

Tango in the Dark: The Interplay of Leader's and Follower's Level of Self-Construal and its Impact on Ethical Leadership

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Tango in the Dark: The Interplay of Leader's and Follower's Level of Self-Construal and
its Impact on Ethical Leadership

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Abstract

In line with romantic views on leadership, leaders are traditionally held responsible for any kind of ethical misconduct in organizations. Through explicating the influence of followers on their leaders' (un)ethical decision-making, we aim to add some nuances to this view with the present chapter. To begin with, we suggest that people generally regard leadership as ethical when the leader takes the collective into account, while only focusing on own gains is largely regarded as unethical. We then posit that the degree to which leaders' decisions are directed towards the one versus the other outcome depends on the leaders' level of self-construal, that is, the way how they see themselves in relation to others. Looking at leader's ethical decision making through this lens suggests that it is open to external influence, in that leaders' self-construal is susceptible to external cues. In particular, followers form an important part of such external cues for a leader's level of self-construal. We thus suggest various mechanisms via which followers indirectly influence their leaders' ethical decision making. In sum, we put forward a model in which we show how leaders and followers reciprocally affect their level of self-construal and thus ultimately the degree to which ethical leadership is enacted.

A recent example of unethical behavior is the case of the American International Group (AIG), the largest insurance company in the United States, which spent \$165 million on employee bonuses after the U.S. government had provided financial aid to help the company avoid bankruptcy for the fourth time. In this example, as well as in other recent scandals, CEO's are held responsible for unethical behaviors in their organization, and there seems to be a public consensus that their behavior is unethical and should be convicted. A recurring theme is that the leaders of these companies appear to be merely focused on their personal gain, instead of on the interests of the collective. What exactly qualifies as ethical or unethical behavior is hard to define however.

In support of the common sense notion that ethical leaders are those who take the collective into account, extant research on ethical leadership typically portrays ethical leadership in terms of the contrast between egoism and altruism (e.g., Bass & Steidlmeier, 1999; Turner, Barling, Epitropaki, Butcher, & Milner, 2002). Although some existing approaches do suggest that ethical leadership leads to more collectively oriented behavior in followers (Brown & Treviño, 2006; Brown, Treviño, & Harrison, 2005; De Hoogh & Den Hartog, 2008), to our insights they do not fully capture the dynamics of ethical leadership, for two reasons. Firstly, the existing literature on ethical leadership does not specify the processes through which ethical leaders influence their followers or suggest that these are merely automatic and occur through social learning (e.g., Brown et al., 2005). Secondly, researchers investigating the antecedents of ethical leadership, have mainly focused on the leader's personality characteristics like agreeableness, conscientiousness or moral reasoning (e.g., Brown et al., 2005), or on the leader's social responsibility (De Hoogh & Den Hartog, 2008). Within these approaches there is no

room for dynamic effects that could influence the extent to which a leader behaves ethically, like, for example, the leader's motivation to take the collective into account or the influence of interactions between the leader and the followers. Within the current chapter, we will stress the importance of these effects.

In search for the process influencing ethical behavior, many reasons can be identified suggesting why a leader can be motivated to take the collective into account, such as group pressure or financial dependence (cf. Ashkanasy, Windsor, & Trevino, 2006; Tenbrunsel, 1998; Treviño & Youngblood, 1990). However, we argue that leadership behavior that takes the collective at heart can only be considered ethical if the behavior is seen as an end in itself, rather than a means to an end (cf. Bass & Steidlmeier, 1999), a notion that goes back to Kant's categorical imperative (summarized in Mendonca & Kanungo, 2007). Research on self-construal describes whether people construe their self-concept in terms of their relationships with the collective and thus see the collective as a part of themselves, or in terms of their individual characteristics (Brewer & Gardner, 1996). Consequently, leaders who define themselves in terms of the collective and highly identify with it, will behave in a way that benefits the followers, driven by their internal motivation (Hogg & Reid, 2001) rather than for hedonistic reasons. For this reason, we will focus in this chapter on the influence of the level of self-construal as the main driver of ethical leadership behavior.

