What is an Ethical Leader?: The Characteristics of Ethical Leadership from the Perceptions Held by Australian Senior Executives

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This paper presents the findings of a qualitative study that examines the characteristics of ethical leadership. Seventy-eight (78) Australian senior executives, represented by diverse industry backgrounds from both the public and private sectors, participated in the study. The researcher conducted semi-structured face-to-face interviews in which participants were asked to describe the characteristics and behaviors of an individual in a professional context they identified as an ethical leader. The participants' responses were analyzed with the assistance of NVivo (QSR International Pty Ltd, 2003), a qualitative data storage and retrieval program. The principal findings consisted of three themes: value alignment, governance, and relationship-centeredness. Ethical leaders are perceived to be individuals who behave with integrity, courage, and trustworthiness. They are relationship-centered, with fairness and altruism as the defining features of their engagement with others. In matters of governance, ethical leaders demonstrate adherence to formal accountability measures and exercise discernment in their decision-making responsibilities. More importantly, leaders perceived to be ethical demonstrate a strong alignment between what they espouse and how this is demonstrated in their behavior. This paper presents an overview of the literature in the area of ethical leadership and a discussion on the findings of this study in relation to the literature. It concludes with recommendations for further research.

In the competitive global business environment, there has been increased interest in the ethical behavior of leaders. The ethical dimension of leadership has given rise to the construct ethical leadership, and Ciulla (2001, p. 318) stressed the need to establish whether there is anything ethically distinctive about leadership itself and stated that "[u]nderstanding the moral challenges that are distinctive to people in leadership positions is fundamental to understanding the very nature of leadership". While ethical leadership has gained the increased attention of scholars, descriptive research on ethical research is a new and emerging area (Brown & Mitchell, 2010). Trevino et al. (2000, 2003) undertook important foundational work in an area that included defining ethical leadership and establishing it as a distinct construct in leadership research.

Other research attributes in which ethical leadership is related to follower outcomes includes job satisfaction, organizational citizenship behavior (OCB), and organizational commitment (Brown, Trevino, & Harrison, 2005; Walumbwa & Schaubroeck, 2009). Northouse (2007) said ethics is central to leadership because of the nature of the process of influence. As such, a leader's ethics are closely connected with the leader's identity and how this influences his or her behavior. Bass and Steidlmeier (1999) stated that the ethical nature of leadership can be best understood by character and behavior (agents and actions), both of which are colored by an individuals' value and belief systems. According to Jones (1995), the best guarantee of consistent ethical leadership lies in the discovery of persons for whom high moral standards are a way of life. The research findings presented in this paper focus on senior executives' perceptions of what behavior they have observed in other leaders which they believe represents the profile of an ethical leader.

Literature Review: Ethical Leadership

In examining ethics and leadership, much of the literature focuses on a normative or philosophical perspective; that is, what leaders *ought* or *should* do (Brown et al., 2005; Brown & Trevino, 2006b; Ciulla, 2005; Kanungo & Mendonca, 1996). Ethics and leadership considers such aspects as the characteristics of leaders themselves, the nature of their influence, how they engage followers in accomplishing mutual goals, and the affect leaders have on the organization's values (Ehrhart & Klein, 2001; Dickson et al., 2001; Fields, 2007; Mendonca, 2001). The identification of an ethical or moral dimension to leadership is not new. This point was acknowledged by Sims and Brinkmann (2002) in their reference to the work of management theorist Chester Barnard. Barnard (1938) wrote that an important role of the leader is to define and develop a moral code in the organization. Raphael and Macfie (1976) also drew on the seminal work of philosopher and economist Adam Smith (1723–1790) and his acknowledgement of a moral dimension to the operation of the free market economy. The moral or ethical component to leadership is a defining characteristic of the construct of ethical leadership, which is the focus of this study.

The antecedents and outcomes of ethical leadership have been researched using social learning theory (Bandura, 1977, 1986) and social exchange theory (Blau, 1964). Trevino et al. (2000, 2003) argued that both are related to the leader's characteristics and to situational factors that influence followers' perceptions of a leader being ethical.

Both Brown and Trevino (2006b) and Brown and Mitchell (2010) identified the need for greater understanding of the relationship between ethical and unethical leadership. For example, one question posed was whether ethical and unethical leadership are single constructs or opposite ends of a single continuum (Brown & Trevino, 2006a). Finally, as pointed out by Brand (2009), quantitative research in business ethics has predominated. However, given leadership is a social phenomenon, more qualitative research is needed.

Ethical Leadership: Construct Development

Brown and Mitchell (2010) confirmed the primary role leadership plays in promoting ethical conduct in organizations. However, while the topic of ethics in leadership has been extensively discussed by scholars, Brown and Trevino (2006b) believed a "[m]ore descriptive and predictive social scientific approach to ethics and leadership has remained underdeveloped and fragmented, leaving scholars and practitioners with few answers to even the most fundamental questions, such as what is ethical leadership?" (p. 595). The qualitative research of Trevino et al. (2000, 2003) identified two dimensions – moral person and moral manager – as being integral to ethical leadership. In essence, the moral person dimension means "[e]thical leaders are characterized as honest, caring and principled individuals who make fair and balanced decisions" (Brown & Trevino, 2006b, p. 596). The moral manager is characterized by individuals who clearly communicate ethical standards to followers and use rewards and punishments to ensure the standards are followed.

The research by Trevino et al. (2003) sought data from two types of informants, senior executives and ethics officers, relating to their perceptions of executive ethical leadership. The data gathered from their in-depth, semi-structured interviews were based on questions that related to matters such as participants' definition of executive leadership and the traits and behaviors they associated with ethical leadership. Most ethical officers considered unethical leadership rare among executive leaders, so Trevino and colleagues adopted the term *ethically neutral successful leadership* (ENS leadership) which was associated with leaders' participants not perceived as distinctively ethical or unethical. A notable finding in relation to ENS leadership was that many of the executive leaders interviewed rejected the concept of ENS leadership. The four themes and some of the main descriptive statements that emerged from this research included: people orientation, visible ethical actions and traits, setting ethical standards, and accountability and broad ethical awareness. This research represented an important advance in exploring the distinctive characteristics of the ethical leadership construct.

Ethical Leadership: Construct Comparison

Brown and Trevino (2006b) compared ethical leadership with authentic, spiritual, and transformational leadership. The common characteristics of all these leadership constructs were: concern for others (altruism), integrity, and role modelling. The most defining characteristic that emerged from the research by Brown and Trevino (2006b) was what they termed the 'moral manager' dimension of an ethical leader. While a moral dimension was identified in transformational, spiritual, and authentic leadership constructs, ethical leadership had a distinct application to this moral dimension.

Specifically, an ethical leader sets for followers, clear expectations relating to ethical conduct. Further, the leader communicates these expectations through modelling and a reward system to hold followers accountable for ethical behavior. Commonalities between ethical leadership and transformational, spiritual, and authentic leadership will now be outlined.

