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# Unethical Leadership: Current Theoretical Trends and Conceptualization

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#### Abstract

Article offers theoretical insights into current trends in delineation of unethical leadership. Eclecticism in the respective scientific discourse is significant. The term "leadership" is being accompanied by various adjectives like "narcissistic", "destructive", "toxic", dark", "bad", "dysfunctional", "Machiavellian", or "self-protective". Confusion of terms contributes to the development of concepts that mutually overlap to a large extend, which does not benefit to clarification of the respective concept or to subsequent application of related connotations in managerial praxis. In this context, we explore influential conceptions of unethical leadership and based on their critical analysis we specify several theoretical problems that are not reflected adequately in current scientific discourse. Deriving from this analytical inquiry, we propose a new conceptualization of unethical leadership that aims to bridge relevant concepts and to overcome their drawbacks.

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# 1. Introduction

Unethical leadership represents one of the most serious examples of managerial misconduct in organizational setting. Its severe consequences were investigated in many academic writings. For instance, Schyns and Schilling (2013) provided a meta-analysis of outcomes that integrated different conceptualizations of destructive leadership and analyzed the relations between unethical leadership and outcome variables. Their results showed that there is a negative correlation with positive followers' outcomes and behaviors, like employee well-being, individual performance, and a positive correlation with negative employee behavior, like turnover intentions, and other forms of counterproductive work behavior. According to Nyberg et al. (2011), autocratic and malevolent leadership were

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related to low vitality of employees, and self-centered leadership was linked to poor mental health, low vitality and high behavioral stress among employees. As Schaubroeck et al. (2007) showed in their research, supervisors with destructive personality traits may have chronic harmful influence on subordinates' behavior and emotional stability. Toxicity, in other words, contagiousness of unethical leadership behavior across organization was hypothesized by many researches, too. For instance, Unal, Warren and Chen (2012) considered consequences of unethical leadership in organizational praxis and asserted that unethical leadership may motivate subordinates to behave unethically. Nevertheless, the unethical responses of subordinates may vary greatly from aggressive, revengeful behavior toward the respective leader, through counterproductive system-referenced outcomes toward the organization as a whole, like employee theft, sabotages, and deliberate devastation of company goodwill. Similarly, also Burton and Hoobler (2011) explored the relationship between "wrong" leadership and aggressive reactions of employees. Bentley et al. (2012) investigated the effects of workplace bullying using a broader perspective. They found out that the victims of bullying reported lower levels of emotional well-being, constructive leadership, colleague support and supervisory support, and lower self-rated performance. On the other hand, they reported higher levels of stress, absenteeism and intention to leave organization. In their inspiring article based on literature review relevant to social scientific study of unethical leadership, Brown and Mitchell (2010) discussed the consequences of unethical leadership, too. They indicated that unethical leadership impedes effective functioning of organizations in many aspects, absenteeism and low productivity being just two examples in this context. In addition, they asserted that unethical leadership might drain employees' self-resources like attention or self-esteem, thus ending in ego depletion. Furthermore, for instance Rafferty and Restubog (2011) revealed in their research that abusive supervision was negatively associated with followers' perception of interactional justice and their beliefs that they are engaged in meaningful work and organizational-based self-esteem.

In sum, unethical leadership harms individual employees as well as organizations. Employee anxieties, feelings of helplessness, frustration, low job satisfaction, loss of trust toward the leaders, work alienation and related negative consequences for private lives of employees – these all are the malign products of unethical leadership. Due to these devastating effects we believe that it is important to shed more light onto the subject of unethical leadership in both theory and organizational praxis.

Current scientific discourse is clogged by eclecticism of scientific traditions, ambiguous notions and related confusion of terms and overlapping constructs that create obstructions toward meaningful application of scientific findings on unethical leadership in organizational praxis. Hence, in this article our basic objective is to propose a new conceptualization of unethical leadership that aims to bridge relevant concepts of unethical leadership and to overcome their drawbacks. We do this based on 1) exploration of influential conceptions of unethical leadership in current scientific discourse and their critical analysis, and 2) specification of several theoretical problems that are not reflected adequately in current scientific discourse. Deriving from this analytical inquiry, we offer a new delineation of the subject of unethical leadership that could be further operationalized, thus serving as a meaningful basis for empirical research.

