EMBRACING ETHICAL LEADERSHIP TO STRENGTHEN ORGANIZATIONAL EFFECTIVENESS

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PRESENTATION FLOW

- ETHICAL LEADERSHIP
  - DEFINITION
  - ANATOMY OF ETHICAL LEADERS
  - ETHICAL DECISION MAKING IN PRACTICE
- ORGANIZATIONAL EFFECTIVENESS
  - DEFINITION
  - VARIOUS MODELS OF EFFECTIVENESS IN ORGANIZATIONS

PRESENTATION FLOW

- Ethical Leadership and Organizational effectiveness
  - How it relates, why it is important, is it achievable
  - Some tests on the rightness or wrongness of ethical actions

“WE ARE IN THE THROES OF A GIANT **ETHICAL LEAP** THAT IS ESSENTIALLY EMBRACING ALL O HUMAN KIND”

(DONAHUE, 1996)

RIGHT
VS
WRONG

We must do more than just “practice” ethics based simply on our personal opinions, intuitions or unexamined beliefs

WHAT IS ETHICS?

Ethics is a branch of philosophy that deals with the study of *ideal* human behavior and *ideal* ways of being

Aristotle – believed that ideal behaviors were practices that lead to the end of goal of ***eudaimonia*** which is synonymous with a high level of happiness or well-being

Immanuel Kant believed that the ideal behavior was acting in accordance with one's duty

Well-being meant having freedom to exercise autonomy (self-determination), not being used as a means to an end, being treated with dignity and having capability to think rationally

ETHICS

the systematic approach to understanding, analyzing, and distinguishing matters of

right and **wrong**

good and **bad**

admirable and **deplorable**

Formal *theories*, approaches, codes of conduct

RA 6713

Code of Conduct and Ethical Standards for Public Officials and Employees

Public officials and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest over personal interest

Ethics, therefore, is an active process rather than a static condition

“doing ethics”

WHAT IS MORALS?

Morals are specific beliefs, behaviors, and ways of being derived from ***doing ethics***.

Morality refers to the set of standards that enable people to live cooperatively in groups. It is what societies determine to be "right" and "acceptable."

Immorality is term used to describe when a person's behavior is in opposition to accepted societal, religious, cultural, or professional ethical standards and principles

Unethical used to describe ethics in its negative form, when a person's character or behavior is contrary to admirable traits or the code of conduct that is endorsed in one's society, community or profession

We cannot discuss ethical leadership without discussing what an *ethical leader* is?

Value is something of worth or something that is highly regarded

Refers to one's evaluative judgments about what one believes is good or what makes something desirable

Reasoning is the use of abstract processes to think creatively, to answer questions, to solve problems and to formulate strategies for ones actions

Moral reasoning pertains to reasoning focused on moral or ethical issues

Leader Person

behaviors
practices
conduct
values
procedures
norms
beliefs
attitudes

What is Ethical Leadership?

Ethical Leadership

"The demonstration of **normatively appropriate conduct** through personal action and interpersonal relationships, and ***promotion*** of such conduct among followers through two-way communication, reinforcement and decision making."

Brown, Trevino and Harrison (2005:120)

Ethical Leadership sets an example for followers and others about the **righteousness or injustice** of particular actions

What, *then,* is an ethical leader?

The foundations of ethical leadership stems from studies examining traits of 'good' leaders **(Bass & Steidmeier, 1999)**

Ethical leader sets high standards and carry out tasks and activities in accordance to these

They **convey** to other members how to **implement ethics** in their work and influence ethical values of the organization through their behavior.

They serve as **role models** for their followers

They are perceived as honest, truthful, trustworthy, reliable, responsible, courageous, fair and authentic

Integrity means that a person's behavior is consistent with espoused values and that the person is honest and trustworthy
(Yukl and Van Fleet, 1992:151)

If integrity is not perceived, the influence of the leader decreases.

Your children will follow your example, not your advice.
facebook.com/PrinceEa

What is Organizational Effectiveness?

Effectiveness is the 'power to produce a desired result'

In an organizational context, *effectiveness is harder to define*. The effectiveness of an organization depends on its **mission and goals, internal efficiency, strategic positioning, and many more factors.**

International Organization
(World Wild Fund for Nature)
Company A
A multi-national oil-company providing essential product and employing thousands
Charitable Organization
(Caritas International
Local Government to deliver basic social, economic, infrastructure services to its people
LGU
A non-profit organization whose products are made from recycled disposable plastics
Company B
A privately owned tech company with 10 million users

Organizational effectiveness has no one definition and depends on the organizational context

It can revolve around the *degree* to which an organization accomplishes its goals, satisfies its stakeholders, has the resources it needs to operate or ***creates societal*** or environmental impact

