1

THE DARK SIDE OF LEADERSHIP STORYTELLING

Betraying Stakeholder Trust

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Introduction: Defining the Dark Side

What do we mean by the "dark side" of leadership storytelling? Conger (1990) defines the dark side of leadership as emerging from excessive narcissism, ego defensiveness, and manipulative impression management. When executive charisma dominates systems thinking and external performance metrics outweigh intrinsic human values, the leadership ethos collapses into spectacles of external shows with little real-world substance. As Kets de Vries (2014) warns, unchecked executive ego and systemic overvaluation of extrinsic measures—such as stock price and market confidence—lead to reactive cultures defined by fear, silence, and performance fatigue.

We suggest that this represents a collapse of values in what we call the antecedents of storytelling: *antenarratives*.

(Boje, 2001, 2008; Rosile et al., 2013). Antenarratives are narrative fragments. These fragments are the "not yet" fully plotted narratives that exist before "the" narrative, commonly known as "the story," has begun to take shape. Antenarratives precede the polished grand narratives that organizations present to the world. The dark side emerges when those antenarrative fragments that come into the foreground are inauthentic, extractive, and betray stakeholder trust.

For us, the source of the dark side of leadership lies in the hidden struggle between two capitalisms. Shareholder capitalism's dominance, cemented in the twentieth century by Milton Friedman, maximizes shareholder dividends through short-termism and extractive practices (Boje, 2025). The alternative—what Savall and Zardet (2008) call "socially responsible capitalism" and what Cooperrider calls "stakeholder capitalism"—places human potential,

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community impact, and environmental responsibility at its core. The dark side manifests when leadership stories favor extraction over creation, silence over dialogue, and spectacle over substance.

Antenarrative Analysis: A Framework for Understanding Leadership Darkness

To understand the dark side systematically, we employ analysis of antenarrative processes (Boje, 2008; Boje & Saylors, 2023), which reveal how leadership storytelling operates at multiple temporal and ontological levels.

Antenarrative elements include the suppressed histories and forgotten alternatives that "the story," as typically portrayed in annual reports and other organizational narratives, tends to leave out. Also left out are the hidden assumptions, power dynamics, and values that lurk below the surface of official stories. What are

> the opportunities missed and the transcendent possibilities excluded by current dominant narratives.

The explicit and implicit forecasts and predictions leaders make about organizational futures are what we call "bets" on the future (playing on the meaning of "ante" as a "bet"). These bets may be expressed as "strategy" or "objectives" and are also usually implicitly embedded in goals.

The "public face" of the organization is what we call the grand narrative, or "the" story. The grand narrative includes the existential identity and purpose claims organizations make about themselves. The dark side emerges when the predictions or forecasts leaders make are inauthentic—rooted in ego, extraction, and illusion rather than genuine purpose and stakeholder value. These inauthentic forecasts corrupt the other, creating what we call a collapse in Storying of Leadership.

Story Seeds of Leadership: The Source Code of Organizational Culture

Story Seeds of Leadership (SSL) represents the fundamental narrative DNA from which organizational culture grows (Boje & Rosile, 2025). Unlike traditional leadership assessments that measure behaviors or competencies, SSL examines the *authenticity of the forecasts* (bets on the future) leaders make through the stories they tell, and the narrative coherence between espoused values and enacted practices. We rate leaders on three aspects of their Story-Seeding Leadership (SSL) ability. These three are as follows:

- **Personal Mindfulness**: The leader's embodied awareness, emotional regulation, and capacity for authentic presence. For us, this embodied mindfulness includes awareness and concern for the whole human and planetary system of life.
- **Dialogic Health**: The quality of organizational conversation—polyphonic versus monologic, inclusive versus silencing. Dialogue avoids the tyranny of consensus and instead appreciates diversity.
- **Authentic Forecasts**: Whether leadership forecasts (goals) for the future align with genuine stakeholder value or serve extractive ego needs. This is often reflected in win–win versus win–lose dynamics.