## 2. Material and Methods: Theoretical Insights on Unethical Leadership

After conducting an extensive literature review on the topic of unethical leadership, we found out that current discourse uses a plethora of intertwined terms and concepts. The term "leadership" is being accompanied by various adjectives like "narcissistic" (Campbell et al., 2011; Reina, Zhang, Peterson, 2014; O'Reilly et al., 2014), "destructive" (Padilla, Hogan, Kaiser, 2007; Einarsen, Aasland, Skogstad, 2007; Aasland et al., 2010; Thoroughgood et al., 2012; Krasikova, Green, LeBreton, 2013; Schyns, Schilling, 2013), "toxic" (Lipman-Blumen, 2005; Pelletier, 2010, 2012; Webster, Brough, Daly, 2014), "dark" (Paulhus, Williams, 2002; Marshall, Baden, Guidi, 2013), "bad" (Erickson, Shaw, Agabe, 2007), "dysfunctional" (Walton, 2011; Dandira, 2012), "Machiavellian" (Judge, Piccolo, Kosalka, 2009), "psychopathic" (Mathieu et al., 2014; Boddy, 2011, 2014); "self-serving" (Rus, Knippenberg, Wisse, 2010, 2012; Decoster et al., 2014), "despotic" (De Hoogh, Den Hartog, 2008), or "tyrannical" (Kant et al., 2013). This enumeration indicates that the phenomenon of unethical leadership is rather multifaceted and it is not ease to outline clear dividing lines between related concepts.

In fact, the majority of writings go on behalf of destructive leadership and other related concepts; only a relatively smaller number of academic writings focus on the delineation of "unethical leadership". Among

influential works on unethical leadership, two of them, namely the US research school of thought represented by Brown and Mitchell (2010) and the work of Ünal, Warren and Chen (2012), develop a theoretical reflection of the phenomenon, while the concept of German-based authors Eisenbeiß and Brodbeck (2014) is based on the results of their empirical research on how employees from different cultures perceive unethical leadership.

Brown and Mitchell delineate unethical leadership "as behaviors conducted and decisions made by organizational leaders that are illegal and/or violate moral standards, and those that impose processes and structures that promote unethical conduct by followers" (Brown, Mitchell, 2010:588). This definition responds to two theoretical problems associated with unethical leadership discourse. First, issue of diversity in the understanding of morality, which is based on cultural and religious differences of individual societies, is reflected. The given definition explains unethical conduct on the basis of violation of moral standards; however, the authors do not specify them further. This opens more space for research on the specific characteristics of unethical leadership that are culturally endogenous. Second, the authors indicate that the unethical conduct should not be attributed only to certain leader's personality traits or behaviors. Leaders might engage also in support for unethical behavior of others without directly taking part in unethical conduct.

Authors Ünal, Warren and Chen base their definition of unethical leadership on normative theories of deontology, ethics of justice, utilitarianism and ethics of virtues and integrate different types of unethical behavior relatedly. In their article, they define the unethical supervision as "supervisory behaviors that violate normative standards" (Ünal, Warren, Chen, 2012:6). The criteria according to which it is possible to assess the "correctness" or "inaccuracy" of leaders' behaviors are derived from universal ethical principles, while the focus is on violation of the normative standards, namely violation of employee rights, unjust treatment of employees, prioritization of self-interests or interests of a group at the expense of organizational interests, and finally, the weak character of leaders.

Eisenbeiß and Brodbeck investigated cross-cultural and cross-sectoral commonalities and differences in international executives' perceptions of ethical and unethical leadership. Managers came from various cultures of the West (e.g. USA, Germany, Greece) and East (e.g. India, Korea, Iran). Based on 36 in-depth interviews authors identified collectively held perceptions of unethical leadership referring to dishonesty and unfairness, engagement in corruption and other criminal behaviors, low empathy, lack of responsibility, following egocentric pursuit of own interest, and manipulation and misuse of others (Eisenbeiß, Brodbeck, 2014:350). The authors indicate that unethical leadership combines both violations of legislative rules and ethical principles and that both of these aspects of unethical leadership are in praxis often inseparable.

Besides discussions on the character of unethical leadership, the destructive leadership concept gets increasing attention in the current discourse, too. Still, according to our understanding, no substantial distinctions were made in respect to unethical leadership concept. Destructive leadership serves currently as a substituent concept that enlightens the nature of unethical leadership and is being investigated by growing number of researchers.

