What Makes the Difference?

Ethical Leadership
Across the Public-Private Continuum

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Achievement brings its own anticlimax

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PREFACE AND ACKNOWLEDGMENTS

Integrity is a lot like the weather: everyone talks about it, but no one knows what to do about it

Stephen Carter

1 INTRODUCTION

1.1 Ethical Leadership Across the Public-Private Continuum

More than ever before, ethics[1] seems to have caught the attention of managers in organizations across the public-private continuum. And not without due reason. Recent high-profile scandals have once again shown that when the integrity of an employee or manager, public official, or politician is questioned, it can have detrimental effects for the person involved as well as for the organization he or she is part of (Cooper, 2001; Heidenheimer and Johnston, 2002). It can cause immense financial and reputational damage to the organization (Cohan, 2002: 276-277; Gini, 2004a: 9-11) and may even lead up to the implosion of a country's economic or political system (Bull and Newell, 2003; Della Porta and Mény, 1997). Meanwhile, those organizations that *do* explicitly demonstrate moral awareness are said to increase their competitive advantage (Petrick and Quinn, 2001: 332-333), elicit higher levels of trust and commitment from employees and other stakeholders (den Hartog and de Hoogh, 2009: 218-219; Shaw, 1997; Simons, 1999: 93-94), and as such improve their overall performance levels (Wu, 2002: 171). Clearly, 'business ethics' and 'ethical leadership' are no longer the oxymorons they were long thought to be (Gini, 2004b: 25).

Oftentimes it is the management[2] of the organization that is expected and required to provide ethical leadership, to safeguard and promote moral values (Cooper, 2006: 147-148; Maak and Pless, 2006: 105), and to manage the tensions that occur between economic and social performance (Gottlieb and Sanzgiri, 1996: 1276). Through their leadership, managers not only influence the behavior of their employees directly but also shape the norms and expectations of appropriate conduct that become instilled in the organization's ethical climate (Grojean et al., 2004: 237) and culture (Lasthuizen, 2008: 127-129; Treviño et al., 1999: 136). Hence, when integrity violations occur, it is the management of the organization that is at least partly held accountable and it is the management's leadership -or lack thereof- that is often targeted as a cause for the ethical lapse. Indeed, recent research has found that in most

[1] Ethics and morality are taken here as near synonyms. See chapter two for a detailed discussion of the terms ethics, integrity and morality and their respective use throughout this study.

[2] While often used interchangeably, in principle I prefer to distinguish the terms "leadership" and "leaders" from "management" and "managers." See chapter two for a discussion of (the differences between) leadership and management.

corruption cases, supervision of the corrupt official(s) was not strong and management had not promoted a clear integrity policy (de Graaf and Huberts, 2008: 643-644). Without ethical leadership, it is thus said, the organization's success and even its very survival are at stake (Kanungo, 2001: 258; Kanungo and Mendonca, 1996: 6; Thomas et al., 2004: 64). But what exactly makes a manager an ethical leader?

The question of what constitutes ethical leadership may elicit different answers in organizations operating in different public, private, or hybrid contexts. Notwithstanding New Public Management and Corporate Social Responsibility developments, and while certainly not as straight-forward as often assumed (cf. Rainey and Bozeman, 2000: 448-449), organizations across the public-private continuum remain distinctive in important respects. Most notably, public, hybrid, and private organizations diverge on their objectives, tasks, and basic underlying value systems (van der Wal and Huberts, 2008: 274-275), have different ownership, control, and funding structures (Boyne, 2002: 98-99; Bozeman, 1987), and as a result face different levels of political pressure and confront different types of stakeholder demands (Lan and Rainey, 1992; Nieuwenkamp, 2001; Poole et al., 2006: 1060). Such differences shape the moral environments of the organization. For example, as Van der Wal (2008: 1) remarks, "were government employees to ostentatiously invite clients to luxurious dinners and exotic trips abroad, scandals and public outcry would be the result and civil servants would be disciplined and fired. On the other hand, were business managers to donate the entire annual business revenue to welfare benefits for the unemployed, shareholders would be outraged, stock prices would decline, and board members would be fired and perhaps even prosecuted". A key question concerns the extent to which such differences in the moral environments of public, hybrid, and private organizations, in what is considered to be 'ethical' in these contexts, also have implications for the style of ethical leadership that is or should be employed.

