**The Ethical Leader**

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**Abstract**

This paper examines ethical leaders that cover a range of complex issues, constructs, and worldviews from the perspective of the analysis of the scholarly and biblical literature to inform the reader on the importance of an ethical leader in an organization. First, the paper incorporates concepts learned in the Ethical Leadership course and others during the author's tenure in the Doctor of Strategic Leadership program. The paper examines how globalization, ethical dilemmas, influence, challenges, organizational culture, reasoning, current leadership theory, and a Christian worldview guide the leader. Lastly, this author adds a subjective analysis of how an ethical leader aligns with his past and current leadership practices and how he strives to become a more informed leader moving forward.

*Keywords:* ethical behavior, ethical leadership, globalization and business ethics, spirituality and ethical business behavior, Northouse and leadership, leadership, transformational leadership

**The Ethical Leader**

The efficiency of a business and its performance and success as an organization are closely associated with the leader's quality, effectiveness, and ethical attitude and approach (Sharma et al., 2019). This paper examines how an effective and ethical leader can develop organizational strategies and policy decisions, motivate their followers, and execute and control organizational policies while maintaining smooth survival and increased organizational performance (Sharma et al., 2019). A study by Shareef and Atan (2018) examined the influence and challenges of the ethical leader. It looked at the leader's perception as a moral manager, which develops into a review of how a Christian worldview, organizational culture, ethical dilemmas, globalization, and social responsivity play a role in informed leadership.

This paper focuses on the work of Merida (2015) and Johnson (2018) to explain ethical dilemmas for the leader. In addition, a study by Grigoropoulos (2019) surveyed organizational and educational leadership, scholarly literature, and even biblical scripture as becoming responsible for practices such as creating foundations of the resourceful and ethical performance of the business. At the same time, Damer (2012) takes a philosophical approach to moral reasoning to a higher level, includes constructs, and adds logic and critical thinking to the equation. These two concepts, proper ethical behavior, and a robust value system, are imperative to ethical leadership.

Saha et al. (2020) examined the globalization and complexity of ethical business leadership. They showed that one force on organizations is increasing the social pressures on organizations to enhance the social impact of ethical leadership and behavior and corporate responsibility (Mishra & Schmidt, 2018). It is important to note, however, that corporate social responsibility describes the efforts of companies and other organizations to actively improve the

welfare of society (Johnson, 2018, p. 332). Therefore, the paper cites a current business issue to examine this complex principle.

Furthermore, Johnson (2018) and Fernades (2018) assert that there is importance toward organizational culture toward ethical leadership and the dissemination of a robust value system and knowledge within an organization. Additionally, Northouse (2007; 2019) and Jambawo (2018) compare ethical leadership with transformational leadership. Lastly, this author adds a subjective analysis of how an ethical leader aligns with his past and current leadership practices and how he strives to become a more informed leader moving forward.

**Influence and Challenges for the Ethical Leader**

The empirical examination of ethical leadership can be traced to the work of Trevino et al. (2000; as cited in Shareef & Atan, 2018). The researchers indicated that the construct of an ethical leader's reputation consists of two aspects: the leader's perception as a moral manager and a moral person (Shareef & Atan, 2018). Later research defined ethical leadership as the "demonstration of normatively appropriative conduct through personal actions and interpersonal communication" (Brown et al., 2005; as cited in Shareef & Atan, 2018). These individual actions: justice, collective motivation, trustworthiness, altruism, integrity, dignity, self-discipline, prudence, and honesty (Brown *et al.*, 2005; Brown and Treviño, 2006; Riggio *et al.*, 2010; Eubanks *et al.*, 2012; as cited in Shareef & Atan, 2018) further the importance of the influences and challenges on ethical leadership as it equates to citizenship and function as citizens.

