

Leadership Attributes and Organizational Goal Achievement: An Ethical Perspective in the Global Era

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Abstract: *Though the concept of ethical leadership is not so old, it has huge interest for practitioners and business leaders. Organizations want to know how to select, develop and retain ethical leaders. By reviewing different literatures as well as observing employees at different levels within different organizations, it is realized that leadership attributes have a greater impact on organizational goal achievement. The purpose of this study is to analyze the association between leadership traits and organizational goal achievement by using secondary data. The study finds that the appropriate leaders' attributes can contribute to the pay-off for the organization in the form of organizational development, employee morale and organizational transparency. In this study, subjective judgments are made by using qualitative data which are expected to assist business people in focusing on the ethical leadership in greater scale globally.*

Keywords: *Ethical leadership model; Globalization; Leadership attributes; Organizational goal achievement*

1. Introduction

Globalization has brought about new era for leaders by broadening their scopes of playing role through opening the door for entering into borderless market. Thus, the open market concept developed by globalization process creates scope for leaders to be global leader. For this purpose leaders must possess some attributes that have implications in achieving organizational goal. This era has also brought about leadership ethics to think. Even though numerous business philosophers, practitioners and researchers wrote on ethical leaders, much has been unanswered what ethical leadership actually is. Many researchers answered the question from a normative perspective where they explained ethical leader's behavior (Brown & Treviño, 2006; Brown, Treviño & Harrison, 2005). Brown and Treviño (2006); Brown, Treviño and Harrison (2005) stated ethical leadership from social learning perspective advocated by Bandura (1977, 1986). From the study results of Den Hartog et al., (1999); Kirkpatrick and Locke (1991); Kouzes and Posner (2011); Posner and Schmidt (1992), it is found that effective leaders are perceived based on the leader's honesty, integrity and trustworthiness. Treviño, Hartman and Brown (2000, 2003) did a study and found a number of personal characteristics which are related to the ethical leadership. These are thought as honest and trustworthy, fair and principled decision makers, caring and affectionate to people and society who

behave ethically in both personal and professional lives. The researchers considered this type of attributes as moral aspect of ethical leadership.

Brown and Treviño (2006) said subordinates' perceptions of ethical leadership predict satisfaction with the leader, perceived leader effectiveness, willingness to exert extra effort on the job and willingness to report problems to management. Again, ethical leaders communicate frequently with their subordinates, set clear ethical standards and allow rewards or punishment on the maintenance of those standards. Brown et al., (2005) found that supervisory ethical leadership is associated with interactional fairness, honesty and influence of transformational leadership. Brown and Treviño (2006) mentioned that ethical leadership is positively related to leaders' affective trust and negatively affected by abusive supervision. Brown et al., (2005) stated that ethical leadership based on social learning indicates that leaders influence their followers' ethical conduct through observational learning, imitation and identification. Ethical leaders must be attractive and credible role models by their followers (Brown & Treviño, 2006). This attribute also explains why and how ethical leaders influence their followers. Ethical leaders' attractiveness is enhanced by their characteristics of power and status, authority, care, concern, fairness attitude and positive attention to followers which are advocated by numerous researchers. Ethical leader must follow vicarious learning, a concept of learning both the ethical and unethical dimension of ethical behavior in organization and constitute the accepted and unaccepted behavior by the internal corporate stakeholders. When learners are aware of the ins and outs of ethical leadership theory, it comes to their mind about what specific attributes a leader actually holds or for which specific quality we can treat a leader ethical. Again, it's a matter of knowing what specific pay-off these attributes contribute to the organization and how they contribute to the organizational goal achievement. Based on these queries, some of the attributes are discussed in the next section and then association with organizational success of these attributes is discussed. The conceptual model of ethical leadership and organizational goal achievement discussed in this study is based on academic literatures which will assist leaders and managers manage their corporations effectively. This study is qualitative in nature that uses secondary data including some of the selected journal articles. These articles are systematically collected from reputed journals' online portal. It is descriptive in nature where the study shows the ethical leader's attributes on previous literature and authors' own perception analyzing the current market trends. Based on these attributes of ethical leadership, a model is developed to justify the research question. Hence the prime objective of this study is to explore the ethical leadership attributes and their impact on organizational goal achievement that supports for ethical leadership in this global era.

