7th International Strategic Management Conference

Is ethical leadership and strategic leadership a dilemma?
A descriptive survey

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Abstract

The necessity with regard to carrying out all organizational activities within the framework of the code of ethics brings the ethical leadership fact into question. When the influence of the organizational leader upon the company image, identity and prestige is taken into account, it becomes crucial to develop competitive strategies within the framework of the codes of ethics. However here the questions like "to adapt strategic leadership which should relatively have the upper hand on the competitors by determining competition strategy with the ethical leadership principles?, Is there a dilemma?, Or they are the processes that complement each other? become crucial. In other words, could the ethical leadership and the strategic leadership be considered together? Could the ethical leaders be the strategic leader having a high competition responsibility as well. Whether ethical leadership and a strategic leadership having a high competition responsibility under an intense competition environment with the ethical dimension of the leadership could be considered all together, their differentiation and integration points constitute the primary objective of this research.

In this research while ethical dimension of strategy development and ethical organizational climate, ethical business transaction and the issue of constituting working order are considered in the context of the ethical leadership, on the hand, it is intended to determined the difference between the strategic leadership perceptions that act from the organization’s concern of profitability and being long-termed and position identification in all cases with regard to its competitors. According to the results of the analysis carried out, it is understood that there is a difference between the ethical leadership perceptions of the sample and the averages of the strategic leadership perception. It is also determined by the results of the correlation analysis carried out that there is a negative relation between the ethical leadership perceptions and the strategic leadership perceptions.

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\textit{Keywords:} Leadership; ethical strategy; strategy; strategic leadership; ethical climate; work ethic

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1. Introduction

Whenever the concept of the ethics is considered, then the concept of morals promptly comes to mind. Since those concepts have closer meaning contents, they are frequently substituted. The basic difference between the morals and the ethics is that the ethics is quite universal when compared with the morals. Philosophy of ethics or “ethics”, is the philosophy branch that considers morals as an objective. What makes ethics important is that it sets up universal rules with regard to what is right and what is wrong in human behaviors and the control of the behavior. Yet the ethics tells the person what should be or should not be done. For this purpose, it regulates professional and private life by establishing normative principles namely the homework, virtues, principles and the society benefits. Here homework is considered as the fulfillment of the role properly undertaken by the person. Virtue is the sum of the features that ensures to be a “good person”. Principle is the basic rights that shape professional and private life of the person. Social benefit is the common name of the common good and common rights, which are in favor of the society. When considered in terms of especially the organizational leadership, the importance of the ethical values is made sense.

Decision-making lies behind the fact of management. Having ethical decisions are all about the institutionalization of the leadership on the ethical basis. When considering an ethical leadership, this implies that all the decisions taken, all the strategies determined should have an ethical basis [1]. Ethical fact could be identified with the management, “organizational ethics” and “managerial ethics”. Therefore, all the decisions taken by the leaders have an ethical dimension [2]. The ethical leadership style focuses on the accuracy of the general organizational objectives on the one hand, it is also interested with the setting up moral standards, constituting an ethical environment for the organization [3]. Dependency on ethics could intrinsically be determined in ethical leadership.

2. Ethical Leadership

Nuttall [4], who defines ethics as philosophy of ethics or a philosophy branch that focus on morals, emphasizes that ethics should be addressed with the concept of morals and ethical judgments and it should also be conceived as the attitudes behind our behaviors. Ethics seems to be a set of principles or values [5]. For Russell, ethics is the common wills of a society. Ethics implies that the desires of the individuals demonstrate a universal structure rather than personal [6]. Ethics are the codes of conduct that regulates the acts of the individuals, groups or the organizations in line with the normative principles [7]. Therefore, ethics lay down normative principles that regulate each lines of private and professional life. When the definitions are considered, it is seen that the ethics have two basic targets. First one is the requirements of being a “good person” and the second is what should be the rules that determine and limit the individual’s behaviors.

The concept of the ethics is a normative concept that surrounds each line of life. Every behavior of the individual seems to be related with the ethics. Every attitude, every behavior seems to certainly have an ethical dimension or an aspect explained with ethics. When taken into consideration of the fact that the word is derived from the word of “ethos” which means “character” in Greek, while the character is the basic concept that defines the human being, ethics, on the other hand, is the concept that explains all attitude and behaviors of the human being. Today, this concept is used in the meaning of the “code of morals” accepted by the society. Ethics area of interest is all the attitude and behaviors of the human. The equivalence of the concept in our language is the word of “ethics” that means “habit”, “mood”, “character” in Arabic and derives from the word of “morals” [8]. As is known, those are the concepts that constitute three aspects of the personality. When considered from this aspect, human seems to be an “ethical being” ontologically.

