

Validation of the Ethical Leadership Style Questionnaire (ELSQ)

A dissertation submitted

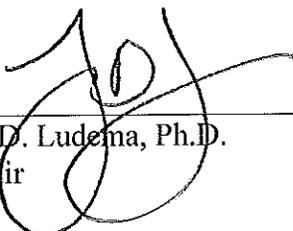
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Abstract

In management literature, different questionnaires that focus on exploring the behaviors of ethical leaders from their followers' perspective have been developed to measure ethical leadership. However, these questionnaires and studies have limitations as they do not explore how leaders, when faced with an ethical dilemma, make decisions from their own perspective. In this study, the author assesses the validity of a new questionnaire for measuring ethical leadership style, Peter Northouse's Ethical Leadership Style Questionnaire (ELSQ). While the primary purpose of the analyses was to assess the validity of the questionnaire, the results suggest that leaders are grounded in different ethical philosophical orientations, which in turn determine their ethical leadership style, which then determines how they respond to a situation. Ethical leadership style is defined as the ethical orientation used by a leader when resolving the issues associated with making decisions and taking action. The study also includes the questionnaire, which other researchers can use as a tool to replicate this study in other settings.

Keywords: *leadership, ethical, style, questionnaire*

Dedication

*To my brother, Obiora, who saw me start my dissertation program but passed away
before he could see its completion.*

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Chapter 1: Introduction

Ethical leadership is of utmost importance to American businesses. The recent corporate scandals and the risk to the America economy created by unethical behavior have increased the inquiry into how to recruit and retain ethical leaders. Many view ethical leadership as knowing and doing what is “right,” but there is difficulty in defining what is right. It was not until 2005 that scholars presented a definition of ethical leadership as “the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication reinforcement, and decision-making” (Brown, Trevino, & Harrison, 2005).

Based on this vague definition, several questionnaires have been developed in the management literature to measure ethical leadership. These are the Ethical Leadership Scale (ELS) (Brown et al., 2005); the Leadership Virtues Questionnaire (LVQ) (Riggio, Zhu, & Reina, 2010); the Ethical Leadership Work Questionnaire (ELWQ) (Kalshoven, Den Hartog, & De Hoogh, 2011b); and the Ethical Leadership Questionnaire (ELQ) (Yukl, Mahsud, Hassan, & Prussia, 2013). However, there has not been one consensus definition or measurement, and none has focused on the leader’s decision-making process when faced with an ethical dilemma.

This study contends that leaders are grounded in a particular ethical philosophical orientation that determines their predominant ethical leadership style. From this

standpoint, when leaders are faced with an ethical dilemma, their leadership style guides their concerns, which determines how they respond to the situation. I define ethical leadership style as “the ethical orientation used by a leader when resolving the issues associated with making decisions and taking action.”

In this study, a new questionnaire based on hypothetical situations and created by Northouse (2011) was used to test ethical leadership style. The purpose of this study, then, was to test the validity of this new measure, the Ethical Leadership Style Questionnaire (ELSQ).

Context of the Study

The research for this study included surveys done with managers from four diverse companies. Each manager was asked to anonymously complete the ELSQ, which presented five ethical dilemmas and asked the manager what their concerns would be when making their decision regarding each dilemma. Their concerns were compiled and analyzed to determine whether the results produced evidence of an ethical leadership style or styles.

Background and Impetus for the Study

I started my professional work experience in corporate America in financial services and real estate, and later became an attorney. Each of these areas is highly regulated, with ethical rules established by professional and/or licensing bodies. For example, licensed attorneys are accountable to their state bar association, with their ethical rules likely modeled after the American Bar Association (ABA) model of rules of

professional conduct. My background therefore has exposed me to the importance of ethics, compliance, and sound ethical decision-making. I have always wondered about how different people describe and subscribe to ethics, and how they use their particular ethical orientation to make decisions. After leaving the corporate world in 2005, I joined higher education in various leadership roles, including faculty, associate dean, and currently as a campus director. In my current role, ethical leadership is very important as I lead many diverse stakeholders.

When I started the Ph.D. in Values-Driven Leadership at Benedictine University, I was an associate dean of a business division of a community college. At the time, I had just left a faculty role in which I taught business law and ethics. My goal in enrolling in the Ph.D. program was to learn about being an ethical and values-driven leader. I also wanted to share my knowledge with students through curriculum development and by teaching students about the importance of ethics, values, and sustainability in business. At that time, I was certain that some aspect of business ethics would be the subject of my dissertation.

As I progressed through the coursework, ethical leadership literature became the aspect of business ethics that most piqued my interest. As I studied, I learned that ethical leadership had been defined broadly and did not focus squarely on ethical philosophical orientations. Instead, ethical leadership had been defined to include

many diverse values and behaviors, and it focused mainly on the view of the leader's followers and whether they perceived the leader to be ethical.

During this time, my role changed from associate dean of a division to that of a director with responsibility for an entire college campus. I went from a narrow academic view to a broader one with leadership responsibility over many more diverse stakeholders. Ethical leadership became much more important to me as my decisions became more complex and strategic, and affected more people.

I became intrigued with the idea of examining ethical leadership from the standpoint of the leader and presenting ethical dilemmas to managers as a way to test how they make ethical decisions. I was curious to see if a questionnaire with ethical dilemmas could be developed that would test whether leaders had ethical orientations that resulted in ethical leadership styles. It was this curiosity that inspired me to choose this research topic. I obtained Northouse's Ethical Leadership Style Questionnaire (ELSQ) from him. At the time, it was not a validated instrument, and I was not sure that it would show that individuals have a predominant leadership style. Hence I became interested in testing this possibility.

Research Topic

In the past decade, there has been an increased interest in ethical leadership in both the academic literature and among practitioners (Brown & Trevino, 2006; Seidman, 2010). Unethical decisions made by business leaders have caused serious harm to

businesses, resulting in losses of profit, shareholder value, and consumer confidence, in increased regulatory risk, and even complete corporate collapses (Silverstein, 2013). For example, some believe that unethical conduct resulted in the collapses of Enron in 2001 and Taylor, Bean & Whitaker in 2009. Additionally, J. P. Morgan Chase & Company's recent conduct has reportedly cost them over \$16 billion in fines, settlements, and litigation expenses. Also, political debate in America routinely focuses on the ethics of the candidate for public office. Often voters judge candidates more for their moral character than for their competence in the office that they seek. Because voters will be placing trust in their elected officials, they critically inquire into the candidates' personal and professional lives, expecting them to be ethical citizens. In summary, because of the dire consequences that can result in unethical leaders, research studies into this area of organizational studies is valuable to society.

This study is also important to companies that wish to avoid the consequences of the ethical lapses of their leaders and, consequently, the entire organization. For example, recent corporate scandals have routinely focused on the leaders of the corporations, who are often blamed for their failed ethical leadership. For example, David Petraeus (former CIA director), Mark Hurd (former Hewlett-Packard CEO), and David Sokol (former CEO of NetJets) were all forced to resign as a result of their unethical conduct at their organization or company. Often the headlines state that if only the leader had been ethical, they would not have made the decisions that they made. For instance, a *Harvard Business Review* article concluded that ethical breakdowns often

occur as “employees bend or break ethics rules because those in charge are blind to unethical behavior and may even unknowingly encourage it” (Bazerman & Tenbrunsel, 2011, p. 162).

Seeking to avoid the consequences of unethical conduct, companies find it financially beneficial to recruit, develop, and retain ethical leaders. For example, Ethisphere Institute found that companies on its World’s Most Ethical Companies list had 20 percent greater profits and 6 percent better shareholder returns than other firms not on the list. With profit providing greater incentive for companies, ethical leadership scholarship has focused on the characteristics or traits that ethical leaders possess, such as honesty, integrity, and fairness to employees (Brown & Trevino, 2006). Additionally, the literature mainly discusses social learning theory, examining whether followers perceive their leaders as building ethical organizations (Brown et al., 2005). Such scholars argue that leaders build ethical organizations by their actions—by communicating ethical values, being role models, rewarding ethical behavior, punishing unethical behavior, and holding subordinates accountable for unethical conduct (Trevino, Hartman, & Brown, 2000).

On the other hand, the ethical leadership scholarship has not focused on the ethical leadership style of the leader, as has been examined in other leadership studies (such as in transformational or charismatic leadership). One definition of leadership style is “the manner and approach of providing direction, implementing plans, and motivating

people. As seen by the employees, it includes the total pattern of explicit and implicit action of their leaders” (Newstrom & Davis, 1993). This study seeks to examine leadership style in the context of ethical decision-making.

To match the focus of ethical leadership literature, leadership questionnaires have emerged in the management literature, as mentioned previously: namely, the ELS, LVQ, ELS, and ELWQ. Appendix A provides more information about these questionnaires and the measurements that they test. In each of these measurements various constructs are tested. However, none of these instruments tests ethical leadership style.

Accordingly, instead of testing leadership style, the questionnaires mentioned seek to test whether or not followers perceive a leader as ethical; that is, whether they possess these characteristics or traits or is perceived as building ethical organizations. For example, the ELS is based on followers’ perceptions of whether a leader has ethical characteristics. As another example, the ELWQ has seven subscales, four of which do not relate directly to ethical leadership behavior, such as sustainability. In summary, the purpose of each of these scales is not to test ethical leadership style, which is the focus of the present research project.

Purpose of the Study

The purpose of this study is to test the possibility of creating a validated instrument to measure ethical leadership style. It begins with an Ethical Leadership Style

Questionnaire (ELSQ) designed by Peter Northouse that is early in its development and has not yet been statistically validated. The questionnaire measures a leader's chosen response to a series of ethical situations, with each given response in the multiple-choice items based on an historical ethical philosophy. This study's hypothesis is that each individual leader has one predominant ethical leadership style and that they use this style when responding to an ethical dilemma. This dissertation tests this hypothesis by means of a cluster analysis and then moves on to validate and refine the Northouse questionnaire. The result is a validated instrument that measures ethical leadership style. The questionnaire can be used to help leaders and managers in a wide variety of classroom and organizational settings recognize their predominant ethical leadership style. By recognizing their ethical leadership style, they will be able to understand how they view ethics and to communicate that style to their superiors and subordinates.

After this chapter of the dissertation, there are five remaining chapters. Chapter 2 reviews the literature in the field of ethical leadership, a field that is growing rapidly. Chapter 3 explains the study's research methods, such that future researchers may replicate it in other studies. Chapter 4 presents the research findings of the study. Chapter 5 focuses on an analysis of the data by presenting a discussion of the results, and presents the study's summary, recommendations for further study, implications for practice, and conclusions.

Chapter 2: Review of Ethical Leadership Literature

Introduction

The purpose of this dissertation is to test the possibility of creating a validated instrument to measure ethical leadership style. While there are a number of instruments currently in use that measure aspects of ethical leadership, there are no measures that focus on the measurement of ethical leadership style per se. In the following section is a review of the literature on ethical leadership and measurements related to ethical leadership. This review identifies the gaps in the literature and the limitations of prior research that present an opportunity for my dissertation research.

The field of ethical leadership has evolved through three distinct phases, beginning in 1986. The first phase began with a 1986 Trevino article on a person-situation interactionist model of ethical decision-making in organizations. In that article, the author presents a model in which the combination of individual variables and situational variables explains and predicts ethical decision-making behavior.

However, not much additional research was done until the second phase, from 1995 to 2006, when Trevino (Brown & Trevino, 2006) and other leading scholars (Brown, et al., 2005; Craig & Gustafson, 1998; Trevino et al., 2000; and Trevino, Brown, & Hartman, 2003) provided important conceptual and theoretical exploration of the dynamics of ethical leadership and ethical decision-making.

After this time, interest in ethical leadership grew, definitions became more precise and nuanced, and the number of empirical studies significantly increased. This phase culminated in 2005 and 2006 in part because of two seminal articles. One was by Brown et al. (2005) in which they present the Ethical Leadership Scale (ELS) for measuring ethical leadership. The other article was by Brown and Trevino (2006), which defined the field of ethical leadership with an in-depth literature review and recommendations for future research.

The current phase, beginning in 2006, has seen the research on ethical leadership grow dramatically and move in many different directions. For example, research has been done on ethical leadership and performance, the ways in which ethical leadership flows through organizations, the antecedents and consequences of ethical leadership, and the influence of context on ethical leadership. Additionally, the relationship of ethical leadership to constructs such as virtuous, authentic, and transformational leadership, the dynamics of unethical leadership, and the development of additional instruments to measure ethical leadership have appeared in the literature.

Currently, the field of ethical leadership is a diverse and dynamic area of activity for practitioners and scholars. Yet, despite this, little work has been done in the area of ethical leadership style. In the remainder of this chapter, I provide a chronological

review of the literature on ethical leadership and then show how my work on ethical leadership style serves to fill an important gap in the literature.