High SSL profiles demonstrate leaders operating from high mindfulness, high levels of dialogue, and forecasts/goals aligned with stakeholder values—what we call authentic predictions/bets that act as gravitational forces pulling better realities into the present. Low SSL profiles reveal leaders whose stories reflect inauthentic predictions/bets and function as black holes of ego and illusion, consuming stakeholder trust and organizational vitality.

Case Study One: Enron and the Theater of Inauthentic Predictions/Bets

Enron serves as the archetypal case of inauthentic bets creating catastrophic dark side consequences. The company's collapse originated from monumental wagers built on lies, hubris, and theatrical deception (McLean & Elkind, 2003). CEO Ken Lay, President Jeff Skilling, and CFO Andrew Fastow operated from the pursuit of ego and financial illusion, requiring a dedicated culture of silence and the systematic crushing of dissent.

The Theatrical Spectacle

Enron's dark side manifested through elaborate theatrical performances designed to deceive stakeholders. The company famously staged a fake trading floor on the sixth floor of its Houston headquarters, where secretaries and janitors dressed as stockbrokers to impress Wall Street analysts during site visits (Cruver, 2002). This spectacle exemplifies the hiddenness of the contradictions between public narrative and private reality.

Andrew Fastow, celebrated as an innovative risk analyst, orchestrated complex special purpose entities (SPEs) that hid billions in debt while personally extracting $45 million (Healy & Palepu, 2003). This represents an inauthentic prediction/*bet* par excellence: the wager that a raft of accounting manipulations could indefinitely substitute for genuine value creation.

The Culture of Silence

Enron's leadership maintained its inauthentic predictions/bets through systematic silencing of dissent. The widely misunderstood "whistleblower" Sherron Watkins actually protected the deception rather than exposing it—she informed only her boss Ken Lay, who (it was later determined) already knew about the deception. She was seeking to preserve her position rather than alert external stakeholders (Watkins & Swartz, 2003). The true storyteller was Vince Kaminski, Enron's risk management director, who repeatedly warned that Fastow's SPE structures were unsustainable. Kaminski was subsequently excluded from key decisions (Fusaro & Miller, 2002).

This silencing exemplifies the collapse of authenticity, and organizational dialogue degrades into monologic performance where critical voices are systematically marginalized. The spaces where authentic dialogue might have occurred were suppressed by the overall culture of fear and compliance.

SSL Profile: Enron Leadership

Enron's leadership demonstrated:

- Low Mindfulness: Minimal embodied awareness; decisions driven by ego and external validation rather than intrinsic purpose
- Low Dialogue: Monologic culture; dissenting voices crushed; and fake dialogue replaced genuine stakeholder engagement
- Inauthentic Predictions/Bets: Wagers built on accounting fiction, theatrical deception, and destructive processes of extractive value (milking rather than building the organization)

The inevitable collapse revealed that inauthentic bets cannot sustain themselves—they require ever-escalating deception until systemic breakdown occurs (Boje, 2025).

Case Study Two: Walmart and Generational Decline

Walmart presents a contrasting yet equally instructive case: the degradation of initially authentic bets across generational leadership transitions. Founder Sam Walton operated from what we consider a high mindfulness and high dialogical position, placing authentic bets rooted in community connection and genuine stakeholder value (Bergdahl, 2004). However, subsequent leadership—particularly under CEO Mike Duke (2009–2013)—demonstrated significant SSL profile decline, moving toward extractive shareholder capitalism (moving closer to the pattern for Enron's downfall) (Boje & Rosile, 2008).

Sam Walton's Authentic Foundation

Walton's original prediction/bet on the future was genuinely stakeholder-centered: offering everyday low prices through operational efficiency while treating employees as valued partners (Walton & Huey, 1992). His "associate" language and profit-sharing programs created an initially high-dialogue style that genuinely included frontline workers in organizational success. His embodied practice of visiting stores, sleeping in budget motels, and maintaining a modest personal lifestyle demonstrated a highly mindful alignment between values and actions.