When “ethical management” is considered, the relation between the ethics and the management includes the sharing of the rights, sources, opportunities and even the communication in line with the
codes of ethics. Ethical leadership in a way emanates from the awareness to conceive the workers, customers and all the related parties that constitute the legal, economic and social environment of the business as the stakeholder of the management. In fact, ethical leadership becomes the requirement of both the social responsibility and the social awareness of the business [9] and it is not such easy to find a field in which normative principles are not dictated by the concept of ethics [10].

When ethics with regard to the professional life is considered, ethical leadership and professional ethics come to the fore. The distinguishing feature of the professional ethics is that works are carried out within the scope of the code of ethics. It is quite easy to determine what fall contrary to the professional ethics rather than defining what is professional ethics. Accordingly, every activity and procedure that is unfavorable to ethical standards or the codes fall contrary to the professional ethics. According to this perspective professional ethics is the code of ethics that is prevalent in every parts of the world and in every profession.

It is possible to define ethical leadership as the ability to influence its subordinates by depending on the moral force. The most distinguishing feature of the ethical leadership is that the source of power of its leadership depends on the moral force. Ethical leader is a stable leader, who associate moral and bureaucratic force in its personality, who forms a system of values and beliefs for defining the right [11]. Ethical leadership is the forming of the personality of the leader according to the ethical values and expressing all attitude and behaviors by identifying with the ethical values. Ethical leadership is the conception of a leadership that focused upon the character and became integrated with the ethical values. Here, character specifies the individual’s ethical behaviors altogether.

The relation between the leader and the ethics arise at the point of decision. What makes the leader an ethical one? Under which circumstances a leader is defined as an ethical leader? The first thing that comes to mind with all those questions is that the ethical leadership emerges during the decision-making process. Decision-making is an important management function. If the leader starts off the ethical standards while carrying out this function, then he should be defined as an “ethical leader”.

Ethical leadership fact is a leadership approach that is begun to be increasingly discussed recently among the new leadership theories and approaches. Despite the fact that the ethical leadership bears a resemblance to properties theories and contingency theories, the distinguishing feature of the ethical leadership is that the leadership is set up upon the “ethical codes”. Grace addresses ethical leadership with the dimensions of the values, vision and virtue. Apart from those, ethical leadership has some variables like creating values and ethical awareness, granting authorization and responsibility to the persons, adopting participatory and democratic administration, creating an organizational climate suitable for the organizational health requirements, being honest and reliable, acting value-substantive in every attitude and behaviors, acting value-substantive in its decisions; in brief, behaving equitable in every attitude and behaviors.

Ethical leadership theory depends on two views. The first is since ethical leadership is normative; it is related with what should be done rather than what should not. The second is that the ethical leadership includes ethical behaviors and the attitude and behavior of the leader has the characteristics of providing “benefit” for the related individuals [12]. It is specified in the research carried out by Duncan et.al [13] that the most distinguishing feature of the ethical leadership is providing assurance and setting up of esteem-based authority. Therefore, since informal relations become increasingly important in service businesses, ethical leadership becomes even more significant in such businesses. Otherwise, it could not be possible to know the moral principles and values, duties and obligations, right or wrong, good or evil in the activities of the businesses, in decisions and strategies of the leader [14] and thus there will be no principles that guide the business life.

Ethical leadership means to behave in pursuant to the rules of responsibility and good will against the staff, society and even the competitors under every circumstance as well as under every attitude and behavior [15]. Yet, the basis of the ethics is “good will”. Good will means that the principles that are accepted as “good” become the attitude and behaviors of the person. By this aspect the ethical leadership
is the concept that includes ethical responsibility [16]. Ethical comprehension requires that the leader should have conscious upon its own acts and beyond acquiring the ability of making only moral judgments, it also necessitates to forge a link between moral competence and social responsibility [17].

Ethical leadership has wider significance codes of the business when compared with the strategic leadership that is defined by the basic objectives like returning profit, gaining advantage against the competitors and being long-termed. While the basic motivation behind the strategic leader’s attitude and behaviors is advantage or benefit, the basic impetus behind the ethical leadership is the common good, common right, social responsibility and common advantage. “Ethical values” that are accepted as good in life demonstrate themselves like rules, principles or the standards. Ethical values also demonstrate themselves like “ethical codes” in the professional or the application field. The basic difference between the ethical leader and the strategic one is that it acts from the ethical values and the ethical codes in its all personal and organizational activities. For the ethical leader, while social responsibility, social sensitivity is organizational ethics, for the strategic leader on the other hand, the basic responsibility of the business is to return profit.