For instance, Padilla, Hogan and Kaiser (2007) specify five features of destructive leadership. They assume that there are both good and bad consequences of destructive leadership, while the process involves dominance, coercion, and manipulation with a self-centered orientation on leader's interests; the consequences of destructive leadership compromise the quality of life for employees and undermine organization's main purposes, however, authors note that "destructive organizational outcomes are not exclusively the result of destructive leaders, but are also products of susceptible followers and conducive environments" (Padilla, Hogan, Kaiser, 2007:179). Thus, authors emphasize the relational aspects of destructive leadership and tie it to the context in which leadership is being exerted.

Einarsen, Aasland and Skogstad characterize destructive leadership as "the systematic and repeated behaviour by a leader, supervisor or manager that violates the legitimate interest of the organisation by undermining and/or sabotaging the organisation's goals, tasks, resources, and effectiveness and/or the motivation, well-being or job satisfaction of subordinates." (Einarsen, Aasland a Skogstad, 2007:208). Their definition links research on bullying, counterproductive work behavior and aggression at workplace. First, destructive behaviors include behavior towards subordinates (to undermine or sabotage the well-being, motivation and satisfaction of subordinates) and towards organization (to undermine or sabotage the effectiveness of the organization by negatively affecting tasks, resources or goals). Second, destructive leadership might encompass not only active straightforward destructive leadership behaviors (e.g. to undermine the authority of others, to corrupt), but also indirect passive leadership behaviors (e.g. to not to penalize unethical behavior of others, to not to care about safety in the workplace). Third, as authors note,

"in order for any behaviour to be defined as destructive according to the proposed definition, the leader must perform the behaviour systematically and repeatedly and violating the legitimate interest of the organization" (Einarsen, Aasland a Skogstad, 2007:209). Thus, authors conceptualize destructive leadership as recurrent, systematic wrongdoing that harms legitimate interests of organization, or its members. The authors do not address the issue of intentionally or unintentionally of leader's behavior; or whether the negative results of behavior derive from professional incompetence and unpreparedness to lead people. In their next article, Aasland et al. (2010) note that also laissez-faire style of leadership can be regarded as a form of destructive leadership. The authors go on in argumentation even further, and assume that also the lack of leadership or the lack of positive behaviors is in terms of organizational objectives harmful and can therefore be subsumed under the concept of destructive leadership.

Similarly to works of Einarsen, Aasland and Skogstad (2007) and Aasland et al. (2010), Krasikova, Green and LeBreton (2013) conceptualize destructive leadership as a collection of various forms of negative leadership behaviors that violate legitimate interests of the organization. They define it as "as volitional behavior by a leader that can harm or intends to harm a leader's organization and/or followers by (a) encouraging followers to pursue goals that contravene the legitimate interests of the organization and/or (b) employing a leadership style that involves the use of harmful methods of influence with followers, regardless of justifications for such behavior" (Krasikova, Green, LeBreton, 2013:1310). Their definition distinguishes two manifestations of destructive leadership, one being the encouragement of followers to pursue destructive goals, and another being the active employment of harmful methods of influence by a leader. Further, they draw a borderline between destructive leadership "and acts of ineffective leadership (e.g. incompetence) that represent a leader's inability to achieve goals valued by the organization or mobilize followers to achieve such goals" (Krasikova, Green, LeBreton, 2013:1311). Their definition overcomes certain unilateralism of definitions that are oriented more or less on the enumeration of negative personality traits of leaders. On the other hand, in our opinion, their concept of destructive leadership is deprived of responsibility of leaders toward external stakeholders, as they discuss destructive leadership only within the context of internal organizational environment.

Schyns and Schilling (2013) build on premise that it is important to consider how employees perceive leadership behavior, while the focus should be on the acts, not on the consequences of such behavior. They define destructive leadership as "a process in which over a longer period of time the activities, experiences and/or relationships of an individual or the members of a group are repeatedly influenced by their supervisor in a way that is perceived as hostile and/or obstructive" (Schyns, Schilling, 2013:141). The definition implies that destructive leadership relates primarily to repetitive, longitudinal destructive activities. Leadership behaviors are divided into two groups; the first relates to hostile acts toward subordinates, and the second group includes obstructive behavior that prevents from effective cooperation of the team and hinders individual or group efforts towards fulfilment of set objectives.

