

Leadership and Team Effectiveness
Prof. Santosh Rangnekar
Department of Management Studies
Indian Institute of Technology - Roorkee

Module No # 05

Lecture No # 22

Role of Ethics and Values in Organizational Leadership

Last time, we heard about moral leadership, and in continuation that today, we will interact on the role of ethics and values in organizational leadership is there. In these presentations, we will understand first.

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- Definitions of values
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- Ethical leadership
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What are the values, the definition of values, then the sources of values types of will use the definition of ethics, then the ethical leadership. 4 ethical dilemmas ethical versus unethical climate, and as usual, the research paper, case study and book recommendations will be there.

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VALUES

- Values are basic and fundamental beliefs that guide or motivate attitudes or actions.
- Basic convictions that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.
- Many of the values we hold are established in our early years- by parents, teachers, friends, and others.



Whenever we are talking about the values then definitely in that case basically, values are the basic beliefs value system. So always we comment on these what is your value system is there why? That is the whenever we are having these attitudes and behavior. This attitude generation of attitude is based on the value systems and data those values systems they are converting into our behavior also.

And as a result of which these beliefs, which are creating in the attitude and behavior they guider motivate our attitudes, are the actions are there. And therefore, in that case, it becomes very important what attitude do we have. Basic convictions it has a specific mode of conduct or end-state of existence that is personally or socially preferable to an opposite or converts the mode of conduct or end-state of existence.

Many of the values we hold are established in our early years by parents, teachers, friends, and others are there. So, therefore, the environment plays a very great role in, developing our values. What happens to the child from childhood is he has the observations one, is the observation sent on basis of the observations. So from where does, he gets observations? He gets observations from society. That is what the parents?

And what has been taught by the parents are interact, or the observed and perceived by the child? So, therefore, in that case, many times parents are surprised, it is we have not taught him, but how he has learned this value. So it is because of the surrounding environment nature in which the child is grown up.

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DEFINITIONS OF VALUES

Author Name	Definition
R.K. Mukherjee	"Values are socially approved desires and goals that are internalized through the process of conditioning, learning or socialization and that become subjective preferences, standards, and aspirations".
T. W. Hippie	T. W. Hippie, "Values are conscious or unconscious motivators and justifiers of the actions and judgment"
M. Haralambos	"A value is a belief that something is good and desirable".



So values are social as per the R.K. Mukherjee is concerned values are socially approved desires and goals. So actually, they may be many observations, but we observe those observations, which we approve right? And therefore, suppose I say honesty is the best policy but, in that case, the approval of this policy is very important. So it is not the presence of not knowing about this policy, they know. But there is either approval or not approval.

Values are conscious or unconscious motivators and the justifiers of the actions and judgment there and therefore, in that case, these are the values that are creating this type of this environment in which they either respond to the environment. And therefore whenever we are talking about responding to the environment so, actions and judgments are dependent on that.

So naturally, whatever will be the environment, then that will be justified by responding through our values. The belief that something is good and desirable so the value is a very positive term and whenever; we talk about the value, then in a given situation, the value is desirable. For example, whenever you are into a business, then there are certain values are will be there. That is the many slogans you will find that the people say that customer satisfaction is our value system so that is desirable.

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IMPORTANCE OF VALUES

- A powerful force affecting behaviour.
- Values contain a judgement element in that they carry an individual's ideas as to what is right or desirable.
- Provides a way to understand organization.
- Help to differentiation.
- Determine the retention.

A powerful force affects behavior therefore, values are the force that is driving the behavior. Values contain a judgment element in that they carry an individual's ideas as to what is or what is desirable, is there? So, there is in the previous slide, we have seen in the definition also, it is been given it is it justifies your behavior. So from behavior also we can find out what is the value system of the individual?

Provides a way to understand the organization's values are there and organizational values are creating the organizational culture and that culture, again, creates the value system in the new employees. So, therefore, it is very important to understand the organization helped, to differentiate between what is right, and what is wrong? And therefore, in that case, whenever we say that is, this is the particular value that has to be followed, and a decision is to be taken.

So that this decision will be depending on that what is, right? And what is wrong? Determine the retention and importance is this that is what happens in the life? There will be the positive effect there will be the negative effect upon is there. And whenever there is a negative effect are you still stick to you are values? And you are not sticking to your values and that will decide about the value systems.