3. Strategic Leadership

The concept of strategy is composed of the combination of the words of ancient Greek “stratos” and “egy”. Stratos means an expanded army or a wide community. Egy, on the other hand, means directing in the ancient Greek [18]. Since the military organizations, which are the oldest organizations of history is considered; the concept of strategy is conceived as a concept belongs to the military literature. However, since 1960s the concept of the “strategic leadership” began to be used for every type of organization. Strategic leadership on the other hand appeared with the use of the concept of strategy in private or public businesses. Ensuring the popularization of the strategy concept is the requirement for keeping up with the uncertainty and the intense competition imposed by the concept of globalization especially after the 1980s [19].

Adair [18], who propounds that he is the first to raise the issue of strategic leadership in 1980s, defines strategic leader as “the person who successfully fulfills the expectations of the organization from the leadership management”. Strategic leadership is to establish a strategy by properly analyzing the interior and exterior environment in which the organization exists, implementing the right strategy at the right time, evaluating and acting the appropriate behavior suitable for the current environment. Strategic leader is the person, who acts and who is responsible from the strategic management process in the organization. The strategic leader is essentially the leader of the organization [18]. Strategic leadership ability becomes a necessity under dynamic and unsteady environmental circumstances [20].

It is relatively easy to make a decision and a plan under the stable and static environmental circumstances. However, it is not enough to have a simple leadership perception in the environments where the change is experienced rapidly and where the competition lasts at the international level. The leadership of the periods in which rapid change and the intense competition are experienced should be a strategic leadership [21]. In terms of business management, the strategic leadership could be defined as the ability to make a strategic choice. Strategic choices in the business is to access to a further number of customers and thus to gain high profit. In this sense, strategic leadership designates to provide a competitive advantage in the long term and to maintain this advantage as a target. The basic objective of the strategic leadership is to continue its existence in the long term in compliance with the basic objectives of the business. However, at the same time it intends to return profit over the average. Thus, the primary target is the profit of the business. Social responsibility, common good, common advantage is not within the priority target of the strategic leader. Mostly, those do not seem to be even an objective within the scope of the details. With its visionary view that goes only to the future, the strategic leadership is only determined in the in the strategic options. The basic idea behind the options is profit or advantage in general.
The distinguishing features of the strategic leader are vision, strategy, fiscal and economic policy, market orientation, product and services; and there is no ethical advantage, ethical values and ethical codes among them. Strategic leadership aspire strategic decisions and plans. Abilities of anticipation, creating vision, being flexible together with strategic change becomes its current issues [22]. Strategic Leader envisages, designs the change and realizes the change by ensuring flexibility under the circumstances where the strategic changes are required. The most distinguishing aspect of it is its ability to manage the uncertainty imposed by the rapid change. It is quite difficult to make a change during especially the intense uncertainty periods when compared with the changes of the stable ones. Keeping up with the uncertainty on the one hand and the requirement with regard to making a change on the other, double this difficulty [23].

Strategic leader may be a person who is extrovert or introvert, consistent or inconsistent, who has a self-esteem or not or Machiavellist or having some moral principles [22]. However, it is apparent that commitment to ethical codes, values and value judgments in strategic leadership is not quite important as it is in ethical leadership. While the Machiavellist behavior is considered as unethical attitude for the ethical leader, the Machiavellist attitude may be regarded as tactic for the strategic leader. Maintaining long-term competitive advantage, accessing to a larger number of customers and thus gaining higher profitability is important for the strategic leadership [18]. Basic responsibility of the strategic leader is all about the existence of the organization and maintenance of its competitive advantage by definition. For the strategic leader to have forward-looking, directive ability and features (if any) matters when compared with its other characteristics [22].

Nine features are considered with regard to the strategic leadership in the researches carried out on the issue. Those in the first group are the abilities related with the organizational activities. Those in the second group include the personal abilities [24]:

Strategic leaders (organizational abilities dimension)

have organizational abilities like

- Strategic focusing,
- Turning strategy into action,
- Regulating the individuals and the organization,
- Determining effective strategic intervention points,
- Developing strategic authorizations.

Strategic leaders (personal abilities dimension)

- They do not content with the existing conditions,
- They have absorptive capacity,
- They have adaptive capacity,
- They demonstrate wisdom.

