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Ethics and Leadership: How Personal Ethics Produce Effective Leaders

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Abstract

With over 200 definitions of leadership, the question has evolved from 'what is leadership?' to 'what is *good* leadership?" This paper analyzes the importance of personal ethics in leadership and how ethics produce effective leaders. The importance of understanding ethics, motivation to act as a role model and developing a plan of action for an organization are discussed because of their importance regarding development of good leadership. These key aspects suggest personal ethics positively affect leadership and when made a priority for leaders will produce ethical and effective leadership.

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Introduction

Over three hundred definitions of leadership have been developed over time. With so many definitions of leadership, the question evolved from "what is the definition of leadership?" to "what is *good* leadership" (Ciulla, 2004, p. 13)? In her book, *Ethics, the Heart of Leadership,* Joanne Ciulla (2004) defines *good* as "morally good and technically good or effective" (Ciulla, 2004, p. 13). Ciulla believes ethics is the heart of leadership and a *good* leader is ethical and effective.

Leadership is a relationship between people. Therefore, the ability to ethically influence others is a major determination of effective leadership. In his book, *Ethics and Leadership*, William Hitt (1990) lists three requirements of leaders that allow them to capitalize on their ability to influence ethical conduct. These three requirements are "(1) achieve an understanding of ethics; (2) serve as a role model in making ethical decisions; and (3) develop and implement a plan of action for promoting ethical conduct on the part of his or her staff" (Hitt, 1990, p. 4). This paper will act as a practicable approach to ethics that will allow a leader to sustain *good* leadership and ethical conduct from followers.

To help leaders achieve an understanding of ethics, this paper will analyze how personal ethics are built from virtues, morals, values, and principles. Then, how ethics begin and continue for people and understanding the importance of ethics will be examined. How to serve as a role model in making ethical decisions is shown with a step-by-step process of how a leader develops a template for ethical decision-making. Next, an explanation of how a leader can successfully translate theory into practice will

act as the framework for a plan of action promoting ethical conduct from others. Finally, how ethics produce effective leaders will stress how *good* leadership is impossible without ethics. Throughout this paper the reader will develop an understanding of what is personally required to become an ethical and effective leader.

The focus on personal ethics of a leader is not meant to undermine the other, numerous variables that affect leadership, but to emphasize how personal ethics of a leader act as the backbone of successful leadership. Consciously addressing individual ethics will establish *good* leadership, which will produce more ethical organizations and eventually instill the social responsibility missing in today's culture.

I. The Staircase to Ethics

There are countless books that cover ethics and leadership. When researching this topic one will find him or herself constantly coming across five connected words: Ethics, virtues, morals, values and principles. To the untrained eye, these words seem interchangeable; however, each term builds on another to develop good ethics.

The easiest way to understand how the terms build on each other is to compare ethics to climbing the stairwell of a five-story building. To reach the top floor, a person must start in the lobby and continue the climb after reaching each floor.   Through this metaphor, the reader will develop an understanding of how something as simple as a single principle can drastically affect a leader's ethical theory. The terms are ordered based on complexity and reliance. The most basic term is the first floor and good ethics will be on the top floor. After climbing the stairwell, the reader will know how to personally develop each term and reach the top floor of good ethics.

The lobby allows the initial step for the climb towards good ethics. The lobby represents a person striving to become an ethical and effective leader. The climb from the lobby to the first floor will build personal values. Values are personal beliefs that help guide a person's life and set the groundwork for ethical development. Values are not facts, but are personalized ideas that "provide guidance for two aspects of life" (Hitt, 1990, p. 7). There is a type of value that deals with each aspect. William Hitt defines two types of values and explains how they create a leader's value system.

The system affects a person's mode of conduct and goals. This personal behavior and desired end result are known as "instrumental values and terminal values" (Hitt, 1990, p. 7). Instrumental values are the "means used to accomplish the ends a person strives toward" (Hitt, 1990, p. 7).   Terminal values, such as equality, a sense of accomplishment, social recognition, etc., are results one is aiming to achieve. To develop a system of values one must compile a list of the most important instrumental values and terminal values. These lists are unique to every individual because they are determined by personal importance.   Instrumental values, such as honest, helpful, ambitious, responsible, etc. should reinforce terminal values. Once a leader's means are consistent with desired goals, their value system is unified and they have climbed the staircase from the lobby to the first level of values.

The climb from the first floor to the second floor results in a person incorporating principles into their newly developed values. Although values act as the bedrock of ethics, principles are required because alone, "values are far too vague to have much meaning in ethical analysis" (Cooper, 1998, p. 12). Principles allow the fulfillment of values. They set conditions and qualifications that provide a rule of conduct for values.

The rules presented by principles provide guides for actions in regards to values. Principles give the beliefs of values a mode of action.