Importantly, activation of self-construal depends on the context, therefore the leader does not have the sole responsibility for his or her level of self-construal. Building on previous work by Lord and colleagues (1999; 2001), we propose a reciprocal model with an active role for the follower in influencing the leader's behavior. In the outlining

this model we will elaborate on the effects of different levels of self-construal on leader's ethical behavior. In order to do this, we first provide a short overview of research on ethical leadership and self-construal. Next we will integrate these literatures and turn to explaining how different levels of self-construal can influence leaders' behavior. Subsequently, we will discuss the effects of the follower's level of self-construal on the leader's ethical behavior and discuss how followers can influence their leader's self-concept and thereby indirectly share the responsibility for the leader's ethical behavior.

Ethical leadership

What do we consider to be ethical leadership? De Hoogh and Den Hartog (2008) provide an individual level approach to ethical leadership which focuses more on concrete behaviors and the leader's personality as antecedent of these. They operationalize ethical leadership in terms of morality and fairness, role clarification and power sharing, and suggest that these behaviors depend on a several personality characteristics of the leader that show their social responsibility. These characteristics are the endorsement of a high moral standard, a high internal obligation to do what is morally right, a high concern for others and for just outcomes, and a high level of self-judgment. Other approaches focusing at the individual level have focused on different personality characteristics of leaders, such as agreeableness, conscientiousness or moral reasoning (e.g., Brown et al., 2005; Loviscky, Treviño, & Jacobs, 2007). Generally, these approaches provide valuable insights in the kinds of behavior performed by ethical leaders, specifically that ethical leaders show behaviors that benefit the followers, but do not consider contextual and interpersonal influences which can influence ethical leadership behaviors.

Research by Brown and Trevino (2006) does take interpersonal influences into account, but takes a rather unidirectional approach, describing only how the leader's ethical leadership influences the ethical behavior of the followers. This research defines ethical leadership as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement and decision making" (Brown et al., 2005, p.: 120). Furthermore, they suggest that followers can adopt the leader's ethical behavior for various reasons, for example because the leader points the followers attention to it, or because the leader functions a social role model (Brown & Treviño, 2006). In contrast to the personality-based approach, these findings do support the suggestion that ethical leadership does influence the followers, but do not specify the kinds of behaviors performed by ethical leaders. In addition they do not illustrate the cognitive processes explaining how leaders influence their followers, or how leaders themselves are motivated to take the collective into account.

A different line of research that suggests that ethical leadership is related to a focus on the collective, mostly builds on Kohlberg's (1981) theory of moral development, and suggests that the leader's level of moral development determines the extent to which the leader takes the collective into account. In his theory, Kohlberg describes six stages of development of people's moral judgment, that can be placed in three categories of increasing sophistication. At the pre-conventional level, individuals are thought to act from an egoistic perspective, mainly focusing on personal consequences. At the conventional level, individuals' actions are driven by what is right or wrong in relative to their social relationships. At the post-conventional level, individuals are thought to be

driven by universalistic principles of rights and justice, and take into account ideal ethical norms (Kohlberg, 1981). Although Kohlberg's initial theory defines these levels of moral judgment as static and suggests an upward progress only, more recent adaptations of the theory (Rest, Narvaez, Bebeau, & Thoma, 1999), suggest that people can alternate between the various levels. In line with the latter, we suggest that people's endorsement of a certain level of moral reasoning is flexible depends on the context.

Together, these approaches provide initial, but limited, support for the suggestion that ethical leadership behaviors can be related to a focus on the well-being of the collective and can bring out an ethical focus in the followers. To investigate the underlying cognitive processes and to show that leaders can have different perceptions of their relationship to the followers, we will now elaborate on the concept of self-construal.

Self-Construal

Research on different levels of self-construal is based on the notion that belonging to social groups is such a basic human need that it leads people to define themselves in relation to others with whom they have a relationship or form a social group (Baumeister & Leary, 1995). Research in this tradition suggests that individuals define themselves in terms of their interpersonal- or group relationships, and that the way people perceive themselves in relation to others leads to important differences in the way they construe their self-concept (Markus & Kitayama, 1991; Trafimow, Triandis, & Goto, 1991; Turner, Oakes, Haslam, & McGarty, 1994). Originating from research taking a cross-cultural perspective on the self and self-categorization theory, initial theories in this domain suggested that people either endorsed independent self-construal, which would be typical for individualist cultures and in which the self is defined in terms of differences

between the self and others, or endorsed interdependent self-construal, which would be typical for collectivist cultures and in which the self is defined in terms of the relationships the self has with others (Triandis, 1989; Turner et al., 1994).