Organizations must first recognize that they have obligations to various groups who have an interest or "stake" in their operations (Johnson, 2018, p. 328). The stakeholder framework was first developed as an alternative way to define the relationship between large businesses and society but has been extended to organizations of all types—partnerships, small businesses,

governments, and nonprofits (Johnson, 2018, p. 328). This is important regarding relevance and the current shift of organizational norms in today's organizations, especially in the last few years. Moreover, contemporary literature finds that influence and challenge are still important aspects that need further examination. For example, the research of Shareef and Atan (2018) recommends that ethical leaders need to continually evolve and devise strategies to positively influence their subordinates' attitudes and behaviors. More specifically, savvy leaders should attempt to enhance subordinates' intrinsic motivation more because this type of motivation produces favorable work results (Shareef & Atan, 2018). This aligns well with acquainted and trusting ethical behavior, but what about when there is an ethical dilemma?

Moreover, an ethical leader is a moral role model who cares about people and the public (Jambawo, 2018). Further, ethical leaders demonstrate fairness, integrity, respect, and their influence over people to act through values and principles that embrace ethical behavior (Jambawo, 2018). Barling et al. found that transformational leaders can either behave ethically or unethically, and for that reason, Yasir and Mohamad contended that transformational leadership requires the principles of ethical leadership (Jambawo, 2018).

**Ethical Dilemmas**

Ethics have been around since the earliest recorded history, and one example can be seen in 2 Kings 9:6-10 and 2 Kings 10:30, where Hosea is presented with an ethical dilemma of his own. He is commanded by God for an act to be done, praising the action and then threatening punishment and vengeance because the act was committed *(New International Version*, 2011, 2 Kings). Merida (2015) posits that we should stand in God's sovereignty and justice. Further, when we entrust, we can live as Paul says, "When we are reviled, we bless; when we are persecuted, we endure it" (1 Cor 4:12; Merida, 2015, p. 256).

The nightly news and popular media are replete with ethical scandals, such as corruption and fraud, showing the need for ethical leaders to shape conduct within public and private organizations in both developed and developing countries on a complex and global scale (Shareef & Atan, 2018). According to Detert et al. (2007; as cited in Shareef & Atan, 2018), the unethical behavior of leader's costs organizations billions of dollars annually. In addition, leaders have caused some of the most serious moral scandals and failures in the workplace (Hansen *et al.*, 2013; as cited in Shareef & Atan, 2018). While not on a biblical scale, the Johnson (2018) text outlines several ethical dilemmas and the danger signs that come along with them. Mismanagement, excessive control, group pressure, and poly-think are preceptors to many ethical dilemmas today. Therefore, leaders must accept their moral responsibilities to provide robust group ethical performance (Johnson, 2018).

**The Impact of Globalization and Complexity**

Koukl (2017) asks why we are here and postulates that there is something behind the material and immaterial things (p. 63). While this is a philosophical or an existential question, as ethical leaders ponder the world we live in and the organizations in which leaders serve become more interconnected and complex, companies are becoming inclined to perform to ethical standards, morals, and values that can be practiced throughout an entire organization, while at the same time becoming a priority of the organization (Grigoropoulos, 2019). Organizational and educational leadership, scholarly literature, and even biblical scripture is becoming responsible for practices such as creating foundations for the resourceful and ethical performance of the business (Grigoropoulos, 2019). These ethical values can be traced as far back as Greek antiquity that, relied upon characterizing the virtuous and moral beliefs, attitudes, and acts; the importance

of ethical behavior lies upon leaders to be integrated into the corporate practices, no matter how large the company or its country's borders (Grigoropoulos, 2019).

Johnson (2018) postulates that literature mirrors the complexity of real life. Literature and biography introduce us to complicated individuals who, like us, must make judgments in specific situations (Johnson, 2018). This can come from moral and biblical dilemmas outlined in scripture and the Merida (2015) text or leadership theory in Northouse (2007). No matter the source, when leaders grabble with moral dilemmas or read about the struggles of historical figures, it can prepare us for the ethical issues we face on and off the job (Johnson, 2018).