## 3. Results and Discussion: Toward a New Definition of Unethical Leadership

The above presented analysis of conceptions of unethical leadership and its substituent concept, destructive leadership, indicates that the problem of unethical leadership is quite complex. Issues that remain open in current scientific discourse concern fundamental problems associated with defining the nature and character of unethical leadership. We divided them into the following topics:

- Is it important to consider the aspect of *intention* in delineation of unethical leadership? Could unintentional harming of others be considered as an unethical leadership practice? Or only deliberate goal of a leader to harm others should serve as a criterion in this respect?
- What aspects of leader's behavior does unethical leadership encompass? Violation of which ethical principles denotes unethical leadership? And further, is it only the *active* violation of certain normative standards, or also the *passive* support for unethical practices in organization? Is it meaningful to subsume under the notion of unethical leadership also the *absence of leadership*, or the *ineffective leadership*?
- Are the *repetitive*, *systematic*, *and permanent* aspects of maltreatment of others an important ingredient of unethical leadership? Besides these aspects, could also the occasional, single, isolated unethical acts of leader be associated with unethical leadership?

- Is it important in delineation of unethical leadership to reflect on *personal characteristics* of a leader, on the character of leader's *actions* and the *process* of violation of certain (ethical, legal) standards, or on the *results* of leader's actions? And furthermore, if we consider unethical leadership to be linked with the character of results, in other words, with the consequences of leader's actions, in case that these outcomes are positive for the organization (for instance, the organizational goals were met), does it imply that the leadership cannot be understood as unethical?
- Should unethical leadership be delineated only in *relation toward followers*, or is it meaningful to understand it in *a wider context of relations* to other colleagues, external stakeholders, or even the society as a whole?

In our definition of unethical leadership we try to reflect on all of these questions. We define unethical leadership as a process of intentional or unintentional, passive or active, and recurrent influencing that harms others, being it individuals, organization and/or society as a whole. Our definition reflects on three sources of disagreement in scientific discourse on unethical leadership: 1) intentions and consequences, 2) active and passive influence, and 3) recurrence.

First, as for the debate on the *intentionality* of leader's actions, our definition points out that when judging the character of leadership it is not important to consider only the intention, with which the leader proceeded with the decision or action to harm somebody; the leadership is being unethical even if the leader harms others without an intention to do so. Leader's motivation to harm is indeed one of the criteria for unethical leadership; however the other one goes on behalf of the results, or better to say, the consequences of leader's actions. Put differently, leaders might be aware or unaware of their destructive influence; nevertheless if their leadership generates harmful consequences, their leadership will be unethical. Hence, our conception of unethical leadership is based on violation of *deontological principle and/or teleological principle*. The first one denotes actions that stem from *ethical motivation of the subject to act*, and the latter one corresponds with *consequences of actions that do not harm others*. Actions of leaders that fail the test of deontological or teleological ethics will be evaluated as being unethical.

Second, leader might negatively influence others in an *active or passive way*. Besides active violation of normative standards of behavior when leader deviates from compliance with legal or ethical regulations, unethical leadership is understood also as a leadership that passively supports and sustains both unethical behavior of others and unethical culture at workplace. Leader might passively allow for immoral wrongdoing of others. Or, leader might decide over rules and processes, both on a formal and informal basis, that actually cause, or might result in, unethical behavior of others in workplace or even in broader external organizational environment. Besides these examples of harmful passivity and indifference, unethical leadership is understood also as an absence of ethics management at workplace. In this case, leader's decisions, deeds, and manners do not reflect the importance of ethics in workplace and in business; the leader does not voice values important for the company. Passivity, as one of significant aspects of unethical leadership, refers besides the above mentioned issues also to the *absence of leadership* at workplace. Either physical or psychological distance that is kept by a leader might disrupt group processes, workflows, and interpersonal relations. In systematically avoiding contact and interaction with others, the leadership process loses its meaning *per se*. In sum, leaders might do wrong things, or they might allow wrong things to happen; in both cases their leadership will be unethical.