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SOURCES OF VALUES

- Our homes,
- School,
- Society,
- Friends,
- TV,
- Church,
- Music,
- Books,
- Families,
- Culture,
- Employers,
- Time-period in which you were raised (70's anti-establishment, peace, individuality. 80's money, prestige, don't get caught, etc. 90's earth, green peace, health and fitness), etc.

Sources of values are our homes, schools, society, friends, TV then the church, music, books, and families with whom we interact and we learn by observing sense senses. Our senses decide about the sources of values are there and whatever we learn from the school were whatever we learn from our parents at the home, who are our friends because the friends, family friends in society.

And so in developing that particular value system, these 3 contribute a lot, then whenever we go, because this is taken from the western book. So whenever we are going to the religious replace, right, then we find that is there also, we learn about the values because the on whenever we are having the visit to the priests in the temple or into the father in the church. They tell us about that is a how-to lead your life.

When deserves him by having the value systems, then? By reading, the books are the families and culture. The culture here I would like to mention is a professional value. So professional values will develop from the organizational culture what type of organizational culture is there and on basis of the organizational culture, we are having these particular aspects of the developing the behavior.

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TYPES OF VALUES

- The values that are important to people tend to affect the types of decisions they make, how they perceive their environment, and their actual behaviors.

There are two types of values;

1. Terminal Values.
2. Instrumental Values.

People Vary in the Relative Importance they place on Values.



Now there are different types of values are there, they are important to people and tend to affect the types of decisions they make, how they perceive their environment, and their actual behaviors are there. And therefore, in that case, it is a selection. When we talk about the people tends to affect the types of decisions. So, therefore, in that case, that is a decision of what?

So that is how they are perceiving their environment whether the environment is ethical or unethical? And when there is an ethical environment, the ethical values will sustain that much the people know. There are 2 types of values, the terminal values, and the instrumental values are there. So people vary in the relative importance they place on values. So, therefore, in that case, ultimately values of life.

So when you see the terminal values to attain these values, they are the other values are to are the facilitating and supporting and these types of the values, they are called the instrumental values are there. So here you will always find that whenever we are talking about, the terminal values or the instrumental value instrumental values are becoming also, very important is not a terminal value, only.

Like so, what if instruments are also required to be ethical are instruments cannot be unethical. And therefore, in that case, it becomes very important that is the, whether you are having that did sort of these instrumentation process, which is generating the value system or not that is that decision is to be taken.

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TERMINAL VALUES

Terminal Values

- An exciting life
- A sense of accomplishment
- A world at Peace
- A world of Beauty
- Family security
- Social recognition
- Friendship
- Freedom
- Happiness
- Pleasure
- Wisdom

- **Terminal Values:**
- Desirable End States of existence; the goals that a person would like to achieve during his or her lifetime.



Now, whenever we are talking about these different types of terminal values are there. So from the name itself, it is very clear. It is a terminal value that is the n values are there. So exciting life vibrancy in life so, therefore, many people they always want. They do not like the routine work so a person who is having an exciting life cannot do a job. This is causing them, a very dull life so what is required is that vibrancy is required.

A sense of accomplishment is required. It is a goal is to be achieved and therefore in that case and unless and until the goal is not achieved the value systems will not be there. In a world of peace, many people want that there should be a peaceful life. If the world of beauty and many people they want that is you know, they should always look beautiful family security is for like the Indian culture.

This is a very prominent value system in their social recognition. Yes, professionally the people want to be getting recognized then, naturally, the continuing with the friendship, happiness, freedom, pleasure, and wisdom is there. So these are the different emotions basically, which are becoming part of values. When we are talking about; the desired end state of existence; that a person would like to attend go value system.

In the end whenever we are talking about those terminal values to achieve those terminal values, they will be certain the instrumental values will be there.

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INSTRUMENTAL VALUES

Instrumental Values

- Ambition
- Broad-Mindedness
- Capability
- Cheerfulness
- Cleanliness
- Courage
- Forgiveness
- Helpfulness
- Honesty
- Imagination
- Politeness

- **Instrumental Values:**
- Preferable modes of behaviour or means of achieving one's terminal values



So what will be the instrumental value? Instrument value will be the ambition So like, for example, the happiness will depend on the ambition of the individual did what sort of the ambition one is having if one is having the ambition to be the leader of the society. Then, in that case, that particular person that will become a source of ambition will be the source of happiness.