Phase 1 Research: 1986–1994—Ethical Decision-making

The origin of ethical leadership theory in the management literature is, arguably, an article by Linda Trevino from 1986, in which she discusses ethical decision-making. According to Trevino (1986), ethical decision-making received significant attention in the mainstream media, but there was little academic research in the area. She stated that “there is little known about managers’ thought processes regarding ethical dilemmas in their work” (p. 602). She proposed an interactionist model that could be used to understand, investigate, and predict ethical decision-making in organizations. The author concluded that both individual variables (ego strength, field independence, and locus of control) and situational variables (organization’s normative referent to others, obedience to authority, responsibility for consequences, reinforcement contingencies, and other pressures) explain and predict an individual’s ethical decision-making behavior. She used Lawrence Kohlberg’s 1976 cognitive moral development model for individual variables and suggested that her model also be used as a basis for future research in business ethics. While this article was not specific to ethical leadership, it helped introduce ethical decision-making, which took almost a decade to develop into ethical leadership.

Phase 2 Research: 1995–2006**Leadership ethics**

Ciulla (1995) published one of the first articles on the topic of leadership ethics. The author summarizes ethics in the leadership literature, finding not only an absence of articles on ethics in the leadership literature but also a lack of research “energy” expended on ethics. Ciulla contends that a greater understanding of ethics in leadership will result in improved leadership studies. She introduces the concept of good leadership and argues that it refers not only to competence but also to ethics. Her main premise is that researchers should focus on the ethical elements of leadership as they research and study leadership. “In conclusion,” she writes, “the territory of ethics lies at the heart of leadership studies and has veins in leadership research” (p. 18).

Ciulla’s view is that a better understanding of leadership ethics would then be beneficial to both researchers and practitioners in that it would help to develop new theories, research questions, and different ways of thinking about leadership. She sites, for example, that public debate is focused on what ethical issues are relevant in judging who should lead and whether a person is capable to lead. Research into leadership ethics would help with this and can help with questions such as, “What sort of person should lead?” or “What are the moral responsibilities of leadership?”

Leadership and ethical development

Lichtenstein, Smith, and Torbert (1995) discuss how leaders become ethical through cumulative stages of ethical orientation and behavior. According to the authors,

leaders become more ethical as they journey from one stage of development to the next, a contention based on constructive-development theory, which states that people develop through cumulative stages of development (Kohlberg, 1981). “Managers at later stages of development are more aware of making ethical judgments about events” (p. 100). Later-stage managers also take more responsibility for their actions, and they develop actions that have positive ethical consequences.

The authors present three dilemmas that leaders encounter through their ethical leadership journey. First, there are different systems of ethical thought for determining whether something is good or bad. Second, there is a play of positive and negative aspects throughout the developmental journey. Third, there is recognition of the long-term impacts of leadership decisions. Each of these dilemmas reflects the idea that leaders view and think differently about situations as they progress through their professional lives. Specifically, the authors conclude that people develop through cumulative stages of behavior such that leaders at later stages of development are more ethical than those at the beginning stages of development.

Managerial ethical leadership

Murphy and Enderle (1995) coined the term “managerial ethical leadership.” Theirs was also one of the first articles to focus on the behaviors of leaders and the notion that followers learn ethical behavior by example. By profiling four CEOs, the authors were able to draw insights from their CEOs’ speeches and writings to determine their

ethical leadership qualities and how as role models they set the ethical climate of their companies.

They identified five common practices of the four leaders that demonstrated ethical leadership in practice. First, these leaders were open and honest in their personal and professional lives. Second, all created reality by “reaffirming the ideals of their respective firms” (p. 125). Third, the leaders seemed to have an unusual concern for how their decisions affected other people. Fourth, these leaders’ actions could be characterized as a virtue-ethics orientation (that is, oriented in the virtues of courage, fortitude, justice, and fairness). Fifth, they distinguished themselves by strong religious values, and their morals were rooted in spirituality.

Moral leadership

Gini (1997) began the conversation about moral leadership and what moral responsibility a leader has for an organization. He pointed out that moral leaders should use power wisely and well. Further, leaders should not seek out power for personal advancement but rather use it with a sense of stewardship. He also argued that a leader’s fundamental role is to manage the values of the organization. However, he also states, “all leadership, whether good or bad, is moral leadership” (p. 325).

What might be acceptable in one firm or situation may not be in another. According to Gini, moral leadership is based on the intent and motivation of the leader and depends on the combination of the process, person, and the requirements of the job the leader is asked to do.

Ethical leadership and ethical followers

Perreault (1997) advocated that followers and leaders are active participants in the leadership process. He argued that followers have a responsibility to follow leaders who have ethical goals and practices, and then carry out those ethical goals and practices. The author uses a four-component process of an ethical decision-making process to explain what is required in order for followers to behave ethically. This process includes 1) ethical sensitivity to interpret a situation; 2) ethical reasoning to figure out what to do; 3) ethical motivation to decide what to do; and 4) ability to carry out that decision. This process works to determine whether or not a follower will make the ethical decision. The author concludes that both leaders and followers are jointly responsible for ethical leadership and for making ethical decisions.

Perceived Leader Integrity Scale

Craig and Gustafson (1998) contributed to the literature by developing and validating the Perceived Leader Integrity Scale (PLIS). This instrument is used to investigate the role of leaders' ethical integrity and their effectiveness as leaders. Like other researchers, the authors acknowledge the lack of empirical research in the area of ethical leadership and contend that the lack of a measurement may be part of the reason. The authors used two sample populations: 78 undergraduate students and 299 employees of a college in a university. The PLIS, which tests whether followers perceive the leader as having integrity, consists of 77 questions. The questions range from perceptions of whether the leader is evil, takes credit for others' work, or is a hypocrite and vindictive. The authors recommend further study in leader integrity, as it will serve both theoretical and applied goals. For example, the influence of

organizational culture on perceptions of leader integrity could be compared to PLIS scores. Also, the PLIS could be used as a feedback tool or as part of an assessment program.

Moral person and moral manager

Trevino et al. (2000) suggested the concept that a reputation for ethical leadership is two-pronged. They proposed that the pillar of ethical leadership is that a “moral person + moral manager = a reputation for ethical leadership.” As a moral person, an ethical leader demonstrates traits of integrity, honesty, and trustworthiness. According to the authors, these traits motivate the moral leader to demonstrate ethically responsible behaviors. As a result of this motivation, an ethical leader exhibits behaviors of doing the right thing, showing concern for people, and demonstrating his personal morality openly. Additionally, when making decisions, ethical leaders have solid values and principles, are objective and fair, have concern for society, and follow rules for ethical decision-making. However, simply developing leaders who exhibit ethical traits and behaviors is not enough. Not only must they be moral persons, but they also must be moral managers. Moral managers “recognize the importance of proactively putting ethics at the forefront of their leadership agenda.” They do this by role modeling through visible action, rewards and discipline, and communicating about ethics and values. This article, written fourteen years after Trevino’s 1986 ethical decision-making article, began the research into modern day ethical leadership.

Executive-level ethical leadership

Trevino et al. (2003) conducted an inductive interview-based study of corporate ethics officers and senior executives. They found that ethical leadership is not only about traits of the leader (such as integrity or honesty) but also includes an overlooked transactional component. This component is whether followers perceive the leader as having a people orientation and whether the leaders engage in visible actions that make them stand out as ethical figures. For instance, ethical leaders transact by setting ethical standards, holding followers accountable for ethical conduct, and using a reward system to guide the ethical behavior of followers.

Ethical leadership and social learning

Brown et al. (2005) made three seminal contributions to the ethical leadership literature. First, the authors proposed social learning theory as the basis for ethical leadership and they solidified the importance of role modeling to the ethical leadership construct. Followers, they proposed, identify and emulate the behaviors of ethical leaders but only those leaders they consider attractive, credible, and legitimate. Ethical leaders are only considered to be so if they engage in behavior that is normatively appropriate (such as being open and honest) and are motivated by altruism rather than selfishness (such as showing consideration and fair treatment of employees). It is also helpful if the ethical leaders get the attention of followers by communicating ethical messages.

Second, the authors introduced a definition of ethical leadership. They define it as “the demonstration of normatively appropriate conduct through personal actions and

interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making” (p. 120). Consistent with past research, the first part of the definition recognizes the conduct of the leader, such as honesty, trust, and integrity (Craig & Gustafson, 1998; Trevino et al., 2003; Trevino et al., 2000). However, the second part of the definition is important because it adds *demonstration* and *promotion* of ethical conduct (social learning theory) and *decision-making* to the ethical leadership construct.

Third, the authors developed and tested a new instrument to measure ethical leadership called the Ethical Leadership Scale (ELS). They developed a pool of 48 elements of ethical leadership from the literature, conducted interviews with MBA students, and developed a ten-item survey measure. They administered this survey to employees in a company, and they used it in seven studies for validation. The ten items covered in the ELS (Trevino et al., 2003, p. 125) are listed below.

Does the leader do the following:

- 1) Listen to what employees have to say
- 2) Discipline employees who violate ethical standards
- 3) Conduct his/her personal life in an ethical manner
- 4) Have the best interests of employees in mind
- 5) Make fair and balanced decisions
- 6) Engender the trust of subordinates
- 7) Discuss business ethics or values with employees
- 8) Set an example of how to do things the right way in terms of ethics
- 9) Define success not just by results but also the way they are obtained
- 10) When making decisions, ask “What is the right thing to do”?

The ELS, according to the authors, captures the breadth of the ethical leadership construct in the literature. Its development was an important milestone because it was the first time that an instrument tested the ethical leadership construct and made clear that role-modeling behavior by followers is an important component.

Ethical leadership and role modeling

Weaver, Trevino, and Agle (2005) continued the research into the role modeling of ethical leaders by followers, while acknowledging that ethical role modeling is not the same as ethical leadership. The authors conducted interviews with diverse managers and professionals from various organizations. Their goal was to determine what behaviors and characteristics of leaders are potentially relevant to the process of ethical role modeling. They interviewed 20 people from an MBA program who were of various ages and who were from diverse companies.

The researchers discovered four categories of attitudes and behaviors: 1) *interpersonal behaviors* (care, concern, and compassion; supporting and taking responsibility for others; valuing and maintaining relationships; being hardworking and helpful; accentuating the positive; and accepting failure); 2) *ethical action and expectations for self* (honesty, trustworthiness, and integrity; humility; high standards of self; public-private ethical consistency; self-sacrifice; taking responsibility for one's own failings; 3) *fairness with others* (accepting and soliciting input from others; treating others with respect, and explaining decisions); and 4) *articulating ethical standards* (demonstrated by a consistent ethical vision, communication of high

standards, holding others accountable, putting ethics ahead of interests, taking a long-term view, and having a multi-stakeholder perspective). They identified that the contextual requirements for ethical role models are frequent interaction, accepting that business success was not essential, and being respected by others.

Ethical leadership and rewards

Ashkanasy, Windsor, and Trevino (2006) conducted a qualitative and in-basket simulation study consisting of MBA students with at least two years' work experience. They used survey instruments to measure cognitive moral development and a belief in a just world (personal characteristics). They also measured rewards and punishments (personal expectancies). In both cases, they tested the interactive effect of ethical decision-making (by holding ethical choice as the dependent variable). They found that exposure to reward-system information influenced managers' outcome expectancies. Additionally, these outcome expectancies and a belief in a just world interacted with managers' cognitive moral development to influence their ethical decision-making. The study demonstrated the importance and impact of communicating a reward system for ethical decision-making.

Ethical leadership review

Brown and Trevino (2006) published a review of ethical leadership literature. They summarized the key concepts of ethical leadership and the similarities and differences with other leadership theories that have a moral component (transformational, authentic, and spiritual). They also proposed 12 positive relationships between ethical leadership and the leader's situation influences of "ethical role modeling, the

organization's ethical context, and the moral intensity of the issues that the leader faces in his or her work" (p. 600). For example, one of their proposed relationships is that "being able to identify a proximate, ethical role model ... is positively related to ethical leadership" (p. 601). Another example is that, "An ethical context that supports ethical conduct will be positively related to ethical leadership" (p. 602).

Another proposition the authors gleaned from the literature is that ethical leaders "influence ethics-related conduct such as employee decision-making and pro-social and counterproductive behaviors primarily through modeling and vicarious learning processes." For example, they propose, "ethical leadership is positively related to follower ethical decision-making" (p. 609). Finally, Brown and Trevino point out that it is important for companies to find ways to develop ethical leaders by selection, role modeling, and training programs.

In summary, early in this phase, studies emerged that went beyond theory and began to focus on research studies demonstrating individual traits and behaviors of ethical leaders, such as integrity, honesty, and trust (Craig & Gustafson, 1998; Trevino et al, 2000; Trevino et al., 2003). However, later on studies added a transactional component. In addition to focusing on the traits and behaviors of leaders, researchers began investigating how ethical leaders influence followers by ethical role modeling, reward systems, the organization's ethical context, and the moral intensity of the

issues the leader faces (Trevino et al., 2003; Brown et al., 2000; Weaver et al., 2005; Windsor, & Trevino, 2006).