Third, harmful influence might be exerted in a single act, or it might be repeated continuously over time. In the latter case, the leader engages systematically in unethical leadership. Unethical leadership is for the leader a program, a style of leadership that is typical for him or her. We assume that for the sake of clarification of the respective concept it is important to distinguish between "single unethical acts" and "unethical leadership". According to our understanding, unethical leader is someone who repeatedly and continuously, intentionally or unintentionally, and actively or passively harms individuals, organization and/or society as a whole. Leader might lead sporadically unethically; still, it does not imply that the leader is unethical. Nevertheless, if the destructive influence is recurrent over time and unethical leadership becomes typical for the leader, than the leader will be defined as an unethical leader.

Next, our definition refers to unethical leadership as a process of *harmful influence*. By "harm" we understand any psychological, physical, or material detriments to others and to development of their talents and potential. We classify *acts of harm* into two groups, based on which two basic orientations of an unethical leader could be theoretically outlined:

- 1) Leader acts to the detriment of people. Leader acts against individuals or groups, for instance followers, colleagues, or superiors. Leader employs for instance abusive supervision (Tepper, 2000), workplace bullying (Einarsen, 1999), workplace aggression (Burton, Hoobler, 2011), or tyranny (Kant et al., 2013).
- 2) Leader acts to the detriment of organizational goals. Leader acts against organizational objectives and hinders their fulfilment. For instance, leader employs counterproductive work behavior (Grijalva, Newmanm 2015), sabotages or damages effective organizational functioning, does not act upon guidelines that are held in the organization, harms external stakeholders and devaluates their relationship with the organization. In sum, this style of leadership does not contribute to the success of the organization, quite the opposite; it results in lower performance and productivity. Further, we are aware of the fact that the character of organizational objectives might be manifold; in some cases even unlawful, or not rightful. Hence, in line with Einarsen, Aasland and Skogstad (2007) it is important to note here, that the organizational goals in our conception imply legitimate interests of an organizations that are denoted as "what is lawful, justifiable and in the best interest of an organization, the latter being defined by established internal rules and by internal formal power structures and procedures" (Einarsen, Aasland, Skogstad, 2007:210). In case leaders undermine lawful and rightful organizational objectives, their behavior is unethical.

Despite this theoretical differentiation of harmful actions into two categories, we assume that in reality "harming people" and "harming organization" cannot be fully differentiated. These two aspects of unethical leadership cannot be reflected separately in organizational praxis, because organization constitutes of employees. What harms the organization harms also the employees, and vice versa.

Finally, the last part of our definition addresses the *relational issue in respect to society*. Unethical leadership is understood to affect negatively not just immediate subordinates, followers, or colleagues of the leader, but it is conceptualized in a wider framework with respect to the society as a whole. In line with works of Maak and Pless (2006) and Pless and Maak (2011) and their conception of responsible leadership, we assume that it is important to consider unethical leadership from the perspective of corporate social responsibility. Unethical leadership encompasses cases in which the leader harmfully influences (by deeds or by doing nothing) other organizations, various groups of professionals, inhabitants of the region, in which the company operates, or the natural environment. Hence, not only wrongdoing to internal stakeholders but also harming external stakeholders of the organization should be considered as unethical leadership.

Further, in order to concretize our conception, we suggest *taxonomy of manifestations of unethical leadership*. In the process of unethical leadership a) behaviors that violate ethical principles are being displayed, b) processes and practices in work environment that support or enable unethical behavior are being instilled, c) deliberate management of ethics at workplace is not employed, d) the aspect of leading others is absent at all, e) personal gain and profit are being held above everything else, f) rules and processes that were set in an organization are not being uphold, and g) attainment of organizational goals is hindered by leader's lack of professional abilities and skills. To clarify the seven points, the unethical leadership is formed by these "prerequisites":

- a) Leader acts badly. Leader lacks certain ethical virtues and engages in unethical acts. Leader has a weak character and thus the leader, as an immoral person, does not serve as a role model for others in the sphere of morality. Here we derive from methodological and didactic basis held by Aristotle, the doyen of ethics as a scientific discipline. Aristotle assumes that virtuous is only a man who behaves virtuously. Personal traits and behaviors are seen as inseparable. Or to put it differently, if a man acts honestly, fairly, or responsibly, he becomes a man of honor, fairness, or responsibility. The quest for a good life lies in virtuous conduct (Suvák, 2008). In other words, leader is fair by acting fairly, respectful by acting respectfully or honest by acting honestly. All ethical virtues are gained with support of perpetual exercise and repetition in practical life. Paraphrasing a classic Aristotelian idea as expressed by Dahlsgaard, Peterson and Seligman in their study on shared virtues (2005), ethical as well as unethical behavior is a social practice exercised by a leader in and outside organization. Leadership will be considered unethical in case leader displays unethical behavior, acting as an immoral, non-virtuous person.
- b) Leader allows bad acts to happen. According to Brown and Mitchell (2010), it is not sufficient to relate the unethical leadership only to personal characteristics and behavior of a leader. Leader might support unethical behavior of others without direct engagement in unethical action by instilling formal and informal processes and practices that support or enable unethical behavior of others. For instance, leader might set up HR policies in remuneration or career development that will allow for nepotism among colleagues, or leader might introduce