Transformational Leadership

The transformational leadership construct was identified by Burns (1978) as having a moral component, which provided the basis for a leader to inspire followers to work towards a collective organizational purpose. As constructs, ethical and transformational leadership share common characteristics such as integrity and concern for others (Brown & Trevino, 2006b). Some scholars questioned the assumed presence of an ethical dimension to transformational leadership. For example, Kanungo and Mendonca (1996) suggested that transformational leadership has an ethical dimension, whereas it is not present in transactional leadership. Bass (1985) countered this assumption by saying transformational leaders could be ethical or unethical. Further, Bass and Steidlmeier (1999) applied the terms 'authentic' and 'pseudo-authentic' to distinguish between transformational leaders who were ethical or unethical. Ethical leadership has been identified as having what is termed the 'idealized influence' component of transformational leadership, which refers to the explicit ethical content (Brown et al., 2005). However, the key difference between the two constructs lies in the transactional nature of how ethical leaders model and make explicit their expectations about ethical conduct and standards in the organization (Brown & Trevino, 2006b).

Spiritual Leadership

The construct of spiritual leadership emphasizes a sense of 'calling' and vision for the organization. These motives may potentially mean a spiritual leader is also ethical (Fry, 2003). However, in contrast, the characteristic relating to ethical leadership that defines the difference is the transactional nature of how an ethical leader influences the ethical conduct of followers (Brown & Trevino, 2006b). Ethical leaders, like spiritual and transformational leaders demonstrate integrity and care for others (altruism).

Authentic Leadership

Authentic leaders' self-awareness and authenticity are not recognized as being part of the ethical leadership construct (Gardner et al., 2005). Authenticity has been identified as inherent in individuals who have strong personal insight and self-regulation (Luthans & Avolio, 2003). Being 'true to oneself' was not identified by respondents in interviews conducted by Trevino et al. (2000). Luthans and Avolio (2003) identified authentic leadership as a 'root construct' since it potentially shares the characteristics of other leadership constructs such as transformational and ethical leadership. Brown and Trevino (2006b) acknowledged the ethical component of both the authentic and ethical leadership constructs. However, they emphasized that self-awareness (authenticity) is not part of the ethical leadership construct. Having said this, the literature did attribute, for example, moral identity and self-awareness

as important factors in influencing a leader's ethical conduct (Ashkanasy, Windsor, & Trevino, 2006; Caldwell, 2009; Peterson, 2004; Reynolds, 2006; Shao, Aquino, & Freeman, 2008; Werhane, 2008).

In summary, the distinctive feature of the ethical leadership construct that it does not share with others theories of leadership, is the transactional-style management of the ethical standards and behavior in the organization. Ethical leaders model and are proactive in setting and maintaining ethical conduct (Brown & Trevino, 2006b; Trevino & Nelson, 2004). The following section outlines some characteristics identified in the literature as being part of the ethical leadership construct.

Ethical Leadership: Characteristics

Integrity is identified in the literature as being an important component of leadership effectiveness (Chun, 2005; Gardner et al., 2005; Parry & Proctor-Thomas, 2002). The definition of integrity proposed by Palanski and Yammarino (2009) incorporated components that have been associated with the ethical leadership construct. The component of 'wholeness' in integrity, included in the categories by Palanski and Yammarino (2009), encompassed characteristics such as honesty, kindness, and trustworthiness, all identified as being positive traits of ethical leadership (Brown & Trevino, 2006b). Scholars such as Kirkpatrick and Locke (1991) and Kouzes and Posner (1993) identified leaders' honesty, integrity, and trustworthiness as important traits in leader credibility and effectiveness.

A defining feature of ethical leadership that is given emphasis in the literature is the modelling of characteristics such as fairness, care for others, and trustworthiness (Bandura, 1986; Brown et al., 2005; Trevino, 1986). That is, ethical leaders model who they are and provide cues to followers in expectation of the standards of behavior they have in the organization (Brown & Trevino, 2006b). Related to the concept of modelling, some scholars identify that the proximity of the leader to their followers influences trustworthiness and positive employee outcomes, such as job satisfaction and productivity (Dirks & Ferrin, 2002; Andersen, 2005). The Big Five personality factors have been applied to identify characteristics that are positively aligned with ethical leadership (Costa & McCrae, 1998). Most particularly, the dimensions of agreeableness and conscientiousness are proposed as being most closely associated with ethical leadership (Chun, 2005; Brown & Trevino, 2006b). Traits such as altruism, dutifulness, trustworthiness, kindliness, and cooperation are characteristics which describe these two personality factors.

Fairness in decision-making has been positively identified with the ethical leadership construct. Blau's (1964) social exchange theory was applied by Brown and Trevino (2006b) to propose that ethical leaders' fair and caring behavior towards followers is associated with lower employee counterproductive behavior. However, De Cremer (2003) pointed out that a leader's consistent use of procedural fairness does matter and if inconsistency does prevail, employees have more negative perceptions about the leader and themselves.

Therefore, ethical leaders are characterized by individuals who are honest, trustworthy, fair-minded and care about the welfare of others, all characteristics shared by other positive leadership constructs (Toor & Ofori, 2009). The dimension that most

defines the construct is the transactional 'moral person–moral manager' dimension identified by Brown and Trevino (2006b).

Methodology

An important requirement of this study was to identify closely with a belief system or paradigm that enabled the researcher to advance assumptions about the social world; that is, how science should be conducted and what constituted legitimate problems, solutions, and criteria of proof (Creswell, 1994). This study of ethical leadership did not hold a predetermined theory or clear definition to be tested. Therefore, the focus of the research was more closely aligned with the fundamental assumptions and characteristics upon which the qualitative mode of inquiry rested.

Patton (1990) defined a paradigm as a worldview or way of breaking down the complexities of the real world. The focus of this research was an exploration of the phenomenon of ethical leadership. However, knowledge of the variables and theory-base within this phenomenon were limited. Therefore, the paradigm was constructivist in nature. The research attempted to make sense out of, or interpret experience from, the perspectives of those who lived it (Schwandt, 1994a). The experiences of senior executives in the public and private sectors in the states of Western Australia and Victoria were the focus in this study. It was through the investigation of data from these respondents that the researcher sought to make sense of the social phenomenon being investigated by contrasting, comparing, replicating, cataloguing and classifying the object of study (Huberman & Miles, 2002).

In the case of a qualitative process of inquiry, an understanding of the social or human problem was based on building a complex, holistic picture and was conducted in the respondents' natural setting (Creswell, 1994). A qualitative methodology was adopted in this study because it allowed the researcher to study issues pertaining to ethical leadership in rich detail and greater depth (Hitchcock & Hughes, 1989; Patton, 1990). Most importantly, inductive logic would prevail in a study in which "categories will emerge from informants, rather than are identified a priori by the researcher" (Creswell, 1994, p. 48). Thus, data collection was not constrained by predetermined categories of analysis, ensuring that the emerging themes were representative of respondents' experiences and interpretations (Coll & Chapman, 2000).

Data Collection Methods

Questions were presented to the respondents through the principal research method of semi-structured interviews. The use of the semi-structured interview method, although consisting of set questions, allowed variation and individual input by participants and minimization of pre-determined responses. In this study, the responses contained within the collected data were descriptive, spontaneous, and personal. Therefore, if respondents wished to contribute personal experiences, which were not directly related to the questions, the researcher included these, if they provided some context and insight into the phenomenon of ethical leadership.

Written journals were maintained for all participants. These journals contained notes relating to the interview and observations and descriptions about the professional environment of participants. Many respondents also provided organizational material, such as strategic plans and annual reports, which were included in the journal material. Further information, such as the display of company values and details of operational processes, were also recorded in the journals to provide context for the interviews. The journal notes were used to capture observable characteristics and mannerisms of the participants which, when combined with listening to the recorded interview, gave the researcher a richer sense of the participant's communication through such elements as non-verbal cues and body language. Cross-referencing between journal notes and recorded interviews during data analysis assisted in the clarification of meaning, since the essence of words spoken was sometimes better captured in what was not said, rather than what was actually recorded.