Take the example given by Terry Cooper in her book, *The Responsible Administrator*. Cooper discusses the importance of principles regarding values. Justice is a value, but without a *principle* of justice, there is no action associated with justice, it is only a belief. If a person's principle of justice is "treat equals equally and unequals unequally," this principle can be interpreted and acted on accordingly (Ciulla, 1998, p. 12). To develop principles one must assign an action to go with each accepted value. For example, if one of your top values is *truthful*, your principle may be "always tell the truth." Without principles, values are not ethically useful because they are not specific enough to provide direction for decision-making. Once every personal value is assigned a principle the second floor has been reached.

The next flight of stairs includes establishing morals. Now that a solid foundation has been created with values and principles, it is time to determine between right and wrong. Morals are ideals that help us decipher between right and wrong. Throughout life people grow up and experience things, which allow them to develop a moral sense. This experience is referred to as socialization. Morals act as simple ideals that set apart right and wrong. They also act as a "rule of thumb when appraising a situation" (Cooper, 1998 p. 10). These axioms acquired through socialization act as references when analyzing possible decisions. Instead of people acting purely on obligations or expectations, morals ensure actions with respect to knowledge of right and wrong. Although most morals are acquired through socialization, this step requires one to examine his or her set of morals. It is a good idea to list any "rules of thumb" you

associate with daily life. Some morals possibly obtained through life experience include

"always be a good team player" or "it is easier to ask forgiveness than to ask permission"

(Cooper, 1998, p. 9). Whichever morals you write down should be compared and

incorporated with your values and principles. As you continue up the stairwell, it is

important to make sure all steps are unified. This will guarantee the most solid

formulation of good ethics. Without ideals to help a person conform to the rules of right

conduct, they cannot climb past the third floor of morals.

Once morals have been analyzed and are in line with values and principles, the

journey can continue to the fourth floor. The climb to the fourth floor will result in

character traits established from the values, principles and morals determined previously.

Virtues are character traits that "incline us toward ethical conduct" (Cooper, 1998, p.

171). Even though people are likely to know the right thing to do, it does not necessarily

mean they will act accordingly. Virtues are a necessary development because they help

link knowing what is right and actually doing what is right. Morals, values and principles

establish a set of attitudes adopted by a person, but a person's virtues are a "commitment

of will to behave ethically" (Cooper, 1998, p. 171). Virtues are the last push after a

strong background of morals, values and principles is established. The traits established

through values allow the application of an ethical theory. Determining personal virtue is

not as easy solidifying as values, principles or morals. Virtues are traits that you believe

to be ethical conduct. Virtues are not established by a top ten list, but a personal

commitment to perceived ethical conduct. Once this commitment to ethical behavior is

solidified, the climb to the final floor may commence.

The last flight of stairs is a process. This climb requires the combination and unification of values, principles, morals and virtues. Like leadership, ethics has countless definitions. Although phrased differently, it is hard to find a definition not containing one or more of the terms: morals, values, virtues or principles.   Ethics, as stated by Webster Dictionary, are "a set of moral principles: a theory or system or moral values." This simple definition uses three of the four mentioned terms. Other definitions produced by authors are similar and all emphasize how the blueprint of ethics is essentially compiled building upon four terms and when structured well, guide a person's life and allow them to be a *good* leader. The climb from level four to level five is completed by combining established values, principles, morals and virtues. This combination is complete when a leader has an ethical theory that allows him or her to analyze an issue and understand the values, principles, morals and virtues that determine their beliefs and influence their actions.

After climbing up the stairwell it is easy to see how ethics are composed of the continued development of values, principles, morals and virtues. Looking at previous research, a leader will come across different metaphors and explanations of the five terms, but a true understanding of ethics relies the development of the other four terms. Ethics is a big picture topic. It incorporates all four terms that create a leader's personal philosophy for actions and decision-making.   However, once the top floor is reached it may be necessary to revisit lower floors. For a leader to successfully use ethics, they must continue to use the stairs. Climbing the stairs once and then figuratively using the elevator to revisit floors will lead to the breakdown of personal ethics.   The stairwell climb between floors is what allows a person to develop, understand and connect each

aspect of ethics. Using the ethics determined by this step-by-step process will provide an individual with an ethical theory that can be implemented in decision-making and other actions regarding leadership.

II. How Ethics Begin and Continue

In her book, Joanne Ciulla (2004) discusses the 200 plus definitions Joseph Rost analyzes in his book, *Leadership in the Twenty First Century*. Ciulla points out the most interesting thing Rost finds is how similar all the definitions are. The definitions from the 1920's resemble the definitions printed last year. Because the definition of leadership is stated in so many similar ways Ciulla points out these definitions should now be adjusted for *good* leadership because lack of ethics seem to be today's problem.

Good leadership "must include strong morals and be effective at the same time because a leader's role is to utilize tension and conflict within people's value systems and play the role of raising people's consciousness" (Ciulla, 2004, p. 13). A good leader, in Ciulla's eyes, will maximize output from a follower and achieve the highest results without compromising ethical beliefs. This outcome involves many outside variables; however, to achieve this result a leader must first determine strong personal ethics. Only then can a leader potentially practice *good* leadership.