ineffective control mechanisms that as a result will enable others to steal from the company, or avoid compliance with legal regulations. Leader alone is not engaging in unethical behavior, however by allowing for unethical practices of others, the leader creates an unethical organizational culture. This might have serious impacts on various leadership-related roles. In this regard, results of a large-scale research study revealed a strong connection between unethical organizational culture and leaders' unethical decision-making in organizations in Slovakia (Remišová et al., 2015).

- c) Leader is ethically silent. Leader does not voice the importance of ethics at workplace, this resulting in not disciplining those who violated ethical norms, in absence of discussions on the importance of ethics in business, and in an ambiguous attitude of the leader toward ethical issues in general. In contrast to this idea, Ünal, Warren and Chen (2012) differentiate unethical leadership from the absence of exemplary ethical conduct. Nevertheless, we assume that if the leader does not serve as ethics manager, this absence of management of ethics at workplace contributes to unethical leadership. Here we derive from the work of Trevino, Hartman, and Brown (2000) on moral person and moral manager as the two pillars of ethical leadership. Moral manager is someone who deliberately manages the ethical relations in workplace and plays an active role in implementation of ethics into workplace. If the leader does not utilizes managerial techniques of ethical decision-making, procedural and relational justice, role modelling and disciplining for unethical behavior in order to raise ethical standard in work environment, than the leadership will be unethical.
- d) Leader is absent. Leader avoids contact with others; in this case we are speaking about impoverished leadership, or the absence of it. In this situation, the leader is either self-centered, preoccupied by reaching his personal goals or from whatever reasons not able or unwilling to actively engage in leading others. Eisenbeiß and Brodbeck (2014) indicated based on their research that unethical leadership seems to represents the opposite of ethical leadership, and not the absence of any leadership. Contrary to this assumption, the absence of leadership is in our conception understood as unethical leadership. By being distant from the workplace processes and structures, the leader embezzles leadership roles and resigns on responsibilities that are tied to the leadership position.
- e) Leader is self-centered, self-protective and self-serving. Leader's behavior is driven primarily by egocentrism. Own interests are placed above everything else and thus the legitimate interests of organization and individual actors in and outside the organization are compromised, neglected or even violated. Wellbeing of others is secondary; leader follows the logic of egoism. Decoster et al. (2014) assume that although the consequences of such leadership might be many times devastating, self-serving leaders are not necessarily inherently bad persons. In some cases the will of the leader to gain personal success, respect and admiration might cause that the team will be successful, for instance if the evaluation of leaders is largely linked to team effectiveness and performance. Nevertheless, even if the leader does not intent to harm others, egoistic nature resulting in prioritization of own wellbeing should not be approved. As Rus, Knippenberg and Wisse (2010) put it, leader self-serving behavior carries variety of negative consequences; asymmetry in distribution of resources and related unfair decisions that negatively affect individual and group-level outcomes being just two examples.
- f) Leader lacks respect to rules. Formal standards of behavior are important ingredient of every organization. Besides legal regulations, ethical standards play an important role in management of people, too. In this context, many authors advocate for formal ethics programs in organizations. Ethics programs influence decision-making in a formal way, which means that employees have to deduce the meaning of responsible behavior from the demands laid down in ethics programs (Nijhof, Fisscher, Looise, 2000). Yet, in order to gain relevance among employees, ethical standards have to be supported by leaders. According to Weaver and Trevino (1999), managerial commitment to ethics seems to be an influential predictor of employee acceptance in this respect. As Trevino and Weaver (2001) further confirm in another study, if employees do recognize that their company operates based on organizational justice and the ethics program follow-through, there is less unethical behavior and greater willingness to report problems. In case leaders intentionally act against company rules, a strong message is sent toward followers; the importance and relevance of the standards are questioned and might be eventually damaged. As Weaver, Trevino and Agle (2005:314) note, "managers can influence others by serving as role models for ethical behaviour". In their next article, Trevino, Weaver and Brown (2008) express a parallel idea, meaning that senior managers are important to the successful management of ethics in organizations. Hence, it can be assumed that the functionality of organizational rules and standards will be endangered if leaders do not respect them. The toxicity of such behavior is apparent.