The Generational Shift to Extraction

As Walmart grew and leadership transitioned, the SSL profile systematically degraded. Boje and Rosile (2008) documented this through "specters of Wal-Mart"—ghostly traces of Sam Walton's original values that haunted the increasingly extractive style of newer corporate leadership. Later leadership made inauthentic bets disguised in Walton's language:

- "Associates" became minimum-wage workers with unpredictable schedules and minimal benefits
- Community connection rhetoric masked aggressive tactics, forcing nearby local businesses to close
- Everyday low prices were achieved through supply chain pressure that externalized social costs
- Profit sharing diminished while executive compensation soared relative to frontline wages

By the Duke era, Walmart leadership exhibited low dialogic characteristics: monologic corporate communication, silencing of labor organizing, and performative stakeholder engagement that masked an extractive reality. The company's treatment of workers during this period—documented in multiple class-action lawsuits regarding wage theft and discrimination—revealed inauthentic predictions/bets prioritizing shareholder returns over stakeholder well-being (Lichtenstein, 2009).

SSL Profile Comparison: Walton Versus Duke Era

The generational contrast reveals SSL degradation:

Sam Walton Era (HIGH SSL):

- High Mindfulness: Embodied congruence between espoused values and enacted behavior

- High Dialogue: Genuine dialogue with associates; polyphonic organizational culture
- Authentic Prediction/Bets: Goals/wagers built on community value, employee partnership, and operational excellence

Mike Duke Era (DECLINING SSL):

- Lower Mindfulness: Values–actions disconnect; rhetoric versus reality gap widening
- Lower Dialogue: Monologic corporate voice; associate input marginalized
- Inauthentic Predictions/Bets: Goals/wagers prioritizing shareholder extraction over stakeholder value

This case demonstrates that even organizations founded on authentic bets can experience dark side collapse when subsequent leadership fails to maintain SSL integrity. After Sam's passing, his brother Bud apparently observed this falling away from founding values. He suggested at an annual meeting of the Board that they should cut executive salaries and increase workers' wages. After that, he was never invited to address the Board again. The ghost of Sam Walton—invoked in corporate communications—is a haunting reminder of narratives that no longer guide present action (Boje & Rosile, 2008).

Two Capitalisms in Conflict: The Source of Leadership Darkness

The Enron and Walmart cases reveal that the dark side of leadership storytelling emerges from the fundamental conflict between shareholder and stakeholder capitalism. Shareholder capitalism, epitomized by Friedman's (1970) doctrine that corporations' sole responsibility is maximizing shareholder returns, creates structural incentives for inauthentic bets/goals. What we mean by inauthentic bets/goals is what can happen when a small number of shareholders may benefit at the expense of a larger number of stakeholders (the organization's larger community).

When quarterly earnings and stock price become the ultimate metrics, some profit-oriented goals may be pursued at the expense of stakeholders' well-being, as in the case of, for example, a plant discharging pollutants into the environment or a company using a toxic or unsafe production process, which could increase profits but potentially harm employees. In such cases, organizational leadership may engage in storytelling that devolves into impression management and narrative deception (Boje, 2025) in order to hide the disadvantages to employees, the community, or stakeholders in general.

Stakeholder capitalism, articulated by Savall and Zardet's (2008) socioeconomic approach to management (SEAM) and Cooperrider's appreciative inquiry, offers an alternative foundation. Here, organizational purpose centers on creating value for multiple constituencies—employees, customers, communities, and the environment, alongside financial returns (profits). This model supports authentic bets because success requires genuine stakeholder trust rather than theatrical deception (Savall et al., 2024).

The SEAM Perspective: Making Hidden Costs Visible

Savall and Zardet's SEAM methodology provides crucial tools for diagnosing dark side impacts. SEAM reveals that inauthentic leadership bets create measurable hidden costs across six categories of potential organizational dysfunction: working conditions, work organization, communication–coordination–cooperation (the 3Cs), time management, integrated training, and strategic implementation (Savall & Zardet, 2008). These dysfunctions represent invisible value destruction that can be hidden beneath the polished "grand narratives" (the dominant public story).