According to Aristotle, "the spirit of mortality is awakened in the individual only through the witness and conduct of a moral person."   Aristotle believed ethics was about "living well and reason and satisfaction figured centrally in human relations" (Pastin, 1986, p.17). This supports the ethical process B.F. Skinner developed (1961). His process explains how humans naturally develop personal perspectives or morals. This process begins with defined rules and goals. Every culture has an unspoken set of rules,

such as a communal understanding of the difference between right and wrong or good and bad.

Skinner acknowledges the understood set of ethics, but points out that we, as humans, are free to accept, embrace or deny these ethics. If and when these ethics are accepted, a person will begin to observe these from others in everyday life. This observation leads to Skinner's next step of his ethical process. Once observed, these ethics will be imitated. Why? Because that is how humans learn and develop, we imitate. Culture is defined by imitation, from grammar to fashion, people observe and imitate, why would ethics be any other way? Once imitation begins, actions will start to become habits. These certain ethical actions will no longer be thought about, just performed automatically (Holland & Skinner, 1961).

The last step to the initial ethical process contains two parts. These are the most important parts of the process, without these steps, the whole process will fail. The first part is obvious. A person must not only know the right decision, but also make the right decision. This is done consistently by having a decision-making template. How to develop a decision-making template will be discussed in a later section. The second is not so obvious, but key: reflection. Results must include reflection and evaluation of the specific decision because ethics depend on a person's free will. Doing the right thing is not good enough because without reflection a person does not understand why the right decision was made and he or she is less likely to make correct decisions in the future. Without reflection, good ethics are just a habit, but with reflection, good ethics are from reason and choice, not 'just because' (Holland & Skinner, 1961). When good ethical

decisions are made by a person's free will it indicates strong personal ethics were developed and the decision was not just the need to follow society's norms.

When considering this process of ethics, it is important to keep in mind that it is one thing to have ethics (everyone has ethics), but it is another thing to develop *good* ethics. This statement reflects on current ethical standards. The practice and relaxed punishment of poor ethics is currently being imitated. Society's acceptance of poor ethics has followed Skinner's automatic process stage. Consistent practice of good ethics today is no longer considered automatic, but uncommon. Due to the intense speed and demands of today's leaders, reflection is forgotten because of lack of time. The reflection step must be reinstated in the ethical process for *good* leadership to develop.

These specific results are obtained by a life full of observation and imitation. It is important to remember ethics can be good or bad. If a person observes a life of vices, they are more likely to imitate these actions than use virtues that have been absent throughout their life. This process stresses the importance of ethics not only in work life, but also in personal life. The children we raise today will become the leaders of tomorrow. How we act today will strongly affect how they act tomorrow. This theory stems from the saying "actions speak louder than words." Observation is a much stronger technique than verbal emphasis. Many leaders today say one thing, but act in other ways. This is not effective or ethical. If society wants ethics to improve, we must not only speak, but also act ethically.

Ethics and leadership can be traced back to Roman or Greek history, but this section will focus on ethics and leadership history beginning with the design of America's government. The Constitution of the United States was based on the

realization that men are not angels. The Federalist Papers were honest enough to admit,

"If men were angels, no government would be necessary" (Hamilton, Madison, & Jay,

2008, p. 207). Admitting the truth, allowed them to create a system that held the

President to certain standards and acknowledged that man is not perfect. Although they

created a system that works with imperfection, they believed ethics to be necessary and

included recommended virtues to help guide the direction for future leaders. These lists

direct the path to a leader with standards and ethical character able to lead a country.

Even though the list of virtues was suggestive for the future Presidents of

America, it would prove beneficial to uphold these virtues for all leaders. The Federalist

Papers were written to explain the meaning of the Constitution and how it would help the

country function properly. The virtues explained by the Papers defined the optimal

cultural rules and ethics of America. These virtues should not only be used to shape the

President, but the people as well.   The ethical standards held for the President should be

set for all of society. No matter how small, any decision made by a leader affects the

public to some degree.

Today's society ignores the fact that everyone has a public service role, not just

those working in the public sector. Holding all leaders to the ethical standard developed

by the Founding Fathers would help introduce consistent, *good* leadership. The

recommended virtues decided by the Federalist Papers include: gratitude, integrity,

intelligence, courage, reason, passion, ability, and fortitude. The vices are love for

money, pride, vanity and excessive self-interest. Ambition was listed as a virtue and a

vice. Federalist 51 discusses how dangerous ambition can be if not used correctly,

"ambition must be made to counteract ambition" (Hamilton, Madison, & Jay, 2008, p.

206). The Federalist Papers emphasized the importance for leaders to have a greater

cause than their personal ambition. Then, and only then can ambition be a virtue.