**Ethical Reasoning**

Johnson describes the significant potential for character growth through a nine-step process that includes resilience, responsibility, reflection, support, refuge, perspective, and passage (Johnson, 2018). Moral reasoning is concerned with ethical principles and the consequences of choices, with strategic or results-based thinking, which focuses on reaching objectives such as increasing revenue, finding new distributors, or manufacturing products. Though distinct, these two strands of reasoning intertwine (Johnson, 2018, p. XVII). Savvy leaders must consider critical moral principles and weigh potential ethical consequences or outcomes (Johnson, 2018). If a leader fails to do so, their organization may lose the right to operate in modern society. Conversely, you must be an excellent strategic thinker to make wise moral decisions (Johnson, 2018).

Damer (2012) takes this ethical reasoning to a higher level and includes constructs and adds logic and critical thinking to the equation. These two concepts, proper ethical behavior and a robust value system, are imperative to ethical leadership. Robert Ennis defines critical thinking

as "a process, the goal of which is to make reasonable decisions about what to believe and do" (Damer, 2012, p. 1).

To add rational thinking to the ethical leadership equation, one must begin by learning how to construct sound arguments. Damer (2012) maintains good arguments are so important then why should one spend time studying bad ones or, more specifically, the fallacies? Damer (2012) advances the answer is that the ability to discriminate between fallacious and no fallacious patterns of reasoning is arguably a necessary condition for being able to devise good arguments, as one cannot construct a good argument if they do not know the difference between a good one and a bad one. In short, a savvy leader must be able to maintain what is right or, in some cases, wrong within the organization and have a reliable way to arrive at an ethical solution.

**Biblical Worldview and Ethical Leadership**

Ethical leadership is essential for a business to thrive in the modern world. Ignoring ethical ideologies often misleads executives into a mode of self-elevation when serving others thorough ethical treatment should be the focus (Northouse, 2019). Scripture-based ethical principles should play a fundamental role in developing corporate code of conduct policies meant to serve others, though they are not routinely scrutinized (Nass & Kreuer, 2018). Scripture-based ethical principles rely on a model driven toward helping others ahead of oneself. (Astrachan et al., 2020). While a Christian worldview tends to hold Christian leaders to a higher moral standard, the underlying strength is the grounding of biblical spirituality (Astrachan et al., 2020). Northouse (2007) espouses that a true leader is one who other persons are willing to follow. A solid biblical understanding or Christian worldview can inform a leader to lead from within (Astrachan et al. 2020).

Romans 12:2 advises that Christian leaders not conform to the world's secular teachings but transform through God (*New International Version*, 2011, Rom. 12:2). This guiding promise applies to ethical treatment within an organization (Smith, 2022). Further, Luke 6:31advises, "Treat others the same way you want them to treat you" (*New International Version*, 2011, Luke 6:31). This concept aligns with a Christian worldview, servant, and ethical leadership in that we have at least three things that we can share that God has blessed us. They are time, talent, and treasure, and we are stewards of these three.

**Social Responsibilities and Cultural Pressures of Ethical Leadership**

Earlier in this paper, globalization was discussed as it relates to ethical leadership and the complexities of today's organizations. Recent research has found that ethical leadership and corporate social responsibility are crucial for the competitiveness of firms operating in both the manufacturing and service industries (Saha et al., 2020). The globalization of business is one responsible force regularly increasing the social pressures on organizations to enhance the social impact of ethical leadership and behavior and corporate responsibility (Mishra & Schmidt, 2018). It is important to note, however, that corporate social responsibility describes the efforts of companies and other organizations to actively improve the welfare of society (Johnson, 2018, p. 332). Conversely, not everyone is supportive of such activities. For example, one of the country's richest men recently attempted to buy the social media platform Twitter, much to the chagrin of many economists, analysts, and pundits of free speech and social media. It is unknown how this new owner will handle corporate responsibility or even be a good corporate citizen. Still, it is worth mentioning that it is a topic of keen interest to this author.