At Enron, SEAM analysis would have revealed massive hidden costs in all six categories: toxic working conditions driven by rank-and-yank performance systems, chaotic organization requiring constant impression management, communication breakdowns masked by theatrical displays, time wasted on deceptive accounting, training focused on compliance rather than value creation, and strategy implementation that was impossible when based on fictional premises.

At Walmart during the Duke era, SEAM would have quantified hidden costs from declining associate morale, coordination failures from understaffing, communication breakdowns between corporate rhetoric and store reality, time management chaos from unpredictable scheduling, inadequate investment in training, and strategic drift away from Walton's original stakeholder vision.

As Savall et al. (2024, p. 25) emphasize: "Storytelling is necessary but not sufficient to elaborate a relevant representation of the object under study." SEAM's qualimetric approach—converting qualitative dysfunctions into quantified costs—makes visible the economic consequences of inauthentic leadership bets that grand narratives obscure.

Contemporary Application: Disney and the Peltz Proxy Battle

The 2023–2024 proxy battle between Disney CEO Bob Iger and activist investor Nelson Peltz provides a contemporary lens for understanding the conflict between shareholder and stakeholder capitalism. Disney, perhaps the quintessential storytelling organization, found itself staging a real-world drama about whose bets on the future would prevail (Boje, 1995).

Peltz's campaign represented classic shareholder capitalism: maximize stock price through cost reduction, aggressive buybacks, and board seats for investor representatives. His bet prioritized extraction—immediate returns to shareholders were preferred over long-term stakeholder value. Iger countered with a stakeholder narrative: Disney's magic required investment in creative excellence, cast member well-being, and guest experience that cannot be reduced to quarterly metrics.

However, beneath this public narrative drama lay darker antenarrative realities. Disney's response to the Peltz threat included laying off over 8,000 employees and significant restructuring—actions that contradicted stakeholder rhetoric (Boje, 2025). Cast members at Disneyland shared stories on social media, revealing systemic contradictions: "They say we're family. But we're disposable furniture."

The Hidden Costs: A SEAM Perspective on Disney

Applying SEAM analysis to Disney reveals substantial hidden costs masked by the company's polished narrative exterior. According to research by Sanders (2018) on Disneyland workers:

- Average hourly wages dropped 15% in real dollars from 2000 to 2017 (from $15.80 to $13.36)
- Over 80% of Disneyland Resort workers earned less than $12 per hour
- Nearly three-quarters reported insufficient income to cover basic monthly expenses
- More than 10% experienced homelessness in the prior two years
- Over two-thirds faced food insecurity
- Only 28% had consistent weekly schedules

These statistics represent a quantification of several of SEAM's working conditions and time management dysfunction categories. SEAM also considers what they call hidden costs, including absenteeism from stress and second jobs, turnover from unsustainable wages, reduced service quality from exhausted cast members, and innovation shutdown when survival concerns dominate consciousness. Savall and Zardet (2008) would likely estimate these dysfunctions could cost Disney tens of millions annually in lost productivity and value destruction—costs never appearing in financial statements focused on shareholder metrics.

The Tamara-Land Phenomenon

Boje (1995) introduced the concept of Disney as "Tamara-Land"—a postmodern organization where multiple contradictory narratives unfold simultaneously in different organizational spaces, yet audiences can only experience fragmented perspectives. Frontline cast members experience one Disney reality: wage pressure, schedule chaos, and housing insecurity. C-suite executives inhabit another: boardroom battles, strategic vision, and stock price concerns. Guests encounter a third: magical experiences and "family values" carefully staged.

This fragmentation represents the Dialogue dimension—the dialogic spaces where contradictions could be addressed but instead remain colonized by corporate hierarchy. The hidden realities of cast member struggles stay hidden behind the corporate-endorsed public "grand narrative" of Disney magic.