So, whenever ambition will be fulfilled, the person will be happy. Another one is the capability of the individual is there. So whatever the capability is individual, having that is becoming the instrument because you have to achieve those particular terminal values. To terminal values, for example, freedom is that there is a particular goal achievement and for this purpose, it is capability is required.

If the person is having that capability, then definitely this is a preferable mode of behavior. So, therefore, in that case, on basis of these instrumental values, the person decides what will be the mode of achieving the one terminal values. So, therefore, if the person's behavior is to achieve these particular terminal values, he has to make the justification with the help of the instrumental values.

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FOUR GENERATIONS

- Zemke is another researcher who has looked at differences in values across generations and how those value differences affect their approaches to work and leadership.



Now a beautiful study has been done Zemke is another researcher who has looked at the differences in values. So a lot of research is going on and therefore, we have to understand and that is the, whenever people say there is a value, what is the status of any system? So, they are on basis of the research across generations and how these value differences affect their approaches to work in leadership.

So traditionalists boomers are their gen x is there and Millennials are there and always we whenever we send one generation to another generation. So there will be a generation gap and as soon as there will be a generation gap, they will be a change in value systems are there. And that is why whenever you are having if you are studying the values of the traditionalist that, so then you will find, there is a different list is there

Whenever you will go for the boomers, they will be a difference between the traditional lists and the boomer's list is there. Whenever you will go for gen x, you will find again there is a change in the boomer's value systems, and in gen x, the value system is there. And whenever we talk about the millennials nowadays, then we find they are having a different value system is there. So which value system is right or wrong?

So, therefore, in that case, it becomes very important. That is every generation was having the right value system from the given time because they had developed this value system from the society itself.

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Dominant Work Values in Today's Workplace

Cohort	Entered the Workforce	Approximate Current Age	Dominant Work Values
Veterans	1950s or early 1960s	60+	Hard working, conservative, conforming; loyalty to the organization
Boomers	1965–1985	40–60	Success, achievement, ambition, dislike of authority; loyalty to career
Xers	1985–2000	25–40	Work-life balance, team-oriented, dislike of rules; loyalty to relationships
Nexters	2000 to present	Under 25	Confident, financial success, self-reliant but team-oriented; loyalty to both self and relationships

Dominant Work values in today's workplace is that is the veterans in nineteen fifties early nineteen sixties, 60+ those who are so their value system was the hard-working, conservative, conforming, loyalty to the organization. Boomers 1965 to 1985, 40 to 60 years of age currently success, achievement, ambition, dislikes of authority; loyalty to the carrier is there.

Xers so 1985 in gen generations so, 1985 to 2000 and it is a 25 approximately ages 25 to 40. Work-life balance, team-oriented, dislike of rules, loyalty to relationships and therefore, in that case, this will be more work-oriented. Nexter's 2000 to present those who enter into the workforce, from 2000 under 25. So they are confident, financial, success, self-reliant, but team-oriented; loyalty to both self and relationships are concerned.

And therefore, in that case, you will find that is the whenever we are talking about these dominant work values right from the veterans, boomers, Xers, Nexter. And when change in the value system, that is a hard-working, success, achievement, ambition, work-life balance, team-oriented, results of rule and the confident financial success. Then definitely these changes with the pride of the generations they debt have become the more and more dominating.

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DEFINITIONS OF ETHICS

Author Name	Year	Definition
Philip Wheel Wright	1935	Ethics is a branch of philosophy which is systematic study of selective choice of the standards of right and wrong and by which it may be ultimately directed.
Richard William Paul and Linda Elder	2006	"a set of concepts and principles that guide us in determining what behavior helps or harms sentient creatures".

Now, we cannot study the values, only in isolations way to talk about the ethics also. So Phillip Wheel Wright in 1935 his job ethics is a branch of philosophy that is the systematic study of the selective choice of the standards of right and wrong and by which he may be ultimately directed is there. So a lot of work was done in 1935 by Philip and researchers in the branch of philosophy.