Johnson (2018) postulates that being a corporate citizen appears to be the right thing to do from an ethical perspective. Corporate social responsivity behaviors are altruistic, contribute

to the common good, treat others with dignity, are just, and so on (Johnson, 2018). Society

expects more from its organizations than ever before. Therefore, corporations must be good

citizens or risk being punished by investors and consumers alike. Further, a recent study found

that employees' perception is positively induced by the organization's ethical climate and

corporate social responsibility initiative, promoting organizational performance (Farouk &

Jabeen, 2018; Su & Swanson, 2019). Besides, few researchers claimed the facilitating and

arbitrating roles of motivation, morale, ethical leadership, and managerial independence in

driving corporate social responsibility strategy (Li, Gao-Zeller, Rizzuto, & Yang, 2019).

Further, Khan et al. (2018) described the meaningful effects of transformational

leadership and corporate responsibility on an organization's performance. This shows that ethical

leadership has emerged as more than the necessity for the organizations to differentiate their

firms from competitors in terms of performance aspects and corporate responsibility (Luque &

Herrero-Garcia, 2019; Yoona & Chung, 2018). It is interesting to wonder how or if any of this

will play out in such a public forum as Twitter, but this author contends that it would make an

excellent case study for strategic leadership.

**Organizational Cultural and Pressures on Ethical Leadership**

One of this author's research interests is organizational culture. He finds it fascinating

how companies develop, operate, and serve the internal and external stakeholders. Johnson

(2018) maintains that an organization's culture plays a large part in the corporate responsibility

of a firm. The formal components of this culture include core values, mission statements, codes

of ethics, structures, boards of directors, rewards, and evaluation systems, reporting and

communication systems, and ethics officers (Johnson, 2018, p. 260). Additionally, research has

found that organizations that create an environment of knowledge and a robust value system,

culture, and shift in attitude and work pattern of the members is imperative to organizational

development (Fernandes, 2018). This explains the importance of corporate culture toward ethical

leadership and disseminating a solid value system and knowledge within an organization

(Fernandes, 2018). Earlier research suggests that organizational culture and a strong learning

culture can spur organizational performance (Marsick & Watkins, 1990; as cited in Fernandes,

2018).

Kotter and Heskett's (1992; as cited in Fernandes, 2018) study provides empirical

evidence that organizational culture can improve performance. Another survey by Leidner et

al. (2006; as mentioned in Fernandes, 2018) explains that corporate culture influences the

initiation and evolution of the dissemination of knowledge within the organization. A recent

study by Nirwan (2015; as cited in Fernandes, 2018) found a significant relationship between

organizational culture and knowledge transfer. Firms, supported by a robust corporate culture,

ethical leadership, and a strong value system, can lead to beliefs and behaviors that guide

organization members to become personal learners and allow the emergence of innovation and

organizational performance (Fernandes, 2018).

**Northouse and Ethical Leadership**

How is ethical leadership related to other popular leadership theories? Throughout this

paper, much has been written about Northouse (2007; 2019) and his application to leadership in

the modern world. This author often jokes that the Northouse (2019) text is his second Bible and

that he has been in school so long that he has the last three editions on his bookshelf. With that in

mind, it is essential to compare transformational leadership and ethical leadership for this paper.

Doody and Doody, (2012; as cited in Jambawo, 2018) propose that transformational

leadership theory purports that leaders motivate followers to achieve a common goal rather than

work in their interests. In addition, Northouse (2007) theorizes that transformational leadership theory allows leaders to change people and organizations. In comparison, ethical leadership theory purports that leaders make ethics a part of their leadership strategy and hold followers accountable for ethical conduct (Treviño et al., 2000; as cited in Jambawo, 2018). Moreover, an ethical leader is a moral role model who cares about people and the public (Jambawo, 2018). Additionally, ethical leaders demonstrate fairness, integrity, respect, and their influence over people to act through values and principles that embrace ethical behavior (Jambawo, 2018).

Barling et al. established those transformational leaders can either behave ethically or unethically, and for that reason, Yasir and Mohamad contended that transformational leadership requires the principles of ethical leadership (Jambawo, 2018). Ethical behavior must be the base of transformational leadership (Jambawo, 2018). Northouse (2019) reasoned that for transformational leaders to make changes in people successfully, the process should involve treating people with dignity and respect. Savvy ethical leaders must play an integral role in promoting ethical practice within the organizations they serve, as they have a unique position to influence others in significant ways (Jambawo, 2018).