Although the Federalist Papers only listed ambition to potentially be a virtue or a

vice, prior research acknowledges all virtues have the potential of becoming vices if not

properly backed by a strong background of values and morals. A simple example looks

at courage. A person with bad intentions is more dangerous with courage than a person

with bad intentions without courage because bad things are more likely to happen. All of

the virtues chosen by the Federalist Papers can be interchanged with courage in this

example. This proves the dangers of virtues without strong morals, principles, and

values. A strong base of good values, principles, morals and virtues will help develop

strong ethics. This will produce *good* leaders not only able to differentiate between good

or bad and right or wrong, but also make ethical decisions.

III. Understanding The Importance of Ethics

Ethics are generally accepted as an optional philosophy and helpful for a person's

thoughts and actions. Understanding the importance of ethics will show leaders ethics

are not only helpful, but also necessary. In general, issues are easier to solve when you

find the root of the problem. With the common lack of trust and support for leaders today

it is safe to say there is a problem with today's leadership.

Strategies and theories are constantly being developed about what is wrong and

how to 'fix' leadership in today's society. The optional view of ethics has resulted in its

disappearance. Changing the view of ethics from optional to necessary would fix the

issue because lack of ethics is the source of ineffective leadership. As demonstrated in

the next section, ethics affect every decision made which greatly determines a leader's

success. If ethics are properly used in leaders' actions, *how* and *why* decisions are being made is addressed and therefore *what* decisions being made become ethical and effective.

Once developed and used, ethics become more than a philosophy. They become a way of life that is demonstrated through words, actions and expressions. Ethics turn opinions into judgments, which lead to analysis and decision-making. Two qualities required to fix any problem. Ethics affect everyday life, not just the most significant issues. Consciously or unconsciously, we use ethics with every decision. From what kind of milk you buy to your understanding of the meaning of life, ethics affect all thoughts and behavior.

Most people have heard of a *torn* leader. When faced with an issue, a leader becomes torn between possible solutions and is unable to make a decision. In his book, Robert Woyach (1993) discusses the three options a person has when faced with an issue. Either that person can sit and complain about the issue, simply ignore the issue or analyze the issue and take action. Ethics promote the last option. Taking action is the most beneficial and effective option. However, taking action without ethics leads to a *torn* leader. Ethics prevent torn leaders because they act as stepping-stones that guide a leader to the best solution. Ethics encourage the pursuit of internal goods, such as the virtues discussed in the previous section. Ethics also protect leaders from behaviors based on external goods like fame, money, and power. They also help people develop a sense of truth and meaning of life. Without any idea or understanding of what is right versus wrong people have no direction in life and feel they are free to do as they please. Ethics give people this sense of truth and positively affect people's behavior.

A basic assumption of this paper is when personal ethics are developed and used by a leader; they will become a *good* leader. Understanding the importance of ethics will increase the likelihood of leaders to adopt ethical leadership. People are more likely to accept and use a concept they understand. If leaders understood that the ethics development process would make them an effective leader, an increasing number of leaders would have a personal ethics system.

Understanding the importance of ethics is critical because leaders will consciously work to develop and use ethics, which makes them more effective. This acceptance will result in ethical decision-making and the ability to put theory into practice as well as create ethical organizations. These mentioned processes that lead to *good* leadership are further discussed in the following sections. What seems so minimal on a personal level can actually affect the entire society. Personal ethics produce *good* leadership, which help create better organizations and societies.

IV. Template for Ethical Decision-Making

Decision-making requires three general steps: description, reflection and prescription.   Designing and carrying out a template for decision-making will cover these steps and produce successful, ethical results. Similar to the way values lay the groundwork for ethical beliefs, a system of values acts as the backbone of a decision-making template.

As defined earlier, ethics are a system comprised of virtues, morals, principles and values that guide a person's life. A person's values can provide guidance in respect to two aspects of their life. Values are used in everyday decisions that help provide a path to *good* leadership. Since values are beliefs, and not facts it can sometimes be

difficult to grasp the concept of values. This is why it is so important for a person to understand their value system.

A value system is "an enduring organization of beliefs concerning preferable modes of conduct or end-states of existence along a continuum of relative importance" (Hitt, 1990, p. 7). A person's mode of conduct, or personal behavior is the driving force in which a person is trying to obtain a specific desired state. These values range from ambition to honesty and make up a person's value system that determine the strength of their ethical beliefs, which in turn relate directly to *good* leadership. A person's system of values not only affects the way they live their life, but how the desired end is reached. The desired end-state is developed from the value system. A comfortable life, wisdom, sense of accomplishment, or other "desired end-states cannot be achieved without a strong system of values" (Hitt, 1990, p. 7).