And then it talks about that whenever we are talking about the values and ethics then that is a philosophy of life and this philosophy of life standard of the rights in the wrong and so, therefore, it has to be directed. So Richard William Paul and Linda Elder in 2006, a set of concepts and principles that guide us in determining what behavior helps us harm sentient creatures a very beautiful definition.

This talks about the practical implication whenever, we are talking about the practical implication of this particular system, then it is a set of concepts and principles. And therefore, in that case, are concepts and principles, which are forming the ethics? Those concepts and principles which are forming these ethics will decide and guide us, that is what type of the behavior helps or harms the sentient creatures.

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ETHICAL LEADERSHIP

- Leaders who treat their followers with fairness, especially by providing honest, frequent, and accurate information, are seen as more effective.
- Leaders rated highly ethical tend to have followers who engage in more organizational citizenship behaviors and who are more willing to bring problems to the leaders' attention.
- Ethical leaders use it in a socially constructive way to serve others



So it will be decided based on your ethics only. So, what is required? Whenever you want to make use of the values; there has to be supported by ethical leadership because you are to follow those ethics. So, leaders who treat their followers with fairness, this is about ethics, especially by providing honest, frequent, and accurate information. Now, please understand these are not just buzz words in the textbooks.

These are the practices observed in adopted by the successful leader. So, therefore, if you want to be a successful leader, then definitely you had you opt for these ethical practices that are fairness is concerned. You are required to be fair and especially provide the honest frequent is required and the frequent and accurate information.

You cannot just make the superficial studies and then you have to respond to that rather than frequent and the accurate information is acquired and these are seeing is more effective. And this fairness and these; ethical practices the providing the honest and frequent and accurate information. So, then these leaders have become the more successful and effective.

Leaders rated highly ethical tend to have followers who engage in more organizational, citizenship behavior is there OCB is there. And, in the OCB, we talked about the rights and duties that are there. So fundamental rights and fundamental duties have to be followed. In the case of the OCB is there. Now, this OCB is nowadays also converted into the positive that is organizational scholarship is concerned.

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DEFINITIONS OF ETHICAL LEADERSHIP

Author Name	Year	Definition
Yukl	2006	Ethical leader as one who promotes honesty, and mirrors his or her actions with their values and beliefs
(Freeman & Stewart)	2006	Define ethical leadership as "simply a matter of leaders having good character and the right values or being a person of strong character"

And relation to these definitions of ethical leadership Yukl 2006, the ethical leader promotes honesty and mirrors his or her actions with their values and belief. I have given this example; you see that honesty cannot hide from adopting the value of honesty. Honesty has to be there and therefore every researcher has most has supported this particular value system.

And mirrors are his or her actions because whatever is there honesty is there, that honesty will be deciding about how it is to be exercised based on the others and it is called the mirror. So when, when you are honest with others, this will be honest to you and therefore, that mirrors our, are actions with values and beliefs. Similarly, Freeman and Stewart have designed a matter of leaders having good character and the right values.

So strong character many times because of the incomplete messages I will say why incomplete messages? Because we are getting through; social media, we are; not know the facts about it. And therefore, they say that honesty is not the best policy many times the people talk about these issues. But then here, you will find that they know those who are following the ethical Style.

Well, then definitely in that case they are becoming successful. Otherwise, in the long term and short term, the person may be happy employee may be happy but in long term, it will not.

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ETHICAL LEADERSHIP CHARACTERISTIC

1. Justice
2. Respect others
3. Honesty
4. Humane
5. Focus on teambuilding
6. Value driven decision-making
7. Encourages initiative
8. Leadership by example
9. Value awareness
10. No tolerance for ethical violations

The justice ethical leadership characteristics of the justice so, therefore, one we have talked about that is about the honesty is concerned. Another one is Justice whatever we do there is justice whatever decision we take, there is justice. So that is why we say justification has to be given for a decision. Then respect for others is a concern how much do you respect others' honesty or already have talked.

Then the humane that is the personal touch-sensitive touch is very much required in case of this ethical leadership is concerned now and working together Brotherhood (()) (20:04) there is a focus on the teambuilding that is the objective is there. Value-driven decision-making is there the decisions are not taken, just because of the personal choice, rather than ETA is the best on the value systems of the organization.