The seminal articles by Brown and Trevino in 2005 and 2006 were major milestones in the empirical study and definition of ethical leadership. The 2005 article provided a definition of ethical leadership and a measurement instrument—the ELS—both of which are still being used today. The 2006 article summarized all the literature into a coherent field of study and provided a robust and widely respected contextual model for ethical leadership. This article in particular provided the foundation for the current active research interest into ethical leadership.

Phase 3 Research: 2006–Present

Ethical leadership across cultures

Resick, Hanges, Dickson, and Mitchelson (2006) reviewed western-based ethical leadership literature. They were able to identify six attributes of ethical leadership: 1) character and integrity, 2) ethical awareness, 3) community/people-orientation, 4) motivating, 5) encouraging and empowering, and 6) managing ethical accountability. They conducted a study to analyze whether western-based ethical leadership was endorsed as effective leadership in other cultures. (It should be noted, however, that their analysis was based on only four components: character/integrity, altruism, collective motivation, and encouragement). They based their analysis on data collected from a leadership and culture research program across 62 different societies, including Europe, Asia, the Middle East, and Latin America. The authors found that

the components that characterize ethical leadership in western societies are endorsed and viewed as behaviors and characteristics of ethical leaders across cultures.

Misconceptions of ethical leadership

Brown (2007) pointed out five misconceptions of ethical leadership. The first misconception is that ethical leaders should not be concerned with the way that others perceive them. The second is that employees do not need ethical guidance from leaders, when in fact they do. The third is that leaders should not focus employees' attention on ethics but rather on compliance with law, when, instead, they should do both. The fourth erroneous belief is that one cannot have both ethics and results at the same time, and fifth is that what a leader does in his or her private life is not relevant to the workplace.

Ethical leadership and counterproductive behavior

Detert, Trevino, Burris, and Andiappan (2007) studied the effect of managerial oversight, ethical leadership, and abusive supervision of employee counterproductivity. *Counterproductivity* is defined as harmful employee behaviors such as theft and fraud. The authors collected survey data from 265 food service restaurant chain locations. The dependent variables were counterproductivity, operating profit, and customer satisfaction. The independent variables were abusive supervision, ethical leadership, and managerial oversight. The research demonstrated that management can influence counterproductivity and that abusive supervision was associated with an increase in counterproductivity, while ethical leadership was not.

Ethical leadership and social responsibility

De Hoogh and Den Hartog (2008) conducted a multi-method study to examine the relationship of a leader's social responsibility on either despotic leadership or aspects of ethical leadership. The aspects of ethical leadership were 1) morality, 2) fairness, 3) role clarification, and 4) power sharing. The investigation sought to determine how these behaviors related to the leader's effectiveness and subordinates' optimism. The authors interviewed CEOs to identify whether or not a leader had an orientation toward social responsibility.

They also surveyed the leader's direct reports to rate leader behavior, effectiveness, and optimism. The results showed that leaders who rated high on social responsibility were rated higher on ethical leadership than on despotic leadership. Also, perceived leader effectiveness and subordinates' optimism were positively related to ethical leadership. The study showed that ethical leaders were more likely to be socially responsible, were more effective, and instilled more optimism in subordinates about the future of the organization and their place in it.

How ethical leadership flows throughout an organization

Mayer et al. (2009) conducted research that examined two questions. First, they examined whether or not ethical leadership relates to counterproductive and positive behaviors of employees. Second, the authors studied how different levels of ethical leadership relate to deviant and positive behaviors of employees. They used a trickle-down model to examine how ethical leadership cascades or flows from senior management to middle management and ultimately influences behaviors of

employees. Their premise was that employees will role model or mimic what they see from their superiors.

They used the Brown et al. (2005) ELS to assess senior management and middle management ethical leadership. They also used other measures to measure group deviance and group organizational citizenship behavior (OCB). They found that middle management ethical leadership “mediates the relationship between top management ethical leadership and group deviance and OCB” (p. 8). This means that senior management influences the behaviors of employees, but only indirectly through middle management. The study determined that since employees are more likely to interact with immediate management, they are thus more likely to have a direct influence on employees.

Ethical leadership and virtues

Neubert et al.’s study (2009) examined the effect of ethical leadership on follower job satisfaction and affective organizational commitment. Their study consisted of 250 people who were employed full-time. The researchers used the Brown et al. (2005) ELS for ethical leadership. They found 1) virtuous managers can influence directly and indirectly perceptions of ethical climate; and 2) such influence will positively impact employees’ perceptions of job satisfaction and affective organizational commitment. They also found that leadership-to-climate relationship is strengthened when employees perceive that leaders practice interactional justice and fairness.

Ethical leadership and transformational leadership

Toor and Ofori (2009) conducted an empirical study of ethical leadership in a company in Singapore. The authors asked senior executives to select senior managers that they thought were “authentic leaders.” These leaders then selected peers and subordinates who then rated them based on Brown et al.’s (2005) ELS and Avolio and Bass’ (2004) Multi-factor Leadership Questionnaire (MLQ). Consistent with other studies, the research determined that ethical leadership is “positively and significantly associated with transformational leadership, transformational culture, contingent reward dimension of transactional leadership, leader effectiveness, employee willingness to put in extra effort, and employee satisfaction with the leader” (p. 533). The authors point out that leaders need to show ethical leadership not only by formal documents but also through their actions, decisions, and behaviors.

Ethical leadership, psychological safety, and employee voice behavior

Walumbwa and Schaubroeck (2009) conducted a study of employees and their immediate supervisors in a large financial institution. The authors assessed ethical leadership behavior using the ELS developed by Brown et al. (2005). They used other measures to assess personality traits of agreeableness, conscientiousness, and neuroticism, as well as psychological safety and voice behaviors. Their results indicate that ethical leadership is positively related to employees’ voice behavior. Their study also found that “the positive relationship between ethical leadership and supervisor ratings of voice behavior would be mediated by followers’ perceptions of psychological safety” (p. 1276). They found that agreeableness and conscientiousness

were significantly related to ethical leadership. The authors extended the literature by examining new variables (personality) and two outcomes (psychological safety and employee voice behavior).

Ethical leadership and normatively appropriate conduct

Giessner and Quaquebeke (2010) used relational models theory to describe a set of normatively appropriate behaviors of ethical leadership. They argue that followers believe that unethical leadership is based on one of three specific situations. One is when the leader's and follower's relational models are mismatched. Relational models distinguish between four relationship types: communal sharing, authority ranking, equality matching, and market pricing. The second situation is when the leader and follower have a different understanding of the behavioral expression of the relational model. The third is when the leader or the follower violates a previously agreed upon relational model. Followers discuss the implication of their ideas as leaders manage, understand, and regulate ethical leadership lapses. According to the authors, one implication is how to repair trust in the relationship between the leader and follower after the lapse. Another implication is actively managing what is normatively appropriate in the relationship in the first place, which could have avoided the lapse.

Ethical leadership and employee misconduct

Mayer, Kuenzi, and Greenbaum (2010) examined the link between ethical leadership and employee misconduct, with ethical climate as the mediator. The authors conducted research by surveying employees and supervisors from diverse

organizations. They used Brown et al.'s (2005) ELS to measure ethical leadership and other indicators of ethical climate and employee misconduct. The results demonstrated that there was a positive relationship between ethical leadership and ethical climate, and a negative relationship between ethical climate and employee misconduct. Lastly, they found that ethical climate mediated the relationship between ethical leadership and employee misconduct. The authors conclude that such research can help companies realize that by creating an ethical climate, they can decrease employee misconduct.

Ethical leadership and core job characteristics

Piccolo, Greenbaum, Den Hartog, and Folger (2010) examined the relationship between ethical leadership and task significance, job autonomy, effort, and job performance. The authors conducted a study of undergraduate and MBA students, and used the ELS for ethical leadership and other measures for job characteristics, effort, citizenship behaviors, and task performance. The results supported their model, showing that task significance and effort mediate relationships between ethical leadership and subordinates' job performance.

Ethical leadership and promotability

Rubin, Dierdorff, and Brown (2010) examined the influence of ethical leadership on the promotability of leaders. The authors conducted a study of 96 managers and their 412 employees from two companies. They used the ELS developed by Brown et al. (2005) to test ethical leadership, and other measures to test ethical culture, pressure to achieve results, and leader promotability. The results showed that ethical leader

behavior has a positive influence on leader promotability. Also, the study demonstrated that ethical leaders were likely to be rated by their superiors as having the potential to reach senior management ranks in the long term. However, the sample showed that ethical leaders were not any more likely to be viewed as ready for promotion in the immediate future. The study also demonstrated that ethical culture and pressure to deliver results are moderating relationships between ethical leadership and promotability to senior management positions.

Ethical leadership and work environment

Stouten, van Dijke, and De Cremer (2010) focused on how ethical leaders can impact bullying behavior in the workplace. The authors defined bullying as undesirable behavior in the workplace, such as harassment or negatively affecting a person's work functions. They conducted research by collecting over 800 surveys that used the ELS for ethical leadership and other measures for bullying, workload, and poor working conditions. The research demonstrated that ethical leadership is negatively associated with bullying. Further, ethical leaders can improve employees' workload and poor working conditions, and thus decrease bullying.

Ethical leadership and follower self-esteem

Avey, Palanski, and Walumbwa (2011) examined the effects of ethical leadership on follower organizational citizenship behavior (OCB) and deviant behavior. The authors used a sample of 191 working adults who were directly connected to a university. The researchers used the Brown et al (2005) ELS and found a positive relationship between ethical leadership and follower OCB, and a negative relationship

with deviance. They also found that these relationships are weaker when followers' self-esteem is low.

Ethical leadership and executive-follower relationship

Jordan, Brown, Trevino, and Finkelstein (2011) found in their study that leaders' cognitive moral development (CMD) is positively related to followers' perceptions of the leader's ethical leadership. The participants in the study were senior executives in a university executive education program and their direct reports, all of whom were given surveys. The measure for the followers' perception of ethical leadership was the Ethical Leadership Scale (ELS) and for CMD the Defining Issues Test (DIT).

Ethical leadership and gender

Kacmar, Bachrach, Harris, and Zivnuska (2011) tested the relationship between ethical leadership and OCB. They also examined the roles played by employee gender and perceptions of politics in the workplace. The authors sampled full-time government workers and their supervisors, using the ELS for ethical leadership and another measure for OCB. Results indicate "the pattern of male and female employees' citizenship associated with ethical leadership depends significantly on their perceptions of politics" (p. 633).

Ethical leadership and personality traits

Kalshoven, Den Hartog, and De Hoogh (2011a) investigated the relationships between ethical leadership and personality traits. They used the five-factor personality framework for personality traits (conscientiousness, agreeableness, and emotional stability) and the ELS for ethical leadership. They used two samples from

various organizations as participants, one with managers and the other with their direct subordinates. The results showed that there was a significant relationship between conscientiousness and ethical leadership.

Ethical leadership and international perspective

Resick et al. (2011) examined the differences in meaning of *ethical leadership* from different managers from different countries. The authors conducted research by using qualitative interviews of managers from the China, Hong Kong, Taiwan, the U.S., Ireland, and Germany. The managers identified behaviors they considered representative of ethical and unethical leaders by using “qualitative methods to explore the culture-specific behaviors and characteristics of ethical and unethical leadership in these six societies” (p. 440). Based on their responses, the authors were able to determine, across cultures, six dominant ethical leadership themes (accountability, consideration and respect for others, fairness and non-discriminatory treatment, character, collective orientation, and openness and flexibility) and six dominant unethical leadership themes (acting in self-interest and misusing power; deception and dishonesty; lack of accountability compliance and transparency; lack of personal values; incivility; and narrow or short-term focus).

Ethical leadership and employee performance

Ruiz, Ruiz, and Martinez (2011) conducted an empirical study to determine whether performance is improved in a leader-follower relationship from senior management. The researchers used a survey instrument with over 500 participants. The results showed that ethical leadership has a significant influence on employee job

performance. Ethical leadership is also improved through an ethics trickle-down effect, from senior manager to immediate supervisor.

Influence of situational variables on ethical leadership

Stenmark and Mumford (2011) examined six situational variables that may influence ethical leadership. They examined the impact of performance pressure, interpersonal conflict, threats to self-efficacy, type of ethical issue, authority of people involved in the interaction, decision-making autonomy, and dimensions of ethicality.

The participants in their study were 238 undergraduate psychology students who were asked to answer questions based on ethical problem scenarios. The results suggest that leaders make worse decisions when responding to a superior's request as opposed to a request by a peer or subordinate.

