

This article was downloaded by: [79.85.112.166]

On: 12 January 2013, At: 03:28

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



Journal of Change Management

Publication details, including instructions for authors and subscription information:

<http://www.tandfonline.com/loi/rjcm20>

Bringing Together Different Perspectives on Ethical Leadership

Steven L. Grover^a, Thierry Nadisic^b & David L. Patient^c

^a University of Otago, Dunedin, New Zealand

^b EMLYON Business School, Ecully, France

^c Católica School of Business & Economics, Catholic University of Portugal, Lisbon, Portugal

Version of record first published: 04 Dec 2012.

To cite this article: Steven L. Grover, Thierry Nadisic & David L. Patient (2012): Bringing Together Different Perspectives on Ethical Leadership, Journal of Change Management, 12:4, 377-381

To link to this article: <http://dx.doi.org/10.1080/14697017.2012.728742>

PLEASE SCROLL DOWN FOR ARTICLE

Full terms and conditions of use: <http://www.tandfonline.com/page/terms-and-conditions>

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The accuracy of any instructions, formulae, and drug doses should be independently verified with primary sources. The publisher shall not be liable for any loss, actions, claims, proceedings, demand, or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.

Bringing Together Different Perspectives on Ethical Leadership

STEVEN L. GROVER*, THIERRY NADISIC** & DAVID L. PATIENT†

*University of Otago, Dunedin, New Zealand, **EMLYON Business School, Ecully, France, †Católica School of Business & Economics, Catholic University of Portugal, Lisbon, Portugal

KEY WORDS: Leadership, ethics, integrity, organizational justice, trust, public and private organizations

Does Fair and Ethical Leadership Make a Difference?

Recent corporate scandals, including the mortgage situation precipitating the global financial crisis in 2008, have led many people to question the role of un/ethical leadership in corporate misbehaviour. Organizational scholars contribute to our understanding of ethical leadership by investigating and theorizing within the organizational justice, trust, business ethics and leadership literatures. Unfortunately, work relating to ethical leadership from these different subfields has rarely been brought together, despite common themes and concerns. As a result, the accumulated insights have been described as ‘underdeveloped and fragmented’ (Brown and Treviño, 2006), leading some researchers to call for better integration of these literatures (van Knippenberg *et al.*, 2007; De Cremer, Mayer and Schminke, 2010; Rupp *et al.*, 2010).

This Special Issue is an attempt to take a step in that direction by bringing together five articles that propose links between leadership, ethics, integrity, organizational justice and trust. Existing theoretical definitions are explored and new theory is proposed, based on exploratory qualitative and quantitative studies, from North American and several European jurisdictions. Because of the central role that leadership, ethics, justice and trust can play in how we experience and manage workplace change, the topic is well suited for the readership of

Correspondence Address: Steven L. Grover, Department of Management, University of Otago, PO Box 56, Dunedin 9054, New Zealand. Email: Steven.Grover@otago.ac.nz

the *Journal of Change Management* in the form of a Special Issue. Leadership is fundamentally about engaging groups of people in collective change (Yukl, 2010) and fairness and ethics bring important insights regarding how people should be treated during that process (Greenberg and Colquitt, 2005). This relationship, between demands of leadership on the one side and expectations of ethics and fairness on the other, promises to be of increasing importance as organizations shift and settle in the 21st century.

The Articles

The five articles comprising the Special Issue on the intersection of ethics, justice and leadership extend and integrate different perspectives on fair and ethical leadership. In 'Toward the Measurement of Perceived Leader Integrity: Introducing a Multidimensional Approach,' Moorman *et al.* explore how followers make attributions of leader integrity. Whereas most research focuses on either behavioural consistency or morality, the authors draw on implicit leadership theory to argue for a multidimensional approach to leader integrity definition and measurement. The results of two studies show that when making attributions of leader integrity followers use judgements of both leaders' moral values and whether the leader consistently enacts these values. These findings provide further support that previous research measuring leader integrity as *either* behavioural integrity *or* moral values have not adequately captured the breadth of the construct. As an important next step, the authors call for a construct valid measure of leadership to be developed and tested and then investigated in terms of both antecedents and consequences.