Data Coding and Analysis

Data analysis in this research adopted the inductive research method of content analysis. As described by Patton (1990), data analysis is a creative process and, as such, extends beyond the process of identifying, coding and categorizing the primary features of the data. Patton (1990) stated that, "inductive analysis means that the patterns, themes, and categories of analysis come from the data; they emerge out of the data, rather than being imposed on them prior to data collection and analysis" (p. 390). A creative process inherent in the inductive research method means that there is no clear division between the data collection phase and the data analysis.

Data collected in the interviews were transcribed verbatim into text units and color coded in preparation for processing using the qualitative software program NVivo (QSR, 2003; Richards & Richards, 1990, 1993). The coding and categorization processes for analysis of data were based on content analysis (Holsti, 1969). The process of content analysis was adopted so that meaning could be created from the themes and concepts emerging from the data. NVivo was used to facilitate a system of storage, categorization, comparison, and retrieval of data. The verbatim transcripts from respondents' interviews were imported into the NVivo program as rich text files. This allowed the researcher to code single words, sentences or paragraphs in individual colors, which represented units of meaning or nodes. These nodes formed the basis from which themes and categories could be determined. The NVivo program had several cross-reference and retrieval features that allowed the researcher to compile data sets for comparison and analysis in the formation of themes and categories relating to the interview questions.

Each respondent was allocated a pseudonym, determined according to location, private or public organization and the number of interviews conducted. This allowed for both respondent confidentiality and identification by the researcher for the purpose of coding and categorization. An example of a pseudonym was PP1, which represented the first respondent to be interviewed from the private sector in Perth, Western Australia. Another example, VG5, represented the fifth respondent from the government sector of Victoria.

Sample

Participants in this study were drawn from senior executives from both the public and private sectors in two states of Australia. These executives held principal positions in their organizations. The term 'principal position' denoted executives who held the position of Chief Executive Officer (CEO). There was a commitment to ensure both males and females were represented equally in this research. However, at senior executive level, female representation was found to be difficult to achieve, particularly in the private sector. Industry groups represented by the private sector were diverse and included organizations that had both national and international contexts.

Information relating to private sector executives was obtained through the assistance of the Chamber of Commerce and Industry. This agency is responsible for both providing advice to business groups and for maintaining official databases of business profiles in Australia. Business contact details were made available through their databases. Senior executives from the public sector were randomly selected through government websites, the Chamber of Commerce, and industry databases. The sample represented a range of government portfolios, including independent statutory authorities and local government. Following the selection of potential respondents, contact was made by facsimile transmission of a letter which introduced the researcher, the purpose of the research, the timeframe in which the interviews would be conducted, and the invitation to be interviewed. The facsimile letter indicated that a follow-up telephone call would be made by the researcher to ascertain availability of the executive to participate in this research.

A letter of invitation was sent to a total of 199 executives, of which 152 were from the state of Western Australia and 47 from the state of Victoria. Seventy-eight (78) senior executives accepted the invitation to be interviewed with representation from both private and public sectors in both states. The diversity of industry groups represented, together with the size of the sample, provided a rich source of data encapsulating a range of experiences.

Findings: What is Ethical Leadership?

Three principal themes emerged from this research to describe the characteristics of ethical leadership, namely, value alignment, governance, and relationship-centeredness. The three themes and their qualifying categories are presented below.

Value Alignment

The theme of value alignment represented a defining characteristic of ethical leaders recalled by respondents. Value alignment was qualified by three categories: integrity, courage, and trustworthiness. Most respondents' descriptions and discussion included references to value alignment. Respondents emphasized alignment as a holistic concept that was reflected and reinforced in all aspects of an individual's behavior. Many referred to value alignment as being the essence of what defined an individual's character. An individual's ethos or character, referred to the enduring traits, attitudes, sensibilities, and beliefs that affect how an individual perceives, acts, and lives (Glover, 1999).

The expression 'model values' was used by many respondents, but most referred to the 'living of values'; the latter being an innate aspect of an individual's character and belief system. More importantly, the demonstration of these values did not depend on whether the leader was being observed by others, nor was it linked to a specific professional position or reward system. In essence, the leader 'acted out' his or her values because they were seen to originate from a strongly-held, intrinsic belief system. Therefore, the values were explicit because the alignment of the individual's words and actions were unambiguous to the observer. The following respondent articulated this concept of value alignment:

> It's actually about if you're a leader, as I am here, then I have to live by a set of values or ethics, which ever you want to call it and not be seen to behave as it were hypocritical, because I think, and so the being self-aware thing is always being conscious of the need for your behavior to be demonstrably in accordance with those values and ethics. (VG9)

Integrity

In recalling examples of ethical leaders, respondents used the term integrity to refer to core values, such as honesty, trustworthiness and personal values, which were observable and consistently demonstrated. Integrity was described as a holistic and collective expression, dependent on the interrelated strength of all the values that formed the identity of an ethical leader. This concept of integrity as the interconnectedness of values was well defined in the following respondent's recollection:

> It's about that sense of integrity and I guess the best way of describing that was when we had a number of values and the last value was integrity and I always claimed that integrity was the value that kept all the others in check. In other words, when you are acting with integrity you're acting in accordance with all the other values. (PG19)

In particular, it was the way an ethical leader related to others that defined his or her integrity. Individuals who demonstrated integrity were leaders who sought to engage and communicate with others and whose behavior reflected the value they placed on collaboration and consensus. However, this did not mean leaders avoided conversations or decisions that may have evoked differences of opinion or group conflict. An integral component of integrity was a commitment by leaders to seek resolution rather than to avoid conflict in their relationships with others.

Respondent's recollections of ethical leaders incorporated the value of honesty into their meaning of integrity. A leader who had integrity was also honest. The manner in which honesty was recognized by respondents aligned with leaders who consistently presented themselves in an authentic and truthful way and who did not misrepresent themselves or a situation to others. Honesty was described by respondents as an individual demonstrating a willingness to be open and truthful about a situation and, more importantly, having consistency and alignment between what was said they would do and what was actually done.

While respondents recalled that honesty was fundamental to the integrity of an ethical leader, the challenges and difficulties that being honest presented in their professional relationships was also a common theme among respondents' recollections. The concept of honesty was not expressed as always being fully open or truthful in professional and personal relationships. A dilemma recalled by respondents resided in making a judgement about what to reveal, or not reveal, to individuals involved in a specific situation. Many respondents described the potential damage which could arise to both themselves and others should complete honesty be exercised. This specific dilemma relating to the expression of honesty is illustrated in the following description:

> Sometimes you don't tell everyone the whole truth because the outcome would be devastating to them and you know your staff or you know the space in which some people are in and you learn that over time. (PG9)

Therefore, inherent in this dilemma was making judgements about the degree of honesty and the level of openness that respondents adopted in their engagement with others. Respondents were conscious that the effects of being honest with others varied between individuals, and this was considered a difficult aspect to manage. For many respondents, personal values were reflected in both honest intentions and honest action, commonly referred to as leaders who 'made clear what they stood for,' and this further illustrated the meaning of the theme of value alignment. The term 'principles' was used synonymously with personal values and embodied a leader who was true to his or her beliefs and provided an expectation for integrity in both themselves and others.

