The Seven "In's" Of Leadership Ethics … In step or incongruent with your values?

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Ex-Tyco International Ltd. Chief Executive Officer jailed for stealing millions of dollars wants a U.S. court to order the company to pay him tens of millions from his retirement account

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Leaders are held to a higher standard than those who report to them. Their actions are scrutinized, inspected and evaluated – cries of "how could he do that?" and "she should have known better" have been voiced after many public debacles. These misdeeds get more publicity because they involve people we admired, respected and/or were pillars in the country. Unfortunately, routine unethical behaviors strike more often than is realized.

However, behind the scenes, every day leaders behave in an ethical manner. Many times, their ethical deeds are not publicized, awarded or even noticed. Ethical leaders influence their followers in two ways: acting above reproach in both their business and personal lives, and influencing the environment in which they lead. Followers take note of what the leaders base their decisions on and how they treat others. The more closely the follower works with the leader, the greater impact the leader's ethical, or unethical, behavior will be.

"My basic principle is that you don't make decisions because they are easy ... you make them because they're right." *Rev. Theodore M. Hesburgh, CSC*

What causes leaders to behave unethically? Do they believe they won't get caught? Do they feel entitled because of their position? Or, at the leadership level, are those decisions accepted as standard? Listed below are seven "in's" that underlie positive or negative ethical behavior among leaders. Where have you seen yourself?

1. **Inconsistency and misplaced loyalties**

   The leaders' behavior towards others reflects the leaders' values. To maintain trust, leaders need to be consistent in their words and actions. Perceptions of favoritism and partiality can erode a leader's sincerity and credibility, which can impact the productivity of their followers.

   Where leaders place their loyalties speaks directly to their character and values. Leaders that place their interests above their company's or their followers' can lose respect and integrity with them. When a leader demonstrates loyalty, they receive loyalty and trust in return.

   Questions to ponder:

   a. Do your actions mirror your loyalties?
   b. Do you put the needs of yourself before others?

2. **Intelligence**

   Intelligence comes in many forms; IQ and EQ are relevant to this ethical discussion. IQ is raw intelligence, a measure of one's ability to understand, comprehend and make use of past experiences. EQ is the measure of one's emotional intelligence, the level in which one can identify their emotions,

assess the results of expressing those emotions, and properly appraise the emotions of others to achieve the desired results. EQ has been proven to be more of a predictor of success than IQ.

Questions to ponder:

a. Are you aware of your own emotional reactivity in unpleasant situations?
b. Walking into a room, are you cognizant of the overall mood?

3. **Intimidation**

A leader can use numerous positive methods to inspire and gain agreement from their followers; it can be more difficult if the leadership style is dominating or overbearing. An ethical boundary is crossed when the leader uses force or prevents action by causing fear of repercussions from his/her followers. The belief that intimidating behaviors will result in actions for "the higher good" or "the greater good" are no less ethical or acceptable.

Questions to ponder:

a. Are you fair in your treatment of employees and departments?
b. Does your behavior - including your body language, word usage, tone of voice and facial expressions - cause others to become defensive, and create more stress?

4. **In Power and Privilege**

Power is the basis for persuasion efforts. It's forms are coercive, reward, legitimate, expert, and referent. Positive uses of power include causing beneficial change, increasing followers' self-confidence and maintaining dignity. Negative uses of power results in decreased employee loyalty, increased attrition and lower quality of product or service.

Privilege is the rewards one receives from reaching a higher position that many others do not have. Not necessarily based on power, there is a strong positive correlation between power and privileges.

The ethical dilemma occurs 'when is too much too much?' is asked. Questions to ponder:

a. Do you follow the same rules as others in the company, specifically in financial accounting?
b. Do you keep company credit card points and use them for non-company benefits? If so, does each member of your company?

5. **Incompetence and irresponsibility**

Leaders get paid to do a specific job and staying accountable is part of that job. Being incompetent means someone else is handling the leader's responsibilities – with no additional remuneration to the one actually performing the duties.

Leaders are accountable for the actions and behaviors of their staff. The primary difference between a leader and an employee is the depth and breadth of responsibility they have. Employees can be responsible for their own actions or those of their team, if they are a team leader. Leaders are responsible for entire departments, divisions or companies.

The ethical question is: How far does a leader's ethical 'arm' reach? Questions to ponder:

a. Do you expect more out of your team than what you are prepared to give yourself?
b. Are you in a position that you don't have the skills or the knowledge, yet you take the paycheck?

6. **Information**

Information is power, and the person who has the information has power. Leaders have access to a tremendous amount of information, both company and personnel information on which they base their decisions. Withholding information from others because it is contrary to what the leader wants can change the course of any company. When does 'need to know' become unethical?

Is it ethical to:

a. Allow personal information, such as health or family problems, to sway a leader's decisions?
b. Present only one side of a discussion?

7. **Integrity**

Integrity is reliability in behaviors, code of conduct, expectations, principles and standards. It is doing the right thing based on one's values, admitting mistakes and following through on promises. As employees will follow the leader's behaviors, any perceived act of impropriety may undermine a leader's integrity. Misplaced blame, irrational acts and emotional outburst all are behaviors that can chip away at the leader's veneer of integrity.

Questions to ponder:

a. Do you voice the same concerns, no matter who you talk to?
b. Are your values evident in all your actions? Is it evident what guides your behavior?

As a leader, you determine your company's ethical climate. This climate directly contributes to the attitudes and behaviors of all levels of your employees. People, especially those at the executive leader level, will either match their ethical style to fit the corporate culture or they will resign and seek a position with a company whose internal behaviors they feel more comfortable being associated with. What headline would best represent *your* company?

For a more extensive white paper on this topic, email Shari@CornerStoneStrategiesLLC.com.

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Shari Frisinger's expertise is in working with leaders to understand and improve their team dynamics: melding personalities, emotional excellence techniques and brain physiology. Certified in Emotional Intelligence, she expanded her Master's Degree research to reveal how critical leadership skills are directly linked to achieving exceptional results.

With the pursuit of her Doctorate in Executive Leadership, Shari has the unique ability to translate scientific processes to a more humanistic level, showing a direct cause-and-effect of perception, realties, behaviors and outcomes. The result? Reduced conflict in the workplace, improved team and individual productivity, enhanced customer service and leading more effectively. It's hard-hitting, pragmatic and based on real world results.

Shari has presented her research findings in seminars at many conferences. She is also an adjunct faculty member of Mountain State University in their School of Leadership & Professional Development and their Aviation Department.

Shari's clients include Chevron, Pfizer, United Space Alliance, FirstEnergy Corp, Cessna, ExxonMobil, Honeywell, IBM, Pepsico and many others. Shari has also been called upon by numerous businesses to work with teams in building more cohesive teams, proactively resolving conflict and dissecting common challenges using emotional intelligence techniques.

Call Shari at 281.992.4136 to take the huge step in determining exactly what your people challenges are. She has successfully helped companies wind their way through change, conflict, downsizing, expansion and everyday disruptions.