As a result, strategic leaders are those who may demonstrate leadership ability appropriate to the strategic decisions under favorable conditions. Therefore, features, which are required for the leadership, are valid for the strategic leadership also. However, those features are the ones that serve the protection of the company’s benefits, development and ensuring the competitive advantage. While the ethical leaders could be directed by the beliefs, values, rules, ethical codes, professional and occupational ethics, norms and principles; strategic leader are directed by the concepts of organizational culture and paradigms, vision, data, information, enthusiasm and responsibility, conceptual and integrated reasoning.

Eren [25] addresses the strategic leadership practices as follows:

- Choosing and adopting the strategies,
- Evaluating the abilities and career development,
- Strategically orienting the organization, creating a shared vision,
- Establishing a better organization structure with a view to successfully adopt the strategic objective, strategy and its visions,
• Developing or amending the organizational culture, serving as a model for the other personnel by behaving ethically,
• Evaluating the strategies.

While the basic objective of the businesses are returning profit and continuing its existence, social responsibility is one of their secondary objectives. Here strategic leadership is about the basic objectives of the businesses, ethical leadership is about its secondary objectives. Since every kind of objectives of the businesses could not be considered separately from their objectives of profitability and continuation of their existence in the long run, then the ethical leadership and strategic leadership should be seen as the mutually complementary processes. For Kuratko and Hodgetts [26], businesses should demonstrate awareness against the environmental factors, should behave in conformity with the codes of justice in every activities and bearing social responsibility on the issues like developing human resources. Those responsibilities not only require ethical leadership, but also the realization of long-termed targets by increasing the profitability and performance of the business, in other words, strategic leadership.

H1. There is a relation between the ethical leadership perceptions and the strategic leadership perceptions.

The first attitude that the business managers should have and the first behavior that they should demonstrate while making decision and determining strategy is to increase their own ethical capacity and then afterwards the ethical capacity of its business and all of its staff by acting within the scope of law and the code of ethics. This requirement depends on the assumption of that only a leader who has a high level of ethical capacity may establish business and operational ethics. This view emanates from the requirement that a manager who is dedicated to the codes of ethics and who has a high sense of responsibility should be different from the leadership conception, who acts only by sensing the responsibility of itself and the business that it is managed. Those differences demonstrate the necessity that the leaders in all of its decisions as well as in their activities should act within the framework of the certain responsibility codes against the staff, its organizations, society and even its competitors.

Since the basic objective of the businesses is returning profit, continuation of their existence and thus by this way providing service to the society [27], then does an ethical leader act only from the ethical codes while fulfilling those objectives, or is the basic objective of its decisions and behaviors becoming successful, having a competitive advantage and determining a long-term strategy by the concern of strategic leadership for the sake of ensuring competitive advantage in a simple meaning? A third option is that the ethical leader is behaving with both the sense of social responsibility and suitable for the business ethics, and thus forms even stronger strategic leadership by contributing to institutional reputation and the image. It may be assumed that only acting with profit impetus and lack of any concern about providing service to the society which is one of the objectives of the business will not correspond to the strategic objectives or strategic leadership conception of the business.

4. Research Design

Questions like “what are the points of alignment and discrimination between the normative ethical leadership comprehension of the managers that emphasize mostly to the value, principle, norms and the rule and the strategic leadership comprehension of the business that intend to have competitive advantage and focus on long-term targets? In brief, does the realization of ethical leadership targets obstruct the realization of the strategic leadership targets? Or is the realization of the ethical targets without the fulfillment of the strategic targets out of question and essentially are those process supporting each other?” constitute the problem of the research. Within the scope of the research problem, ethical leadership perceptions of the managers were compared with the strategic leadership perceptions and it was analyzed by the relation and difference tests.

With a view to delivering data to the research, to test the hypothesis created in line with the research problem as “is the ethical leadership and the strategic leadership specified in the part of objective a
dilemma or those are the processes that complement with each other?”, with a view to gather data from the sampling determined by the random sampling method from the ground mass formed from Ankara Sincan 1st Organized Industrial Zone, “ethical leadership scale” having ten items developed by Brown et al. [28] together with the literature and the “strategic leadership scale” composed of personal and organizational abilities sub-dimensions, having 12 items developed by us by taking especially Davies and Davies [24] strategic leadership features were used. Sampling 180 questionnaires were distributed. 150 of those questionnaires turned back and 128 of those were used in the analysis. Data gathered were commented by analyzing in accordance with various statistical methods (difference and relation tests) and the techniques (quantitative/qualitative).