Although respondents expressed a strong commitment to a consistency of values in both their private and professional lives, many acknowledged there was a perception held by some of their professional colleagues that this did not apply to the business environment. As the following description illustrates, this perception was not necessarily shared by all members of the business community:

> I also worked in the private sector and there was the constant dilemma between delivering wealth for your owners and that sometimes, shouldn't, but sometimes, tended to bend people's value systems. I'm not talking about bending the rules, I'm talking about what you might think in your own life is a good value set but apparently when you get into business it's a different value set and I don't necessarily see that it's any different. (PG12)

Courage

The second category which emerged from data to qualify value alignment was courage. Respondents recalled courage in the context of ethical leaders who exhibited mental and emotional strength in the execution of their responsibilities as leaders. Leaders who demonstrated courage were described by respondents as taking 'ownership' of the manner in which decisions were made and not abrogating their decision-making responsibilities to others. Central to this commitment were clearly defined values that appeared to guide leaders' behavior and decision-making. Most particularly, respondents recalled courage as being demonstrated when leaders remained committed

to their values in the face of strong criticism or opposition. Further, such leaders were prepared to be the dissenting voice and stand alone on issues rather than compromise their values or principles.

Courage was also demonstrated by ethical leaders who took responsibility for their decisions; further, they rarely took at face-value information or situations without critical examination and consideration. This level of scrutiny extended to an expectation that individuals in the organization would be accountable for their actions. This call to account by leaders was undertaken even if the issues were unpopular or had the potential to cause distress or disruption in the organization. This example of courage is encapsulated in the following recollection:

> He used to ask the hard questions and he would often put those who brought certain circumstances to him, not through the grinder, but certainly didn't necessarily immediately accept the arguments which were put to him. (PG10)

Finally, another application of the meaning of courage observed by respondents in ethical leaders was a strong commitment to the development and promotion of an ethical culture in the organization. Respondents expressed that this emanated from the leader's values that he or she instilled consistently into every aspect of the organization's operations. Many respondents acknowledged this as being a potentially challenging undertaking, requiring a consistent level of courage, particularly when leading organizational change. In these circumstances, respondents expressed courage as being a necessary characteristic to manage those opposed or resistant to change.

Trustworthiness

The third and final category to emerge from data to qualify the theme value alignment was trustworthiness. This category featured prominently across all groups in this research. Leaders who gained the trust of others demonstrated, over time, transparent value alignment between words and action. Such trustworthiness, respondents recalled, could not be feigned or acquired quickly. A leader's reputation for trustworthiness was built up over a long period, through recognition by others that what a leader said was consistently and transparently reflected in what he or she did. Many respondents made reference to such expressions as 'follow through' in reference to an ethical leader having trustworthiness, someone who did not 'let others down'. Therefore, a trustworthy leader gave others a sense of assurance that the expectations of the role would be fulfilled consistently over time. An important observation made by many respondents was that a reputation for trustworthiness had the potential to be easily destroyed. Indeed, as the following respondent noted, trust could evaporate very quickly:

> There's a lovely saying that and I don't know whether you ever encountered it, and I didn't hear about it until a year ago and it's remained with me since, which is that truth arrives on, no, trust arrives on foot but departs on horseback. (PG21)

Governance

The second theme, governance, emerged from data and focused on mechanisms and administrative processes of accountability most often associated with systems of governance. That is, policies, regulations and operating systems applicable to the administration of an organization. Two categories, accountability and discernment, qualified the theme of governance. Integrated into the theme of governance were respondents' references to the importance of relationships through which activities relating to governance took place. This meant that ethical leaders were mindful not only of their legal obligations, but also took into consideration the effect of their decisions on key stakeholders both within and external to the organization. Therefore, ethical leaders considered their governance responsibilities not just from an economic position but also from social, cultural, and environmental perspectives. In recalling examples relating to governance, respondents expressed this as leaders exercising what is termed as the 'spirit of the law'.

Accountability

Accountability was a common expression through which respondents described recollections of ethical leaders' decision-making. Essentially, accountability was recalled by respondents as an expectation which required that protocols relating to governance were being followed. As such, accountability involved decision-making which, if opened to examination by others, reflected clarity and honesty. Transparency was a common expression used by respondents to describe decisions in which the leader's actions were clear and unambiguous. Therefore, transparency not only included satisfying the rules of governance and accountability, but reflected decision-making that allowed people to understand the rationale and purpose behind the decision.

Ethical leaders' recognition of the measures of accountability was strongly aligned with a sense of duty and commitment to a course of action and with decisions founded on doing the 'right thing' irrespective of whether the outcomes were popular or resulted in commercial loss for the organization. These leaders were described as being able to live with their decisions, and having clear consciences, relating to both their actions and the consequences of those actions. Therefore, ethical leaders made decisions based on their rightness, not popularity or 'goodness'. This meaning is clearly illustrated in the following description:

> At times there probably would have been an advantage to cut corners, to not provide a full quality service, but at all times we have done that, sometimes to our commercial cost. At the end of the day and at three o'clock in the morning when you wake up thinking about it, you've got to be able to go back to sleep and I've never had any difficulty doing that. (PP20)

Accountability in decision-making by ethical leaders was described by respondents as being closely aligned with effective communication. That is, a leader's decision-making processes demonstrated accountability when supported by clear communication, which ensured people were informed about decisions made by the leader. A willingness to provide a clear representation of a decision or situation so

its details were not ambiguous to others was cited as an important component of accountability. In doing so, ethical leaders provided stakeholders with a realistic and honest 'picture' of the nature of the decision-making process.

Discernment

The second and final category that emerged from data relating to the theme of governance was discernment. An ethical leader's ability to 'step back' and give careful consideration to matters associated with the ability to form better judgements. These judgements, according to respondents, required discernment because they involved issues that were often complex and multi-faceted in terms of their consequences. A leader who demonstrated discernment approached decision-making processes in a considered and holistic manner. These leaders were described as being able to 'live with their decisions' or having 'a clear conscience'. These expressions included not only the decisions themselves, but also the consequences and effects that those decisions may have had on stakeholders both inside and outside the organization. This meaning is reflected in the following recollection:

> The person I am thinking of always had enough, actually always kept sufficient distance between himself and the day-to-day job to be able to recognize when there were bigger picture considerations that need to be taken care of. So I don't think, many people who may make poor decisions, I don't think they do it. (VG1)

A component of discernment identified by respondents was impartiality in ethical leaders' decisions relating to governance. Impartiality encompassed decision-making which was fair and even-handed. Fairness was expressed by respondents as being a central component of impartiality and included consideration of interests of all parties affected by the decision-making process. This did not mean a leader met everyone's needs; rather, the leader undertook an equitable and impartial consideration of all affected parties. Overall, discernment was evident in leaders who, at the core of their decision-making, were governed by doing 'the right thing'.

