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# ROLE OF ETHICS IN ETHICAL LEADER'S BEHAVIOUR AT WORKPLACE: AN ANALYTICAL REVIEW

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### Abstract

Ethics refers to the system of understanding the codes of organisations, its moral principles, and its values chain system moreover it is a belief system. Ethics is a term which comes into existence with the collaboration of three main elements i.e. belief, values, and morals. If we overlook these three terms we find them although similar, but there is a slight difference in them. Values refer to be the core vision of the organisation, which determine its base for existence. Values generally refer to something useful and important to someone, and that someone may be the individual or the organisation. Organisations image depends on the value system prevailing in their organisational culture. If an organisation framed a good values system, it will reflect in their culture and the culture consistency depends upon the skills of the leaders who manage that culture. The workplace culture is important to be getting understood to determine what type of leaders the organisations have. It is solely the leaders who are in direct link with lower and top-level and it's their responsibility to create a culture which reflects the standard of organisation. For understanding the leader's behaviour we need to understand the ethics which he/she follows, as the employees only follow the footprints of their idols. A responsible leader is one who manages the activities well in coordination with employee's management at the workplace.

Keywords: Ethics, Ethical leadership, Workplace behaviour



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# Introduction

Ethics refers to the values which an individual follow in his/her whole life. It is not only the values, but it also includes beliefs system of an individual and the perception of an individual which they frame in their whole life. (Brimmer, 2007) stated in his work that ethics is the matter of responsibility, according to him an ethically strong organisation have responsible people. It is necessary for an organisation to have positively responsible leaders for a better commitment from them.

The leaders who are responsible must be ethical toward their work, and organisation. Brimmer also of the view that the leaders who are fuelled by selfish motives, ambition or greedy goals, must be proven to be unethical toward the organisation. As we know that

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selfless work, loyalty, honesty, and integrity are few of the qualities of ethical leaders, but with the selfish behaviour they deface not only the organisation but to society also.

Organisations are now more responsible toward the society, as customers are their business providers and they must need to be taken care with due intelligence. Customer's intelligence is one of the factors which must be studied in detail by the ethical leaders to confirm the goals of organisations. Now a day's customers are more aware of what we call 'Ethics' they are more concerned with the ethical behaviour of the organisations. That's why it is the responsibility of every business organisation to be stronger on the part of ethics, as it not only related to the present customers, it also related to customer loyalty.

Organisation must focus on the area to increase its present customer base and this is only possible if they were able to provide qualitative services. The quality of work depends upon the behaviour of employees in the organisation and with their customers. An employee is a representative of organisation present the organisation to the outside world, if they behave well the company's image built well and if they behave badly with the customers the company's image get ruined.

It is for most important for the organisations to have the leaders who are good representatives of organisations and who work without selfish motives. Leaders through their behaviour change and frame the attitude of their followers and customers, it is more important for the organisation to build a culture which supports the ethical practices and this is only done with the help of the leaders.

### **Ethics**

One of the most important concepts to study in organisations is the understanding of ethics; ethics is not just the word although it is a concept which let the deep understanding of behaviours of individuals in the organisation. Ethics tell us about what is good or bad, right or wrong, decisions in life. Following the right ethics are equally important, as the hiring of the right person for the right position. When we recruit an individual we review about his background, we go through the various checklist items like his traits, his knowledge, his/her mental ability to handle the situations, but do we check his/her ethical values, or do we focus on his/her ethical beliefs?.

In this multi-talented human's era, where every single individual is money-driven, nobody could care about ethics, if a salesman asked by his senior officers to sell the targeted sales at the end of the month and he knows that the achievement of the target is not possible in the

short time. Now the question is in front of the leader either to accept the challenge or complete it in any manner or to discuss the situation with his senior on the sake of his job. Ethics following is depending upon the choice of the path which an individual chooses to achieve the results.

Ethics make us learn about what is good and what is bad and how much it impacts if you have chosen the wrong one. Ethical behaviour is not concerned with individuals only but also depends upon the organisations behaviour. It is seen that the organisational culture frames the ethical principles for individual, which they need to follow while performing their jobs. Ethical principles are the code of conduct which will be followed by the employees of the organisations.

If the employee follows the ethics and organisation not, then what an individual can do alone, that's why it is the collaborative efforts of both the organisation and the individuals who work within the environment, whether to follow the ethical principles or not. What type of ethics going to be followed in the organisations are decided by the top management, as they are treated as the brain to the organisations they have to think broadly, while deciding about the ethical code of conduct.