2. Attributes of Ethical Leadership

Based on research papers of Brown et al. (2005); Brown and Treviño (2006); De Hoogh

and Den Hartog (2008), some of the attributes of ethical leaders are identified. These attributes include a broad characteristics of an ethical leader which include charismatic attributes, idealized influence-behavior, supervisor effectiveness, extra effort, considerate or fair treatment, satisfaction with supervisor, power sharing, moral legal standard, concern for others, honesty and integrity, willingness to report problems, concern for consequences, role clarification, self-judgment. Following are these attributes that are discussed in detail:

i. Charismatic attributes

A charismatic characteristic of a leader is the most deserving attribute. This attribute inspires the leader's followers to generate moral principles towards value creation for organizations. If charismatic leaders use their power of motivating followers for selfishness other than altruism, then the leaders' attribute can be regarded as unethical. Socialized charismatic leaders are ethical in nature where personalized charismatic leaders are unethical. Alike transactional leaders set ethical standards and make employees accountable for following them, charismatic leaders use transactional type influence process of standard setting, performance appraisal and rewards & punishments to hold followers accountable for ethical conduct. Thus charismatic leaders use transactional leadership style to influence followers' behavior. Agreeableness and openness to experience are positively related to charismatic leadership.

ii. Idealized influence-behavior

It is well acknowledged that an ethical person must be an ideal human being. Thus ethical leadership must also have the characteristic of ideal influencing behavior. The ideal attribute of the leader can proportionately influence the behavior of the followers. Idealized influence means the leaders' attributes are the role models to be followed by others. They are counted to do the right thing and demonstrate upper standards of ethical and moral conduct (Avolio, 1999).

iii. Supervisor effectiveness

An ethical leader should have supervisory capabilities. Distance has many potential implications for ethical leadership. Executive ethical leadership has strongest influence on organization wide outcomes while supervisory ethical leadership has influence on group or individual wide outcomes considering the management level impact of ethical leadership in the similar fashion. Executive leaders can manipulate the ethical leadership impression better than suspensory leadership. This attribute is more importantly valuable for those leaders who have close interaction with their subordinates. Supervisory level leaders work with their subordinates more closely than executive level leaders. Thus they can influence the employee attitude and behavior more effectively and can directly

play as an ethical role model. Supervisory level leadership holds the characteristic of moral person and moral manager. At this level ethical leadership should be more likely to influence the attitudes and behaviors of their followers. Supervisory ethical leadership is positively associated with interactional fairness, leader honesty and idealized influence of transformational leadership. The manner of how the leaders treat people and make decision can be observed by subordinates' evaluation of ethical leaders to provide estimates for supervisory level ethical leadership.

iv. Willingness to exert extra effort

Ethical leaders do not confine in a limited area of responsibility. They perform beyond their responsibility to the welfare of the organization willingly. This attribute indicates that an ethical leader should not be selfish in performing their organizational responsibility. They are ready to do anything for the sake of the organization.

v. Considerate or fair treatment

Another attribute of ethical leaders is to be considerate to their subordinate and/or followers. They do not show nepotism in the workplace. All the subordinates are treated fairly. They do not discriminate others in any case.

vii. Satisfaction with supervisor

The ethical leaders do not show or use their power for personal dignity rather they use it to perform their responsibility effectively for the development of the organization. Even they delegate their power when necessary for the same purpose. De Hoogh and Den Hartog (2008) identified some dimensions of ethical leaders in power sharing. These are as follows:

- Allow subordinates to have influence on critical decisions
- Reconsider decisions on the basis of recommendations by their followers
- Delegate challenging responsibilities to subordinates
- Seek advice concerning organizational strategy from subordinates
- Allow subordinates to take a strong hand in setting their performance goals

viii. Moral legal standard

Ethical leaders set and maintain moral legal standards for them and also for their subordinates. Again, they follow whether these standards are maintained or not. De Hoogh and Den Hartog (2008) identified some dimensions of ethical leaders in morality and fairness. These are as follows:

- Make sure that their actions are always ethical
- What they say is earnest
- Can be believed and relied upon to keep their words
- Can be trusted to serve the interests of their subordinates rather than themselves
- Don't criticize subordinates without valid reason

ix. Concern for others

Ethical leaders are responsive to their subordinates or followers' interest. They do not assign work to their subordinate by force rather they discuss with them before assigning it. Again, after assigning any job to the subordinates, problem can arise for which subordinates are liable. In that case they do not blame them directly rather listen to the matter attentively and try to solve the problem with mutual cooperation. The reverse attribute of ethical leader is despotic leadership. De Hoogh and Den Hartog (2008) identified some dimensions of ethical leaders in despotic leadership. These are as follows:

- Is punitive; has no pity or compassion
- Is in charge and does not tolerate disagreement or questioning, gives orders
- Acts like a tyrant or despot; imperious
- Tends to be unwilling or unable to relinquish control of projects or tasks
- Expects unquestioning obedience of those who report to him/her
- Is vengeful; seeks revenge when wronged

x. Honesty and integrity

Honesty and integrity are seen as the important elements of an ethical leader. Researchers found honesty as the only one among many characteristics of an ethical leader that can differentiate ethical leaders from unethical ones. Honesty and integrity constitute stockholders' trustworthiness to the leaders. Though trustworthiness and honesty of a leader contribute to ethical leadership, they do not construct the same.

xi. Willingness to report problems

In any organization, problems can occur any time for any situation. All the problems need to be known to the higher authority. It is not fair to avoid these problems to let the authority know for personal interest. Ethical leaders willingly report any kind of problems to the proper channel in real time.

xii. Concern for consequences

The wise people do anything with conscious mind and take the responsibility of the consequence. Ethical leaders are also concerned with the consequences of the decision or task associated with the organization. The consequences can be positive or negative in

nature for achievement of the organizational goal. Ethical leaders choose the best decision from a lot of alternatives by predicting the best outcomes of the decision or tasks. The concern for consequences attributes defines ethical leaders as optimistic in nature. De Hoogh and Den Hartog (2008) identified some dimensions of ethical leaders being optimistic about the future. These are as follows:

- I am optimistic about my future with this organization
- I expect this organization to have an excellent future
- I expect to be with this organization for a certain time from now

xiii. Role clarification

Ethical leaders lead their subordinates with a clear instruction. They do not rely on vague or unclear circumstances. They make understand the responsibility of each and every subordinate clearly so that they can perform their responsibility in an uninterrupted fashion. De Hoogh and Den Hartog (2008) identified some dimensions of ethical leaders in role clarification. These are as follows:

- Explain who is responsible for what
- Explain what is expected of each member of the group
- Explain each individual group member's scope of authority
- Communicate their performance expectations for group members
- Clarify priorities

xiv. Self-judgment

Ethical leaders are concerned of their responsibility and contribution to the organization. They evaluate their outcomes periodically and make corrective actions for the betterment of the organization by themselves.

3. Pay-off of Ethical Leadership

Attributes of ethical leadership pay-off to the success of organizational goal achievement in the form of Improving the following aspects.

i. Organizational development

Among a number of attributes possessed by an ethical leader, some are used for organizational development. Human being has the ability to create something innovative. The *charismatic attribute* of an ethical leader enables him/her to do so. This attribute influences his/her followers to follow him/her and obey his/her instruction for the betterment of their career. It is normal that an ideal person is honored by others. *Idealized attribute* of a leader influences his/her followers' behavior to become ideal and for this reason they become responsive to their activities. Of course, a leader must have *supervisory effectiveness attribute*. Otherwise, it is quite impossible to get good result from their

subordinates. For the supervisory attribute of an ethical leader, employees work in efficient and effective manner. A leader should not think of a specific area rather he/she must think out of the box. To do so, sometimes it may require providing some *extra effort* for the betterment of the organization. In this case, he/she has to be devoted to the organization. All of these attributes all together result in enhanced organizational development.

ii. Employee morale

In organizational perspective, bringing about employee morale is very important as they are mainly involved in value creation activities. When subordinates feel that they are treated with fairness from their supervisor, then their morale increases. Again, leader should not always be strict in maintaining organizational rules and regulations in some specific situations. There is a well-known proverb that “to err is human”. Employees are also not out of the error. If some problems occur from their end, ethical leaders analyze the issue and consider the matter. The ethical leader should be *satisfied with his/her supervisor*. When leaders are satisfied with their supervisor, a good working environment is created in the workplace. Then it affects positively the subordinates and then the subordinates feel satisfied with him/her even in some unexpected circumstances. Sometimes it is required to delegate the authority of leader to others in absence of his/her appearance in the workplace or to train the subordinates. In this situation, the leader should also delegate appropriate power to do those tasks properly. Generally leaders are reluctant to *share their power* with others for which organizational activities are hampered. Ethical leaders should be agreed upon sharing their power with others when needed. Ethical leaders set some *moral legal standards* so that moral practices are exercised in the workplace. These moral standards can ensure employee affection with each other and reduce the gap between the leader and subordinates relationship. Ethical leaders should not think of their own personal interest. It is their responsibility to see the pros and cons of others. When subordinates feel that their boss is *concerned* of their interest, they feel grateful to the leader and become responsive to their responsibility. All of these attributes of ethical leader work better in enhancing employee morale.