Relationship-Centeredness

The third and final theme to describe the characteristics of ethical leadership was relationship-centeredness. Two categories, fairness and altruism, qualified the theme of relationship-centeredness. Respondents' recollections focused on the value ethical leaders placed in others. Therefore, leaders who had genuine consideration for others and actively encouraged their inclusion and involvement in the communication process demonstrated relationship-centeredness. This commitment to people by ethical leaders translated into relationship-building being a hallmark of a successful organization. Effective communication was recalled by respondents as integral to the demonstration of relationship-centeredness. This was evidenced by a leader's genuine commitment to listen and consider the views of others. In addition, seeking their understanding in the decision-making process was also deemed as being an important aspect of effective communication. While ethical leaders' decisions were not predetermined, and often

formed by genuine engagement and consensus with others, ethical leaders nevertheless took responsibility for the final decision as evidenced in the following recollection:

> Professional relationships were based on trying very hard to best explain the circumstances and decisions and being very prepared to hear people's views about what they thought the best course of action was but then being pretty clear about where the responsibility lay for taking a decision and then doing so. (VG5)

Respondents also described empathy as integral to relationship-centeredness. A leader who demonstrated empathy gave priority to understanding others and took into consideration people's personal and professional circumstances when making decisions. Ethical leaders who demonstrated relationship-centeredness were seen as being responsive to the individuals with whom they related and had what could be termed a mindfulness and consideration for differences among people. For example, an appreciation of different levels of expertise, personalities, and ethnic backgrounds was perceived by ethical leaders as having a positive influence in an organization. This responsiveness and regard for others was recognized in the leader's day-to-day interaction and communication with others, which demonstrated a genuine respect for difference. This respect was evident in leaders who, for example, established workplace policies and practices that drew on the collective strengths of individual differences. Therefore, leaders' respect for difference was integral to their commitment to relationship building and was not seen as an extra or add-on to existing practices.

Fairness

The qualifying category fairness was cited by respondents as an essential characteristic through which an ethical leader demonstrated respect for others. It was perceived by respondents as being synonymous with the equitable treatment of people. Such treatment entailed having in place opportunities, including public and private forums, for people to express their views and address concerns. Many respondents' recollections centered on ethical leaders who demonstrated fairness by exercising impartiality. This was commonly expressed by leaders as making judgements without 'fear or favor'. That is, not giving any individual special consideration based on positional power or personal relationships. This is clearly illustrated in the following recollection:

> It didn't matter whether, who you were, if you didn't meet these requirements that's the way you were treated and it didn't matter whether you were a Supreme Court judge or the little local market gardener, you got treated the same way, so that was a good example of ethical standards and the fairness of treating everybody equally regardless of who they were or where they came from. (PG19)

Overall, respondents believed fairness represented treating people in a considerate and even-handed manner. However, its application and demonstration brought with it a common dilemma recalled by many respondents. For example, leaders could recognize the needs of different groups competing for limited resources. However, no matter how carefully leaders considered the distribution of the resources, those stakeholders who 'missed out' would not necessarily perceive the decision as equitable or fair. Notwithstanding this challenge, leaders who communicated closely with key stakeholders in the issue being addressed were more likely to have a reputation for behaving in a fair manner.

Altruism

The final category to qualify relationship-centeredness was altruism and it was expressed as a commitment to the service of others. An ethical leader who demonstrated altruism supported people through daily gestures of compassion and kindness. Altruism was described as an awareness of the needs of others and, in particular, as a sense of benevolence or generosity in 'giving back' to the community. Ethical leaders exhibited an innate desire to base action on promoting the greatest good and benefit to others. This commitment to the welfare of others was described by respondents in different ways. Many referred to an ethical leader's demonstration of altruism as being apparent when individuals' needs were put before their own. This was often described by respondents in situations where leaders could legitimately make decisions to serve their own self-interests, but instead chose to meet the obligations of others and the organization first.

Another quality recalled by respondents to describe individuals who demonstrated acts of altruism was humility. Ethical leaders who demonstrated humility were not focused on themselves. Some of the characteristics recalled by respondents to describe humility were leaders who took pride in their achievements but did not claim to have succeeded without the contributions of others. Ethical leaders also demonstrated humility by being modest about their role or success. That is not to say they were selfless and did not seek to fulfil their own ambitions, rather, they were more likely to 'play down' the significance of their own achievements and graciously acknowledge the role of others in their own and the organization's success. The concept of altruism was also described by some respondents as 'serving the public interests'. In their recollections, this was expressed as a sense of duty to serve the interests of groups or individuals in the community. This service extended beyond matters relating strictly to business affairs. 'Serving the public interest' encompassed a level of community engagement which contributed to areas such as issues of general health and well-being. Two examples were lawyers who offered their services to some members of the public pro-bono or mining companies that formed community partnerships relating to environmental issues and education.

The propensity to forgo self-interest was also expressed in the context of leaders who invested their time and energy nurturing the careers of other individuals in their organization. While it was seen as important to provide a professional environment in which individuals could reach their full potential, many respondents expressed this commitment to others as having 'a down side' for the organization. That is, the

provision of opportunities for individuals to develop their professional expertise meant they potentially could become more competitive or attractive to other organizations. Therefore, an altruistic leader graciously accepted that in assisting others to develop to their full potential, they may lose individuals whom, given the choice, the leader would rather have retained for the benefit of their own organization.

In summary, data emerging from this research qualified ethical leaders as characterized by three principal themes: value alignment, governance, and relationship-centeredness. These themes were qualified by respondents' recollections and described ethical leaders as individuals whose words and actions are consistently aligned. Ethical leaders are recognized by others for their integrity, courage, and trustworthiness. In matters of governance, their decision-making is accountable and approached with discernment. Finally, ethical leaders are focused on relationships based on fairness and altruism.

Discussion

The literature suggests individuals' propensity for ethical or unethical conduct may vary according to a range of complex individual, environmental, and contextual factors (Brown & Trevino, 2006b; Brown & Mitchell, 2010; Caldwell, 2009). The three themes relating to ethical leadership which emerged from the data: value alignment, governance, and relationship-centeredness are discussed in relation to literature which aligns with the principal findings of this research.

Value Alignment

The consistent alignment between an ethical leader's words and actions is the defining characteristic of the theme value alignment. The seminal work of Argyris (1997) most closely applied to the theme value alignment that emerged from this research. In particular, Argyris stated, "human beings hold two different master designs. The first incorporates the theories humans espouse about dealing effectively with others. The second design involves the theories they actually use (i.e., their theories-in-use)" (p. 10). It is this concept of alignment which was featured in the findings of this research. Respondents' recollections of the characteristics of ethical leaders were strongly represented by the witnessed, unambiguous alignment of what leaders said they would do and what they did. Therefore, according to respondents' recollections, what leaders said they would do and what they actually do supports Argyris's theory.
Integrity is identified as being important to leadership effectiveness (Chun, 2005; Parry & Proctor-Thomson, 2002; Peterson, 2004; Resick et al., 2006). Nevertheless, based on a search of the literature, there is yet to emerge a clear definition of this term. Researchers such as Becker (1998), Storr (2004), and Parry and Proctor-Thomas (2002) have all identified the lack of a consistent definition or meaning. Many respondents in this research used the terms integrity, honesty and trustworthiness interchangeably in their recollections of ethical leaders. This is supported by Chun (2005) who identified a close relationship between the concepts of honesty, and trustworthiness.

An aspect of honesty evident in the literature that did not emerge in this research was self-honesty and awareness (Dickson et al., 2001; Fry, 2003; Reave, 2005). The work of Brown and Trevino (2006b) in their examination of the authentic leadership

construct, found that authenticity and self-awareness were not part of the ethical leadership construct. Respondents in this research did not refer to self-knowledge or emotional intelligence being an essential component of ethical leadership. However, respondents' references to 'being true to oneself' may be viewed as indicative of having self-awareness and commitment to one's values.