Another important issue in this context is the reluctance of leaders to adhere to fair human resource management processes. Leaders often have decisional power over various HRM issues like employee selection, career development, retention, or compensation. As Greenwood and Freeman (2011) note, employees are more than a set of outcomes; from the stakeholder theory perspective, employees are highly legitimate stakeholders to whom the company has claimable duties. As the company is represented by the leaders, they are obliged to fulfil these duties toward employees. Employees watch sensitively for objective career advancement, transparent performance appraisal criteria, just compensation, or careful usage of personal information at workplace. In case leaders violate HRM ethical standards, they breach their basic obligations toward followers, namely the right to just and respectful treatment. Ethics of justice and ethics of human rights is highlighted also in the work of Ünal, Warren and Chen (2012), who utilize these two streams of ethical thought to form their conception of unethical leadership. From an array of employee rights, they stress the right for dignity, safety, privacy, autonomy and property; and specify also sources of unjust treatment as the violation of distributive, procedural, retributive, and compensatory justice. As Lašáková (2011) notes, the ethical HRM standards derive from four basic ethical principles, namely transparency, justice, objectivity, and care for wellbeing. Transparency implies that everyone in the company has an easy access to accurate information on HRM processes as they were set in the company. Justice brings in the attribute of fairness and equity in relation to employees. Objectivity denotes impartiality and neutrality of facts and data regarding employees. The last principle, care for wellbeing, points to the obligation of leaders to oversee the welfare of employees, to respect the personality of employees and to pay attention to their needs and interests.

g) Leader is professionally incompetent. Leader lacks certain personal characteristics that contribute to effective management of people and related competencies like motivation, persuasion, active listening, or organizing. Ineffective leadership that results in sabotage of or decline from organizational goals is unethical. We assume that one of the basic responsibilities of leaders toward the organization is fulfillment of company goals. Micromanagement, poor conflict resolution, ineffective negotiation, weak feedback, or inability to build a team results often in poor performance. In case leaders are not able to contribute to company goals, and quite the opposite, they contribute to low work productivity and low performance of others, their leadership should be reflected upon as unethical. Nevertheless, we stress that if the results are positive (stated objectives were reached), but these ends were achieved through unethical process of influencing others, such leadership should be considered unethical. In this context, we note that notwithstanding the achievement of organizational objectives, the unethical guidance of others is in terms of ethics unacceptable. The objectives should be achieved "with the help of others", not "at the expense of others." Exploitive approach toward others cannot be accepted under any circumstances. It is not justifiable even in case that the organizational goals were pursued smoothly and efficiently.

#### 4. Conclusion

In this article we concentrated on theoretical conceptualization of unethical leadership. We offer a delineation of unethical leadership that aims to bridge relevant concepts, to elucidate some of the disagreements on the nature and character of unethical leadership in current scientific discourse and to extend the understanding of unethical leadership on those manifestations that are usually excluded or left untouched in works of other authors who investigate the respective phenomenon. We are aware of the fact that our conception is quite demanding in terms of practical application. Leaders and their process of leadership have to withstand many challenges and to pass manifold criteria in order to be evaluated as being not unethical. Nevertheless, we believe that the proposed definition addresses both key characteristics and subtle nuances that relate to complexity of unethical leadership. As for further theoretical challenges, we consider the identification of antecedents of unethical leadership to be especially important for the sake of progress in understanding of unethical leadership. Besides uncovering conditions in which unethical leadership has potential to evolve, we think it is vital to clarify and differentiate between symptoms and causes of unethical leadership, since these two are often being interchanged in the literature. Finally, we believe that leadership is, besides organizational contexts, embedded in societal conditions, thus copying ethical problems that occur in different sectors of society, such as in business, politics, or economy. We hope that our conceptualization offers a solid ground for further country-specific as well as comparative empirical studies in this respect.

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