Analysis of the SSL elements reveals a declining profile despite Iger's stakeholder rhetoric. Dialogue suffers when cast member voices are systematically excluded from strategic decisions affecting their lives. Mindfulness disconnects when executive compensation packages dwarf living wages for frontline workers. The bet Disney is actually making—prioritizing shareholder returns over cast member well-being—contradicts the espoused bet the company narratively broadcasts, that "we are all one big happy family." Mindfulness and Dialogue can provide the story seeds that help the organization grow into that happy family, or at least into a culture where everyone benefits.

Narrative Betrayal and Performance Fatigue

The concept of *narrative betrayal* emerges when organizational actions systematically contradict espoused values (Boje & Rosile, 2025). Disney's "family" rhetoric creates particularly acute betrayal when workers experience disposability. This produces what Kets de Vries (2014) identifies as reactive cultures defined by fear, silence, and performance fatigue.

Cast members report emotional exhaustion from maintaining performative cheerfulness while experiencing economic precarity—what Hochschild (1983) termed "emotional labor" intensified by narrative betrayal. The hidden SEAM cost here includes stress-related illness, substance abuse, relationship breakdowns, and profound psychic toll of living contradictions between organizational story and lived reality.

Post-pandemic volatility and generational turnover have left what we might call "cultural residue" in Disney workplaces. Leaders sense it in meeting rooms. Cast members feel it backstage. Guests may never see it directly, yet they encounter its shadow in service interactions and atmospheric tensions. This represents the *beyond* dimension—possibilities for authentic stakeholder capitalism that current narrative frames exclude.

Transforming the Dark Side: Restorying

Diagnosing the dark side requires more than critique—it demands practical intervention frameworks that can transform inauthentic bets into authentic stakeholder value. The SSL approach integrates three strategies that address SSL collapse at multiple levels: Restorying, SSL, and SEAM.

Restorying includes embodied coaching methods that release stuck story filters, emotional blocks, and self-defeating narratives through its seven Restorying steps. It addresses Mindfulness deficits by helping leaders achieve embodied coherence between values and actions.

SSL are stories that cultivate a culture of gratitude and heart-centered leadership that elevates organizational frequency beyond transactional relationships. It counters extractive shareholder capitalism by anchoring decisions in authentic care for stakeholder well-being, fostering a win–win environment.

SEAM makes hidden costs of dysfunctions visible through systematic diagnosis across six categories, converting qualitative narrative contradictions into quantified measures of value destruction. SEAM provides economic grounding for stakeholder capitalism.

SEAM: A Practical Example

Consider applying Restorying to address Walmart's SSL decline. The intervention would map SEAM's six dysfunction categories onto the seven embodied Restorying steps as follows:

The Seven Steps of Embodied Restorying Applied to SEAM Dysfunctions:

1. **Characterize**: Identify the ideal, perfectly functioning state. Next, "What story are we actually living versus the story we tell?"
2. **Externalize**: Surface dysfunctions without blame: "We're searching for dysfunctions, not culprits" (Savall & Zardet, 2008, p. 128). Label the dysfunctions as their own characters in the new story that we are drawing out of the shadows (Dr. Dividend? Or Ms. Profit?)
3. **Sympathize**: Understand systemic pressures maintaining inauthentic bets/goals: "What keeps extractive patterns in play?" (Without Ms. Profit, the organization will die.)
4. **Revise**: Quantify hidden costs per SEAM categories: Calculate the dollar impact of each dysfunction. (Avoiding paying health insurance by keeping workers under 40 hours/week could result in more unexpected sick-time absences.)
5. **Strategize**: Identify "Little Wow Moments"—local innovations already embodying authentic bets.
6. **Rehistoricize**: Imagine alternative histories if stakeholder values had guided decisions: "What if Sam Walton's bet had persisted?" "What if Sam's brother Bud's idea was adopted (reduce executive pay and increase workers' wages)?"

7 **Publicize**: Share restoried narratives through internal platforms, making authentic bets visible and contagious.

This integration enables organizations to move from dark side diagnosis to practical transformation. Each SEAM dysfunction becomes an opportunity for Restorying, converting hidden costs into visible value creation opportunities.