Encourages the initiatives and therefore the people are becoming more and more taking the initiatives. Leaders by examples because they proved themselves because they have followed the values, they have been ethical, and therefore, they have proved themselves. And as a result, which you will find that is it, they have become successful because people follow the successful leaders only. The 4 ethical dilemmas are truth versus loyalty, individual versus a community, and short-term versus the long-term.

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FOUR ETHICAL DILEMMAS

1. **Truth versus loyalty**, such as honestly answering a question when doing so could compromise a real or implied promise of confidentiality to others.
2. **Individual versus community**, such as whether you should protect the confidentiality of someone's medical condition when the condition itself may pose threat to the larger community.
3. **Short-term versus long-term**, such as how a parent chooses to balance spending time with children now as compared with investments in a career that may provide greater benefits for the family in the long run.
4. **Justice versus mercy**, such as deciding whether to excuse a person's misbehaviour because of extenuating circumstances or a conviction that he or she has "learned a lesson."



So, therefore, when we talk about the truth versus loyalty honesty answering your question when doing so could a compromise a real or implied promise of the confidentiality other? This is conserved therefore, in that case, it is the whether the person is wanted to do this particular task or not. And if he wants to do the task, then definitely he will be able to complete a task within time.

Individual versus community is concerned, with whether you should protect the confidentiality of someone's medical conditions when the condition itself may pose threat to the larger community. And the short term versus long term is concerned, as I was giving the example, people prefer to sometimes the follow the values in the short term, but they are required to be the followed or a long-term.

Justice versus mercy, such as deciding whether to excuse a person's misbehavior because of the extenuating; circumstances or a conviction that he or she has learned a lesson. So now this has become a very big issue. So, therefore, in that case, all these four factors there is truth versus loyalty, individual versus communities, short-term versus long-term, justice versus mercy.

Whenever we are going for this type of ethical decision-making process, then, we had to decide whether we are having that value and ethics are Justified or not.

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THREE PRINCIPLES FOR RESOLVING ETHICAL DILEMMAS

- **Ends-based thinking** is often characterized as “do what’s best for the greatest number of people.” It is also known as utilitarianism in philosophy, and it’s premised on the idea that right and wrong are best determined by considering the consequences or results of an action.
- **Rule-based thinking** is consistent with Kantian philosophy and can be colloquially characterized as “following the highest principle or duty.”
- **Care-based thinking** describes what many think of as the Golden Rule of conduct common in some form to many of the world’s religions: “Do what you want others to do to you.” In essence, this approach applies the criterion of reversibility in determining the rightness of actions.



Then 3 principles for resolving ethical dilemmas and ends-based thinking are often characterized as doing what is the best for the greatest number of people. So, whenever we are in an ethical dilemma, we have to see which decision will help us the most for the people greatest number of people. It is also known as utilitarianism in philosophy and is premised on the idea that right and wrong are best determined by considering the consequences are results of an action is there.

And therefore, in that case, we are evaluating a particular action by rule-based thinking, which is there when Kantian philosophy can be colloquially characterized as following the highest principal or duties there. Whenever we are following the highest principle of our duties then definitely, we are talking about the rule-based thinking is there. Care-based thinking is there the golden rule of conduct common in some forms of many of the world's religions do what you want others to do you.

In essence, this approach applies the criteria for reversibility in determining the rightness of the action is there. So, this golden rule of conduct. So naturally, we will like to see the others who are surrounding us. They are doing the right things in the sense acceptable, by the society, acceptable by those value systems, acceptable by that ethical leadership. And when we are doing these things, we will say yes, it is done correctly.

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Four sources of Unintentional Unethical Decision Making

- 1. Implicit prejudice:**
 - Bias that emerges from unconscious beliefs
 - Mental associations may not be true
 - Biases can be costly. They may lead to wrong decisions (e.g., in hiring a firing decisions)
- 2. In-group favoritism:**
 - Bias that favors your group
 - Results in discrimination against others and the misallocation of resources
 - It erodes the bottom line and may lead to losses or lower profits



The 4 sources of unintentional unethical decision-making are the implicit prejudice bias that emerges from the unconscious belief this is very dangerous. So, therefore, in that case, as I mentioned getting the child first learn about his value system from the parents and therefore is biased. If there is a bias is there, then definitely immediately the action is, to be taken.