**The Ethical Leader, Today**

Scripture and Merida (2015) teach us that we are God's imperfect servants even in the best of times. Hezekiah faced danger and led and turned to God in prayer (*New International Version*, 2011, 2 Kings 19:9-20:21). Josiah instituted spiritual reform, seeking to honor God's law (*New International Version*, 2011, 2 Kings 22:1-23:30). Solomon's prayer in 1 Kings 3:6-9 reveals his mindset during a trying stage in his life and gives us a glimpse into his attitude toward himself, his job, and God (*New International Version*, 2011, 1 Kings 3). Being aware of the everyday temptations and moral pitfalls prepares a leader to do their best, albeit imperfect work.

Leadership is always challenging. It requires control of the self, ego, and the use of power (Ciulla, 2018). In leadership, morality and immorality are magnified because their actions often affect more people and have a more significant impact than the actions of other individuals (Ciulla, 2018). This author has been in a leadership position his entire working life. He has owned multiple businesses, been an expedition leader in the arctic, chaired committees, and taught executives how to build effective teams. Still, one thing is sure, no one is a leader without followers, and followers often influence their leaders.

This author paid little regard to his leadership style and the breadth of influence he had over individuals in the past. It took a return to college at the age of 44 to pursue a bachelor's degree, later a master's degree, and currently a doctorate, with one goal: to become a better leader tomorrow than he is today. Raised in a strict authoritarian, military family, this author emulated his father in his leadership style and brought that top-down, do as I say approach, later in life to his business and other endeavors. It was experienced on long-term expeditions in Alaska when the lightbulb moment occurred, and finally, a leadership process became real. Over the past seven years at university, each course has allowed this author to adjust and adapt his leadership style, which is malleable and fluid as he becomes more aware of the scholarly and biblical influence he has on his followers and how his followers influence him.

Merida (2015) posits that it is not just your moral life but your whole life that demonstrates whether you understand the kingdom of God. As scripture denotes, we are all flawed but perfect in the eyes of God (*New International Version*, 2011, Matthew 5:48). True leaders are learners. It is the judgment of this author to devote sufficient time and work to developing his intellect, which creates inspiration (Sharma et al., 2019). He strives to become an inspirational leader that can generate a vision and superior goals for his subordinates and

organization and encourage the employee's participation which helps to gain respect from everyone (Sharma et al., 2019). So much aligned with Johnson (2018) on the importance of identifying creative values such as achievement, belonging, concern for the environment and others, creativity, health, and humility, this author relies on other personality traits. Transparency, dialogue, positive energy, and good behavior toward others are connected to inspirational leadership and continuous improvement for this author (Sharma et al., 2019).

Johnson (2018) argues "that you get what you measure," and social responsivity auditing has become a "mainstream business practice" (p. 346). It is exercises like the covenantal relationship questionnaire found in the Johnson (2018, p. 344) text and leadership assessments, such as the authentic leadership self-assessment questionnaire, located in the Northouse (2007; 2019) text, that allow this author to honestly compare his leadership methodology against the current trends of leadership behavior. These survey results reveal whether this leader and his organization are reaching their goals and laying the groundwork for improvement. This data is critical to members of the firm and stakeholder groups like socially conscious clients, employees, and others when making suitable choices within and outside the organization (Johnson, 2018).

Lastly, scripture informs us that God's gift is not a question of human will or effort but God's mercy (*New International Version*, 2011, Romans 9:16). Therefore, leadership depends not on one's willingness or effort in running a race but on God's mercy on him. Moreover, leadership is not about us. It is about God's grace from start to finish, and we are all a work in progress. (*New International Version*, 2011, Phil. 1:6). That is the hope of this author to become a savvy Christian leader that puts others first and strives to be the best he can be.

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