Organizational effectiveness is measured in the degree to which an organization achieves the goals it set out to achieve

These goals can be certain output **(productivity or service quality),** efficiency goals it set out for, but also the **degree to which its internal processes are aligned**, and the degree to which it has **secured the resources required** to create a competitive advantage

Effectiveness Models

Model	What it seeks to accomplish
The Goal Approach	Accomplishing its goals; focus is on the output like profit, innovation, product quality
The Internal Process Approach	High-quality internal processes; pays attention to the transformation process and the organization is internally healthy and efficient
The System Resource Approach	Obtaining resources needed for high performance; ability to obtain necessary resources
The Strategic constituency Approach	Satisfying strategic constituency or the effect of the organization to its constituency

Does ethical leadership *affect* organizational effectiveness?

Let me ask your opinion

yes

First, organizations that do not practice ethical programs (ethics trainings, compliance programs, no code of ethical conduct observed) place themselves at **high risk for substantial amount of unethical and illegal acts**

Second, leaders who strive for ethical conduct **motivate others to act in ethical ways**

Third, ethical leadership involves **strategic planning process** so that policies, decision-making processes, consultation, accountability, ethical standards and on-going assessments and monitoring are in place to ensure ethical practice

8 Excellent Test of the Rightness or Wrongness for ethical actions

1. Is it legal?
2. Does it comply with my/our rules and guidelines?
3. Is it in sync with my personal and our organizational values?
4. Will I be comfortable and guilt-free if I do it?

8 Excellent Test of the Rightness or Wrongness for ethical actions

5
- Does it match my commitments or promised guarantees?

6
- Would I do it for my family and friends?

7
- Would I be perfectly okay with someone doing it to me?

8
- Would the most ethical person I know do it?

Doing Your Best Work

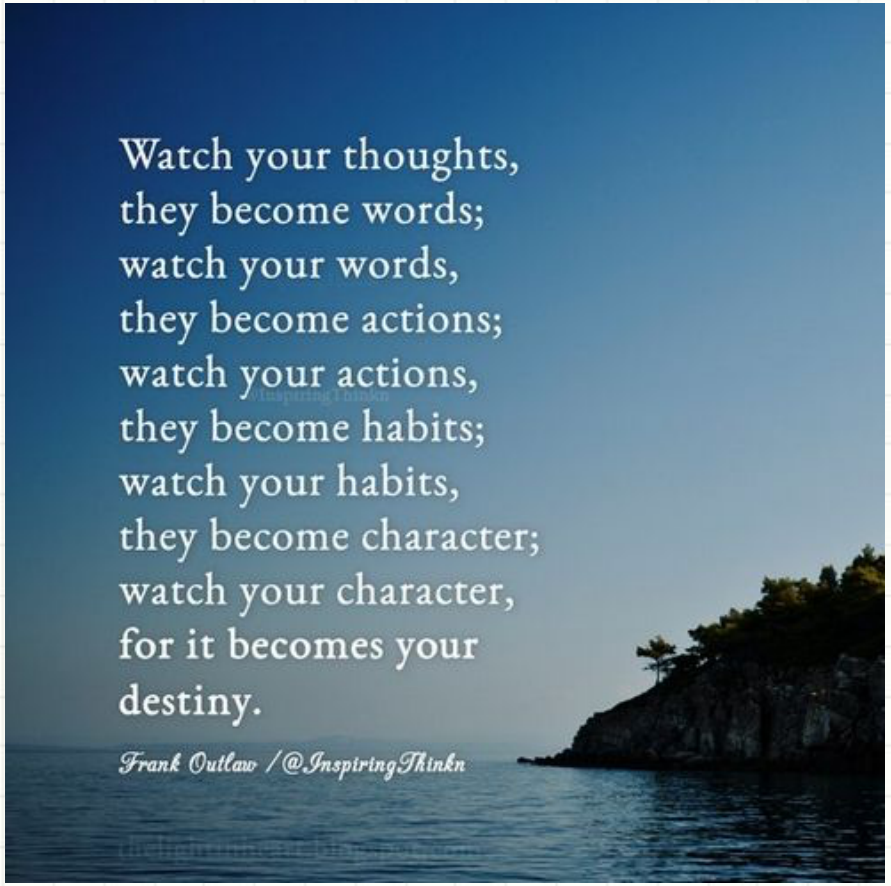
You are your best work

You produce best result when you are at your best

The respect that leadership must have requires that one's ethics be without question.

A leader *not* only stays above the line between right and wrong, he stays clear of the *"gray areas."*

(G. Alan Bernard)


Watch your thoughts,
they become words;
watch your words,
they become actions;
watch your actions,
they become habits;
watch your habits,
they become character;
watch your character,
for it becomes your
destiny.
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Thank You

Questions?