The mental associations may not be true biases costly. They may lead to the wrong decisions there is in hiring, a firing decision is there. So, therefore, in that case, many times, when we are the shortcuts in judging others, this type of decision arises. In-group favoritism bias that favors your group results in discrimination against others and the misallocation of resources is there and it erodes the bottom line and may lead to the losses are the lower profits are there.

So it is very important that is the whenever we are talking about the management of resources. Main, machine, material, money, method, minutes, whenever you are having these 6 M's in the resources, then it has to be taken care of that is the there is a proper distribution. Whenever there is a proper distribution, then there will be nobody to complain to you about the improved favoritism is there.

So, avoid this type of these allocations of resources to your people and then, you know, making the other person for waiting. So that is not the right way.

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3. Over claiming credit :

Bias that favors you

People tend to over-estimate their contributions

Claiming too much credit can destabilize alliances

May also reduce performance and the longevity of groups

4. Conflicts of interest:

Bias That Favours Those Who Can Benefit You

Conflict of interest can lead to intentionally corrupt behaviour.

Over claiming credit is there a bias that favors you. So, therefore, in that case, whatever we want to do is that he says it is yes, this is and this is contributed by me. People tend to overestimate their contributions so whatever you are contributing so in this world in the history of the globe, so they have been the very big contributors so many contributors and if any successor says that this is, because of me.

It is not because of only him, he might be a major contributor agreeing but not only because of him, there are some minor contributors also. So, therefore, do not ever estimate overestimate, the contribution claiming too much credit can destabilize alliances. And therefore, one should not give go on them too much credit and reduce the performance and the longevity of the groups is there.

So, therefore, claiming that I have done these will be decreasing the morale of your group members so that is to be avoided. Conflicts of interest benefit your conflict of interest and can lead to intentionally corrupt behavior. So, therefore, in that case, those who are having the bias in behavior so then in bias behavior you are giving the help to somebody and) that is causing the dissatisfaction amongst others.

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ETHICAL VS. UNETHICAL CLIMATE

- **Ethical climates** refer to those in which ethical standards and norms have been consistently, clearly, and pervasively communicated throughout the organization and embraced and enforced by organizational leaders in both word and example.
- **Unethical climates** are those in which questionable or outright unethical behaviour exists with little action taken to correct such behaviour, or (worse) where such misbehaviour is even condoned. It's likely that employees experience some degree of moral distress whenever a manager is perceived to behave unethically, but the distress is usually greater in unethical climates.



Ethical versus unethical climate is concerned ethical climate is referred to as those in the organization. As I mentioned in the society, and in the organization, ethical climate refers to those in which the ethical standards and norms have been consistently clear and persuasively can communicate throughout the organization. So it is not only that is these, the ethical climate is expected from the lower management or middle management, or the top management.

It is having persuasive communication throughout the organization. So, everybody whether it is a lower, middle, or high, they are supposed to follow the value systems in the organization and embraced and enforce them by organization leaders in both word and by example is there. So, therefore, if you are following, that is correct. If you are not following, that will create the embracing of the ethical climate in the organization.

Unethical climates are those in which the questions are the outright unethical behavior exists with the little action taken to correct such behavior or worse is that where such misbehavior is even condoned. Employees likely experience some degree of moral distress whenever a manager is perceived.

And therefore, in the case of that whenever we're the employees they are having their own experiences they will decide about that is there or the moral will be that you will go down moral this way because it is the unethical climate is there. A very simple example is that is about the rewards, incentives, promotions, increments, and from where you can judge.

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CREATING AND SUSTAINING AN ETHICAL CLIMATE

- Formal ethics policies and procedures
- Core ideology
- Integrity
- Structural reinforcement
- Process focus

So the question arises of how to create and sustain an ethical climate. To create and sustain an ethical climate, formal ethics policies and procedures are the ethical policy is very important in the organization. And whenever there is a clear-cut manual clear-cut policy is there to do and do not that whatever they are doing that is will be acceptable. And any things, which will not be acceptable it is also to be communicated.