5. Data Analysis and Hypothesis Test Results

With a view to gathering data for the research, data were collected for measuring competitive strategy perceptions and the ethical leadership perceptions of the managers from the sampling having the following features:

Table 1. Descriptive statistical table as regards the demographic features

<table>
<thead>
<tr>
<th>Age</th>
<th>F</th>
<th>%</th>
<th>Education</th>
<th>F</th>
<th>%</th>
<th>Gender</th>
<th>F</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-30</td>
<td>12</td>
<td>10.5</td>
<td>High School</td>
<td>25</td>
<td>19.5</td>
<td>Female</td>
<td>19</td>
<td>14.8</td>
</tr>
<tr>
<td>31-40</td>
<td>27</td>
<td>21.0</td>
<td>Associate degree</td>
<td>23</td>
<td>17.9</td>
<td>Male</td>
<td>109</td>
<td>85.2</td>
</tr>
<tr>
<td>41-50</td>
<td>42</td>
<td>32.8</td>
<td>Undergraduate</td>
<td>47</td>
<td>36.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>51+</td>
<td>47</td>
<td>36.7</td>
<td>YLS / Dr</td>
<td>33</td>
<td>25.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>128</td>
<td>100.0</td>
<td></td>
<td>128</td>
<td>100.0</td>
<td>Total</td>
<td>128</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Data were analyzed by means of SPSS 16.0 and LISREL 8.7 statistical programs. In analyzing the data, mean, frequency distribution, confirmatory factor and path analysis were used. With a view to testing the validation and reliability of the model, “Confirmatory Factor Analysis” for the validity of the structure, declared variance estimation of the factors and reliability coefficients of the factors for the reliability were used. The reliability of the variables used to measure ethical leadership and strategic leadership are evaluated by the Cronbach Alpha coefficient, which is also known as intrinsic consistency coefficient and the alpha value of the ethical leadership is specified as 0.89 and the alpha value of the strategic leadership as 0.91. Alpha values with regard to the reliability of research scales are within the acceptable limits. Values of the goodness of fit obtained as a result of DFA (X²=234,742; df=192; p=0,000; RMR=0,021; GFI=0,878; NFI= 0,893; RFI=0,881; IFI=0,872; CFI=0,923; IFI= 0,943; RFI= 0,879 RMSEA=0,042). It is considered that the measurement model is complied with the data at the medium level. No modification is made since the goodness of fit values obtained in the validation factor analysis (DFA) demonstrates that structure validity of the measurement model is in normal compliance.
Standard estimated values (MLE), standard errors, t values and reliability values of the variables are seen in Table 2. When the standard estimated values (MLE) of the variables are considered, it is seen that they take the values of 0.834 and 0.783. Therefore, the standard estimated values (factor loads) are above 0.70, which is a critical value. Those values demonstrate that the scale has structure validity. It is seen that t value of both scales (t value is 1.96 and above at .05 level) (t=,932; .831) is significant.

6. Findings and Comments

When Table 3 is considered, strategic leadership perceptions of the managers (X=3.8, ss=.6875) is relatively high when compared with the ethical leadership perceptions (X=3.6, ss=.7629). The highest perception average (X=3.9, ss=.4834) in the research belongs to organizational abilities strategy sub-dimension. Ethical leadership perception has the lowest perception average. Those values demonstrate that the managers have positive strategic leadership and ethical leadership perceptions. However, it is understood that they attach relatively great value (importance) to the strategic leadership.

6.1. Correlation Findings

The results of the correlation analysis carried out with a view to specify the relation between strategic responsibility and ethical responsibility perceptions of the managers are demonstrated in Table 4 below.

<table>
<thead>
<tr>
<th>Lower Dimensions</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-Personal Abilities Strategy</td>
<td>Pearson r</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B-Organizational Abilities Strategy</td>
<td>Pearson r</td>
<td>.342(**)</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>C-Strategic Leadership (General)</td>
<td>Pearson r</td>
<td>.465(**)</td>
<td>.583</td>
<td>1</td>
</tr>
<tr>
<td>D-Ethical Leadership (General)</td>
<td>Pearson r</td>
<td>-.264**</td>
<td>-.293**</td>
<td>-.275**</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
Correlation analysis relation values between sub-dimensions demonstrate that there is a significant and medium level relation between strategic responsibility and its sub-dimensions. However, when we consider the results of the strategic leadership (general) and the ethical leadership (general) of the managers, it is understood that there is low level (r: -0.264) negative relation. According to those results, it is understood that H1 hypothesis which implies “there is a significant relation between ethical leadership and strategic leadership perceptions of the managers” is acknowledged. Besides, since the relation between strategic leadership and ethical leadership is negative, it implies that one unit increase in the ethical leadership will lead to a decrease of 27% in the strategic leadership perceptions. Those results are accord with the theoretical framework of the research. However, it is not ruled out here that the correlation analyses are only used for determining the relation level between the variables. The explanatoriness of this relation in other words which factor influences which of them in which level could be determined by the regression analysis.