These two aspects of the system are important individually, but even more important together. It is important for effective leaders to understand their system of values and it is also necessary for the system to be unified. If personal behaviors and personal goals reinforce each other, the system of values becomes consistent and strong. It is necessary for a leader to understand their system of values on a personal level and also in broader terms. This will allow leaders to understand how values influence behavior and end results on a personal level as well as within an organization and society.

A system of values exposes the importance of values from beginning to end. It gives a clear example that without one, you cannot have the other. If you do not lead with values, you cannot act or end with values. Understanding the importance of ethics

and developing a system of values will allow a leader to develop a decision-making

template that when put into practice, will ensure *good*, and desired results.

A template for decision-making is necessary due to the number of problems and

decisions a leader is faced with everyday. As today's society advances, it becomes more

interlaced and complex. This constant change in civilization requires more effective

actions from leaders when faced with an increasing number of multifaceted issues. The

following section will provide a template for ethical decision-making. These five steps

contain a process that will lead to the best decision under given circumstances.

The template is not meant to produce identical decisions, but to act as a guide that

promotes organized, ethically thorough and creative solutions. In her book, *The*

Responsible Administrator, Terry Cooper (1998) initially designed the following model

for public service roles, however it can and should be adopted by all leaders. The overall

course of action is the same, however certain details have been broadened to be

appropriate and attainable for any leader.

The first step is referred to as the descriptive task.   This refers to when a problem

surfaces to a leader's attention. Whether the leader comes across the problem on his or

her own or someone else brings it to his or her attention it is important to gather more

information about the issue. When obtaining information it is important to stay neutral.

If included parties are labeled good or bad before completing the decision-making

process it defeats the purpose of following a template. If sides of an issue are labeled in

the first phase of decision-making it is hard to develop an accurate analysis of the issue

because these initial labels act as blinders during the next steps. Gathering the most

information that time permits allows the succeeding steps to be more accurate and

complete.

A leader's ethical theory is first assimilated in the second step of the template.

Defining the ethical issue can be the most difficult step. Realizing there is an "ethically

problematic situation" is not challenging, however "articulating the specific values and

principles at stake is extremely challenging" (Cooper, 1998, p. 22). Not analyzing the

specific ethical issues at stake result in purely practical decisions that disregard values

and principles. Decisions based solely off previous acts cause ethics to be swept under

the rug. This step also acts a checkpoint for personal ethics. As stated before, it is

important to revisit each level of ethics to confirm your *good* character development stays

on track. Without ethical consideration for specific situations, problems are generalized

and solutions become unethical and ineffective.

The third step of the decision-making model is identifying alternative courses of

action. When exhausted, this is a time consuming process. One must be careful in this

stage of decision-making because it is easy to develop the "either-or view," which is the

most common trap in the ethical process" (Ciulla, 1998, p. 23). When brainstorming,

people tend to stop once they have two or three possible solutions, however, rarely does

an issue have so few possible solutions.   Either-or thinking limits the number of possible

solutions because *either* you have to do this *or* that. Removing either-or thinking allows

more acknowledged alternatives and an increased likelihood of finding the best solution.

Projecting probable consequences is the fourth step. Once the list of alternative

solutions is large enough, the positive and negative consequences of each possible

decision need to be calculated. Projecting possible consequences requires the skill of

moral imagination. This is the ability to produce a "movie in our minds with realistic

characters, a believable script and clear imagery" (Cooper, 1998, p. 24). Creating these

"movies" turns projecting probable consequences from a "traditional informal process to

a more formal, conscious and systematic procedure" (Cooper, 1998, p. 24). The more

imagination used to project probable consequences of solutions, the more ethical

decision-making is enhanced.   A vivid imagination leads to greater understanding of

probable outcomes and attached emotional feelings. Projecting probable consequences

with moral imagination connects the sensible and emotional dimensions of ethical

decision-making.

   Finding a fit is the last step of ethical decision-making.   The key to finding the

best solution is to find a balance between duty oriented and consequence oriented

obligations. The balance must be between primary obligations to ethical principles and

the consequences with the chosen course of action. It is not possible to separate the two

because you cannot follow your duty to principles if the consequences do not respect the

principles. Finding the most ethical and effective alternative is possible by using this

template for decision-making.

   This is an effective model because it allows for balance between theory and

consequences and guarantees personal satisfaction with decisions. It also allows a leader

to develop ethical autonomy by combining prudent reason with emotional connection. It

is unrealistic to expect a leader to use this template with every problem, but "when used

for more significant problems a leader will develop intuition for ethical decision-making

when time does not permit all the steps" (Cooper, 1998, p. 28). With practice and hands-

on experience, this decision-making template provides more awareness of values and keeps leaders from wandering down unethical decision-making paths.

The decision-making template provides steps that allow the best solution for each circumstance, but there are also different levels and seriousness of ethical reflection for each issue. Henry David Aiken (1962) developed a framework for the different levels of ethical reflection required in everyday life.   Aiken believed the ethical concepts we deal with everyday range from simply expressing emotion to deeply reflecting our underlying worldview (Ciulla, 1998, p. 8). There are four distinguishing levels of ethical reflection.