In 'The Interplay Between HR Practices and Perceived Behavioural Integrity in Determining Positive Employee Outcomes,' Innocenti *et al.* examine the crucial role of leaders and managers in bringing human resource practices alive in terms of their impact on employees. This research adds to the relatively few studies looking at the effect of employee perceptions of leader behavioural integrity on employee attitudes. The authors use a measure of leader integrity that includes both behavioural consistency and moral values (i.e. openness and honesty). An important contribution, fully in the integrative spirit of this Special Issue, is the use by the authors of a justice framework to hypothesize a link between perceived leader integrity and employee attitudes. Using a study of more than 6,000 employees, the authors find that employees who perceive their leaders as having greater integrity are more likely to experience human resources (HR) practices as they were intended by the organization. Specifically, when leaders are seen as ethical and consistent, HR policies are experienced as positive and therefore lead to higher levels of employee affective commitment and job satisfaction.

In 'Trust and Leadership: Toward an Interactive Perspective', Klaussner proposes a theoretical model of trust emergence in leader–follower relationship, integrating trust, integrity and fairness. Like Innocenti *et al.*, Klaussner views leadership as a phenomenon in which careful attention has to be paid to followers' perceptions and expectations. However, the major contribution of Klaussner's article lies in its strong focus on the interaction between leader and follower at

different stages, each shaped by the past behaviours and mutual expectations of both leader and follower. Trust emerges only gradually, and when both leader and follower perceive their counterpart's behaviour as ethical, in terms of being both fair and consistent. At any given time, the effect of perceived unfairness on the level of trust will depend on the context, previous leader–follower interactions and the resulting expectations of both parties. Both trust and leadership literatures can be enriched by treating trust as a dynamic phenomenon that develops along the leader–follower relationship based in part on perceptions of ethical and fair leadership behaviours.

The final two articles further explore the contextual nature of judgements regarding ethics, leadership and justice. Heres and Lasthuizen investigate how ethical leadership is viewed differently by managers in public versus private firms in 'What's the Difference? Ethical Leadership in Public, Hybrid, and Private Sector Organizations'. Using qualitative analysis of interviews, both behavioural consistency and moral standards were found to be important to ethical leadership, providing further support for a multidimensional approach (Moorman *et al.*, this issue). However, the authors also identify important differences in how Dutch public, hybrid and private sector managers conceptualize ethical leadership. For example, in describing ethical leadership public (versus private) sector managers displayed a greater outward, societal focus. Specifically, public sector managers saw altruism and concern for the common good, and being responsive, transparent and accountable to the broader society in which they operate, as crucial aspects of ethical leadership. By contrast, private sector managers presented a narrower view of ethical leadership, based primarily on honesty. Public and private sector managers also differed in their views regarding communication approaches about ethical issues and standards, with public sector managers preferring more explicit communication strategies. In challenging the view that ethical leadership has a single set of best practices, the authors remind us of the importance of context to judgements regarding ethics and leadership.

In the final article, 'Managers' Corporate Social Responsibility Perceptions and Attitudes Across Different Organizational Contexts within the Non-profit–For-profit Organizational Continuum', Athanasopoulou looks at effects of context and culture on an important aspect of ethical behaviour/leadership: corporate social responsibility (CSR). The study is one of few to bring an individual level of analysis to CSR practices, highlighting the important role played by leaders in CSR implementation and diffusing ethical values across the organization. Using qualitative analysis of interviews, she shows that managers agreed that integrity and ethicality are core components of CSR. However, the extent to which being socially responsible is equated with ethics and integrity depends on both the culture and for-profit versus not-for-profit context of the organization. The key role of leaders in promoting CSR includes demonstrating sincere motives, communicating the benefits of CSR to ensure employee buy-in, nurturing corporate integrity and rewarding ethical behaviour. In their employee-related activities, managers must also demonstrate the integrity and ethics that are consistently associated with successful CSR implementation.

