Learning Points

• Part 3 contains answers to the following:
  – What are the levels and stages of moral development?
  – Why is leadership by values important?
  – What values guide you in your leadership behavior?
  – What is the role of the leader in setting the moral tone and ethical climate of the workplace?
Ethical Leadership

• High profile scandals have cause interest in ethical leadership to grow

• The perspective of Ronald Heifetz, James MacGregor Burns, and Robert Greenleaf:
  – There is a need for leadership based on honesty, service to others, and moral courage
Ethical Leadership

• Heifetz’s theory
  – Leadership involves authority to help followers uphold values in the workplace

• Burns’s theory
  – Emphasizes the moral development of followers and maintains high standards of ethical conduct

• Greenleaf’s theory
  – Strong ethical overtones, true leadership is service to others
Ethical Leadership

• Ethics must be understood by leaders

• Ethics:
  – Philosophy concerned with the *intent*, *means*, and *consequences* of moral behavior
  – The study of moral judgments and right and wrong conduct

• Moral judgments:
  – Judgments about what is right or wrong, good or bad

• Spanish writer Cervantes wrote about ethics in *Don Quixote*
Ethics

- Derived from the Greek word *ethos,* meaning “dwelling place”
  - Refers to a person’s fundamental orientation toward life
  - Meant “inner character” to Aristotle
  - Latin translation is “mos, moris,” from which comes the English word *moral*
- During Roman times, emphasis shifted to overt behavior—acts, habits, and customs
- Today, ethics is viewed as an overall human concern
• Ethical questions are important in all areas—work and personal
  – As a human, decisions are constantly made
  – As a leader, the number and gravity of dilemmas are intensified
• Ethics is a difficult subject; it forces people to think about moral issues

• Current considerations people face:
  – The conscious creation of new forms of life
  – Exploration and use of outer space
  – Nuclear energy
  – Information technology

• Common ethical problems in the workplace:
  – Quality, safety, property, human relationships

• Leaders must make judgments on these subjects
The Roots of Ethics

- Ethics has religious and secular roots
  - Religious ethics:
    - Based on a theistic understanding of the world
    - What is real, true, and good is defined by God
  - Secular ethics:
    - Based on scientific understanding of the world
    - Reality, truth, and goodness do not depend on the existence of God
- The primary difference is in how values are justified
The Secular Tradition

• Aristotle shaped the ethics of Western civilization from a secular orientation:
  – Humans are rational
  – Rationality is the most significant trait distinguishing humans from other creatures
  – *Good person*:  
    • Lives rationally
    • Moral judgments are born of contemplation and reason
Today, we address a moral dilemma by saying:

- “Let us use reason; let us use logic; let us think rationally about this”
- We are ethical in the Aristotelian secular tradition
St. Augustine had greater influence on Western religious thought than any other writer outside Biblical scripture:

- Naturally evil inclinations of humanity can be overcome only by divine grace
- If we are drawn to God through faith, we will overcome our immoral nature, and be reconciled in heaven
The Religious Tradition

- Thomas Aquinas, another Christian philosopher:
  - People are endowed with the desire to be good
  - This inclination can be dormant or perverted
  - This desire is present in all people and is impossible to destroy
  - To resist God is contrary to human nature
  - If we follow God we will fulfill our nature and be “good”
  - We will be moral and experience the greatest meaning of which we are capable
The Religious Tradition

- The majority of people who have ever lived have been influenced by religion
- **Ben Franklin:**
  - The soul of man is immortal and will be treated with justice in another life respecting the conduct in the present life
Ethics, Humankind, and Other Animals

• Ethics is a concern unique to humankind
  – People combine emotion with knowledge and through abstract reasoning produce a moral conscience
  – Right and wrong have pre-human origins
• Self-sacrifice, sympathy, and cooperation are seen in other species
  – Distinguishing between what is and what ought to be separates people from other animals
• **Charles Darwin, *Origin of Species***
  - Moral sense of conscious—the greatest difference between man and animals
  - Can be summed up by the word *ought*
  - Moral conscious is most noble attribute of man
Moral Development