Ethical leadership and character

Wright and Quick (2011) proposed that character should be studied as part of ethical leadership. According to the authors, character analysis is a neglected area of leadership research. The authors provide a historical overview and definition of character, including the contention that moral discipline is its key dimension and that character-based leaders are viewed as agents for moral change. They also discuss profiles in character and their observations of character as demonstrated by their MBA students. The authors contend that if research would focus on character, it would help companies as they seek to select, train, and develop leaders with character.

In summary, this phase of ethical leadership represented research done to link or show relationships between ethical leadership and other organizational issues.

Examples include the link between ethical leadership and self-esteem (Avey et al., 2011), character (Wright & Quick, 2011), and personality (Kalshoven et al., 2011a). Also, studies researched the consequences of ethical leadership such as job satisfaction (Neubert et al., 2009), job performance (Piccolo et al., 2010; Ruiz et al., 2011), promotability (Rubin et al., 2010), OCB (Avey et al., 2011), and social responsibility (De Hoogh et al., 2008). Additionally, there were studies on the influence of contextual factors such as cross-cultures (Resick et al., 2006; Resick et al. 2011; Toor & Ofori, 2009) and gender (Kacmar et al., 2011). Lastly, studies have researched the connection between undesirable organizational attributes and negative leadership issues such as counterproductivity (Detert et al., 2007; Mayer et al., 2009), employee misconduct (Mayer et al., 2010), and bullying (Stouten, 2010). These studies mostly used the 2005 ELS, which remained the only instrument until three new assessment tools were developed in 2010, 2011 and, most recently, in 2013.

Ethical leadership and Leadership Virtues Questionnaire

Riggio et al. (2010) created the 36-question Leadership Virtues Questionnaire (LVQ) to test for virtue-based ethical leadership. According to the authors, an ethical leader is a leader “whose personal characteristics and actions align with...the cardinal virtues of prudence, fortitude, temperance, and justice” (p. 239). The authors conducted studies questioning managers about their superiors, using the LVQ and other measurements of positive leadership such as the ESL. The results show that

virtue-based ethical leadership is positively correlated with transformational leadership, authentic leadership, and ethical leadership. The study defines the ethical leader as one with philosophical virtues, and the researchers propose that using this questionnaire in future studies would take research in ethical leadership in a new direction.

Ethical Leadership at Work Questionnaire (ELW)

Kalshoven, Den Hartog, and De Hoogh (2011b) reviewed the ethical leadership measures that have been used in the literature, and they created a new questionnaire called the Ethical Leadership at Work (ELW) Questionnaire. The authors identified seven ethical leader behaviors: 1) people orientation, 2) fairness, 3) power sharing, 4) concern for sustainability, 5) ethical guidance, 6) role clarification, and 7) integrity. They then tested these behaviors in two employee samples by using the 46-item ELW to measure ethical leadership. In the first study, ELW results showed that ethical leadership had positive relationships with satisfaction and commitment, and a negative relationship with cynicism. In the second study, ELW results showed that ethical leadership was related to OCB. Also, the ELW was shown to be a tool to help better understand ethical leadership.

Ethical leadership and financial reporting decision

Arel, Beaudoin, and Cianci (2012) conducted an experiment to determine when accounting professionals decide to book a questionable journal entry. They tested the likelihood that the accountant would do this, considering the strength of ethical leadership and the strength of the internal audit function (IAF). The authors used a

research instrument with a decision task of recording the accrual at the request of the controller. They found that ethical leadership and the IAF combine to determine the likelihood that accountants book the questionable entry. They were less likely to book the entry (or question it) when there is a weak ethical leader and a strong IAF (when compared to all other conditions). They also found that the effect of ethical leadership and IAF on an accountant's decision is mediated by the perception of the moral intensity of the issue; the greater they perceive the intensity, the less likely are they to book the questionable entry.

Ethical leadership and employee voice

Avey, Wernsing, and Palanski (2012) examined the relationship between ethical leadership and positive employee outcomes. The researchers sampled 1,300 working adults who were affiliated with a large university in the U.S. They used the ELS to test for ethical leadership and other measures for employee voice, psychological ownership, job satisfaction, and well-being. They found that ethical leadership was positively related to all of these. Also, the research demonstrated that employee voice mediates the relationship between ethical leadership and psychological well-being, and psychological ownership mediates the relationship between ethical leadership and job satisfaction. The study shows that ethical leaders influence employee job satisfaction and psychological well-being.

Normative reference points of ethical leadership

Eisenbeiss (2012) contributes to the literature by “providing an interdisciplinary integrative approach to ethical leadership and specifying normative reference points”

(p. 15). In an analysis of ethical leadership, the author identified four essential orientations of ethical leadership: 1) humane, 2) justice, 3) responsibility and sustainability, and 4) moderation. The author also offers predictors and consequences of leader expressions of these four orientations, as well as interviews with leaders that illustrate how these orientations practically play out. These orientations are closely related to some of the categories used in the present research study.

Embedding ethical leadership in organizations

Eisenbeiss and Giessner (2012) reviewed the research on ethical leadership and developed a conceptual framework that analyzes how organizational ethical leadership is embedded in an organization. Their framework identifies factors on three different levels of analysis—society, industry, and organization. They contend that these levels can affect the development and maintenance of ethical leadership

Ethical leadership in different kinds of organizations

Heres and Lasthuizen (2012) examined whether there are any differences in the way ethical leadership is conceived across different organizations. The study used qualitative interviews to explore similarities and differences among private, public, and hybrid organizations. The results showed that most aspects of ethical leadership may be transferable across different sectors.

Ethical leadership and identity

Hunter (2012) summarized the contributions, common themes, and conflicting perspectives from the *Journal of Business Ethics* special issue on leadership, ethics, and identity. The key contributions were in categories of 1) definitional issues, 2) the

processes of ethical leadership, 3) the moderating influences of ethical leadership, and 4) outcomes of ethical leadership. He also highlighted common themes such as complexity, importance of ethical leadership, and criticality of process. Lastly, the conflicting themes were ethical versus unethical leadership, stable versus dynamic definition, and rational versus intuitive ethical decision-making. As areas for future research, the author also presents issues of time, leader's characteristics, and drivers of normative shifts in perceptions of ethical behavior.

Causes and consequences of ethical leadership

Mayer, Aquino, Greenbaum, and Kuenzi (2012) examined the causes and consequences of ethical leadership, and they compare it to idealized influence, interpersonal justice, and informational justice. The authors conducted two studies of work units using various measures for moral identity, ethical leadership, unethical behavior, and relationship conflict. The first study showed positive relationships between ethical leadership and moral identity, and a negative relationship with unit unethical behavior and relationship conflict. In both studies, ethical leadership partially mediated the effects of moral identity.

Ethical leadership and group performance

Building on their earlier work (Walumbwa et al., 2011), Walumbwa, Morrison, and Christiansen (2012) propose that ethical leadership will lead to higher group in-role performance. They conducted survey data from groups of nurses and nurses' group leaders and found that there was a positive relationship between employee ratings of

ethical leadership and leader ratings of group in-role performance. Also, group conscientiousness and group voice mediated the relationship.

Ethical leadership and embedding

Schaubroeck et al. (2012) collected data from army soldiers. Their findings support a multilevel model that takes into account how leaders embed shared understandings through their influence on the ethical culture of units at various levels. The ethical culture, in turn, directly influences followers' ethical behavior and indirectly influences ethical culture.

Ethical leadership and ethical climate

Shin (2012) conducted research with CEOs and employees in South Korea, seeking to understand the relationship between ethical leadership and ethical climate (and climate strength and OCB). He found that CEOs self-rated ethical leadership (using the ELS) was positively associated with the employees' aggregated perceptions of the ethical climate of the firm.

Ethical leadership and courtesy

Kalshoven, Den Hartog, and De Hoogh (2013) used a multi-level approach with a sample of leaders and followers to examine the relationship between ethical leadership and follower helping and courtesy. They found that "shared perceptions of moral awareness and empathic concern of the work group moderated the relationship between ethical leadership and follower helping and courtesy" (p. 211).

Ethical leadership and creativity

Ma, Cheng, Ribbens, and Zhou (2013) examined the influence of ethical leadership on employee creativity. They used a multiple mediation model to sample employees and supervisors from four Chinese companies. The authors found that ethical leadership was positively related to employee creativity, and that knowledge sharing and self-efficacy mediated this relationship.

Unethical leadership and workplace bullying

Onorato (2013) discusses a study on ethical leadership that assessed it as a critical factor that contributes to workplace bullying. The authors used the Perceived Leader Integrity Scale (PLIS) survey instrument for ethical leadership and concluded that unethical leadership does result in workplace bullying.

Ethical Leadership Questionnaire (ELQ)

Yukl et al. (2013) reviewed the ethical leadership measures that have been used in the literature, and they assessed a new questionnaire for measuring ethical leadership. The Ethical Leadership Questionnaire (ELQ) consists of 15 items and one composite score. The items describe “honesty, integrity, fairness, altruism, consistency of behaviors with espoused values, communication of ethical values, and providing ethical guidance” (p. 6). The author tested the measure with 192 graduate MBA students, each with full-time jobs. Each was asked to rate their current supervisor based on the 15 items. In addition to creating a new instrument, the authors found that ethical leadership makes a significant contribution to managerial effectiveness.

In summary, ethical leadership has gone through an interesting history. It started with being defined as traits and behaviors and then evolved to include social learning theory. After the definition and introduction of the Ethical Leadership Style (ELS) questionnaire in 2005 to measure these two constructs, the literature went on to move in many directions. Mostly, this included seeking to determine the link between ethical leadership and desirable and undesirable workplace consequences. While some studies have examined leadership style, *ethical leadership style*, however, has not been addressed per se in the literature. For example, Eagly, Johannesen-Schmidt, and Enger (2003) define *leadership style* (not ethical leadership style) as the preferred way leaders choose to “inspire their followers and nurture their ability to contribute to the organization” (p. 570). This study seeks to apply the leadership style scholarship to the ethical leadership scholarship, and validate an instrument to test this construct.

The ELS continued to be used for most studies; however, it does not measure the style of the leader nor test how a leader makes a decision. Over time, the research started to observe the limitations in the ELS. For example, the ELS did not contain certain traits and behaviors, such as virtue or concern for sustainability. Other instruments such as the Leadership Virtues Questionnaire (ELVQ), Ethical Leadership at Work Questionnaire (ELW) and Ethical Leadership Questionnaire (ELQ) have emerged to fill the gaps in the ELS. They all seek to advance the literature further by including traits such as honesty and fairness, and yet adding new

ones. This study seeks to fill the gaps in the ELS by testing the possibility of an instrument to test ethical leadership style.

Further, these instruments are new and their findings have not been thoroughly tested in subsequent research settings. Additionally, none of them addresses the gap in the research on whether managers are inclined toward a certain ethical style and ethical orientation. The literature also continues to be mostly focused on the view of the followers about the leader, and not on analyzing how the leader makes ethical decisions. This creates a gap in the literature that this study seeks to fill: how leaders make decisions when faced with an ethical situation.

The present study has a goal of adding to the body of literature by testing the validity of an instrument for measuring ethical leadership style. Such an instrument would increase our understanding of the decision-making process leaders engage in when faced with an ethical decision. This knowledge should be helpful for practitioners since leaders would have a better understanding of their leadership style and thus their orientation for approaching ethical situations. In the next chapter, the research approach and methods used in this study are presented.

Chapter 3: Research Methods

Research Problem

The purpose of this study was to test the possibility of creating a validated instrument to measure ethical leadership style, including determining whether managers have one primary ethical leadership style. If two different managers have two different ethical leadership styles, then both managers, when faced with the same ethical dilemma, could make two different decisions. Thus, an understanding of a manager's ethical leadership style is an important element of managerial decision-making.

This chapter describes the research design and instrumentation of the present study. In addition, the chapter presents the study's research setting, participants, and data collection and analysis techniques.

The Ethical Leadership Style Questionnaire (ELSQ)

The ELSQ, developed by Peter Northouse, consists of five ethical situations that a manager might face in practice and asks participants their concerns when responding to these situations. (See Appendix B for the complete ELSQ instrument). After demographic questions, the ELSQ presents the five situations and asks participants to respond to concerns based on a Likert scale. It then presents the same situations with participants responding to concerns based on an Ipsative scale.

The ELSQ's six answer choices are grounded in the ethical philosophies of caring ethics, distributive justice ethics, duty ethics, egoism ethics, personal virtue ethics, and utilitarianism ethics. This list is not considered to be an exhaustive list of ethical styles but rather the most common ones found in the literature. The definitions of these styles, a managerial decision example of the style, and the concern listed in the ELSQ are described below, as defined by Northouse (2001). Following the discussion, Table 1 summarizes the types of styles by ethical theories and morality.