Then the core ideology will be there that is whenever we are talking about the particular vision statement especially. So, that vision statement will decide the integrity of that particular objective. So if there is integrity is there a particular objective? And then you are behaving with that particular objective yes, you are towards to achievement of that goal.

The structural reinforcement tall structure, flat cell structure, organizational structure, and therefore in that case, whatever the structure you are creating, that structure, is having the strong support of the ethical behavior. So it is not like this those who to whom in department or sections I am favoring and they are having the more power is compared to those departments to whom I am not in a favoring and they are having low importance no.

In the organization structure itself, it will be clear-cut there is empowerment will be done properly and justified or not. So, therefore, in that case, that is this value in the ethical leadership it is in long-term is very important, and can we create that climate? Yes, we can create the climate. Unfortunately, if you are into an organization where there is no clear-cut ethical climate is there then I will suggest that please go for the creation of such an ethical. And the value-based climate is suggested in the previous slide.

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RESEARCH PAPER



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Linking ethical leadership and ethical climate to employees' ethical behavior: the moderating role of person-organization fit

Hassam Al Halbusi
Business Policy and Strategy, Universiti Malaya, Kuala Lumpur, Malaysia
Kent A. Williams
Faculty of Management, Dalhousie University, Halifax, Canada
Tharassamy Ramayah
Universiti Sains Malaysia, Penang, Malaysia
Luigi Aldieri and Concerto Paolo Vinci
University of Salerno, Fisciano, Italy

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Purpose

With the growing demand for ethical standards in the prevailing business environment, ethical leadership has been under increasingly more focus.

Based on the social exchange theory and social learning theory, this study scrutinized the impact of ethical leadership on the presentation of ethical conduct by employees through the ethical climate. Notably, this study scrutinised the moderating function of the person-organisation fit (P-O fit) in relation of ethical climate and the ethical conduct of employees.



These are the research papers linking ethical leadership and ethical climate to employees and ethical behavior. So, therefore, in that case, this is because this support is required for future work. That is the leaders to whom we are developing their ethics they are aiming for an ethical climate for employees and ethical behavior is there. And what is the moderating role of person-organization fit?

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Design/methodology/approach

To evaluate the research hypotheses, two-wave data were collected from 295 individuals who are currently employed in various Iraqi organizations (i.e. manufacturing, medical and insurance industries).

Findings

In line with the hypotheses, the outcomes from a sample of 295 workers working in different Iraqi entities exhibited a positive relation between the ethical behaviour of leaders and the ethical conduct of employees in the ethical climate.

Moreover, it was observed that the P-O fit of employees moderated the relationship between ethical climate and the ethical conduct of employees such that the relationship was more robust for those with a high P-O fit in comparison to those with a low P-O fit.



So this paper is very interesting, which will be deciding about this particular purpose. And In line with the hypothesis, the outcomes from a simple of 295 workers working in the different hierarchies that are exhibited a positive relationship between the ethical behavior of leaders and the ethical conduct of employees in the ethical climate. Otherwise, also, we can create this hypothesis, which will be proven successful.

That is if we are creating ethical leadership in the organization. The employees will be having an ethical decision-making process. On the conduct of the employees, the moderator was observed. That is the, whenever we are talking of the person-organization fit of the employees moderated the relationship between the ethical climate and the ethical conduct of employees such that the relationship was more robust for those with a high PO fit in comparison to those with a low PO fit is there, first-person organization fit is there.

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Practical implications

This study has important practical implications. First, this study determined that ethical leadership (here, of the supervisors) positively influences the behaviour of subordinates (refers to the supervisors here); this in turn further improves the ethical behaviour of employees. It is vital that managers or supervisors are motivated to practice ethical leadership because they directly influence the employees. It has been suggested that top managers, especially chief executive officers, have the ability to shape the ethical climate, which also influences the ethical behaviour of employees further.



So, this study has important practical implications and determined that ethical leadership has a positive influence behavior of subordinates.

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CASE STUDY: Balancing Priorities at Clif Bar

- Gary Erickson is a man of integrity and avid cyclist. He founded Clif Bar Inc. in 1990 after finishing the 175-mile long ride longing for an alternative to the tasteless energy bars he had brought along. "I couldn't make the last one go down, and that's when I had an **epiphany—make a product that actually tasted good.**" He decided he could make better. He called on his experience in his family's bakery, and after a year in the kitchen, the Clif Bar—named for Erickson's father—was launched in 1992.
- Within five years sales had skyrocketed to \$20 million. He realized that his vision would be compromised once he lost control, so he walked away from the \$100 million deal (Had an offer from food co. for his Clif Bar).