The Complex Combination

The five articles in this Special Issue bring to the fore the role of complexity and therefore the importance of analysing ethical phenomena from multiple perspectives. Behaviours involved in leading with integrity, for example, have been parsed in previous leader integrity research, which has tended to focus either on the morality (Brown *et al.*, 2005) or the consistency of the leader's behaviour. The articles in this Special Issue show that people make attributions of leader ethicality in a complex fashion that involves both ethical and consistent behaviour (Moorman *et al.*, this issue). Further, leadership ethics and integrity can impact the organization, and be influenced by factors at levels of analysis beyond the individual, including the organizational context, HR systems, organizational culture and corporate social responsibility. For example, Innocenti *et al.* (this issue) show that leader integrity affects how HR practices are experienced by employees. The way ethics are practiced, furthermore, needs to be embedded in the business model, or the very fabric of the organization (Heres and Lasthuizen, this issue), which varies by type of organization (private versus public) (Athanasopoulou, this issue). Finally, as shown by Klaussner (this issue) and Athanasopoulou (this issue), attributions of leadership ethicality evolve over time, as employees interact with their organization and pay close attention to leader behaviours demonstrating integrity, trustworthiness, fairness and sincerity, including in their communication regarding ethical issues (Heres and Lasthuizen, this issue).

The complexity that results from the intersection of ethics, leadership and justice at different levels has a number of implications for research. As a start, researchers need to begin acknowledging complexity in measurement and specification. In order to simplify this complexity, research on ethical leadership, CSR, trust and justice have tended to address specific components in isolation. Researchers in these subfields need to start speaking to each other, and working at explaining the links that the articles in this Special Issue suggest are apparent to both those that are being managed and those that are managing. As other authors have acknowledged, leadership, justice and ethics need to be integrated into full-blown investigations of organizations (van Knippenberg *et al.*, 2007; De Cremer, van Dijke and Mayer, 2010). That is, they should not be viewed, for reasons of conceptual or methodological convenience, as independent constructs. For example, interpersonal fairness is an important component of leading in a respectful manner, which is a cornerstone of ethics. It is paramount for future research to consider simultaneously how leaders and followers engage in fair treatment to promote their ethical values. Academics should resist the temptation to align themselves too strongly and exclusively with specific areas of expertise, and instead venture into adjacent subfields and explore potentially rich connections. Ethical leadership is one area, perhaps among many, that can benefit from collaborative perspectives among 'trust' researchers, 'justice' researchers and 'leadership ethics' researchers.

The important issues for management scholars are larger than the questions surrounding, for example, the next incremental development in interactional justice, or the exact nature of trust recovery. These larger questions require considering how trust is established, with what types of fairness and whether people consider

this to be ethical. The nuance and complexity with which people perceive and attribute these characteristics can affect work relationships and work performance. Not only are these the sort of interesting questions that organizational citizens consider, they are also the questions that lead many people to study these issues in the first place. We hope the set of articles in this Special Issue encourage more integrated coverage of these issues across our sub-disciplines.

References

- Brown, M.E. and Treviño, L.K. (2006) Ethical leadership: a review and future directions, *The Leadership Quarterly*, 17, pp. 595–616.
- Brown, M.E., Treviño, L.K. and Harrison, D.A. (2005) Ethical leadership: a social learning perspective for construct development and testing, *Organizational Behavior & Human Decision Processes*, 97, pp. 117–134.
- De Cremer, D., Mayer, D. and Schminke, M. (2010) Guest editors' introduction. On understanding ethical behavior and decision making: a behavioral ethics approach, *Business Ethics Quarterly*, 20, pp. 1–6.
- De Cremer, D., van Dijke, M. and Mayer, D.M. (2010) Cooperating when 'you' and 'I' are treated fairly: the moderating role of leader prototypicality, *Journal of Applied Psychology*, 95, pp. 1121–1133.
- Greenberg, J. and Colquitt, J.A. (eds) (2005) *Handbook of Organizational Justice* (Mahwah, NJ: Erlbaum).
- Rupp, D.E., Williams, C.A. and Aguilera, R.V. (2010) Increasing corporate social responsibility through stakeholder value internalization (and the catalyzing effect of new governance): an application of organizational justice, self-determination, and social influence theories, in: M. Schminke (ed) *Managerial Ethics*, pp. 69–88 (Hoboken, NJ: Taylor & Francis).
- van Knippenberg, D., De Cremer, D. and van Knippenberg, B. (2007) Leadership and fairness: the state of the art, *European Journal of Work and Organizational Psychology*, 16, pp. 113–140.
- Yukl, G.A. (2010) *Leadership in Organizations* (7th edn) (Upper Saddle River, NJ: Prentice-Hall).