Palanski and Yammarino (2007) made the point that while integrity was recognized as integral to effective leadership, there was little research on the relationship between leadership and integrity. They suggested that integrity be considered a virtue. Whetstone (2001) described virtue "[t]o be a qualitative characteristic, generally considered part of a person's character, something within a person, although neither materially nor biologically identifiable. A virtue is closer to an internal value, something of the spiritual essence of the person" (p. 4). The respondents in this research, while not specifically using the term 'virtue', made reference to personal or internal values, the terms of which fit with Whetstone's (2001) definition. This concept of virtue was also reflected in the work of Chun (2005) who developed a virtue character scale that included integrity to measure the link between organizational level virtue and organizational performance. Chismar (2001) also described virtues as ethical character traits that included integrity, and that represented behavior which was demonstrated over time and related to day-to-day business activities.

Palanski and Yammarino (2009) adopted the definition of integrity to mean consistency of action between words and behavior. This aligned closely with the meaning of the theme value alignment in this research. Simons (2002) used the term behavioral integrity as the perceived pattern of alignment between words and action. Ryan (2000) described integrity as putting truth into practice. These meanings all supported the key finding of this research relating to respondents' recollections of the integrity of ethical leaders. An important point made by Palanski and Yammarino (2009) was how critical it was that characteristics such as integrity were researched at group and organizational levels, since leadership is concerned with interdependent relationships which are an essential component of a group or an organization. Respondents' recollections related to ethical leaders' behavior in both the individual and group environments.

One of the ways respondents in this research perceived the integrity of ethical leaders was by the values they demonstrated. Schwandt (1994b) defined values as "[d]esirable states, objects, goals, or behaviors transcending specific situations and applied as normative standards to judge and to choose among alternative modes of behavior" (p. 2). Further, the pursuit of goals that are aligned with one's personal values have been associated with positive outcomes, such as a sense of well-being, job attitudes, and performance (Bono & Judge, 2003; Cha & Edmondson, 2006; Judge et al., 2005). Badaracco and Ellsworth (1992) supported this finding by stating it is the consistency with which leaders demonstrate their personal values in daily action that constitutes integrity.

The relationship between an ethical leader's integrity and his or her trustworthiness represented an important finding in this research. While trustworthiness may be considered an integral component of integrity, it was commonly recalled by respondents in this research as a separate characteristic of ethical leadership. This suggested that the consistent alignment between an ethical leader's words and actions, that is, integrity, was a central determinant of trust (Becker, 1998). The social theory of

trust put forward by Sztompka (1999) referred to primary trustworthiness as being the initial estimate individuals make in determining whether or not to confer trust upon another person (the trustee) or institution. Sztompka (1999) asserted that a trustee's reputation, performance and behavior over time, provided some primary basis to make assessments relating to an individual's trustworthiness. Schoorman, Mayer, and Davis (2007) argued that trust was an aspect of relationships which varied within persons and across relationships. In the context of this research, the perception of trustworthiness of ethical leaders was gained, over time, through consistent and predictable behavior in the relationships leaders hold with individuals and groups.

Respondents in this research made reference to trustworthiness being demonstrated in a number of ways and this was supported by Rotter's (1971) definition of trust being "[a] generalized expectancy held by any individual or group that the word, promise, verbal, or written statement of another individual or group can be relied on" (p. 444). While trustworthiness may be demonstrated by verbal or written statements, respondents placed greater importance on ethical leaders' trustworthiness being evidenced by words which were followed up by appropriate action. In particular, this action signaled to others that an ethical leader carried out what he or she said would be done. This alignment of words and action needed to be demonstrated consistently for a leader to develop a reputation for trustworthiness. Respondents made reference to leader integrity and saw a relationship between a leader's trustworthiness and the perception that the leader had integrity.

A meta-analysis on trust in leadership by Dirks and Ferrin (2002) found the proximity of leaders to employees was more strongly associated with employee outcomes, such as job satisfaction and performance, than with leaders who were distant. This finding was supported in research by Andersen (2005), which focused on why Swedish subordinates trusted their managers, who found the level of trust to be high among employees, who had a close relationship with their manager, and those who could observe the manager's behavior more directly than could other employees. This concept of proximity and trustworthiness was also evident in this research. Senior executives' recollections of ethical leaders were individuals with whom they had a close working relationship. Many respondents' examples of ethical leaders were those who had influenced their careers before they became senior executives themselves. They were individuals in whom respondents placed trust and sought guidance during the development of their careers.

Courage emerged from the data as another concept related to value alignment. In the context of this research, courage referred to an ethical leader's capacity to demonstrate perseverance and leadership strength. Many respondents used the word 'resilience' to describe acts of courage by ethical leaders. Resilience was described in the literature as one aspect of positive psychological capital (Norman, Avolio, & Luthans, 2010). Together with hope, optimism and efficacy, resilience represented "[a] higher-order, core construct which can be thought of as one's positive psychological resources or capabilities" (Luthans et al., 2007, p. 545). While courage may be included as an aspect of one's positive psychological resources, the literature defined resilience differently from courage. Luthans (2002) defined resilience as the "[p]ositive psychological capacity to rebound, to "bounce back" from adversity, uncertainty, conflict, failure or

even positive change, progress and increased responsibility" (p. 702). Bohn (2002) defined a sense of resilience as one component of what he termed 'organizational efficacy'. This was the capacity of the organization and its members to cope with the demands and challenges of the business environment.

A specific aspect of courage recalled by respondents in this research related to ethical leaders who demonstrated a commitment to the development of an ethical culture in the organization. This was achieved by leaders who were not afraid to 'call people to account' and make clear their expectations about ethical conduct. Courage was evident in leaders who stood by their decisions, even in the face of opposition or unpopularity. That is, an ethical leader did what he or she believed was right, not popular. The courage of one's convictions captures the meaning recalled by respondents more succinctly than the term resilience. Therefore, respondents did not associate courage with ethical leaders rising above adversity, which is the core meaning of resilience evident in the literature. In the context of this research, the concept of resilience may be seen as a component of courage, but it did not completely encapsulate its meaning.

A theory that more closely defined the meaning of courage by respondents in this research was that proposed by Schlenker (2008). He asserted there were two dimensions to an 'ethical ideology' which was the system of beliefs and values an individual holds relating to matters of right and wrong; they were principled and expedient ethical ideology. A principled ideology was defined as the "[i]deas that moral principles exist and should guide conduct, that principles have a trans-situational quality and should be followed regardless of personal consequences or self-serving rationalizations, and that integrity, in the sense of a steadfast commitment to one's principles, is inherently valuable and a defining quality of one's identity" (Schlenker, 2008, p. 1079). This definition fits with respondents' recollection of ethical leaders' courage in the face of resistance and potential personal loss. In contrast, individuals holding an expedient ideology believed moral principles were flexible and deviations were justifiable for personal gain.