1. Caring Ethics: An action is ethical or moral if it demonstrates care for the needs of oneself and those with whom one has special relationships. Caring leaders are willing to nurture the needs of those with whom they have a special relationship. Caring ethics is a relatively new moral theory that evolved because of today's focus on care-givers and care-receivers, who in an increasingly older population, tend to be women. Feminists developed caring ethics, most notably Gilligan (1982), who took issue with Kohlberg's moral development theory. While Kohlberg's theory postulated that men were more morally mature than women, Gilligan disagreed, arguing that women tend to view morality differently than do men. This "different voice" of morality puts more emphasis on compassion than on the morality stages of development in Kohlberg's scale. Gilligan postulated that traditional moral approaches to ethics had a male bias, and argued that the "voice of care" was a legitimate alternative to the other better-known ethical theories. Tronto (2005) states

that the four elements of caring ethics are attentiveness, responsibility, competence, and responsiveness to others.

Example: A leader expresses concern about conditions in the workplace because the conditions may be having a negative impact on his/her subordinates; regardless of the OSHA standards on workers' rights, the leader addresses the needs of workers.

Concern: "In this situation, I would be concerned about determining how this situation could affect my close work relationships."

2. Distributive Justice Ethics: An action is ethical or moral if it ensures that each individual is treated fairly. An action is moral if it attends to the fair distribution of resources. If the poor are undervalued or underserved, moral leadership will attend to the fair distribution of resources such as ensuring each person receives an equal share of resources according to merit or individual need. Distributive justice is the perceived fairness of how rewards and costs are shared by and distributed to group members. According to Forsyth (2006), distributive justice has norms related to sharing of costs and distribution of rewards.

These norms are equity, equality, power, need, and responsibility. For equity and equality, members perceive fairness when their outcomes are based on their contributions and when they are given an equal share of rewards and costs. For power, members perceive fairness when those with more power, control, and

responsibility receive more than those in lower positions. For need, members perceive fairness when those who have greater need are provided the resources they need. For responsibility, those with abundant resources should share resources with those who have less.

Example: A leader gives additional time off to a subordinate who is struggling with a health issue.

Concern: “In this situation, I would be concerned about treating everyone fairly.”

3. Duty Ethics: An action is ethical or moral if it fulfills one’s duty. A leader has a moral obligation to take or avoid taking a particular action to protect and further the rights of others. Duty ethics is part of nonconsequentialist (or deontologicalistic) ethics in which moral actions are not based solely on consequences but on other considerations. Duty ethics is based primarily on the categorical imperative philosophy advanced by Immanuel Kant in 1785. According to Kant, once we determine that an action is universal law, it is categorically imperative that we follow that law regardless of other considerations. From that universal command, we derive all our specific commands of duty of behaviors—of what is morally required, forbidden, or permitted. It is binding on everyone (Shaw & Berry, 2010).

Example: A leader creates a participative and open work environment because she believes that every employee has a right to be heard.

Concern: “In this situation, I would be concerned about fulfilling my obligations as leader in charge.”

4. Egoism Ethics: An action is ethical or moral if, and only if, it maximizes good for the individual. A leader makes decisions that maximize good for the leader. Egoism is part consequentialist theory of ethics, in which moral rightness of an action is determined exclusively by its results. With egoism, morality is equal to the results of an action as based on the actor’s self-interest. An action is morally ethical and should be taken if the results of the action promote the actor’s interests. Ethical egoism can be divided into the actor’s perspective: individual (my self-interest only), personal (my self-interest, but no comment on what others should do), and impersonal (everyone should focus on their own self-interest) (Shaw & Berry, 2010).

Example: A leader takes a political stand on an issue for no other reason than to get re-elected.

Concern: “In this situation, I would be concerned about making sure my own goals as leader are satisfied.”

5. Personal Virtue Ethics: An action is ethical or moral if the action emanates from a leader who is good, worthy, and humane. An action is taken because it is what a good, honest, virtuous person would undertake. Personal virtue is part of normative ethics, in which moral actions are considered by ethical action and what right thing is

to do under the circumstances. Personal virtue originated from Plato and Aristotle in ancient Greek philosophy, and it is the oldest ethical philosophy. It emphasizes a person's character and moral behavior based on virtues of wisdom, justice, fortitude, and temperance (Hursthouse 2013).

Example: A leader visits a subordinate's spouse in the hospital because he/she is a compassionate person.

Concern: "In this situation, I would be concerned about doing what an exemplary leader would do in the situation."

6. Utilitarianism Ethics: An action is ethical or moral if it maximizes good for the greatest number of constituents. Decisions are made so as to do the most good and least harm for everyone in the group. Duty ethics is part of nonconsequentialist (or deontological) ethics. It states that actors should always act to produce the greatest balance of good over bad for everyone who is affected by their actions. Personal virtue originated primarily from Bentham and Mill, who were the first to develop it in detail. They concluded that pleasure equaled happiness and provided the ultimate value to people. Therefore, actions are moral if they produce the greatest amount of pleasure (happiness) and least amount of pain (unhappiness) (Shaw & Berry, 2010).

Example: A leader takes a stand that distributes scarce resources so as to maximize the benefits to everyone while hurting the fewest.

Concern: “In this situation, I would be concerned about making sure that more people benefited by the outcome than were hurt by it.”

Table 1. Ethical Theories and Morality

Teleological (Morality of Consequences)	Deontological (Morality of Action)	Character (Morality of Virtue)	Caring (Morality of Relationship)
Egoism	Duty	Personal Virtue	Caring
Utilitarianism			
Distributive justice			

Source: Northouse (2012)

Research Design

The purpose of this study was to test the possibility of creating a validated instrument to measure ethical leadership style. Certain types of research problems are more appropriate for certain types of research approaches. Due to the type of study, a qualitative design (observations, interviews, journals, and focus groups) would not be the best research approach. First, qualitative data collection is not anonymous and could thus result in participants not being candid in their responses about the concerns they would have in ethical dilemmas. Second, qualitative data would not have provided the data needed for statistical analysis. Third, with quantitative research, reliability can be measured whereas such measurement is not as clear in qualitative research.

Instead, a problem that calls for understanding the best predictors of outcomes demands a quantitative approach (Creswell, 2009). As the intent of this study is to test

the possibility of creating a validated instrument for data collection and will be used to predict an outcome, it is appropriate to use a quantitative approach. The researcher therefore utilized a quantitative research design. The ELSQ was an efficient way of gathering the data, and “provides quantitative or numeric description of trends, attitudes, or opinions of a population by studying a sample of that population” (Creswell, 2009, p. 12).

Instrumentation

The ELSQ first asks participants to complete demographic information, which will be explained in more detail later in this chapter. It then asks participants to complete two versions of the questionnaire, Form A and Form B.

In Form A, participants are asked to place themselves in the role of manager or leader. They are asked to consider five situations, think of how they would respond to each one, and indicate from selecting among provided choices what they would be concerned about when making that decision. The concerns reflect the six ethical styles, including caring, distributive justice, duty, egoism, personal virtue, and utilitarianism. Participants are asked to respond based on an Ipsative scale, allocating percentages from 0 percent to 100 percent across six concerns based on how they would respond to the situation. Participants show their concerns by allocating 100 points over the six concerns, assigning points such that the higher percentages mean they would place more weight on that concern in their decision. There is also a

comment section where the participant can add any ethical issues or concerns about the situation that are not covered in the responses.

In Form B, participants are asked to consider the same five situations that a manager or leader could face in practice. However, in this form, they are asked to respond based on a 5-point Likert scale. They are asked to allocate a number between 1 and 5 for each ethical style to indicate what they would be concerned about when making their decision. The options are 1 = *strongly disagree*, 2 = *disagree*, 3 = *neutral*, 4 = *agree*, and 5 = *strongly agree*. These options in Form B are presented in a different order than in Form A.

While both scales (Form A and B) appear to have the same goals, there are three primary objectives of using them conjointly in this study. First, asking participants to complete both scales can provide more information than could be obtained with one method alone. For example, if one scale determines that a manager has a particular style, then that scale can be compared to the second scale to determine if both are consistent. By comparing both scales, correlations between the two results can be calculated and a more accurate ethical leadership style can be determined. Second, utilizing both scales is an opportunity to find answers that would not be possible if the study used only one measure. For instance, the scales could be compared to determine if one scale is a better style indicator than the other. Third, as discussed later in this chapter, two scales can be used to compare for construct validity.

Validity

Construct validity is “the extent to which the scale measures what it is purported to measure” (Hinkin, 1998, p. 967). In this study, this would refer to the extent that the ELSQ measures the ethical leadership style construct. In psychometric research, constructs (such as ethical leadership style) are abstractions (without physical properties) that are not easily directly observable. However, ethical leadership is an important construct in managerial decision-making and has been recognized in the academic literature. However, ethical leadership style has limited reference, even though leadership style has been recognized (e.g., authoritarian, paternalistic, democratic, laissez-faire, transactional, and transformational leadership styles.)

Construct validity can be tested by a variety of methods to show that the measure examines known variables related to the construct. Examples are multi-method matrix (MTMM), factor analysis, and structural equation modeling (SEM). However, in each of these cases, there would have to be many studies examined using the ELSQ before construct validity could be established.

While two unrelated measures of the same construct are ideal (such as asking the participants’ supervisors their style), such information was not available for this study. In the absence of this data to examine ethical leadership variables, construct validity was established in two ways. First, the style definitions were vetted with an unrelated group of managers/doctorate students to establish that they are consistent

with the ethical leadership literature and practitioner understanding. Second, the Ipsative and Likert scales were compared to show participants' understanding of the instrument.

Content validity "is established by showing that the test items instrument are a sample of a universe in which the investigator is interested" (Cronbach & Meehl, 1955, p. 182). Content validity may ask whether the ELSQ's six test items cover all relevant areas of the universe. In this case, the object of study is ethical leadership style, and the universe of interest is the set of different styles. Since there is a possibility that there are other styles, the universe for this study is the set of those styles. Content validity was determined using expert review by the creator of the questionnaire.

Reliability

Reliability refers to the accuracy or consistency of a measuring instrument to reproduce the same measures on different occasions. If the instrument can do that well, then it has a high level of reliability; if not, it has a low level of reliability.

Reliability can be calculated in many ways, but it is usually measured as internal consistency using Cronbach's alpha. Cronbach's alpha is defined as

$$\alpha = \frac{K}{K-1} \left(1 - \frac{\sum_{i=1}^K \sigma_{Y_i}^2}{\sigma_X^2} \right)$$
, where K is = the number of components, where σ_X^2 is the variance of the observed total test scores, and $\sigma_{Y_i}^2$ is the variance of component I for the current sample of persons (Develles, 1991). The alpha coefficient ranges from 0 to 1; the closer the scale to 1, the greater the reliability of the instrument. Generally,

the alpha coefficient should be at least .70 for it to be acceptable to show internal consistency.

In general, reliability is used to prove consistency of subscales when the items of the subscale are added to obtain a sum or an average. However, the instrument in this study is not used in this way. Instead, the purpose of the instrument is to create a rank order of six possible concerns managers encounter when making ethical decisions. Therefore, reliability is not a major concern for this instrument. Nonetheless, overall instrument reliability (based on the Likert scale) was tested using Cronbach's alpha. The instrument achieved a reliability alpha coefficient of .830, which identifies that there is good internal consistency. (See Table 2.)

Table 2. Overall Instrument Reliability

<i>Alpha</i>	<i>N/Items</i>	<i>N/Cases</i>
.839	5	33

The reliability of the ELSQ was then tested to determine how each question effectively grouped together. Alpha coefficients ranged from .704 to .920, which identifies that there is acceptable to excellent reliability within the five-question instrument. (See Table 3.)

Table 3. Overall Question Reliability

Question	Alpha
Utilitarianism	.726
Personal Virtue	.920
Distributive Justice	.761
Egoism	.894
Duty	.704
Caring	.785

Research Setting

This research study was conducted at different times at four different companies and with employees at different times within these companies. The companies are from different industries, including a credit union, HVAC business, educational services company, and a computer chip firm. This diversity of companies helped solidify findings as being representative across different industries.

Participants

The sample population for the research study was 33 full-time business managers: 7 from the credit union, 6 from the HVAC business, 5 from the educational services company, and 15 from the computer chip firm. The participants ranged in ages from 29 to 55 years, with an average age of 41. Their management experience range was from 2 to 31 years, with an average of 11 years. Their management responsibility ranged from 0 to 95 employees that report to them, with an average of 19 employee reports. Further demographic data and patterns about the participants are presented in chapter 4.

Data Collection

The ELSQ was expected to take participants about 25 minutes to complete. Each respondent was given the instrument and asked not to put their name or any identifying information on the form. This was to ensure that the information collected remained anonymous and confidential. The researcher collected the survey results and the data were inputted into the SPSS statistical software program, which was used to analyze the information.