## **Role of Ethical Leader**

As we know that due to excessive pressure on the organisation to make their customers happy, they have to continuously launch the products and this rapid pace of product launching brings lots of burden for the organisations to satisfy the complaints of their customers also. A good leader is one who can solve the problems of their customer without bothering the top management. It is only the managers who are in direct touch with the customers, employees and the owners, so it is the responsibility of the managers to take care of the interests of these stakeholders.

Ethical leaders are the bullet packet of all the ethical qualities like loyal, honest toward work and employees, having the ability to integrate and having good intellectual power which influences not only their current decisions but also their future decisions also. Ethics decide whether a leader is good for the organisation or not, whether they can adjust themselves in the organisations environment or not. In ethics understanding, we have to first learn about the characteristic features of ethical leadership, as ethics can be viewed through their implementation.

Ethics are always situation based on reality, as we go through many situations daily and daily we learn something from the situations we face. The challenges we face daily and how we deal with that challenges define whether we are ethical or not, suppose we are going for an urgent meeting and we find an accident on the road, and someone's life is on sake, now the question is how we deal with the situation, as it is an important meeting we can't be late on the other hand our ethics won't allow us to leave the victim on the road, now what an ethical leader do in this situation? Whether he/she goes for a meeting or tries to save the victim by taking him to the hospital is an important decision at that time. So we can say that ethics are situation based, as it depends upon the situation what is good or bad during a particular time.

# **Workplace Ethics**

Organisation is the place where employees come with different perceptions, and with this difference in perception, big conflicts can arise. It is not easy for the managers to handle this situation, these people come from different background, that's why it is not easy to handle them individually with single interest, to resolve the conflicts every organisation needs a strong leader.

A strong leader with a clear vision and understanding of the behaviour of its employees are hard to find. If we talk about workplace ethics, it is more important to a leader to think about its organisation first before considering his/her interests. According to (Neubert. et.al. 2009) a leader is one who influences the people's perception and affects directly the organisations climate. It is the perception of employees which makes them feel satisfied with their present employers and let them committed to the organisation. According to Researches, it is revealed that Interactional justice strengthens the relationship between ethical leadership and organisational climate.

Employees feel more committed only when they feel that they are heard by their superiors or their decisions affect the organisation. Ethics mainly comprises of the concepts and principles which a person might follow during his/her lifetime. It is a set of guiding principles which guide the behaviour of an individual in the organisation.

Ethics contain 'value' and moral principles which guides the individual toward, what is ethical and unethical according to society. Normally we can say that those principles which are accepted by the society and which are according to norms of society are treated as good ethics, any undesirable behaviour which is against the norms of society considered as unethical behaviour.

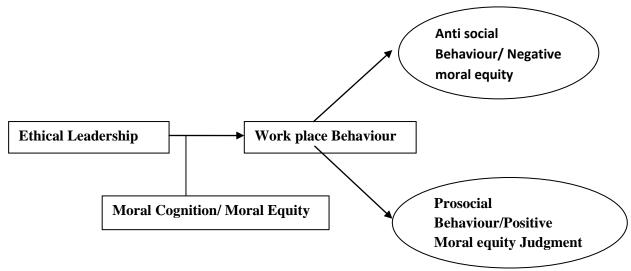
Workplace ethics are those guiding principles which guide an individual at the workplace; it generally comprises the rules of organisation, a person worked in. In organisations managers faces many tensions from the external and internal environment, they always try to find good opportunities from the external and internal environment. In external things, managers want that they earn good money for the organisations and create a good reputation for the organisation and internal things like pride and enjoyment at their workplace (MacIntyre, 1985). Ethical leaders are the true example of normative conducts to their followers by their ethical behaviour (Brown et al., 2005).

# **Psychological Mechanism to Understand Ethics**

It is of view that leaders are environment builder to the organisations their behaviour build the organisations image. A good leader builds a good reputation and creates a positive environment in the workplace. Organisations spend a lot of money on the employee's induction and training while recruiting them at the workplace, just to adjust them to organisations environment. It is the responsibility of managers or leaders to provide the ethically adjustable environment so that employees not feel hostile. In organisations ethical judgment depends upon the moral judgments of behaviour by employees, they only follow those leaders who they feel, think for them.

There are mainly two types of employees found in the organisations, Prosocial, behaviour is related to positive thinkers and have strong positive judgment who takes every challenge as a positive opportunity. Secondly, antisocial behaviours which relate to the people with strong negative beliefs, having a lack of social skills and negative judgment toward organisations decisions. They are mainly those who avoid the work and try to blame others for their negative performance, on the other hand, prosocial behaviour people are motivators, highly quality-driven. Now, these two types of behaviour depend upon the type of leaders they follow. (Brown et al. 2005) stated that ethical leadership is the appropriate actions and conducts which the leaders follow at their workplaces; it is a two-way communication which is communicated through personal actions and interpersonal relations of leaders.