Implementing Restorying: A 12-Month Transformation Process

Consider how an organization such as Disney or Walmart could implement Restorying systematically to address SSL decline and transform dark side patterns. The process unfolds across four quarters as follows:

Quarter 1: Diagnosis and Stakeholder Engagement

Begin with a comprehensive SEAM diagnosis involving 90-minute interviews with representative samples across organizational levels. The goal is to identify hidden costs across all six dysfunction categories without blame. As Savall and Zardet (2008, p. 128) emphasize: "We're searching for dysfunctions, not culprits." Simultaneously, conduct SSL assessments with leadership to establish baseline PMQ, DHI, and bet authenticity profiles.

Engage frontline stakeholders through GLOW-informed listening sessions that genuinely honor their experiences. Create what Boje (2008) calls "polyphonic spaces" where multiple voices can be heard without immediate reconciliation into a monologic corporate narrative. Document "Little Wow Moments"—local innovations and authentic bets already happening at operational edges despite systemic pressure.

Quarter 2: Restorying and Pilot Programs

Use the seven steps to begin Restorying organizational narratives. Focus initially on pilot departments or locations where readiness is highest. For each identified dysfunction:

1 Characterize the narrative gap between espoused values and lived reality
2 Externalize the systemic pressures maintaining dysfunctional patterns
3 Sympathize with all stakeholders trapped in no-win situations
4 Revise by calculating the specific dollar costs of each dysfunction
5 Strategize by amplifying Little Wow Moments as alternative models
6 Rehistoricize by imagining "what if" scenarios where authentic bets might have guided decisions
7 Publicize transformed narratives through internal storytelling platforms

Initiate pilot programs addressing the highest-cost dysfunctions identified through SEAM. For example, if time management chaos from unpredictable scheduling creates $2.5 million in annual hidden costs, pilot stable scheduling in three locations and then measure impacts on both hidden costs and employee well-being.

Quarter 3: Scaling and Cultural Shifts

Scale successful pilots while deepening cultural transformation through support networks. Implement gratitude rituals, heart-centered decision protocols, and organizational wisdom councils that embody stakeholder capitalism values. Train leaders in mindfulness practices: embodied awareness, values–actions alignment, and authentic presence.

Develop a dialogue-friendly infrastructure: communication systems that genuinely amplify frontline voices, coordination mechanisms that respect local wisdom, and cooperation frameworks that reward collaboration over competition. Use internally generated assessments to track Mindfulness and Dialogue evolution across leadership ranks, celebrating improvements and supporting those struggling with the transition.

Quarter 4: Integration and Bet Authenticity

Culminate with an explicit revision of organizational bets on the future. Convene stakeholder forums—including frontline workers, customers, community representatives, and investors—to cocreate authentic bets that all constituencies can genuinely support. Document these bets not as abstract vision statements but as concrete commitments with measurable indicators spanning financial and nonfinancial dimensions.

Rigorously evaluate efforts to ensure that bet authenticity is scientifically grounded rather than wishfully asserted. Challenge assumptions embedded in proposed bets: Whose interests do they actually serve? What hidden costs might they create? How will we know if they remain authentic over time? Establish ongoing monitoring using integrated SSL-SEAM metrics that make visible any drift back toward dark side patterns.

Success Indicators: What Transformation Looks Like

Successful implementation produces measurable shifts across multiple dimensions as follows:

SSL Profile Improvement: Leadership demonstrates increasing Mindfulness through embodied values that are aligned with measurable actions. Dialogue is genuine polyphonic dialogue, and bet/goal authenticity increases, as measured through stakeholder trust surveys.

SEAM Hidden Cost Reduction results in declines in dysfunctions across all six categories; hidden costs are converted to value creation; and employee well-being and productivity rise simultaneously.

Economic performance improves as stakeholder value creation produces sustainable financial performance, and short-term extraction gives way to long-term thriving across multiple constituencies. As decision-making reflects genuine care for stakeholder well-being, appreciation and gratitude practices become the norm.

