

- Very little research published on the theoretical foundations of leadership ethics
- Theoretical formulations in this area still in infancy
- There is an interest in ethical leadership since 2000
- Ethics comes from Greek root word *eths* meaning customs, conduct, character
- Ethics is about the values and morals an individual or society find desirable or appropriate
- Ethical theory provides a system of rules to guide us in making decisions about right and wrong
- Kohlberg's Stages of Moral Development (1984)
- Ethical theories 2 broad categories:
 - Leaders behaviours
 - *Teleological* – what are the end results/consequences of actions
 - *Deontological* – is a good action regardless of consequences (Greek *deos* = duty) inherently good independent of the consequences.
 - Rules for behaviour
 - Leaders character
 - Virtue based theories
 - A learned part of character
 - Morality which is learned and acquired through practice
 - Aristotle – more attention should be paid to developing/training virtues
 - Greek *aretaic* = excellence or virtue
 - Ex integrity, humility, truthfulness, benevolence, fairness, justice, generosity, self-control, courage, modesty, fidelity.
- There are 3 different approaches to moral conduct
- Ethical egoism – greatest good for him/herself/the organization entity
- Utilitarianism – greatest good for greatest # of members. Maximize social benefits, minimize social costs
- Altruism – interests of others primary even when run contrary to self interest
- Centrality of Ethics
 - Leaders influence people therefore great responsibility
 - Treat followers with dignity and respect
 - Diversity and inclusion
 - Create and reinforce organizational values
 - Ethical climate
 - What is the leaders agenda?
- Leadership Ethics Scholars
 - Heifetz (1994 – a psychiatrist) leaders should use authority to help followers deal with conflict, to effect change. Create a supportive 'holding environment' to foster trust and nurturance and empathy. Assist followers with change and personal growth

- Burns (1978) – leaders should place an emphasis on follower needs, values and morals - raising the morality of followers. Stress liberty, justice and equality.
- Transformational leaders states that leadership has a moral responsibility/ dimension
- Dark Side of Leadership
 - Ambition
 - Personalized power
 - Ego
 - Arrogance
 - Narcissism
 - Unethical behavior
 - Hateful ideology
 - Dishonesty
 - Incompetence
 - Nepotism
- Toxic triangle = destructive leaders + conducive environments + susceptible followers
- Conducive Environments
 - Instability
 - Perceived threat
 - Cultural values
 - Lack of accountability
- Susceptible Followers
 - Conformers
 - Low self esteem
 - Immature
 - Colluders
 - Ambitious
 - Unhealthy worldview
 - Lack of morality
- 5 Ethical Leadership Principles (Aristotle to now) backed up by research in biomedical ethics, business ethics, leadership education and counseling psychology.
- 1. Respect (respect others)
 - Persons must be treated as having their own autonomously established goals and must never be treated purely as the means to an end.
 - Intrinsic worth
 - Allowed to express creativity and ideas
 - Value individual differences
 - Empower
 - Empathetic
 - Tolerant of opposing views
 - Affirms others
- 2. Service (serves others)

- Hippocratic tradition – duty to help others, make decisions which are beneficial and not harmful
- Responsibility to be of service to others
- Leaders are servants of the vision (Senge)
- Columbia and Harvard grads pledge an honor code (truth integrity, respect)
- 3. Justice (shows justice)
 - Equality
 - Fairness at center of decision making
 - Scarcity of resources
 - Rules for distributing rewards
 - Do unto others
 - Principles for distribution of rewards (in isolation or combination)
 - EQUAL OPPORTUNITY (APPLIES TO ALL)
 - INDIVIDUAL NEED (CHILD SICK)
 - PERSON'S RIGHT (MINORITY)
 - INDIVIDUAL PERFORMANCE (WHO'S THE BEST)
 - SOCIETAL CONTRIBUTION (SERVING GREATEST GOOD)
 - MERIT (WORKED FOR COMPANY 20 YEARS)
- 4. Honesty (manifests honesty)
 - Honesty about truth AND openness (i.e lying through omission)
 - Candid vs what is appropriate (organizational constraints)
 - Lying misrepresents reality
 - Dishonesty creates distrust
 - Lose respect
 - Seen as relationally manipulative
 - Impact compromised
 - Relationships weakened
 - Do not promise what you cant deliver, do not misrepresent, do not hide behind spin evasions, do not suppress obligations, do not evade accountability, do not accept that survival of the fittest pressures release any of us from the responsibility to respect another's dignity and humanity (Dalla Costa 1998)
- 5. Community (builds community)
 - Common goals
 - Attentive to interests of community and culture
 - Cross cultural perspectives
 - Civic virtue – broader moral purposes

Note: millennials – are less likely to look to their leaders for guidance on making ethical decisions, they value highly extrinsic rewards so less likely to respond to ethical appeals, they see their work as less central to their lives so less likely to view work related ethical issues as problematic.