Prior research on self-construal has shown differential effects depending on the activated level of self-construal for processes like social and self-related cognition (Brewer & Gardner, 1996; Cross, Morris, & Gore, 2002; Gabriel, Renaud, & Tippin, 2007; Keller & Molix, 2008; Kimmelmeier & Oyserman, 2001; Kim, Grimm, & Markman, 2007; Kühnen & Hannover, 2000; Stapel & Koomen, 2001), self-regulation (Lee, Aaker, & Gardner, 2000), and judgment and decision making (Mandel, 2003; Swaminathan, Page, & GürhanCanli, 2007; Zhang & Mittal, 2007).

Recent research has made an additional distinction in types of interdependent self-construal, based on the reasoning that some interdependent relations can consist of personal relationships with others in which personal bonds are important, corresponding to a relational level of self-construal, while other interdependent relationships can consist of a group-membership in which all members have a shared sense of identity but not necessarily a personal bond, corresponding to a collective level of self-construal (Brewer & Gardner, 1996; Prentice, Miller, & Lightdale, 1994; Turner, Hogg, Oakes, Reicher, & Wetherell, 1987). As different levels of self-construal imply very different perceptions of oneself and others, it is likely that they also elicit different behaviors. In the light of the current chapter, we will discuss the effects of different levels of self-construal for ethical behavior.

Ethical leadership and Self-Construal

Both the research on ethical leadership in terms of moral development, as well as the literature on self-construal suggest a trend in which low levels of ethical development, or an individual level of self-construal, typically represent a focus on the individual, while higher levels of ethical development, or a collective level of self-construal, typically represent a focus on the collective. The parallel between these two approaches is illustrated in figure 1.

(Insert figure 1 about here)

Both approaches suggest that the highest developed or most broad focus is the one that takes the interest of the collective into account, and is seen as the most desired level because it feeds into ethical leadership. In line with this, most literature on leadership suggests that leaders are expected to promote a collective spirit in their team, and to display behavior that shows commitment to the interests of this collective (Hogg, 2001; van Knippenberg & Hogg, 2003). Furthermore, theoretical work by Lord and colleagues (Lord & Brown, 2001; Lord, Brown, & Freiberg, 1999) suggests that there are different styles of leadership at the different levels of identity (individual, relational, or group level). Through a certain style of leadership, leaders activate a corresponding level of self-construal in the follower, which will also influence the follower's goals, self-views and perceptions of the self in the future, that is, possible selves (Lord et al., 1999).

In support of this, in the literature concerning ethical leadership, researchers have found that an individual's level of moral development was related to his or her level of ethical decision making (Treviño & Youngblood, 1990). Parallel to this, recent research

related to self-construal has shown that higher levels of identification with the collective motivate the leader to make distributive decisions that are more fair and representative of collective interest (Giessner & van Knippenberg, 2008). Both of these findings provide support for the claim that behavior at the collective level, which feed into ethical leadership, can originate from a collective level of self-construal.

In terms of the effects of ethical leadership on the follower, research has found that the leader's level of moral development has a positive influence on the follower's attitudes, like job satisfaction, organizational commitment or turnover (Schminke, Ambrose, & Neubaum, 2005). In addition, first empirical research in the domain of self-construal demonstrates that the leader's collective self-construal lead to more identification of the follower with the organization, that is, the follower's collective level of self-construal, and in addition lead to higher levels of job satisfaction for the follower (Van Dick, Hirst, Grojean, & Wieseke, 2007). Based on this research, we suggest that behavior which is driven by the leader's collective self-construal can be considered ethical leadership, as opposed to behavior driven by the leader's individual self-construal.

The effects of self-construal on behavior

In the previous section we suggested that ethical behavior mainly depends on whether the leader's behavior demonstrates that he or she takes the interest of the collective at heart, and thus on the activation of the leader's collective level of self-construal. This suggests that a certain level of self-construal is linked to a corresponding level of behavior. We will now elaborate on the processes that link the activation of self-construal to the corresponding (ethical) behaviors.