- John Locke
  - A newborn child is a blank tablet on which a life script can be written
  - Experience and learning shapes the content, structure, and direction of a person’s life
  - An infant’s ethics are amoral
    - No concept of good or bad, right or wrong
Moral Development

• Babies rewarded and punished develop:
  – An understanding of good or bad
  – A social conscience that is the foundation for future moral development

• Elders pass on ethics to youth:
  – Words and actions reinforce morality
  – Ben Franklin said, “Teach children obedience first, so other lessons are easier”
According to Swiss psychologist Jean Piaget, the ethics of adults are programmed:

- **Heteronomy** is the unifying factor in adult society
  - Rules as sacred laws laid down by authorities
  - Every society has leaders who believe in certain moral ideals
  - Their task to imprint these ideals on succeeding generations
Influences on Character Formation

• The most important influences on character formation:
  – **Associations**
    • Family, friends, and role models shape our lives
  – **Books**
    • Printed page and other media can poison or enlighten us
  – **Self-concept**
    • Primary motivation is preservation of symbolic self
Levels of Morality

- Morality is one of the most important dimensions of leadership
  - Determines whether people will trust and respect the leader
- Lawrence Kohlberg’s proposes that:
  - Ethical decisions are made according to three levels of moral development:
    - Preconventional
    - Conventional
    - Postconventional
  - See Table 8-1 for levels, stages, and examples of moral development
Levels of Morality

- People go through the six stages of moral development at different rates
  - Some people never reach the principled morality of stages 5 and 6
  - People who remain at low levels of morality experience arrested integrity development
Levels of Morality

• **Egocentric orientation** (stages 1 & 2)
  – Preadolescent children

• **Community-oriented morality** (stages 3 & 4)
  – Teenagers and most adults

• **Self-direction and high principles** (stages 5 & 6)
  – Characteristic of only 20% of adults

• **High morality** (stage 6)
  – Characteristic of only 5 to 10% of adults
The Stolen Drug Example

• A woman was near death
  – The pharmacist was charging 10 times what her needed drug should cost
  – Her husband did not have the money
  – The pharmacist was firm on his price
  – Moral dilemma: *let wife die or steal the drug*
  – The husband stole the drug

• Table 8-2 shows the moral reasoning behind the theft
Levels of Morality in History

• Nazi Death Camps
  – Adolf Eichmann, “I carried out my orders”
    • Level II, Stage 4 moral reasoning
• Civil Disobedience
  – Mohandas Gandhi, life and teaching
    • Level III, Stage 6 morality
• Socrates
  – Refused to admit social wrong, committed suicide, and became a moral hero that inspires civilization
Virtue: Level III, Stage 6 Morality

- Moral evolution from pre-conventional (level I, stage I) to post-conventional ethics (level III, stage 6)
- People as individuals have become the basis of moral judgments
- Orientation toward individual conscience (personal principles)
Hermann Hesse’s orientation of level III, stage 6:
- A person’s view of right or wrong depends on the meaning attached to personal existence
- Meaning is based on:
  - Self-discovered and self-accepted values
Level III, Stage 6 Example

- Shows that it is important for people to:
  - Determine their own moral principles
  - Decide on ethical conduct in the light of the meaning attached
  - Proceed from the highest motives
  - Utilize the best means
  - Achieve the best consequences

- Absence of any one results in less than level III, stage 6 morality
Motives, Means, and Consequences:
- Are necessary for virtuous level III, stage 6
- Criteria that judge the character of a leader:
  - In the instance and over time
- Great leaders:
  - High respect for leaders who behave with honor
  - Ask “What is the right thing to do?”
• **Lou Marinoff** gives advice about leadership and moral dilemmas:
  – Ethical warning lights go off at different times
  – It is important to know when an action may take you over the line
  – Your conscience should guide you
Ethics and the Legal Department

- **Ethics is the purview of the legal department**
  - Being legal does not mean moral
  - **Legality:**
    - Everything the law permits or doesn’t forbid
  - **Morality:**
    - Older idea, predates legislated laws
Ethics and the Legal Department

- Do what the legal department advises
- Never lose your moral compass
- Every society has laws, but not all laws are just
- The basis of every professional code of ethics and moral society: *non-harm to sentient beings*
  - If you live by this, you will have a clear conscience