Several times a day ethical compromising issues uproot our feelings. When you learn about a misdeed or unfavorable decision, your first response is impulsive and unreflective.   This spontaneous expression of emotion is the most common level of ethical reflection and the most simple. Your reflections do not provide evidence or details and do not invite a reply or attempt to persuade others. However, depending on who expresses these emotions can affect how the treatment of the problem is handled.

The level of moral rules follows the expressive level. This is the first level that raises serious questions and requires serious answers. Proper conduct, alternatives and consequences are considered in this level. A person uses their moral guide acquired through socialization to consider expected results. This process is guided by rules and maxims we develop through our life experiences and is the most common level where problems are solved. Although this level is used during step two, three and four of the decision-making template, it does not necessarily make our decisions consistent. The level of moral rules involves limited logical and methodical reflection. The most practical decisions are made on this level due to the number of problems and time

constraints on leaders. These constraints force leaders to become problem solvers and can prevent sufficient ethical reflection.

When we are unable to reach a decision using moral rules, we are forced to enter the third level, ethical analysis. Because this level is usually entered when there are conflicts or when things don't feel right, an examination of morals is sometimes necessary. Although this level is not typical for a routine problem, "sometimes an issue is so unique, so complex, or so profound in the consequences of its resolution that we have no choice but to reexamine the ethical principles that are implicit in our routine norms of conduct" (Cooper, 1998, p. 12). This reassessment of morals, values and principles provides clarification and contemplation of all involved aspects. These aspects range from personal integrity to your obligation to the public (Cooper, 1998, p. 14). Specific review of the values and principles involved become useful by setting conditions and qualifications for action. Once identified, an evaluation of all involved principles is conducted to weigh the probable impact on each aspect. This level is used in step three and four of the decision-making template. This results in an ordering of principles that weigh the probable impact for each alternative.

Sometimes the most fundamental philosophical level of reflection is required when the ordering of principles and alternatives cannot be created. Most leaders seldom reach this final level of ethical reflection. The post ethical level is accessed "only when pushed by a particularly persistent or cynical adversary, or under the sway of a deeply disillusioning experience, or confronting a profound personal crisis" (Cooper, 1998, pp. 15-16). This level requires the removal of practical uncertainty because it attempts to identify a basis for valuing things that were identified in the ethical analysis level. The

deep philosophical review required from this level helps an individual determine their views on human nature, truth and the meaning of life. The question "Why should I be moral?" is addressed and once we allow ourselves to "play the moral game" of developing a grounded philosophical perspective this level is complete (Cooper, 1998, pp. 15-16).

This four-level structure is very active. In real life the levels are not logically followed, but we move unconsciously up and down the levels on a daily basis. A leader can move forward and backward between levels depending on the development of the issue. The levels are travelled through unconsciously because leaders are focused on solving problems, not worrying about which ethical reflection is suitable. Although day-to-day decision-making is not given much reflective thought, the more leaders consciously address and systematically process decision-making, the more accountable they will be for their actions. Working through the template will lead to more reflection and understanding of issues and decisions. When confronting issues, leaders will have more self-awareness and reasoned justification that will lead to better ethical decision-making.

V. Putting Theory into Practice

Similar to other theories, *good* leadership is much easier to think and talk about than actually practice. Although the topic of this paper focuses on how someone builds and develops a personal ethics system for *good* leadership, it is no longer possible to set aside the key factors that define leadership in general. Leadership is a partnership between two or more people, so it is necessary to design a guideline that allows a leader to create an ethical organization.

Even though leadership is impossible without followers, a person must first transform their own ethical theory into a process before they can teach or require ethical behavior from others. Leaders must incorporate their ethical beliefs and decision-making template into everyday life. The personal ethics of a leader will cast a light on organizations that will create an ethical climate. This climate fosters ethical conduct from others and will be beneficial when designing an organization. Research, such as Stanley Milgram's obedience experiments, "demonstrates ethical conduct of individuals in organizations is influenced greatly by their leaders" (Hitt, 1990, p. 3). Personally putting theory into practice will prevent leaders from demeaning the difficulty of not only 'walking the talk,' but also the complexity of leading a long-term successful and ethical organization.

The strategies and necessities discussed throughout this paper regarding personal ethics make it possible for a leader to organize a company that transfers theory into practice. The personal concepts and templates previously discussed can be adjusted to work for an entire organization. It is assumed that every CEO's intention is to build an ethical organization. However, many underestimate the importance of understanding ethics, leading by example and implementing a plan of action. These are created through the personal practice of good ethics and an organization's ethical set-up. Most companies' start with ethical theories, but few are able to successfully turn theory into practice for the long-term. The organizations that are able to initially turn theory into practice quickly lose the ability to continue and ethics slips back into a comatose state of theory due to holes in personal ethics and the design of the company's plan for ethical conduct.