According to (Resick et. al. 2013) employee who on the footprints of their leaders and morally equitable, if they follow the ethical leaders. By following the ethical leaders employees avoid the anti-social behaviours and accept the prosocial behaviour. We can say that moral cognitions of employees affect the behaviour prevail in the organisations. The organisations environment can be determined through the behaviour of its employees if the ethical leadership in practice in the organisation by the leaders than it becomes the values of the organisation and employee's cognition will work in the same way. The cognition refers here to the thinking, perceptions and belief framing of the employees, ethical leadership is strengthened by the moral equity or moral cognitions of the employees at the workplace.



(Barnad, 1938; Dickson et al., 2001) are of the view that ethical leaders are motivators to employees and helping them to understand what are the consequences and issues in following or not following ethical conducts. It is only the leaders who make employees aware of the ethical issues and help them in making correct or appropriate judgment during a particular situation.

Some researchers are put forth that there is a strong relationship exist among ethical leadership and work attitudes and behaviour of the employees at workplace, like the commitment level of employees, employee job performance, safe work environment, psychological satisfaction (Brown et al. 2005; Mayer et al. 2012 and Piccolo et al., 2010). (Brown and Trevino 2006) proposed that ethical leaders promote ethical conduct, as the followers of ethical leaders are heightened on ethical awareness and know the consequences

of their actions and conduct they are doing. It is believed that there is a big role of ethical cognition in ethical judgment (Hannah et al., 2011; Rest, 1986) and these ethical judgments are the total of ethical intentions and ethical behaviour.

It is believed that ethical leaders are the people who are moral people as well as moral managers, who set an as good example of ethical conduct personally and professionally (Brown and Trevino, 2006; Trevino et al., 2003). According to (Bandura, 1977, 1986) employees learn from their leaders, as per social learning theory leader are seen as ethical role models, to whom others follow. The actions, decisions, and attitudes of their leader are observed by followers which they apply in their own life.

(Brown et al., 2005) are of the view that leaders are agents to the social learning process, they demonstrate the normatively appropriate conduct and draw employee's attention toward ethical issues. Ethical leaders use reward and punishment mechanism to manage the accountability of employees at work. The leaders manage the workplace by their behaviour, if the employees know that they get rewards, they work satisfactory and effectively on the other hand if they are not rewarded they will try to avoid the work and not putting their hard efforts. Now, this reward and punishment lead to workplace deviance (WPD) if the employees find a favourable environment they are more prosocial and easily adapt to changes, this prosocial behaviour includes accomplishing organisational goals, effective efforts, motivated behaviour, and quality performance and anti-social leads to the opposite. (Bennett and Robinson, 2000; Robinson and Bennett, 1995) further, discuss the two

dimensions Workplace deviance which is directly linked to the ethical leadership. If a leader behave rudely to his employee's harm them through his actions and attitudes, held them embarrassed in front of other employees, is one dimension in which leader hurt the sentiments of its employee's while the second dimension focuses on the organisational behaviour-based dimension in which leader harm not only the employee's faith and trust but also to the organisations property, its image and in worst cases leaking the companies trade secrets.

According to (Brown and Trevino, 2006) ethical leadership is one of the influencing factors which affect the employee's cognition and serves as the basis for their behaviour regulation, as it is a psychological mechanism and reflect the relationship of the ethical leader to his followers. It is of view (Fiske and Taylor, 1991) that leaders are the conductor of ethical conduct in the organisation; as if employees perceive that their leaders are acting ethically

they will start chasing their leader's path. If the leader is ethical he treats others fairly, making decision appropriate according to ethics and set the environment which is acceptable to all.

#### Conclusion

Theoretical implications of this study indicates that ethical leaders play important role in developing the psychology of employees, It is only the leaders who guide employees about what is ethical or what we call unethical behaviour in the organisation. It is only the leader who brings the change in the organisation and that change affect positively or not, depends upon the type of behaviour leaders follow with his followers. The ethical leaders are worked as behaviour modifier in the organisation; they affect the psychological mechanism of employee's by which they behave in a prosocial way rather than antisocial way. For the psychological empowerment of employees, social learning plays an important role. This process helps the employees in building better interaction with their organisation; a leader's ethical guidance helps them to increase their performance. It is also viewed that ethical leadership and ethical judgment are the outcomes of the ethical learning process, where employees form a belief about what is good or bad. Ethical leadership improves the interaction level of employees and leaders if the leaders motivate and follow ethics in their actions and attitudes; it will be ultimately going to be reflected in the conducts of their followers.

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