The literature pertaining to ethical leaders 'calling people to account' on ethical standards and behavior, supported the research findings related to courage. Seminal research by Trevino et al. (2000, 2003), Trevino and Nelson (2004), Brown and Trevino (2006a, 2006b) and Brown et al. (2005) represented important empirical and theoretical works which conceptualized and measured the newly emerging construct of ethical leadership. In a comparative analysis of three leadership constructs with ethical leadership, Brown and Trevino (2006b) established one key feature that distinguished ethical leadership from authentic, spiritual and transformational leadership; "ethical leaders explicitly focus attention on ethical standards through communication and accountability processes" (p. 600). When respondents recalled the characteristics of ethical leadership in this research, individuals who had courage were prepared to 'call people to account' on breaches of conduct rather than 'turn a blind' eye. In other research by Weaver et al. (2005), "[n]ot only did ethical role models communicate their ethical standards, they also held their subordinates accountable to high ethical standards" (p. 322). Those findings were part of qualitative research consisting of interviews within diverse organizations in the United States of America. Earlier qualitative research by Trevino et al. (2003), in which senior executives and ethics officers were interviewed about the characteristics of ethical leadership, revealed similar findings in relation to

ethical leaders emulating high ethical standards and holding people accountable for those standards in the organization.

The act of ethical leaders modelling values, and their influence on follower behavior and organizational outcomes has been studied in relation to two social learning theories (Brown et al., 2005; Brown & Trevino, 2006b). The first, Bandura's (1977) social learning theory, was based on the concept that individuals learn by observing and following the behavior and values of role models. According to Brown and Trevino (2006b) "[e]thical leaders are likely sources of guidance because their attractiveness and credibility as role models draws attention to their modeled behavior" (p. 597). However, as Brown and Trevino suggested, ethical role modelling encompassed more than a leader's positional authority. Followers observe and make judgements related to both positive and negative leadership modelling. Bandura's social learning theory supported the value alignment theme in this research. Respondents' recollections of ethical leadership were strongly related to what behavior they could directly observe in a leader. The effect of this behavior on both respondents and other individuals played a role in the judgements they made about leaders. Moreover, impressions of leaders were formed whether or not leaders 'walked the talk'.

Governance

Respondents in this research used such expressions as 'acting lawfully', 'making responsible decisions', and 'withstanding public scrutiny' to describe behavior relating to accountability by ethical leaders. Although it was not explicitly stated by respondents, their recollections did suggest that ethical leaders were conscious that accountability requirements involved scrutiny of their conduct. This aligned with the literature relating to accountability theory. Beu, Buckley, and Harvey (2003) defined accountability as "[t]he perception of defending or justifying one's conduct to an audience that has reward or sanction authority and where rewards or sanctions are perceived to be contingent upon audience evaluation of such conduct" (p. 89). Indeed, Tetlock (1992) made the point that without the capacity to call individuals or agencies to account for their actions, there would be no basis for social order. Accountability measures, contended Tetlock (1992), were more likely to result in individuals conforming to the expectation of others.

Frink and Klimoski (2004) referred to accountability as "[t]he adhesive that binds social systems together" (p. 2). Therefore, pressure to conform was not only through accountability measures, but also a complex web of interpersonal relationships. Beu et al. (2003) asserted that the complexity of these relationships was the driving force behind ethical behavior in the workplace. In the context of this research, it was the influence of the ethical leaders' modelled behavior that had the most salient influence on individual and group behavior. Respondents' recollections were drawn from observations and perceptions of ethical leadership behavior and the effect this had on the behavior of followers. The relationship between ethical leadership and follower behavior was strongly supported in the literature (Brown & Trevino, 2006a, 2006b; Brown et al., 2005). It has been suggested by some scholars that leaders with ethical characteristics are positively linked to effective organizations (Ciulla, 2005; Kanunga & Mendonca, 2001; Sarros, Cooper, & Hartican, 2006).

Respondents in this research placed the fulfilment of accountability measures

relating to governance as being an important characteristic of an ethical leader. In particular, respondents' recollections related closely to leaders' decision-making and how this affected the followers' relationships with and perceptions of leaders. This was also supported by Bandura's (1986) social learning theory, since respondents' observations of leaders' approach to accountability requirements contributed to the perceptions they form of leaders. In relation to how an ethical leader demonstrated responsible governance practices, the category discernment encapsulated respondents' descriptions of how an ethical leader approached decision-making. When ethical leaders exercised discernment they considered decisions carefully, 'weighing up' the options and applying the required 'checks and balances' of requirements relating to governance.

The literature which aligned most closely with the meaning of discernment in the context of this research was 'conscientiousness', one of the Big Five factors representing the basic underlying dimensions of personality (Brown & Trevino, 2006b; Chun, 2005; Costa & McCrae, 1998; Kalshoven, Den Hartog, & De Hoogh, 2010). The other four factors of the Big Five are: agreeableness, openness, extraversion, and neuroticism (Costa & McCrae, 1998). Leaders considered conscientious and who exercised discernment in decision-making were cautious before acting and adhered closely to their duties and responsibilities. Respondents in this research recalled ethical leaders communicating and seeking input from others as being part of the concept of discernment. This process was evident in Collier and Esteban's (2000) use of the term 'communities of discernment' in describing a group of individuals who had a shared purpose and commitment to make judgements and decisions that were morally right. That is, open dialogue between the members of a professional community was more likely to lead to decisions considered beneficial to all members of the community.

Conscientious and discerning behavior in leaders was expected to be positively related to ethical leadership (Brown et al., 2005; De Hoogh & Den Hartog, 2008). Brown and Trevino (2006b) proposed that conscientiousness and agreeableness were positively related to ethical leaders. Agreeableness encompassed traits such as altruism, trustworthiness, and kindness (Costa & McCrae, 1992; Kalshoven et al., 2010). This aligned with key traits of ethical leadership that emerged from data in this research. For example, altruism and trustworthiness were associated with the trait agreeableness and discernment, courage and accountability described a conscientiousness leader. These traits were perceived by respondents as being positive qualities in ethical leaders. Walumbwa and Schaubroeck (2009) also found conscientiousness and agreeableness to be positively related to ethical leadership.

Relationship-Centeredness

The final theme that emerged from data in this research to support the characteristics of an ethical leader was relationship-centeredness. This theme aligned very closely with Brown and Trevino's (2006b) definition of an ethical leader demonstrating "normatively appropriate conduct through personal actions and interpersonal relationships and promoting such conduct to followers through two-way communication, reinforcement, and decision-making" (p. 595). Fairness described the nature of the relationship ethical leaders developed with their followers. Many of the decisions leaders make can have an effect on followers (van Knippenberg, De Cremer, & Van Knippenberg,

2007). Therefore, followers were concerned about the fairness of decisions. Thus, "the perceived fairness of the leader, either in terms of outcomes received (distributive fairness), the procedures used to arrive at these outcomes (procedural fairness), or the quality of interpersonal treatment (interactional fairness), may substantially impact leadership effectiveness" (van Knippenberg & De Cremer, 2008, p. 174). For example, research by De Cremer and Tyler (2007) found fair procedures promoted cooperation when an enacting authority is trusted.