Connectionist theories of cognition suggest that self-construal influences behavior because it increases the salience of corresponding behaviors, increasing the likelihood that the individual will perform them. According to these theories, a level of self-construal activates corresponding frameworks of actions and behaviors, and these frameworks function as a looking glass through which own and other's behavior are interpreted (e.g., Hanges, Lord, & Dickson, 2000; Lord & Brown, 2001). In addition, research in this domain has found that people tend to seek out information in domains related to their active self-construal more (Fong & Markus, 1982). This research suggests that if a leader's collective (vs. individual) level of self-construal is activated, the leader is more likely to behave in a way that benefits the collective (vs. him- or herself).

Related research provides a more detailed description of the underlying process, by suggesting that levels of self-construal are related to the activation of certain values (Verplanken, Trafimow, Khusid, Holland, & Steentjes, 2008). This research has shown that independent self-construal motivates behavior oriented at the individual, through activation of personal values, while interdependent self-construal motivates collective oriented behavior, based on activation of social norms (Gardner, Gabriel, & Lee, 1999; Verplanken & Holland, 2002; Verplanken, Walker, Davis, & Jurasek, 2008).

Further evidence for the effect of self-construal on behavior comes from research on social value orientation. This research has focused on stable personality traits that can be used to predict the way people evaluate outcomes for themselves and others in interdependent situations and distinguishes between collective oriented “pro-social” orientations, or in other words, cooperation, and self oriented “pro-self orientations”, that is, competition or individualism (Joireman, Van Lange, Kuhlman, Van Vugt, & Shelley,

1997; Van Lange & Liebrand, 1991). With respect to the influence of self-construal on behavior, this research has found that people with a chronic level of individual self-construal (pro-self value orientation) will act more cooperatively after activation of collective self-construal (pro-social value orientation) because this activation increases the value assigned to the collective good as opposed to individual gain (De Cremer & Van Vugt, 1999). In the light of the current chapter, this research supports the idea that when the leader's collective level of self-construal is activated, the leader will show more behavior that benefits the collective.

Additional research on self-construal suggests that the effects of the activated level of self-construal can be expanded to situations in which people directly interact with others, and specifically to the extent to which they take the other into account. For example, research has shown that activation of a collective level of self-construal lead participants to mimic the other person more, than when an individual level of self-construal was activated (van Baaren, Maddux, Chartrand, de Bouter, & van Knippenberg, 2003). Furthermore, others have found that people with a collective level of self-construal took the recipients knowledge more into account when answering questions than people with an individual level of self-construal (Haberstroh, Oyserman, Schwarz, Kühnen, & Ji, 2002). Together, these studies show that activation of a collective level of self-construal, as opposed to an individual level of self-construal, can indeed lead to an increased tendency to take others into account or to take the other's perspective.

Extending these findings to the domain of leadership, we can suggest that when the leader's collective level of self-construal is active, the leader will be more likely to take the followers into account or consider their perspective in making decisions. These

actions are typically considered to be ethical leadership behaviors, and are likely to be less when the leader's individual level of self-construal is activated. The suggestion that the leader's ethical behavior is determined by the leader's level of self-construal is the first step in the model presented in this chapter (see figure 2).

(Insert figure 2 about here)

The reciprocal effects of the leader's and the followers' self-construal on
their ethical behavior

Although in the above we have mainly discussed the effects of the level of self-construal on the leader's ethical behavior, we suggest that the activation of self-construal is context dependent and thus does not depend only on the leader, but on the followers as well. Researchers in the "romance of leadership" tradition have called for a follower-centric perspective on leadership that takes a closer look at the role of followers in the leadership process, in response to the tendency of many leadership theories to over-attribute organizational effects to the leader (e.g. Meindl, 1995; Meindl, Ehrlich, & Dukerich, 1985). In line with this research, we suggest that followers are not merely passive recipients of the leader's influences, but form a source of influence on the leader's behavior. We argue for a fully reciprocal model of ethical leadership, describing how leaders and followers have a reciprocal influence on each other's level of self-construal and thus influence the extent to which their behavior is ethical (see figure 3).

(Insert figure 3 about here)

A first step in outlining our model is to argue that one's level of self-construal can be activated through the behavior of another person. Experimental manipulations of self-construal provide evidence for the suggestion that one's level of self-construal is not static

but can depend on the context, because most experimental manipulations are based on activation of self-construal through cues from the environment, mostly in the form of texts (e.g., Gardner et al., 1999; van Baaren et al., 2003). We posit that, in practice, the level of self-construal can be activated through cues provided by other people. In our model, we suggest that activation of a certain level of self-construal in either the leader or the follower depends on the activation of this level by the other party. This not only forms an important mechanism through which leaders can bring out a collective self-construal and corresponding behaviors in their followers, but also a forms a mechanism through which the followers can influence their leader's behavior.