iii. Organizational transparency

Ethical leaders play vital role in achieving organizational transparency. Some attributes of ethical leaders enable them playing that role. Among these attributes, honesty and integrity is the first and foremost. Due to honesty and integrity nature, ethical leader cannot fraud with the stakeholders. Again, they become responsive to ensure honesty and integrity in their subordinates. It is another attribute of ethical leaders to report willingly to the higher authority if any problem occurs. Ethical leaders must think the consequences before doing anything whether the result will positively or negatively affect the organizational goal. Ethical leaders clearly convey the role of each and every subordinate. When the role to play in the organization becomes clear subordinates.

they get transparent direction to perform their activities. Ethical leaders are also concerned of their performance. To do so, they frequently judge themselves to know whether they are in the right track and accordingly to bring changes in their performance if they are not satisfied with their existing performance. Combined with these attributes, ethical leaders increase the level of organizational transparency.

4. Model for Ethical Leadership

The attributes and the possible pay-offs discussed in earlier section contribute to the success of the organization by achieving goal. This association can be used to build an effective model for organization. This model will show how each of these leadership attributes can contribute to the success of the organization. The prime motive of establishing and running an organization as we know is to generate profit and satisfy the stakeholders largely; and it depends on the attributes of the organization's leaders. These attributes constitute an ethical leader. Thus an ethical leadership is vital for organization's success. So, the organization's success can be characterized by the appropriate attributes of the ethical leader. Thus, the model (**See figure 1**) as stated below shows the useful attributes of ethical leadership in one continuum and the pay-off contributed to the organization having these attributes is shown in other continuum.