Data Analysis

The researcher collected the survey results, and descriptive statistics were generated, including mean scores, frequency distributions, correlations, and reliability. The researcher used an Excel spreadsheet program to calculate the mean scores and frequency distributions for the demographic information. This procedure was used to determine the means of this data and match them up with ethical leadership styles. The researcher wanted to test whether there were any variations for different ethical leadership styles across age, gender, education, and experience.

The researcher used the SPSS statistical software program to calculate correlations and reliability. This procedure was used was to determine the correlation between the Likert scale and the Ipsative scale of the ELSQ. Also, this procedure was used to determine the overall reliability of the instrument. These procedures are important aspects of the research because they test the reliability of the instrument, including testing whether managers have one primary ethical leadership style.

Summary

This chapter described the methods and procedures used to test the validity and reliability of the Ethical Leadership Style Questionnaire (ELSQ), including testing whether managers have one primary ethical leadership style. The chapter presented the research problem, the research design, and instrumentation. Also, the chapter discussed the research setting, participants, data collection process, and the data analysis of the information gathered. The data that address the research question are presented in chapter 4. The demographic information of the participants in the study will also be presented in greater detail. The conclusions, implications, and recommendations of the study are discussed in chapter 5.

Chapter 4: Research Findings

This chapter describes the analysis of the data collected to test the possibility of creating a validated instrument to measure ethical leadership style. First, the chapter provides information about the demographics of the sample population. Second, the chapter presents statistical analysis about the variables in the study. Last, this chapter ends with a summary of the findings.

Response Rate

Four companies agreed to participate in the research study. From these four companies, 36 managers were part of the sample population that filled out the Ethical Leadership Style Questionnaire (ELSQ). However, 3 of the surveys were not useable in the study, as those participants did not complete them in its entirety. Two managers did not complete all the questions in the instrument, and one manager did not complete the demographic information, making the total number of useable participants for purposes of the analysis 33, or 91 percent of the surveys collected.

(See Table 4.)

Table 4. Companies and Participation (N=33)

Company	n	Percent
Educational services company	5	15%
HVAC business	6	18%
Credit Union	7	21%
Computer chip firm	15	46%

Demographics

The ELSQ contains five demographic items: age, gender, level of education (high school, college, or graduate), number of years in management, and number of employees who report to the respondent.

The first demographic question asked participants their age in years. The age range was from 29 to 55, with an average age of 41. Two respondents, representing 6 percent of the total population, were under the age of 30. Thirteen respondents, representing 40 percent of the total population, were between the ages of 30 and 39. Twelve respondents, representing 36 percent of the total population, were between the ages of 40 and 49. Six respondents, representing 18 percent of the total population, were between the ages of 50 and 55. (See Table 5.)

Table 5. Participant Age (N=33)

Age	Frequency	Percentage
30–39	13	40%
40–49	12	36%
50–55	6	18%

The second demographic question asked the participants their gender. The research study consisted of 10 female participants, representing 30 percent of the total population, and 23 male participants, representing 70 percent of the total population. (See Table 6.)

Table 6. Participant Gender (N=33)

Gender	Frequency	Percent
Male	23	70%
Female	10	30%

The third demographic question asked the participants their level of education, whether high school, college, or graduate. There were 4 participants in the study with high school education, representing 12 percent of the total population. There were 21 participants in the study with college education, representing 64 percent of the total population. There were 8 participants in the study with graduate education, representing 24 percent of the total population. (See Table 7.)

Table 7. Participant Education (N=33)

Education	Years	Percentage
High School	4	12%
College	21	64%
Graduate	8	24%

The fourth demographic question asked participants their years in management. The range of management experience was from 2 to 31 years, with an average of 11 years. There were 6 respondents, representing 18 percent of the total population, who had been in management for 5 years or less. There were 14 respondents, representing 43 percent of the total population, who had been in management for 6 to 10 years. There were 9 respondents, representing 27 percent of the total population, who had been in management for 11 to 19 years. There were 3 respondents, representing 9 percent of the total population, who had been in management for 20 to 29 years. There was only one respondent who had been in management over 30 years. (See Table 8.)

Table 8. Participant Management Experience (N=33)

Yrs Mgmt Experience	Frequency	Percentage
<5	6	18%
6–10	14	43%
11–19	9	27%
20–29	3	9%
>30	1	3.0%

The fifth demographic question asked participants the number of employees that report to them. The range of employee reports was from 0 to 95, with an average of 19. If the response of 95 were not included in the tally, the average number of employee reports would have been 16. There were 18 respondents, representing 55 percent of the total population, who had employee reports of 0 to 9. There were 3 respondents, representing 9 percent of the total population, who had employee reports of 10 to 19. There were 7 respondents, representing 21 percent of the total population, who had employee reports of 20 to 29. There were 5 respondents, representing 15 percent of the total population, who had employee reports of over 30. (See Table 9.)

Table 9. Participant Employee Reports (N=33)

Number of Reports	Frequency	Percentage
0–9	18	55%
10–19	3	9%
20–29	7	21%
>30	5	15%

Demographics Summary

The demographic results of the sample population are important. A diverse sample would strength any conclusions about ethical leadership style as being broadly representative of the general population. A diverse sample also provides an opportunity to analyze segments of the population for similarities and differences.

The demographics show that the sample population is diverse across industries, age, gender, education, and experience.

First, the sample was diverse in company type, as the participants were managers from different companies, and in different industry sectors. Second, the sample population was diverse in gender and age, with broad representation. However, the demographic data show that 94 percent of the sample population was over 30, with the largest group in the age range of 30 to 39 (40 percent). As a result, a limitation would be any conclusions drawn as representative of a younger population. However, since this study is focused on management leaders with broad responsibilities, it is expected that they would have longer tenure in their organizations.

Third, the sample population was diverse across formal education, with representation of all education levels. However, the education data show that 88% of the sample population had either a college degree or graduate degree, with the largest group with a college degree (64 percent). As a result, a limitation would be any conclusions drawn as representative of a less educated population. However, since this study focused on management leaders with broad responsibilities, it was expected that the majority would have degrees, as many management positions require one.

Lastly, the sample population was diverse across management experience and employee reports. While the largest number had 6–10 years of management

experience (42 percent), there was also a sizeable group with less than 5 years (18 percent).

In summary, while there are limitations, the demographic data show that the sample population is relatively diverse. The participants' demographic information will be discussed further within the context of the statistical analysis.

Statistical Analysis

As discussed in chapter 2, after completing demographic information of the survey, the respondents were presented with five different work-team situations and were asked to provide their concerns as a manager or leader. These situations were 1) dealing with a subordinate team member with possible alcohol problems; 2) leading a team to improve work processes; 3) leading a team to investigate allegations of sexual harassment; 4) deciding how a performance bonus will be divided among team members; and 5) dealing with a team member's absenteeism due to a problem child.

The responses to these situations were captured in an Ipsative-type scale (allocate percentages 0%–100 percent) and a Likert-type scale (rate answers 1–5). There was also an area in the Ipsative-type part of the survey for additional comments by the respondents. This next section presents the data analysis. The next chapter presents conclusions indicating whether this data—the participants' responses to ethical situations—provide evidence that ethical leadership style can be predicted.

Scale correlation

The ELSQ uses both an Ipsative-type scale and a Likert-type scale. In order for both scales to be effective in providing evidence of ethical leadership style, they should strongly parallel or correlate with one another. A 1.0 would indicate a perfect positive correlation, and a 0 would indicate no correlation whatsoever. Based on Pearson's correlation, a correlation higher than .70 indicates a strong positive correlation, and below .30 indicates a weak positive correlation. Strong correlation between both scales is important for the purpose of this study insofar as the study tests the possibility of creating a validated instrument. As explained in chapter 3, the reason for designing the two scales was to provide more information and to show construct validity. A high correlation between both scales would also suggest reliability. In order to meet these objectives, both scales needed to parallel each other since they are both testing the same constructs.

The data results show a "strong" to "very strong" positive correlation between the Ipsative scale and the Likert scale in 85 percent of the participant cases. There were none that would be classified as a weak correlation. (See Table 10.) This result supports this study's main hypothesis that managers have a preference order of ethical leadership styles. If managers do indeed have such an order for possible concerns, then that preference order should be maintained no matter which scale is used to measure the relative importance of concerns. The high correlations between both scales prove that preference order is maintained across scales. However, the results of the leadership styles did not distribute evenly, as there were three styles that did not

result in a preference order in the population. Therefore, the high correlation coefficients between scales are artificially inflated, as there are actually fewer than six styles that the respondents selected.

Table 10. Correlations Between Two Scales Based on Pearson (N=33)

Correlations	Frequency	Percent	Pearson
.30-.39	1	3%	Moderate
.40-.49	1	3%	Moderate
.50-.59	1	3%	Moderate
.60-.69	2	6%	Moderate
.70-.79	7	21%	Strong
.80-.89	6	18%	Very strong
>.90	15	46%	Very strong

Results

In order to test whether the ELSQ could measure ethical leadership style, both scales were compared to determine if participants matched highest scores on both scales and across all five situations. A participant's match on both scales across all situational concerns would indicate that a particular ethical leadership style was consistent with the participant. Moreover, for the purposes of this study, such results would be important in showing that the ELSQ is a validated instrument to test ethical leadership style. (See Table 11 for the matches discussed below.)

The results show that 30 respondents (91 percent) who completed the ELSQ matched highest scores on both scales, which is strong evidence that the ELSQ is reliable to test ethical leadership style. Only three (9 percent) survey results did not match a style in both scales. The results show that duty ethical leadership style had the highest results with 14 participants (42 percent). The second highest group had a distributive justice style with 9 participants (21 percent), and personal virtue with 7 participants (21 percent). There were no matches for utilitarianism, egoism, or caring leadership styles.

A perfect match between scales indicates the strongest evidence of a predominant style. A perfect match occurs when a respondent scores highest in a particular style in all five situations and in both the Likert and Ipsative scales. For example, if a leader scores highest in personal virtue ethical leadership style in both Form A and Form B, then that would be a perfect match for personal virtue ethical leadership style. In that case, a perfect match would indicate no ties with a personal virtue and another ethical leadership style. The analysis shows 16 respondents (48 percent) demonstrated perfect matches with the highest cumulative scores in all situations and on both scales.

A match between both scales, with one of the scales tied with a second scale, would also be strong evidence of a predominant style. A tie occurs when the respondent scores highest in particular style in all five situations and in both the Likert and

Ipsative scales, but when there is at least one situation in which the highest style also ties with another style. For example, a leader scores highest in personal virtue ethical leadership style in all situations on both Form A and Form B but ties with highest in only one situation for duty ethical leadership style. The data show that there were 14 respondents (42 percent) that matched the highest cumulative scores on both scales, but with a tie on another style in one of the scales (none had ties on both scales). The tie could indicate a secondary style that influences the respondent's ethical decision-making in addition to the predominant style. In summary, this analysis is a strong indication that the ELSQ is a validated instrument to test ethical leadership style.

Table 11. Match Between Two Scales (N=33)

Style	Perfect Match	%	Match w/Tie	%	Total	%
Duty	8	24%	6	18%	14	42%
Personal Virtue	5	15%	2	6%	7	21%
Distributive Justice	3	9%	6	18%	9	27%
Total	16	48%	14	42%	30	91%

Further analysis of the 14 results that had matches with two styles shows that the Ipsative-type scales had far few ties with the predominate style and other styles than the Likert-type scale. For example, only 2 (14 percent) had ties in the Ipsative-type scale, and both tied with duty and distributive justice styles. On the other hand, in the

Likert-type scale, there were 12 (86 percent) ties, which included two styles that were not predominant ethical leadership styles (utilitarianism and egoism). The results of the ties are shown in Table 12.

The analysis of ties is important to the research question of the possibility of a validated ELSQ to test ethical leadership style. The ties could signal not only a predominant ethical leadership style but also a secondary style of the participant. This secondary style could influence the managerial decision-making of the participant.

Table 12. Types of Ties (N=14)

Style	Ipsative-type	Tie	Likert-type	Ties with Other Style
Duty	1	Distributive Justice	5	Personal virtue (2), Distributive Justice (1), Both (1), Utilitarianism (1)
Personal Virtue	0	None	2	Duty (1), Egoism (1)
Distributive Justice	1	Duty	5	Duty (2), Utilitarianism (2), Personal Virtue, Duty (1)
Total	2		12	

There were only 3 (9 percent) participants that had different highest scores on both scales, thus not indicating a predominant ethical leadership style. However, an analysis shows that in all three cases, a distributive justice ethical leadership style was highest on one of the scales. Thus, even without a match of both scales, all

respondents are strong in distributive justice ethical leadership style (see Table 13.) This result is important to the research question because it further highlights that the ELSQ is a validated instrument that can be used to determine ethical leadership style. Even though these three participants did not match on both scales, the ELSQ was able to indicate a preference for the ethical leadership style of distributive justice.