This is suggested, similarly, this is the case study in which you can refer to a man of integrity and an avid cyclist and as usual, you can go through; this particular case study, and this case

study does not make a product that tasted good. And therefore, in that case whenever we are talking about it, especially in India. There is so much old organization. Then definitely we are talking about, how ethical and value system based on leadership is existing.

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Cont..

His commitment to environmental and social issues are evident. His company has a staff ecologist who is charged with reducing Clif Bar's ecological footprint on the planet. 70 percent of the ingredients in Clif Bars are organic. A change in packaging has saved the company (and the planet) 90,000 pounds of shrink-wrap a year.

On the social side, He launched a project called the 2,080 program (2,080 is the total number of hours a full-time employee works in one year). This program encouraged employees to do volunteer work on company time.

Erickson is also committed to his team. He strives to make Clif Bar Inc.'s offices a fun place to be—there are plenty of bikes around; a gym and dance floor; personal trainers; massage and hair salon; an auditorium for meetings, movies, and music; and great parties.



So the environment and social issues are evident and how the decision has been taken because of his commitment.

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Cont.

As the company grows, however, maintaining such values may not be easy. Clif Bar already has 130 employees, and revenue has been rising by more than 30 percent a year since 1998, according to Erickson. "We're at a point where we have to find a way to maintain this open culture while we may be getting bigger," says Shelley Martin, director of operations. "It's a balancing act.

Questions

Q1: Without knowing Gary Erickson's age where would you guess he falls in the four generations of workers as delineated by Zemke?

Q2: Consider the terminal and instrumental values. Recalling that leaders are motivated to act consistently with their values, what values appear to be most important to Gary Erickson?



That you will see, that leader is having the, at a point where we have to find a way to maintain this open culture while we may be getting the bigger says Shelley Martin, director of the operation it is a balancing act. Without knowing Gray Erickson's age where would you guess he falls in the four generations of workers as delineated by the Zemke and considering the terminal and instrument values.

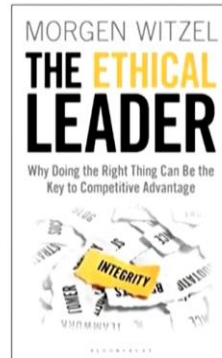
Recalling that leaders are motivated to act consistently with their values, what values appear to be the most important to Gary Erickson? Is there in this case study but with the help of this case study?

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BOOK RECOMMENDATION:

The Ethical Leader: Why Doing the Right Thing Can Be the Key to Competitive Advantage

- **Authors:** [Morgen Witzel](#)
- **Publisher:** [Bloomsbury Publishing](#) (2018)
- **Language:** English
- **Paperback:** 240 Pages
- **ISBN:** 9781472956583, 1472956583



I will also like to suggest it is you also decide what will be the helpful for you.

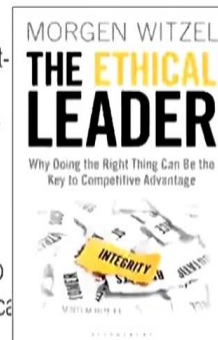
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BOOK RECOMMENDATION:

Ethical behavior in and by businesses is often seen as a bolt-on extra--something that is nice-to-do but not must-do. Trust and respect among key stakeholder groups, especially employees and customers, cannot be overstated in their importance to an organization's success. Trust engenders loyalty and good reputation, which in turn builds brand value. *The Ethical Leader* provides a practical introduction to some key concepts in ethics, including how to deal with ethical paradoxes and how to make ethical decisions.

Ethical behavior is the key to trust-building, but it needs to go deeper than something managers do out of a sense of moral duty. *The Ethical Leader* show why ethics needs to be the platform from which to build a strong and enduring business, and it provides the necessary tools and insights for how to

[make this happen](#) https://www.bloomsbury.com/uk/9781472956583/1472956591



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These are the book recommendations for you and these are the references which you can go for the further studies, thank you.