As stated earlier in this paper, doing the right thing is not enough; you must understand why you chose that specific decision. The same applies here, it is not enough to develop the theory, and it must be enforced as well. To successfully take these steps a company's program must include seven things. The strategy developed by William Hitt (1990) set standards that enable ethical theories to be practiced. The first is clearly stated basic company information followed by orientation. Third, ethic seminars and fourth, participative decision-making should also occur. Discussion of ethical issues, an open door policy and periodic ethical reviews are three more concepts necessary for an ethical organization.

The concept of basic information includes four sub-categories. The first is stating the mission. Second, clarifying the details and then formulating the code of ethics is necessary. Finally, developing a program will set the stage for ethics to continue long-term. The strategy used to develop and continue good ethics is important because it determines the long-term success and use of good ethics. If the strategy is weak or incomplete, the use of ethics will be as well. Having a clear and strong strategy will provide a strong beginning for the company's mission, values and code of ethics.

The mission of a company can act as a backbone for ethical behavior. The mission clearly defines the purpose of an organization and the reason for the organization's existence.   The mission focuses on the uniqueness of the company and the product or service that will be provided. It is receptive to stakeholders and uplifts members of the organization. The mission statement provides a clear direction for ethical decision-making and actions. While it is important to have a detailed and directing mission, the mission should not be set in stone and should be adjusted when necessary.

A clearly stated mission will make it easy for a company to openly state its values. The values of a company determine what the company stands for and gives a clear and precise philosophy about how it intends to conduct business. These clearly stated values unintentionally force the management to pay a great deal of attention to shaping and fine-tuning the values of the company. When there is no gray area of how the company ethically behaves then there are no excuses or allowance for members of the organization to act unethically.

Formulating the company's code of ethics is similar to the mission and values. The code of ethics identifies all the levels of commitment in the company. This develops public trust and helps build credibility. With a clear code of ethics, the company creates administrative professionalism and dissuades improper employee conduct. Like the mission, the code of ethics should be solid, but not permanent. The code needs to be adjusted for new laws or social standards. The code of ethics is necessary to lead the corporate culture in the right direction and set company standards. This is possible when the code is responsive to stakeholders, is written in everyday language and is expressed in an overall positive tone.

A strong mission and code of ethics with a good background of values will make developing an ethical program straightforward and increase the chances of the ethical standards being enforced and upheld. As Mark Pastin stated, "excellent companies do more than talk ethics, they take positive steps to address ethical issues and apply the practical tools of ethics in their management practice" (Pastin, 1986, p. 157).

Ethics should start at the beginning of any company; therefore an ethical orientation program for new employees is necessary. With an orientation program new

employees are entering the company with no surprises and understand the ethical

expectations and requirements. If the CEO presents the ethics section during orientation

it will help stress the importance of ethics within the company. Employees are more

likely to pay attention and retain information presented by the CEO. Orientation will

stress the importance of ethics and make sure all employees are on the same page. Third,

ethical seminars will continue to stress the importance of ethics within the company.

These seminars can be used to promote ethics and develop a framework for decision-

making. The decision-making template described earlier can be used for a company as

well as personal use. With reminders, employees are more likely to stress ethical

decisions for themselves and others. It is easy to forget about ethics when it is introduced

during orientation and then never mentioned again.

In addition to constant reminders of the importance of good ethics, participative

decision-making should be applied. This will allow workers and mangers to imitate the

teachings they are given. Participative decision-making can be used with the decision-

making template. The more people developing alternative solutions and predicting

consequences, the more likely the group will find the best solution for any issue.

Regular discussions of ethical issues should be held as well. This will develop the

understanding of good ethics and make sure the right decisions are being made from

reason and will, not only because it is expected. These discussions will attend to issues

as they come up.   Addressing issues sooner than later will prevent small issues from

becoming large issues. An open door policy should also be instated. This policy will

help the organization as a whole stay on the same page. If issues or questions arise they

can be solved rather than create underlining issues that end up ignoring the company's ethical code.

If all of these steps are taken to introduce a company's ethical program, it is hard to imagine anything except ethical practice. To lock in long-term success, the last recommendation must also be enforced. Periodic ethical reviews for the whole company will keep everyone on track. Without these reviews, it is possible for a part of the company or the company as a whole to lose sight of the ethical expectations. The reviews also allow for problem-solving and corrective action. Ethical reviews will bring up any underlying issues with decision-making or basic company policy. Using these steps, a leader can help a company successfully translate theory into practice and confirm the presence of good ethics from start to finish.