Table 13. Results of No-Matches

Participant	Ipsative-type Scale	Likert-type Scale
A	Distributive justice	Duty
B	Distributive justice	Personal virtue
C	Personal virtue	Distributive justice

Results and Demographics

Further analysis was performed to determine correlations with the ethical leadership style and specific demographic data. An analysis was done with styles and comparisons of age, years of management, and employee reports. (See Table 14.)

In these categories, those whose predominant ethical leadership style was duty were about the same as those of the overall sample population. On the other hand, those with personal virtue as their predominant style were two years younger than the average (39), but they had two years more management experience than the average.

Conversely, those scoring highest for distributive justice were the oldest (43), but they had fewer years in management and employee reports than the average (other than those with no-matches). The no-match group was by far the youngest (36) and the least experienced when compared with the overall sample population. This analysis is important to the research question because it could signal that age or experience or both influences ethical leadership style. However, the results of this research are preliminary, so further research is required to draw such conclusions.

Table 14. Styles, Mean Age, and Experience (N=33)

Style	Frequency	Percentage	Age	Years Mgmt.	Employee Reports
Duty	14	43%	42	12	18
Personal Virtue	7	21%	39	13	16
Distributive Justice	9	27%	43	11	15
No Match	3	9%	36	6	25
Overall	33	100%	41	11	19

Additionally, analysis was done to compare gender with ethical leadership styles. (See Table 15.) The results indicate that women were more represented by a duty ethical leadership style than were men. The data show that 60 percent of the women had a duty ethical leadership style, while only 35 percent of the men had that style. Similarly, 35 percent of the men had a distributive justice ethical leadership style, while only 10 percent of the women had that style. Both men and women were about

the same in the personal virtue ethical leadership style (about 20 percent) and in the no matches (about 10 percent). This analysis is important to the research question because it could signal that gender influences ethical leadership style (e.g., women are more inclined to the duty style and men to the distributive justice style). However, the results of this research are preliminary, so further research is required to draw such conclusions.

Table 15. Styles and Gender (N=33)

Style	Male	Percentage	Female	Percentage	Total
Duty	8	35%	6	60%	14
Personal Virtue	5	22%	2	20%	7
Distributive Justice	8	35%	1	10%	9
No Match	2	8%	1	10%	3
Overall	23	100%	10	100%	33

Additionally, analysis was done to compare education with ethical leadership styles. (See Table 16.) The data indicate that all respondents with only a high school education had a duty ethical leadership style (and all but one with a perfect match on both scales). Also, 63 percent of participants with a graduate degree had a distributive justice ethical leadership style. This analysis is important to the research question because it could signal that education influences ethical leadership style. However,

the results of this research are preliminary, so further research is required to draw such conclusions.

Table 16. Styles and Education (N=33)

Style	High School	Percent	College	Percent	Graduate	Percent
Duty	4	12%	9	27%	1	3%
Personal Virtue	0	0	6	18%	1	3%
Distributive Justice	0	0	4	12%	5	15%
No Match	0	0	2	6%	1	3%
Overall	4	12%	21	63%	8	24%

Results Summary

In summary, the results are important to the research question of testing the possibility of a validated instrument to measure ethical leadership style. The ELSQ was able to determine predominant ethical leadership style in most of the survey participants. It was able to match the highest cumulative scores on both scales and across all ethical situations. In some cases, there was a perfect match with both scales used in the instrument. In other cases, there was a match with both scales indicating a predominant style but also a tie on another scale (mostly on the Likert-type scale). Therefore, the results show that the ELSQ can be used to predicted ethical leadership style.

Summary

This chapter gave a description of the demographic characteristics of the 33 participating managers and included a discussion of the results of the Ethical Leadership Style Questionnaire (ELSQ). The main focus of the study was to test the possibility of creating a validated instrument to measure ethical leadership style. The data, while preliminary, suggest that it is possible to determine a manager's ethical leadership style.

Chapter 5 provides the summary, recommendations, implications, and conclusions of this study.

Chapter 5: Conclusions and Recommendations

Summary

Ethical leadership continues to be an important construct in organizational studies. Recent lapses in ethical conduct have spurred academic research in the area and an increase in interest among practitioners. The ethical leadership construct has gone through an evolution since it entered the management literature in the early 1990s. It first started off by focusing on leaders' normative traits and behaviors. It then expanded to include social learning theory, such as whether the leader is perceived as ethical by followers and whether they influence others to behave ethically. Current research studies focus on the link between ethical leadership and a variety of workplace outcomes such as performance and productivity.

On the other hand, *leadership style* refers to the manner and approach a person takes when making a decision. It focuses on the action of the leader rather than on the influence the leader has on followers. While leadership style has been examined in various leadership studies, such as transformational and transactional leadership, few academic studies have focused on leaders' *ethical leadership style*. The contribution this study makes to the literature is to introduce ethical leadership style as an important area of study.

This research study combines ethical philosophy and leadership style and it contends that leaders have a predominant ethical leadership style. It is that ethical leadership

style that determines the ethical decision-making preference order of the leader, when that leader is faced with an ethical dilemma. Further, the study proposes that the manner in which leaders make ethical decisions is undergirded by one of six primary ethical philosophies: caring, distributive justice, duty, egoism, personal virtue, and utilitarianism ethics.

A leader does not make a decision in isolation as a one-time “go/no go” event. Instead, that leader processes various concerns before they make the decision. As Yates (2003) puts it, the leader’s decision processes are “ways that deciders go about resolving cardinal decision issues as they arise in the decision problems that confront them” (p. 12). Many of these cardinal decisions issues are ethical in nature. As such, a leader’s ethical style refers to the way in which the leader goes about resolving the ethical issues associated with a given decision as part of his or her decision-making process.

As the ELSQ demonstrates, each leader has a predominant ethical leadership style that is associated with one of the six ethical philosophies represented in the questionnaire: caring, distributive justice, duty, egoism, personal virtue, and utilitarianism. The ELSQ adds a new contribution to the theory and practice of decision-making and decision management by providing a tool that a leader can use to clarify the ethical leadership style he or she uses when processing decisions. This allows leaders to make their underlying ethical philosophy known both to themselves

and to others and to assess the merits of their decision-making processes and outcomes relative to their ethical style and its underlying philosophy. While the ELSQ does not determine the decision a leader will make in any given situation, it does provide insight into the ways in which the leader processes the ethical issues associated with decision making and links those decision management processes to an underlying ethical philosophy.

The primary purpose of this research was to test the possibility of validating the Ethical Leadership Style Questionnaire (ELSQ) as an instrument to measure ethical leadership style based on these ethical philosophies. Such an instrument is not currently available because the ethical leadership questionnaires that have been developed are used to test *ethical leadership* and not *ethical leadership style*.

The ELSQ presented managers with five situations, and the managers were asked to choose, based on a preference order, what their concerns were with each situation. Each situation was based on the ethical philosophies mentioned above. Statistical analysis of the ELSQ was performed and the results showed that it has construct validity and content validity, and that it is a reliable instrument to test ethical leadership style. Additionally, the results of the study show that leaders have a preference order when responding to ethical situations. This preference order was maintained in almost all the cases, with each person demonstrating a primary ethical leadership style. Additionally, the results show strong correlations between both

forms of the ELSQ and data to suggest styles could be affected by participants' age, gender, education, management experience, and employee reports. Given these findings, ethical leadership style is defined as *the ethical orientation used by a leader when resolving the issues associated with making decisions and taking action.*

Although the results are preliminary, it is hoped that the ELSQ will facilitate further research into the area of ethical leadership style.

Recommendations for Further Study

The following recommendations for further research are based on the findings from this research study. If the recommendations are implemented, the quality of the data collected in future deployments of the ELSQ could be improved.

First, the survey was limited to only 33 managers, and only 4 companies are represented. Possibly increasing the sample to include more managers and adding more companies could provide more information across various business industries. The survey was also done in a paper format, yet online surveys (such as those facilitated by online tools like Survey Monkey) are more effective. If the instrument is developed for electronic delivery, it could be more easily deployed to larger populations. Also, respondents would feel more confident in the anonymity of their responses. Additionally, an online survey will allow aspects of the data to be computed automatically. In this research study, the researcher analyzed all the data manually. This would be more difficult to do with a larger sample population.

Second, the survey instrument is based on six ethical philosophical orientations, yet this list is not exhaustive. While developing an instrument that takes into account all ethical orientations is unlikely, this does present a limitation to the study. The instrument assumes that the respondent is ethical and then determines toward which leadership style the person is oriented. There could be a category of answers such as “no concerns” or that take into account a person who does not see any ethical concerns in the situation. Also, three styles (caring, egoism, and utilitarianism) were not represented in the final analysis. Further research and study is needed to determine if these are not relevant or if more survey data would elicit managers with these styles.

Third, an analysis of the demographic questions would be beneficial to determine whether they make a meaningful contribution to the data collected. Such analysis might either add or subtract demographic questions from the survey results. For example, does knowledge of direct reports add to the analysis? Also, country of origin, industry sector, or other kinds of demographic data may be valuable. For instance, job function demographic data would allow for ethical leadership style to be paired with occupation.

Fourth, some terms in the survey could use clarification so that respondents interpret the questions more precisely. For example, the “number of employees who report to you” could mean direct reports or employees that report directly and indirectly to the

manager. Also, different respondents may view the words *concerns* or *exemplary* or *ethics* differently. Due to the possible ambiguity inherent in the interpretation of words, definitions would increase the chance that respondents consistently evaluate the questions.

Fifth, analysis needs to be done on the usefulness of both the Ipsative and Likert scales in the survey instrument—namely, an investigation into whether one is better than the other, or whether one is sufficient and thus both are not necessary. While the use of both scales is beneficial in confirming respondent answers, it does have some flaws. For example, there is a possible issue of contamination bias with two exact data-response opportunities. Respondents might replicate the exact answers of the first response set and not view the second set independently. Also, the Ipsative scale has a comment section, and the Likert scale does not. Respondents might be more likely to add comments depending on which scale they are presented with first or second. Also, an analysis of the purpose of the comments section should be investigated. While the responses are insightful, it does not provide any direct conclusion concerning the respondent's ethical leadership style, so it is reasonable to question whether it is even necessary. While it is possible that data mining techniques could be used to extract information from the comments, this was not done in the present research.

Sixth, while nearly half (48 percent) of the concerns perfectly correlate and identify a match with both scales, a large percent (42 percent) have ties with at least one other ethical leadership style (not perfectly correlated). Further research is needed to determine the implication of this finding and whether this means the respondent has a secondary ethical leadership style and, if so, what that means for their decision-making processes.

Seventh, while the study's literature review summarizes a wide range of research on ethical leadership, that research does not provide an in-depth analysis of the philosophical underpinnings on these major styles. While the philosophical perspective is summarized in chapter 3, there is an opportunity to delve deeper into the philosophical underpinnings of the six ethical leadership styles. Such an analysis would enhance the understanding and validity of each of the styles.

Last, further research is needed to determine how style weighs into the step-by-step processes a leader uses to make ethical decisions. The ELSQ determines style based on concerns, but it does not ask the respondent what action they would take based on the situation. While influenced by concerns, it is ultimately the leader's ethical action and how the leader translates concerns into action that would be most valued by businesses.

Despite the limitations of this study, the initial validation of the ELSQ has shown that answers to concerns of ethical situations can reliably be used to shed light on a manager's ethical leadership style. The study presents an initial step toward testing managers' ethical leadership styles. Although the results are preliminary, it is hoped that the ELSQ will facilitate further research into the area of ethical leadership style.

Implications for Practice

This research was conducted to investigate whether leaders have predominant ethical leadership styles by using ethical dilemmas to make that determination. This study may reveal insights that could provide corporations, schools, and non-profit organizations with a tool for helping determine the ethical leadership style of leaders and team members.

Additionally, an understanding of ethical leadership styles can be beneficial to both academics and practitioners. For example, comparative cross-cultural research would be helpful by comparing styles across countries. Such studies could also help leaders understand their own ethical orientation and that of their managers, subordinates, and colleagues, thus facilitating better work relationships. Additionally, an understanding of ethical leadership style can help facilitate personal growth, self-assessment, and training and development.

Furthermore, research is valuable in helping individuals determine their inclination toward a particular ethical style. With that information, they can be aware of their

viewpoint and thus take into consideration other viewpoints as they make ethical decisions in practice. They will also be able to share their style with subordinates and be able to have a better understanding of different styles, making them better leaders.

Conclusions

First, this study contributes to the academic scholarship. The results show that managers who responded to a set of ethical situations consistently maintained a preference order of ethical orientation across all situations (91 percent of the participants). Therefore, the initial validation of the ELSQ shows that answers to concerns of ethical situations can reliably be used to predict the ethics preference order of a manager's ethical leadership style. But, again, it is possible that different results might be found after further deployment of the ELSQ to more managers.