The findings of this research placed the concept of fairness central to a leader being perceived as ethical by others. Most particularly, respondents perceived ways in which an ethical leader demonstrated fairness as being closely associated with other characteristics such as trustworthiness, integrity, and discernment. One concept respondents recalled in ethical leaders who demonstrated fairness was respect. In the context of this research, respectful leaders recognized the importance and value of others and sought to genuinely listen, empathize, and consider their feelings and views. This meaning of respect aligns with van Quaquebeke and Eckloff's (2010) definition of respect as "[a] person's attitude towards other people, in whom he/she sees a reason that, in itself, justifies a degree of attention and a type of behavior that in return engenders in the target a feeling of being appreciated in importance and worth as a person" (p. 344). Earlier research conducted by van Quaquebeke and Eckloff (2010) found that employees valued what they termed 'recognition respect' by their leaders and 'appraisal respect' from their leaders. Recognition respect represented leaders who focused on understanding and treating others with such behavior such as kindness, whereas, appraisal respect related specifically to the esteem an employee received by leaders recognizing and rewarding their skills and achievement (van Quaquebeke & Eckloff, 2010).

The performance of work by employees is a central focus of the organization. In this research, respondents placed honest feedback and recognition of employees' work as an important demonstration of fairness. Respondents' recollections described ethical leaders as being open and honest in their disclosures, inclusive in their decision-making, and empathetic to followers' concerns. Therefore, fairness encompassed a number of qualities in the leader–follower relationship which included being empathetic. Chun (2005), for example, suggested the ability to be empathetic was a fundamental value of an individual with ethical character. The literature made a distinction between different aspects of justice, which was relevant to the concept of fairness in this research. Those aspects were: distributive justice, that centered on the fairness of outcomes received; interactional fairness, which related to dignity and respect with which one is treated; and procedural justice, which focused on fairness of procedures used to reach outcomes (Saunders & Thornhill, 2004; van Knippenberg et al., 2007). In the context of this research, the exercise of procedural justice by leaders was perceived by followers as demonstrating fairness. Research by De Cremer and van Knippenberg (2003) found that leaders' procedural fairness interacted with the favorability of outcomes and cooperative behavior in groups. The Brown et al. (2005) development of the ethical leadership scale (ELS) found that ethical leadership was positively related to interactional fairness.

The management of reward and punishment by leaders was cited by respondents

in this research as an important example to illustrate fairness. This was supported by literature which confirmed a leader's reputation for fairness was gained by his or her management of both rewards and punishment in the organization (Butterfield et al., 2005; Trevino, 1992a; Trevino & Youngblood, 1990). Further, Trevino (1992a) theorized that the management of punishment also served as a cue to observers about expectations relating to behavior, workplace justice and how leaders manage misconduct.

The respondents in this research recalled that ethical leaders, whose focus was on relationship building with others, demonstrated altruism. This was evident, according to respondents' recollections, in behavior that reflected humility, unpretentiousness, and a genuine interest in the welfare of others. Nagel (1970) described an element of altruism to be a willingness to act in consideration of the interests of others without having ulterior motives for such action. A specific example recalled by many respondents that conveyed altruism was that of ethical leaders who nurtured the career development of employees. This was considered an act of altruism because ethical leaders provided support and mentoring to employees even though in doing so they risked a loss to themselves and the organization if the employee sought professional opportunities outside the organization.

Research by Brown and Trevino (2006b) also examined the similarities and differences between ethical, spiritual, authentic, and transformational leadership. They identified altruism as a common trait in all the leadership constructs. In their research, altruism was described as demonstrating genuine care and concern for people. The importance of altruism was evident in literature that examined ethical leadership from a cross-cultural perspective. Resick et al. (2006) confirmed that altruism was an important characteristic in the development of what they termed a community or people orientation. There was a similar meaning reflected in this research since respondents made reference to the focus ethical leaders had on relationships with others, which was one of the three principal findings, namely, relationship-centeredness. Respondents also referred to the global business environment in which the building of relationships has become an important basis for success in business.

The work of Kanungo and Mendonca (1996) found altruism to be the critical ingredient to effective leadership. Indeed, they went so far as to say that "[b]y ignoring the altruistic motive, the discussion and research of the leadership phenomenon essentially avoided the moral and ethical issues that are involved in leadership" (Kanungo & Mendonca, 1996, p. 44). While they recognized that leadership behavior does have a set of needs, namely the need for power, achievement and affiliation, their view was that unless these needs are motivated by altruism, leadership behavior is ineffective. Ciulla (2005) believed there was a fundamental challenge in the way Kanungo and Mendonca (1996) represented the concept of altruism as leaders only can be truly effective if they are motivated by a concern for others. As stated by Ciulla (2005) "[b]oth selfishness and altruism refer to extreme types of motivation and behavior. Further, even if a leader does act altruistically it does not guarantee that their actions will be moral" (p. 327). Ciulla's argument relating to altruism was reflected in the findings of this research. Respondents recognized altruism as being a component of ethical leadership. However, they did not represent altruism as being an exclusive

act of self-sacrifice on the part of an ethical leader. Rather, acts of altruism occurred when leaders also demonstrated concern for their own self-interest. This was referred to by Kanango and Mendonca (1996) as utilitarian or mutual altruism. Price (2003) also supported this view when he claims that the self-interests of leaders can be served by the demonstration of what appears to be altruism.

The focus of this research was to explore and define the characteristics of ethical leadership. The moral manager dimension of ethical leadership was a defining characteristic of this research that was supported in the literature (Brown & Trevino, 2006b; Brown & Mitchell, 2010; Trevino et al., 2000). Three themes emerged from the data to define ethical leadership: value alignment, governance, and relationship-centeredness.

The theme of value alignment captured the most significant characteristic of an ethical leader. To be perceived as ethical, it is essential an individual's character and values, represented and expressed in words, are closely aligned with behavior. Many respondents referred to value alignment as 'living one's values' with those values being an expression of one's innate character. Ethical leaders' value alignment was recognized in individuals who demonstrated integrity, courage, and trustworthiness. While respondents recalled each of these characteristics individually, integrity was expressed as encompassing a number of core values, including honesty and trustworthiness. Ethical leaders demonstrated courage when they stood up for what they believed was right, even when their position on a matter may have been unpopular or against the views shared by others. This meaning was captured in the phrase 'the courage of one's convictions'. Courage was also reflected in leaders who 'called people to account' on ethical standards and behavior.

The theme governance described ethical leaders whose decision-making was defined by fair and transparent processes which followed both the 'letter' of the law and the 'spirit' of the law. In doing so ethical leaders accept accountability for their actions. Decision-making reflected discernment and was undertaken in an informed and impartial manner. Finally, ethical leaders are relationship-centered; that is, how they communicate and relate to others is a focus of their leadership style. Their relationships are defined by fairness, which encompasses qualities such as respect and empathy, both of which characterize altruism.

Future Research

The literature relating to ethics and leadership made a clear distinction pertaining to the construct of ethical leadership compared with other constructs, such as transformational, authentic, and spiritual leadership. Specifically, the transactional nature of the 'moral person, moral manager' defined an ethical leader (Brown & Trevino, 2006b). This raised the question of what place leadership styles may have in the perceptions individuals hold of the characteristics of ethical leaders. Therefore, to what extent, if any, is a leader's ethicality related to the style of leadership he or she exhibits? Perhaps, as Badaracco (2002) suggested, ethical leaders may not be individuals who are recognized as having 'larger-than-life' personalities or a reputation for so-called 'heroic acts'. Rather, they are individuals whose leadership is characterized by many day-to-

day acts, which quietly, but effectively, build a desired ethical climate and follower commitment in the organization. It may be beneficial that future research examines leaders perceived by followers to be ethical and whether any specific leadership style is identified by these followers as demonstrating ethical characteristics.

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