The question remains how followers can influence their leader's self construal. As the leader's level of self construal depends on the (social) context and followers make up a large part of the social context, we suggest that the follower's level of self-construal forms the boundary conditions for leadership behaviors. In line with this, theoretical work by Lord and colleagues (2001) suggests that followers can indirectly influence their leaders, because their level of self-construal makes them most susceptible to certain leadership behaviors and therefore leaders will be most effective when acting at that specific level (Lord & Brown, 2001; Lord et al., 1999). In addition to this passive influence of followers on their leaders, we suggest a more active role for the followers in influencing their leader's level of self-construal and hence the leader's behavior, in which followers influence their leader's level of self-construal directly through explicit communication of their own level of self-construal, or indirectly through symbolic actions like self-sacrifice. These reciprocal influences form the second part of our model. We will discuss each of these ways in turn.

Firstly, evidence that one person's level of self-construal can be activated through explicit communication with another person comes from research on charismatic leadership. This research demonstrates the effects of the leader's collective level of self-construal on the follower's identification with the collective, that is, the follower's level of self-construal (Conger, Kanungo, & Menon, 2000; Shamir, House, & Arthur, 1993). In terms of a leader's communication towards followers, research has found that the leader's emphasis on a collective identity, shared values, and inclusive behavior were positively related to followers' identification (Shamir, Zakay, Brainin, & Popper, 2000). In addition, others found that elements in the leader's communication referring to collective missions, beliefs and values (idealized influence) made collective self-construal salient, while elements that referred to employees as unique individuals and emphasized individual differences (individualized consideration) made individual self-construal salient (Paul, Costley, Howell, Dorfman, & Trafimow, 2001). Summarizing, this research shows that levels of self-construal can be activated through direct communication from leaders to followers. As followers will express certain levels of self-construal in their communication to their leaders as well, we regard the findings above as initial evidence that followers can also influence their leaders through direct communication.

Secondly, followers can activate a certain level of self-construal in their leaders indirectly through symbolic behavior. For example, followers' self-sacrificing behavior communicates indirectly that they are oriented towards the collective. The suggestion that a certain level of self-construal can be activated through symbolic behavior is supported by research on leader self-sacrifice (e.g., Choi & Mai-Dalton, 1999; De Cremer & van Knippenberg, 2005; van Knippenberg & van Knippenberg, 2005), which suggests that the

leader can bring out a collective self-construal in followers by displaying a collective self-construal themselves. Specifically, by sacrificing personal gains for the benefit of the team, the leader communicates commitment to the group's goals and care for the interest of the group members (Conger & Kanungo, 1987; Shamir et al., 1993; van Knippenberg & Hogg, 2003). This kind of self-sacrificing behavior has a positive influence on the followers, and has been found to contribute substantially to leadership effectiveness because followers see self-sacrificing leaders as more legitimate and are motivated to reciprocate the leader's efforts (Choi & Mai-Dalton, 1999). In addition, self-sacrificing leaders have been found to elicit more cooperation in a public good dilemma (De Cremer & van Knippenberg, 2002, 2005), and to elicit higher levels of performance in followers than self-benefitting leaders (van Knippenberg & van Knippenberg, 2005).

In addition to the influence of the leader on the collective self-construal of the follower, we suggest that the follower can have an influence on the leader's collective level of self-construal as well, through the same mechanisms as proposed above. In this way, followers should be able to bring out more ethical leadership behaviors in their leaders. Initial evidence for this argument can be found in social psychological research that demonstrates that activation of the collective level of self-construal can evoke a more pro-social use of power (Chen, Lee-Chai, & Bargh, 2001). In addition, research has found that a collective level of self-construal, makes people act more benevolently and generously in dyadic settings towards their dyadic partners, than does an individual level of self-construal (Howard, Gardner, & Thompson, 2007). This shows that if the followers activate a collective level of self-construal in their leaders, they will be the recipients of more collectively oriented behaviors, that is, ethical leadership behaviors.