This is why it is suggested that additional research be conducted with a larger number of managers and in more companies. The study therefore presents an initial step toward testing managers' ethical leadership styles. These results provide a new contribution to the academic literature by showing that ethical leadership style is an important construct and should be studied further. The above recommendations for additional investigation should provide opportunities for other researchers to add to these results.

Second, the conclusion of the study is beneficial to the practitioner community. The business community continues to be interested in determining how to attract and

retain ethical talent to their companies. More importantly, there is a strong interest in training leaders to make sound ethical decisions when they are faced with an ethical situation. This research study shows that leaders have an ethical leadership style that guides their decision-making and that the ELSQ can help determine that style. The understanding of that style will help managers understand their ethical orientation and recognize it when making a decision. Insight gained from this study will provide leaders with quantitative data regarding their ethical leadership style. Corporate training can then be developed to help managers understand their ethical leadership style and how to interact with others who have different ones.

Ultimately, my hope is that by such research as this and additional studies into the ethical leadership styles of our leaders, be they in organizations, companies, or the political sphere, our society as a whole may benefit.

Appendix A: Ethical Leadership Measurements

Year	Instrument	Authors	Measurements
1998	Perceived Leader Integrity Scale (PLIS)	Craig & Gustafson,	<i>Trust, civility, self-centered, honest, evil</i>
2005	Ethical Leadership Scale (ELS)	Brown, Trevino, & Harrison	<i>Fairness, trust, “Do the right thing”</i>
2010	Leadership Virtues Questionnaire (LVQ)	Riggio, Zhu, & Reina	<i>Prudence, fortitude, temperance and justice.</i>
2011	Ethical Leadership Work Questionnaire (ELWQ)	Kalshoven, Den Hartog, & De Hoogh	<i>Fairness, integrity, ethical guidance, people orientation, power sharing, role clarification and concern for sustainability.</i>
2013	Ethical Leadership Questionnaire (ELQ)	Yukl, Mahsud, Hassan, & Prussia	<i>Honesty, fairness, integrity, sets example, concern for values</i>

Appendix B: Ethical Leadership Style Questionnaire

Ethical Leadership Style Questionnaire

As a participant in this study, you will be asked to complete two versions of the Ethical Leadership Style Questionnaire. It will take approximately 25 minutes to complete the questionnaire. Your replies will be completely anonymous, so do not put your name anywhere on the form.

Please begin by responding to the following demographic questions:

Demographic information:

1. Age in years: _____
2. Gender: _____
3. Level of Education: h.s. _____ college _____ graduate _____
4. Number of years in management: _____
5. Number of employees who report to you: _____

After filling out the demographic information, please proceed to the next page and begin answering Form A of the questionnaire.

Form AInstructions

Consider the following five situations. For each situation, place yourself in the role of the leader or manager and then think about how you would respond to the situation. Indicate the relative weight you would give to each of the 6 response choices. Do so by writing a percentage next to each response choice such that the higher percentages mean you would place more weight on that response in your decision. You may use any percentages from 0% to 100% but your responses across all the choices must sum to 100%.

Situation 1

You are the supervisor in a mid-sized company of an advertising department, which is comprised of 10 people. In your department, a subordinate appears to have a problem with alcohol. Several work groups have noticed it and have commented. The subordinate occasionally calls in sick, has demonstrated attributes of a hangover, and has been seen drinking at lunch.

In this situation, I would be concerned about....

1. ...making sure that more people benefited by the outcome, than were hurt by it. _____
2. ...determining how this situation could affect my close work relationships. _____
3. ...making sure my own goals as leader are satisfied. _____
4. ...fulfilling my obligations as the leader-in-charge. _____
5. ...treating everyone fairly. _____
6. ...doing what an exemplary leader would do in the situation. _____

Total 100%

Please comment:

7. What other ethical issues or concerns might you have about this situation *that are not covered* in the above response choices.

Situation 2

You have been selected to lead a team whose mission is to improve work processes in the organization. The team's assignment is to deliver a list of recommended work process changes (e.g., reducing paperwork, improving communication, or eliminating unneeded steps in processes) that will help the organization work more efficiently and effectively. The team consists of eight people, each representing an operational or staff function in the organization. They are at different levels and represent a wide range of interests, technical specialties, and personalities. Upper management is expecting great things from this group.

In this situation, I would be concerned about....

1. ...making sure that more people benefited by the outcome than were hurt by it. _____
2. ...doing what an exemplary leader would do in the situation. _____
3. ...making sure my own goals as leader are satisfied. _____
4. ...determining how this situation could affect my close work relationships. _____
5. ...treating everyone fairly. _____
6. ...fulfilling my obligations as the leader-in-charge. _____

Total 100%

Please comment:

7. What other ethical issues or concerns might you have about this situation *that are not covered* in the above response choices.

Situation 3

You have been selected to lead a team investigating possible sexual harassment in two departments of the organization. Formal complaints have not yet been filed, but there have been informal messages to upper management. In addition, the turnover of women employees in the two departments is much higher than in other departments and exit interviews tend to indicate sexual harassment issues. The team consists of a representative from Human Resources, the organization’s attorney, and a male and female employee from each department in the company.

In this situation, I would be concerned about...

- 1. ...fulfilling my obligations as the leader-in-charge. _____
- 2. ...treating everyone fairly. _____
- 3. ...making sure my own goals as leader are satisfied. _____
- 4. ...determining how this situation could affect my close work relationships.

- 5. ...doing what an exemplary leader would do in the situation. _____
- 6. ...making sure that more people benefited by the outcome than were hurt by it. _____

Total 100 points

Please comment:

- 7. What other ethical issues or concerns might you have about this situation that are NOT covered in the above response choices.

Situation 4

Your work group has been awarded a large performance bonus by upper management. Members of the group know about the award and its amount. There has been discussion about how you will divide up the money. Some are arguing that every member of the team should get a one-time three-percent of annual pay bonus. Others are arguing that the highest performing persons in the group should be given an additional bonus. You are sensitive to these arguments.

In this situation, I would be concerned about...

- 1. ...treating everyone fairly. _____
- 2. ...making sure my own goals as leader are satisfied. _____
- 3. ...doing what an exemplary leader would do in the situation. _____
- 4. ...determining how this situation could affect my close work relationships.

- 5. ...making sure that more people benefited by the outcome than were hurt by it. _____
- 6. ...fulfilling my obligations as the leader-in-charge. _____

Total 100%

Please comment:

- 7. What other ethical issues or concerns might you have about this situation that are NOT covered in the above response choices.

Situation 5

You are a senior director of a 15-member work team at a small manufacturing company. One of your work group members is a single mother. She has a problem child. She takes time off of work to deal with the child. Team members are beginning to resent her absences and lack of contribution.

In this situation, I would be concerned about...

- 1. ... determining how this situation could affect my close work relationships. _____
- 2. ...treating everyone fairly. _____
- 3. ...making sure my own goals as leader are satisfied. _____
- 4. ...making sure that more people benefited by the outcome, than were hurt by it. _____
- 5. ...doing what an exemplary leader would do in the situation. _____
- 6. ...fulfilling my obligations as the leader-in-charge. _____

Total 100%

Please comment:

- 7. What other ethical issues or concerns might you have about this situation *that are not covered* in the above response choices.

Form BInstructions

Consider the following five situations. For each situation, place yourself in the role of the leader or manager and then think about how you would respond to the situation. Indicate your response to each of the six response choices by circling one of the five numbers to the right of each choice.

Situation 1

You are the supervisor in a mid-sized company of an advertising department, which is comprised of 10 people. In your department, a subordinate appears to have a problem with alcohol. Several work groups have noticed it and have commented. The subordinate occasionally calls in sick, has demonstrated attributes of a hangover, and has been seen drinking at lunch.

Key

1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree

In this situation, I would be concerned about....

- | | | | | | |
|---|---|---|---|---|---|
| 1. ...fulfilling my obligations as the leader-in-charge. | 1 | 2 | 3 | 4 | 5 |
| 2. ...doing what an exemplary leader would do in the situation. | 1 | 2 | 3 | 4 | 5 |
| 3. ...making sure my own goals as leader are satisfied. | 1 | 2 | 3 | 4 | 5 |
| 4. ...determining how this situation could affect my close work relationships. | 1 | 2 | 3 | 4 | 5 |
| 5. ...treating everyone fairly. | 1 | 2 | 3 | 4 | 5 |
| 6. ...making sure that more people benefited by the outcome than were hurt by it. | 1 | 2 | 3 | 4 | 5 |

Situation 2

You have been selected to lead a team whose mission is to improve work processes in the organization. The team's assignment is to deliver a list of recommended work process changes (e.g., reducing paperwork, improving communication, or eliminating unneeded steps in processes) that will help the organization work more efficiently and effectively. The team consists of eight people, each representing an operational or staff function in the organization. They are at different levels and represent a wide range of interests, technical specialties, and personalities. Upper management is expecting great things from this group.

Key

1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree

In this situation, I would be concerned about....

- | | | | | | |
|---|---|---|---|---|---|
| 1. ...making sure that more people benefited by the outcome than were hurt by it. | 1 | 2 | 3 | 4 | 5 |
| 2. ...making sure my own goals as leader are satisfied. | 1 | 2 | 3 | 4 | 5 |
| 3. ...doing what an exemplary leader would do in the situation. | 1 | 2 | 3 | 4 | 5 |
| 4. ...treating everyone fairly. | 1 | 2 | 3 | 4 | 5 |
| 5. ...determining how this situation could affect my close work relationships. | 1 | 2 | 3 | 4 | 5 |
| 6. ...fulfilling my obligations as the leader-in-charge. | 1 | 2 | 3 | 4 | 5 |

Situation 3

You have been selected to lead a team investigating possible sexual harassment in two departments of the organization. Formal complaints have not yet been filed, but there have been informal messages to upper management. In addition, the turnover of women employees in the two departments is much higher than in other departments an exit interviews tends to indicate sexual harassment issues. The team consists of a representative from Human Resources, the organization's attorney, and a male and female employee from each department in the company.

Key

1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree

In this situation, I would be concerned about....

- | | | | | | |
|---|---|---|---|---|---|
| 1. ...doing what an exemplary leader would do in the situation. | 1 | 2 | 3 | 4 | 5 |
| 2. ...making sure that more people benefited by the outcome than were hurt by it. | 1 | 2 | 3 | 4 | 5 |
| 3. ...fulfilling my obligations as the leader-in-charge. | 1 | 2 | 3 | 4 | 5 |
| 4. ...determining how this situation could affect my close work relationships. | 1 | 2 | 3 | 4 | 5 |
| 5. ...treating everyone fairly. | 1 | 2 | 3 | 4 | 5 |
| 6. ...making sure my own goals as leader are satisfied. | 1 | 2 | 3 | 4 | 5 |

Situation 4

Your work group has been awarded a large performance bonus by upper management. Members of the group know about the award and its amount. There has been discussion about how you will divide up the money. Some are arguing that every member of the team should get a one-time three-percent of annual pay bonus. Others are arguing that the highest performing persons in the group should be given an additional bonus. You are sensitive to these arguments.

Key

1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree

In this situation, I would be concerned about....

- | | | | | | |
|---|---|---|---|---|---|
| 1. ...determining how this situation could affect my close work relationships. | 1 | 2 | 3 | 4 | 5 |
| 2. ...making sure that more people benefited by the outcome than were hurt by it. | 1 | 2 | 3 | 4 | 5 |
| 3. ...fulfilling my obligations as the leader-in-charge. | 1 | 2 | 3 | 4 | 5 |
| 4. ...doing what an exemplary leader would do in the situation. | 1 | 2 | 3 | 4 | 5 |
| 5. ...treating everyone fairly. | 1 | 2 | 3 | 4 | 5 |
| 6. ...making sure my own goals as leader are satisfied. | 1 | 2 | 3 | 4 | 5 |

Situation 5

You are a senior director of a 15-member work team at a small manufacturing company. One of your work group members is a single mother. She has a problem child. She takes time off of work to deal with the child. Team members are beginning to resent her absences and lack of contribution.

Key

1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree

In this situation, I would be concerned about . . .

- | | | | | | |
|---|---|---|---|---|---|
| 1. ...doing what an exemplary leader would do in the situation. | 1 | 2 | 3 | 4 | 5 |
| 2. ...fulfilling my obligations as the leader-in-charge. | 1 | 2 | 3 | 4 | 5 |
| 3. ...treating everyone fairly. | 1 | 2 | 3 | 4 | 5 |
| 4. ...making sure my own goals as leader are satisfied. | 1 | 2 | 3 | 4 | 5 |
| 5. ...making sure that more people benefited by the outcome than were hurt by it. | 1 | 2 | 3 | 4 | 5 |
| 6. ...determining how this situation could affect my close work relationships. | 1 | 2 | 3 | 4 | 5 |

Thank you for your participation.

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