Narrative Coherence Development: Enhanced as Alignment increases between organizational stories told externally and realities lived internally, narrative betrayal decreases, and authentic voices are amplified.

The ultimate indicator is whether organizational bets genuinely pull better futures into the present rather than consuming stakeholder trust. This requires ongoing vigilance—SSL profiles can degrade across leadership transitions, as Walmart demonstrates. The SSL framework recommends diagnostic tools to detect early warning signs and intervention methods to address backsliding before catastrophic collapse occurs. The authors have developed such tools, but encourage organizations to develop their own with stakeholder input.

Conclusion: From Spectacle to Substance

The dark side of leadership storytelling emerges when organizational narratives become theatrical spectacles masking extractive realities. Through the lens of antenarrative theory and the Seven Steps of Restorying framework, we have examined how inauthentic bets/goals—leadership wagers rooted in ego, illusion, and shareholder extraction—create cascading dysfunctions across organizational systems. Enron exemplifies catastrophic collapse from leadership profiles built entirely on deception. Walmart demonstrates how even authentic founding bets can degrade across generations when subsequent leadership fails to maintain SSL integrity.

The conflict between shareholder and stakeholder capitalism represents SSL's fundamental source of leadership darkness. Shareholder capitalism's extractive imperative creates structural pressures for inauthentic bets, narrative betrayal, and the silencing of dissent. Stakeholder capitalism offers an alternative foundation where authentic bets—wagers genuinely aligned with creating value for multiple constituencies—can flourish.

Restorying with ELSEAM economic diagnostics provides practical pathways from darkness to light. By making hidden costs visible, releasing stuck narrative patterns, and cultivating Mindfulness and Dialogic leadership profiles, organizations can transform the dark side. The goal is not to eliminate conflict or challenge but to ensure that leadership bets are authentic—that the stories organizations tell align with the realities they enact and the futures they seek to create.

As we have shown through the SSL framework, authentic bets act as gravitational forces pulling better realities into the present. Inauthentic bets function as black holes consuming stakeholder trust and organizational vitality. The choice between these paths remains fundamentally a storytelling choice—which narratives will leaders amplify, which voices will be heard, and which futures will organizational bets help manifest. Transforming the dark side requires leaders to become true storytellers rather than theatrical performers, dialogic partners rather than monologic controllers, and authentic bet-makers rather than extractive gamblers.

Future Directions: Research and Practice

The framework presented here opens multiple avenues for future research and organizational practice. Empirical studies could track SSL profile evolution across industry sectors, examining which organizational characteristics predict resilience against dark side collapse. Longitudinal research following companies through leadership transitions could illuminate mechanisms by which authentic bets degrade or are sustained across generations.

From a practice perspective, the integration of SEAM economic diagnostics with embodied Restorying and subsequent cultural transformation requires further refinement and validation. Case studies documenting successful Restorying implementations would provide invaluable learning for practitioners. Particularly valuable would be research examining how organizations navigate the shareholder–stakeholder tension in capital markets, which are already structurally biased toward extraction.

The role of narrative betrayal in organizational breakdown deserves deeper investigation. What threshold of values–actions disconnect triggers tipping points from cynical compliance to active resistance or exodus? How do different stakeholder groups experience and respond to narrative betrayal differently? What communication strategies can rebuild trust after periods of inauthentic leadership?

Finally, the Restorying framework itself invites continued theoretical development. How do the seven Restorying steps interact dynamically rather than as static categories? What specific interventions address each dimension most effectively? How might digital technologies and artificial intelligence amplify or undermine authentic bet-making and stakeholder dialogue?

The stakes could not be higher. As climate crises, inequality, and democratic fragility accelerate, organizational leadership failures carry consequences beyond individual company collapses. The dark side of leadership storytelling—inauthentic bets, narrative betrayal, stakeholder extraction—represents not merely business dysfunction but a civilizational risk. Conversely, transformation toward authentic stakeholder capitalism offers the possibility for organizations to become healing forces rather than harmful agents. This chapter provides both diagnostic tools to recognize the darkness and practical pathways toward light.

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