

ETHICAL LEADERSHIP: THE STATE OF THE ART

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Introduction

There has been much work attempting to develop a general theory of leadership. Trait, transactional, transformational, path-goal, contingency and situational theories, all abound. These theoretical constructs seek to both define and explain leadership. In 2009, there is no generally accepted or even widely disseminated theory of ethical leadership. As Northouse in *Leadership: Theory and Practice* (Sage Publications, 2001 and subsequent editions) states twice in the book: "... very little research has been published on theoretical foundation of leadership ethics ..." Without a theoretical foundation of support, the concept of ethical leadership is impotent to guide human behavior.

Toward A General Theory of Ethical Leadership

We start with the understanding that what one culture considers ethical, another culture will consider unethical. The fact that there is not one universal set of behaviors one considers ethical and the fact that the terms moral and ethical are often used interchangeably should not dissuade people from seeking to develop a general theory of ethical leadership. "Leadership," in the broadest sense of the term encompasses behaviors that are ethical as well as those that are generally considered unethical.

Leaders can lead by misinforming their followers, making false claims to justify their actions and can base their actions on the convenient point of view that the "ends justify the means." Lying, which one can reasonably assert is unethical (except possibly to "spare an innocent life") is the standard operating procedure often practiced by many sales leaders, political leaders and business leaders. Unethical behavior is today but one tool in the arsenal of many that leaders use in the world to accomplish goals. The New Jersey rule ("it is not unethical until you get caught") seems to be a popular view when it comes to assessing whether a behavior is unethical.

Since, there is no general theory of ethical leadership, there is no research or solid evidence that shows that ethical behavior produces superior "leadership results" in the long term or the short term. And as long as we define "leadership results" as success (e.g. sales, revenues, sports victories, promotions, awards, etc.), and do not monitor or analyze the underlying leadership behavior in terms of whether it was ethical or not, that produced these results we can never show statistically that ethical behavior, however defined, is a superior result producer than unethical behavior.

In order to begin to develop a theory of ethical leadership, one must realize that the term "ethical" in front of the word "leadership" today is merely seen as imposing constraints on the leader. Ethics today is taught from a negative point of view. One studies ethics in law school, other graduate schools and in new courses springing up in the business and non-profit worlds

and each of these courses tries to teach people what not to do. No body of knowledge and certainly no successful behavioral modification training can ever be based on trying to teach people what not to do. The number and categories of unethical behavior are infinite and only limited by the imaginations of the six billion people on the planet. No course can ever tell someone all the things not to do or even describe all of the categories of actions that are proscribed.

Any theory of ethical leadership must be based on two new premises. First, ethical leadership is a system of thought based on setting rules for what to do, not on what not to do. Second, our definition of leadership must evolve to include ethical behavior not because ethical behavior is simply a natural good in and of itself, but mainly as part of the core of what leadership is for pragmatic reasons.

Toward a New Definition of Leadership

The world does not exist for only one moment. It exists as a continuum of time and any definition of leadership must recognize that leadership is not an event that occurs in one second, but is a process that takes time. While an act of leadership may appear episodic, for true leadership to occur it must be built on a series of actions that produces a very useful range of results. I would like to offer a new definition of leadership that incorporates this time dimension. The definition is:

“Leadership is the creation and fulfillment of worthwhile opportunities by honorable means”

This definition of leadership is unusual because it includes the word worthwhile and the phrase “by honorable means.” My justification for including this word and this phrase is simple. If leadership occurs over a period of time and constitutes a series of acts and relationships, then inherent in the concept of leadership is the concept of “repeatability.” For a leader to maintain a leadership role or position or lead over a significant period of time, the leader’s actions must be repeatable by him or herself and be repeatable by his or her followers.

If a leader’s actions are either not worthwhile or by honorable means as defined by the leader’s followers and other powerful stakeholders outside the leader-follower relationship or not, then these actions cannot be repeatable over the long run. History shows that if a leader does not use his or her leadership actions on worthwhile opportunities or facts to use honorable means, the world will rise up against him or her and destroy the leader. Hitler, Stalin and other leaders who led by less than honorable means and pursued less than worthwhile opportunities in the 20’s, 30’s and 40’s could not get away with their behavior today for very long because the world has a much greater capacity to observe the actions of world leaders and take decisive action against them. Clinton could not sneak a few minutes with an intern, lie about it and get away with it. Nixon could not attempt to steal a few files and try to hide it without being forced from office.

If our definition of leadership evolves to include a longer run time dimension and a definition similar to the one I propose, then studies can be performed that can show the relative efficiency of ethical leadership as opposed to unethical leadership. Then a theory can be

developed that both defines ethical leadership and proves why it works in the era in which we now live where leaders actions are more observable and harder to hide than ever before.

Conclusion

A significant part of the world is destroyed every day by unethical behavior. The billions of dollars of lost asset value of Enron, Anderson, WorldCom, Ardelphia, Global Crossing, MicroStrategy, the huge cost in trust in government by everyday people due to Nixon, Agnew and Clinton, all take a huge toll on the world. Until we develop a solid theory of ethical leadership, begin to monitor leadership from an ethical perspective, and begin to define ethical leadership in positive terms as opposed to today's set of "don't do's", we cannot generate the consensus and political will to demand that all leadership consist of ethical leadership. There are steps we can take, but today we may be moving in the opposite direction. With 34% of resumes being false (Coombs, The Living Workplace, 1999), with no standard course in ethics taught in K-12 or required as a college course, ethics is merely "an elective", in school, in the business world and in politics and government. General theories cannot be formulated when society is so ambivalent about the importance of a topic. Our theories in mathematics and physics often came about to form a solid underpinning to solve important, immediate and long term problems. Until we begin to redefine leadership and begin to place more emphasis on ethical behavior than on the mere accomplishment of results, we will find it very impossible to develop and generate the financial resources necessary to develop a general theory of ethical leadership and conduct significant research on the effectiveness and utility of "ethical leadership."

About the Author

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