

# Ethical leadership: A Review and Future Directions

Michael Brown and Linda Trevino, *The Leadership Quarterly*, 2006, 17, 595-616.

## Background

- Ethical leaders are distinguished by their personal attributes, their communication style, and their conduct, in that they:
  - are characterised as honest, caring and principled individuals who may clear and balanced decisions;
  - frequently communicate with their followers about ethics, set clear ethical standards, and use rewards and punishments to ensure that those standards are followed; and
  - practise what they preach, and are proactive role models for ethical conduct.

## Main points

- Presents a dynamic **model of ethical leadership** (p 596), the main elements of which are:
  - situational influences (e.g., role modelling, ethical context);
  - individual characteristics (e.g., conscientiousness, Machiavellianism, locus of control, moral reasoning, need for power);
  - moderating influences (e.g., the interaction of the situational and the individual characteristics); and
  - outcomes (e.g., follower ethical decision-making, pro-social behaviour, counterproductive behaviour, follower satisfaction, motivation and commitment).
- **Social learning theory** and ethical leadership, based on the notion that most individuals look outside themselves to other individuals for ethical guidance. Ethical leaders are likely sources of guidance because their attractiveness and credibility as role models draw attention to their model behaviour. Most social learning occurs vicariously (i.e., more or less unconsciously).
- Ethical leadership is **not the same as transformational leadership**: transformational leaders could be ethical or unethical depending on their motivation. Some researchers distinguish between authentic and pseudo-transformational leaders. The former moral leaders because of the legitimacy of their moral values (e.g., honesty, fairness), their social motivation, and the avoidance of coercion and manipulative influence.
- While ethical leadership is similar to the 'idealised influence' dimension of transformational leadership, **the moral aspect of ethical leadership is equally interpretable in terms of transactional leadership**. For example, in terms of explicitly setting ethical standards and holding followers accountable to these by the use of rewards and discipline.
- In terms of ethical role modelling, the ethical leader tendency is reinforced by other ethical leader role models, i.e., it is not just the followers who are influenced by appropriate role models. **This is especially important early in a person's career**.
- Unethical leadership is associated with a number of follower counterproductive behaviours, such as decreased citizenship behaviour and bullying.
- There is some indication that ethical leadership behaviour can be selected and developed (p 608-610).

- The organisational distance between leaders and followers is an important influence on how leaders are perceived and the degree to which they are able to effectively model ethical behaviour. The closer the distance, the more powerful the influence effect. Implication: senior leaders may be ethical, but if mid-level/junior leaders are not, the ethical modelling influence of the senior leaders is largely blunted.
- However, **this ‘blunting’ effect can be moderated if the organisational culture is strong in terms of social capital.** Social capital gives rise to the norms which are the implicit influence on leader behaviour.