Summary and implications for ethical leadership

Summarizing, we suggest that the conduct of ethical leadership depends on the level of self-construal of the leader. Leadership behaviors that are focused on the collective will activate a corresponding level of self-construal in the followers, which will in turn lead to collectively focused behaviors from the side of the followers. However, the followers are not merely passive recipients of the leader's influence, but influence the leader as well through their own level of self-construal. This process is similar to the leader's influence on the follower. Altogether we suggest a reciprocal model, depicting ethical leadership as a dynamic process in which leaders and followers influence each other's level of self-construal and thereby bring each other to higher or lower levels of ethical behavior, for which both can be held responsible.

An extension of our model can be found in the fact that leaders usually lead a team of followers instead of one specific individual, and hence are subjected to a range of influences. We expect that the more homogeneous the follower's levels of self-construal, the stronger the salience of the level of self-construal in the leader's mind. In the context of leader's influence on followers, Lord and Brown (2001) suggest that in order for the leader to influence the follower's activation of specific values, the leader has to activate a coherent pattern of values. In line with this, we suggest that coherence in the values and levels of self-construal of the followers will lead to stronger activation of that level of self-construal in the leader.

The fact that followers as a group can make the leader experience pressure to adhere to the group norms, and to adopt the level of self-construal of the majority. Research in the context of leader prototypicality shows that leaders are more effective

and are given more leeway when they are perceived as prototypical (Platow & van Knippenberg, 2001). Similarly, the leader's latitude to perform certain behaviors depends on the followers. Research has suggested that leaders who are perceived as deserving to be in the leadership position, are allowed greater latitude to disagree with the group judgments (Hollander, 1992) and could influence the group more.

Concluding, in this chapter we have outlined the importance of a collective level of self-construal as a basis for the leader's ethical behavior. Furthermore, we have illustrated that this level of self-construal does not depend on the leader only, but is formed based on a reciprocal process in which leaders and followers influence each other's level of self-construal and in this way influence each other's level of ethical behavior as well. By describing this process we hope to have demonstrated that it takes two to tango, even when it's dark.

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Figure 1. Comparison of Kohlberg's levels of moral development and self-construal level

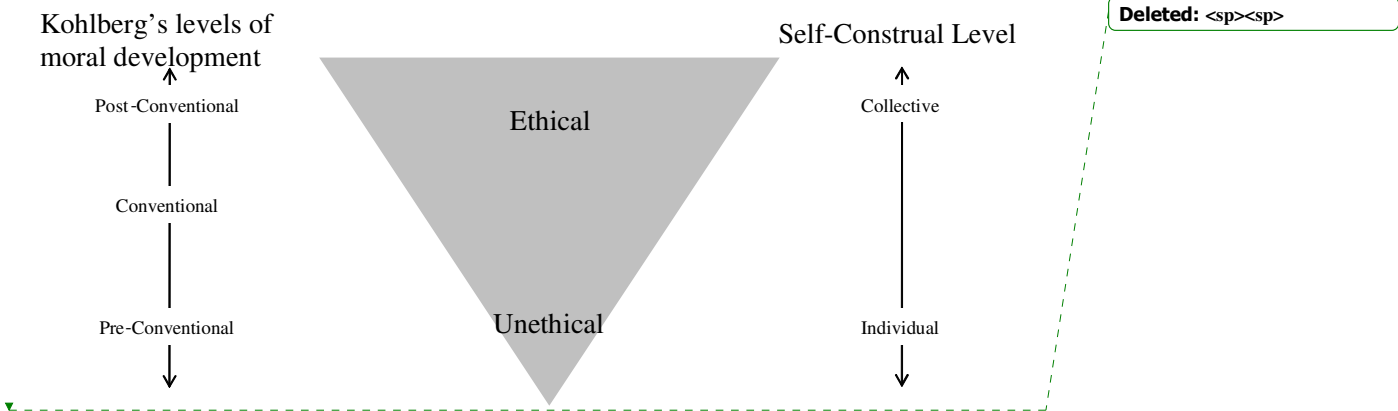


Figure 2. First part of the model; The influence of the leader's level of self construal on the leader's ethical behavior.

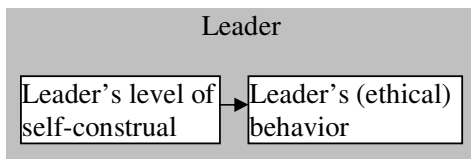


Figure 3. Full reciprocal model, illustrating the interplay between leader's and followers' level of self-construal on their ethical behavior.