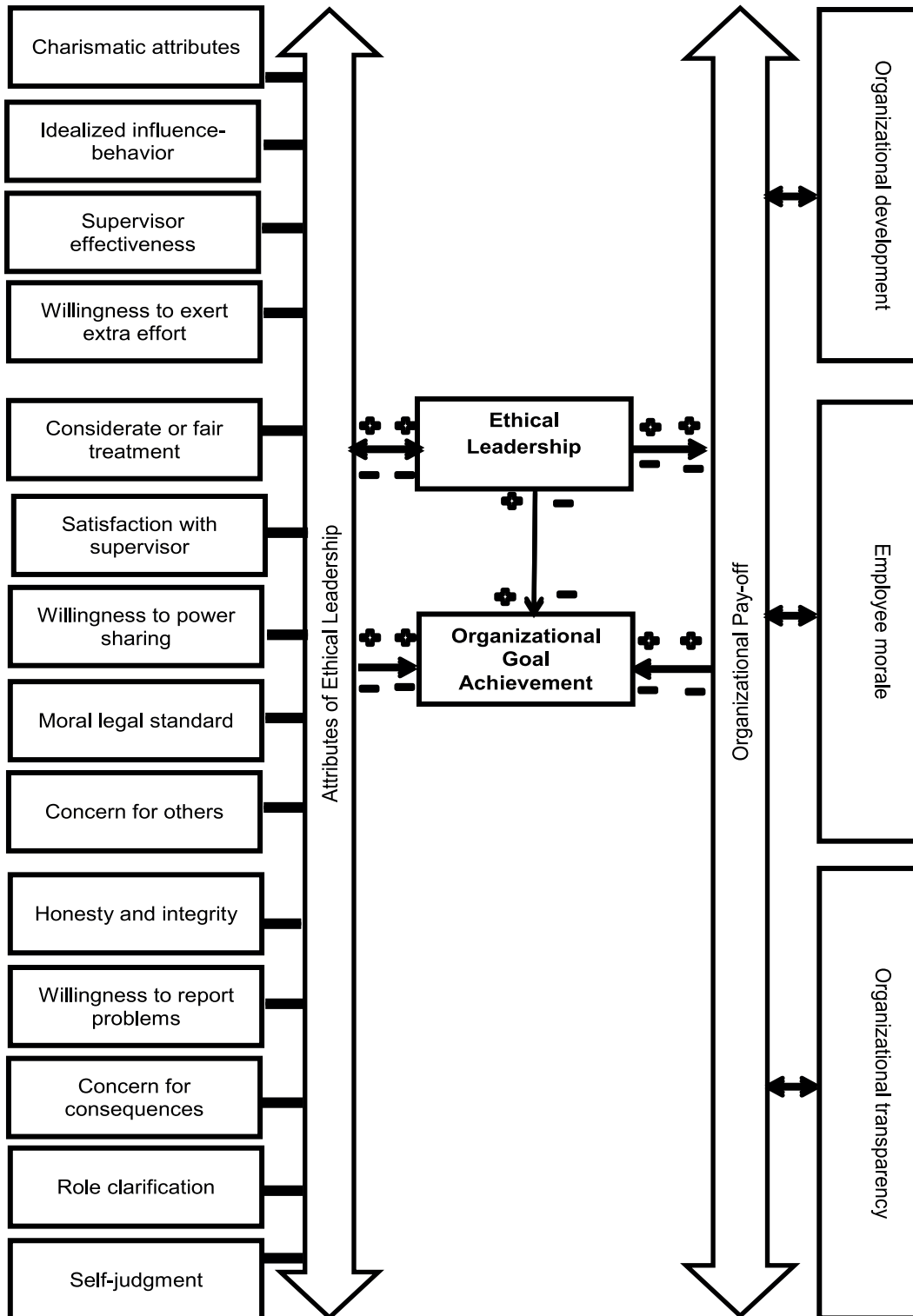


Figure 1: Model of global ethical leadership attributes and organizational goal achievement Combined with all of the attributes shown in the figure constitute ethical leadership. This ethical leadership pays-off to the organization in the form of organizational development, employee morale and organizational transparency. The higher the leader has leadership attributes, the higher the ethical leadership pays-off to the organization. Thus the combination of the attributes and the resulting organizational pay-off coming from the ethical leadership contribute to the organizational goal achievement. O'Keefe, Peach and Messervey (2019) conducted a study to show the impact of ethical relationship on organizational outcome. They found that followers show higher ethical behavior if their leader possesses stronger moral identity and higher level of ethical leadership whereas, other study result finding is that higher organizational outcomes vis-à-vis greater organizational identification is achieved through greater level of ethical leadership. Again, the attributes as mentioned in the model and discussed earlier are advocated by various research scholars (Avolio, 1999; Brown & Treviño, 2006; Brown et al., 2005; De Hoogh & Den Hartog, 2008) as well as the impact of ethical leadership advocated by Brown et al. (2005); Brown and Treviño (2006); De Hoogh and Den Hartog (2008) in the case of organizational goal achievement is thus justified.

5. Conclusions

There is an argument whether or not leaders are born or leaders are created. Actually, leaders in organizational perspective must have some natural attributes that come by birth and some must be instilled to become a successful ethical leader. The attributes that come from human nature by birth have charismatic power, idealized influence, moral legal standards, integrity, self-judgment and most of which again are influenced by family interference, society culture where he/she is grown up. Some attributes can be created in a leader by providing training, on the job training and others. Ethical leader contributes to the perceived team management and team effectiveness. This is vital for top management team effectiveness and subordinates optimism about the future of the organization.

Though the concept of ethical leadership is not so old practice globally, it has huge interest for practitioners and business leaders. Organizations want to know how to select, develop and retain ethical leader. In this case, the proposed model shown in this study can assist business people to a greater scale. The study has noteworthy contribution to the business people as well as to the society as a whole, thus the greater portion of the population can be benefitted by removing unethical practices in leadership in the global corporate arena. Again, in future this model can be used by other researchers to conduct further research in the related area of study. The study would be a source of academic learning by academicians and students of colleges and/or universities. In this modern global era organizational goal achievement is largely dependent on retaining more and more ethical leaders. These leaders' attributes enhance ethical leadership practice.

At the same time, enhanced attributes contribute to enhanced organizational pay-off through organizational development, employee morale and organizational development. Thus, organizations practicing ethical leadership and having increased pay-off become able to achieve their goal successfully. It will assist students of business school learn the appropriate attributes of ethical leader and can practice from their educational level before becoming a real leader as today's students are the leaders of future organizations. Ethical leadership can generate effective leadership for the organization's success.

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