6.2. Multi Regression Findings

Regression analyses are used for explaining the relation between the dependent variable (predicted) and the independent (predictor) variables that are assumed to have an influence on the dependent variable by a mathematical model. In the research, ethical leadership is taken as an independent (predictor/cause), strategic leadership as a dependent (predicted /effect) variable. R² value in the regression analysis is used for finding how much the percentage of the total variance in the dependent variable is explained by the independent variables.

Table 5. Ethical leadership and strategic leadership perceptions: ANOVA table

<table>
<thead>
<tr>
<th>Source of the Variance</th>
<th>s.s</th>
<th>Sum of Squares</th>
<th>Average of Squares</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>4</td>
<td>24,634</td>
<td>4,132</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residual</td>
<td>124</td>
<td>23,342</td>
<td>.341</td>
<td>20,493</td>
<td>.002</td>
</tr>
<tr>
<td>Total</td>
<td>120</td>
<td>47,976</td>
<td></td>
<td>20,493</td>
<td>.002</td>
</tr>
</tbody>
</table>

Predictors: Dependent Variable: Ethical Leadership

When ANOVA table is considered, F statistical value is 20,493, and the observed significance level is (p<0.002). Those values verify our research’s second hypothesis of “there is a significant relation between ethical responsibility perceptions and strategic responsibility perceptions of the managers”.

Table 6. Regression analysis table

<table>
<thead>
<tr>
<th>Variables</th>
<th>B</th>
<th>Standard Error</th>
<th>β</th>
<th>T</th>
<th>P</th>
<th>Double r</th>
<th>Partial r</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical</td>
<td>2.654</td>
<td>.289</td>
<td>.283</td>
<td>9.429</td>
<td>.000</td>
<td>.481</td>
<td>.257</td>
</tr>
<tr>
<td>Strategic</td>
<td>.498</td>
<td>.097</td>
<td>.283</td>
<td>4.849</td>
<td>.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

R = -0.298  R²=0.286  F=22.428  P=.000

When the partial correlation carried out between the predictor (independent) variables and the dependent (predicted) variable is analyzed, there is a negative and low level (r=-0.298) relation between the “ethical leadership” and the “strategic leadership” perceptions of the sample. Those values at the negative and the low level demonstrates that the ethical leadership perceptions of the managers have a negative effect at (p<0.05) level on the strategic leadership perceptions. Definiteness (determination) coefficient is determined as (R²) 0.286. Therefore, it is understood that the 28% of the change in the
ethical leadership perception depends on the strategic leadership perception. Those results demonstrate that H2 hypothesis as “ethical leadership perceptions of the business managers have influence upon the strategic leadership perceptions” is acknowledged.

7. Conclusion

Decision-making that necessitates responsibility is considered as the requirement of both ethical leadership and efficient or strategic leadership. A leadership, which is far from being ethical will take decisions that are not ethical and those decisions will harm the organization, consumers, stakeholders, suppliers and the society in brief. An ethical leadership, who bears responsibility and who will prevent to cause such damages, influence those who watch him with the behavior, indoctrination, mental support, individualistic esteem [29]. The objective in such kind of a leadership is not only organizational advantage but also public interest. Substantially there is only one type of leadership. This is the “good leadership”. Since the basic duty of the leadership is ethics, the right leadership in effect will be the ethical leadership [30].

Ethical leadership set up an ethical organization. It spreads ethical principles to all the activities of the organization. Ethical organization acts not only with profit impetus, but also a social sanction [31]. Therefore, ethical leadership targets are also considered within the targets of the strategic leadership [32]. Treating fairly to the society, all the stakeholders and even the competitors is the institutionalized behavior of the ethical organization. Freeing the strategic leaders thoroughly from the values in their managerial decisions is out of question. Strategic leaders conceive that by ignoring the universal values like justice, equality, honesty, impartiality, responsibility, respect, love, democracy, tolerance in their activates they will not become successful. Under such circumstances, they are in compliance with the research findings.

References


