days cold calling potential customers, and scraping the bottom of the barrel to make ends meet. He yearns for a more successful and exciting lifestyle, which he can only dream of, while sitting bleary eyed at his computer screen, day in and day out. He admires Gordon Gekko, an “elephant” in the trading world. He’s amassed a large private fortune, hob-knobs with the rich and powerful, and is the sincere manifestation of Bud’s hopes and dreams.

The vision that has been created for Bud is one of endless excess, cars, money, women- the lifestyle Bud has craved his entire life. Gordon has created this for Bud, but first he must prove his worth to Gordon, before he can partake in this lifestyle of luxury.

### Selling the Vision:

After having gotten his foot in the door with a box of cigars on Gordon’s birthday, Bud is foaming at the mouth for any opportunity to prove his value to Gekko, and begin making a name for himself.

After his father discloses the future of a large pending lawsuit against Bluestar Airlines, Bud hands the information over to Gordon, which puts Bud in Gekko’s good graces. This is where Gordon sells the lifestyle Bud has been dying to live. Gordon insists he get a new suit, gives him a large sum of money to start “playing with”, and even has a girl sent to his apartment in the middle of the night. The vision of a lavish lifestyle is at the tips of his fingertips, and all Gekko needs to do is wait, as Bud savors every second of his first rewards.

### Finding the Way Forward:

The first lesson Gordon teaches Bud is that one should never get emotional about stock, as it “clouds one’s judgment” about the repercussions. He goes on to elude that jobs, careers, companies, it all doesn’t mean anything emotional, and that is how the world of trading works. “Greed is good” is the core of Gekko’s vision, where all ends justify the means. And as Bud spends more time being surrounded by the rich and powerful, he becomes addicted to living this way, and will do whatever it takes to stay there.

In stark contrast, Bud’s father Carl, believes in “a hard days’ work”, a lifestyle of few frills, but more honor and integrity. Carl leads his union group the same way. He doesn’t cut corners and he never takes the easy way out. Throughout the film, Bud is being “led” by Gekko, and loses sight of his honest upbringing. Eventually, Bud and his father’s interests conflict about the takeover of Bluestar Airlines. Although it takes nearly destroying Bluestar Airlines, and getting arrested for insider trading for Bud to see the error of his ways, he does what is right in the end, and becomes an informant for the FBI. Although Bud may go to jail, he owns up to what he has done, and takes the high road, the road that led throughout the film by his father.

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Additional training can be seen and used at

<http://www.youtube.com/watch?v=rrdx-YPzApc&feature=youtu.be>