Making sure all members of the organization individually understand the ethics of the company will ensure the company, as a whole understands good ethics. By translating theory into practice, ethics are incorporated in everyday life. This enforces good habits and emphasizes reflection, which in turn helps leaders individually and also the company as a whole. Once these guidelines are set in place it is easy to assume they will keep the company ethical. This is where most leaders slack off and therefore end up with an unethical company. An ethical company is easy to see, but hard to construct. The initial set-up of basic information requires huge amounts of time and thought. Instilling and keeping a company ethical takes dedication, time, effort, commitment and communication. With a strong ethical theory, these other requirements will greatly increase the likelihood of a long-term, successful, and ethical company.

VI. Good Ethics Produce Effective Leaders

Ethics and effective leadership function as a cause and effect relationship. Effective leadership is a result of ethical behavior. Good ethics promote all the characteristics necessary for effective leadership. Followers must first *choose* to accept a leader before leadership may commence. Followers accept leaders they can trust. Trust is considered the glue of leadership and promotes long-term success. Trust is usually gained two ways. Followers look at a leader's history and also observe them in the present. A trustworthy past and present is realistic with good ethics. As discussed earlier, the good ethical decision-making template adopted leads to the best decision possible under the given circumstances. With this template, a leader makes consistent and thorough decisions that can be trusted.

A leader with an understanding of ethics, a history of ethical decision-making and the ability to develop and execute plans of action shows stability, empathy, integrity and resolve. All of these traits shown in a leader's track record will infuse a greater sense of trust within followers. Current behavior also affects trust developed between leaders and potential followers. Good ethics build and continue from prior behavior that enforces the positive characteristics that promote trust. This identity developed with good ethics promotes long-term success because more trust equals more effective leadership. Many will argue an effective leader is more than trust. This is true. However, one must realize to be an effective leader, you must first have followers.

After a leader is accepted, effective leadership is partially determined by the relationships a leader is able to form with others. People are unable to form true relationships with others before they understand themselves. Good ethics require a person to develop an understanding of personal beliefs. This allows a leader to identify

his or her inner self and outer self. With ethics, these two selves are understood and

compliment each other. Knowing oneself allows a leader to be authentic and form true

relationships with others.   Without good ethics a person has no direct path or self-

knowledge. This prevents effective leadership because true relationships cease to exist.

Without good ethics it is extremely difficult for a leader to develop integrity,

authenticity, an identity or other traits that produce effective leadership. Without these

characteristics it is impossible for a leader to develop trust. Without the glue of

leadership it is very unlikely a leader will be effective. As you can see, good personal

ethics are the backbone of effective leadership. The abundant variables that determine

effective leadership are affected by good ethics. Without ethics, a leader is likely to fail

and with them a leader is more likely to develop effective leadership.

Conclusion

Leadership is one of the most widely studied topics today. Authors are constantly

publishing articles and books attempting to tackle the numerous variables associated with

"successful leadership."   Although there is not one definition of leadership agreed upon

by majority, this is not the main issue. The main issue is authors are attempting to

present leadership as black and white. Because every situation and issue is different

leadership is situational. It is unrealistic to sketch leadership as a black and white

concept. It would be more helpful to look at leadership as a palette of watercolors.

Instead of using a pencil to sketch leadership, visually paint it as a watercolor.

Make every variable that determines leadership a different color. Now, stand back and

look at what you created. Colors everywhere, right? All of these variables are mixed

together in real life as well. However, what are the two things that affected the way you

painted? If you answered the water and brush you are correct. In real life, the water and

brush are ethics. The water is a leader's understanding of ethics and the brush acts as the

role model for decision-making and a plan of action for promoting ethical conduct.

This metaphor is not only meant to show the complexity of leadership, but also to

illustrate how ethics affect every part of leadership. Instead of trying to define successful

leadership, this paper provides a guide that will help a leader develop personal ethics,

decision-making templates and directions on how to design and run an ethical

organization. The templates and directions act as paths to point a leader in an ethical

direction, but are lose enough to allow creative development and adjustments for specific

situations.

Society's complexity increases the need for leadership to be seen as a 'colorful'

term. One type of leadership style may be ideal for one situation, but not another.

Instead of *good* leadership being a style of leadership, it needs to be seen as the starting

point for a leader's development. This suggests the problem with leadership today is a

lack of ethics. With a decrease in ethical conduct and today's increasing interactions

with networks, leaders have no true direction and are less accountable for their actions.

Leadership will become ethical and effective once ethics are adopted as the backbone of

good leadership.

It is difficult to imagine that a change so dependent on a leader's understanding of

ethics could directly impact society's ethical conduct. However, for those that oppose

such a simple solution, I point out that issues usually arise in the development stage of a

process. The hundreds of published books and articles on leadership demonstrate the

attempted and failed solutions for today's poor leadership. This paper does not attempt to

degrade these solutions, but only attempts to reveal they would be unnecessary if personal ethics were consciously addressed.

      In conclusion, the importance of understanding ethics, motivation to act as a role model and developing a plan of action for an organization were discussed because of their importance regarding development of *good* leadership. These key aspects suggest personal ethics positively affect leadership and when made a priority for leaders will produce ethical and effective leadership.

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