Much progress has been made in recent years to develop a theoretically and empirically founded body of knowledge regarding ethical leadership (e.g., Brown and Treviño, 2006). However, to date, research on ethical leadership has been rather inattentive to the the publicness of the organizational context within which ethical leadership is exerted and as such it may be limited in its applicability to a diverse range of public, hybrid, and private organizations. The lion's share of empirical studies on ethical leadership draws on data from American business organizations. Moreover, most conceptualizations and operationalizations of ethical leadership are mono-dimensional (e.g., Brown et al., 2005: 125) and thus disregard possible differences in ethical leadership styles in terms of (1) the leader characteristics and behaviors that it entails; (2) the relative importance of different aspects of ethical leadership; and (3) their respective effects in varying public-private organizational contexts. Most studies on ethical leadership thereby implicitly assume that a 'one size fits all' solution is adequate

for organizations operating in public, hybrid, and private environments. But to what extent is such an assumption tenable? Is there one best way to be an ethical leader? Or do managers (need to) adjust their ethical leadership styles to the particular characteristics of public, hybrid, and private organization contexts? And if the latter, which similarities and differences are there, and which ethical leadership style is most congenial to which context?

Numerous studies suggest further inquiry into the relationship between ethical leadership and the publicness of organizations is warranted. Among these are studies on implicit leadership theories, which have consistently shown that conceptions of what (good) leadership entails are context-dependent and influence the extent to which particular leadership characteristics and behaviors are effective in influencing follower decision-making and behavior (den Hartog et al., 1999: 241, 250-251; House et al., 2002: 8-9; Resick et al., 2006: 354; van den Akker et al., 2009: 116). Similarly, a meta-analysis by Lowe et al. (1996: 405-407) reveals that both the prevalence and the effectiveness of leadership styles are contingent upon the public-private nature of the organization. Recent research by Lasthuizen (2008: 74) on ethical leadership within a Dutch police force further shows that not all aspects of ethical leadership proposed in the literature (i.e., role modeling, reinforcement, and communication; see Brown et al., 2005: 120) could be empirically supported, which suggests that existing conceptions of ethical leadership may not readily apply to all organizations across the public-private continuum. Lasthuizen's (2008: 157) study also demonstrates that particular aspects of ethical leadership (e.g., active role modeling) take precedence over others in influencing police officials' behaviors. This latter finding supports the notion that the various aspects of ethical leadership may differ in their relative importance and that conceptions of ethical leadership as a mono-dimensional construct thus may not be adequate.

1.2 Defining the Problem

Given the above, it seems imperative that ethical leadership research expands its scope to a broader range of organizations along the public-private continuum, and that the similarities and differences in the views on and practices of ethical leadership within these varying contexts be identified. The central research question of this study is as follows:

What constitutes ethical leadership in public, hybrid, and private organization contexts?

The focus in this paper will specifically be on the views of managers and leadership experts, as they are the ones first looked at when the organization is in need of ethical leadership; they are the ones that carry both implicit and explicit responsibility for the (un)ethical conduct of and within the organization and they are the ones that have the means and authority to set the

ethical tone of the organization. It is therefore interesting to see what they view as ethical leadership and whether these views differ across public-private organization contexts. On the basis of prevailing theoretical and empirical insights presented in the literature, as well as empirical research conducted within a diverse set of public, hybrid, and private organizations, the following research questions will be addressed in the study:

1. What characteristics and behaviors do prevailing theories and empirical insights suggest constitute ethical leadership?
2. Which similarities and differences regarding ethical leadership do prevailing theories and empirical insights suggest exist between public, hybrid, and private organizations? To what extent is ethical leadership expected to be contingent on the publicness of the organizational context?
3. What do managers of public, hybrid, and private organizations and leadership experts believe constitutes ethical leadership? What characteristics and behaviors do they consider to be typical of and conducive to ethical leadership?
4. Which similarities and differences regarding the views of managers of public, hybrid, and private organizations on ethical leadership are suggested by the empirical findings?
5. How can the empirical results be incorporated in a measurement instrument used to study the subjective views people hold with regard to ethical leadership?

Before we move on to answer these questions, some initial clarification and demarcation of their key components is needed. On the one hand, ethical leaders are often described as being moral persons: the leader is "ethical by nature" (Aronson, 2001: 253), has high moral character (Bass and Steidlmeier, 1999: 182), and is guided by a strong, deeply held set of moral values and principles. An ethical leader furthermore upholds these values and principles in the face of significant external pressures, adversity, or risks (May et al., 2003: 255-257). This personal integrity is reflected in the extent to which the leader makes decisions and acts according to the moral values, norms, rules, and obligations that are considered valid and relevant within the context in which he or she operates (Treviño et al., 2003: 19). On the other hand, leadership necessarily entails an influence process (Yukl, 2006: 3). This implies that a comprehensive definition of ethical leadership must go beyond the mere personal integrity of a leader: it must encompass both a 'moral person' and a 'moral manager' dimension (Treviño et al., 2003: 21; Treviño et al., 2000: 129-131). In the case of ethical leadership, the primary objective of the influence process would be fostering the ethical decision-making and behavior of others. Hence, ethical leadership is defined here as the quality of leaders consistently making decisions and acting in accordance with relevant moral values, norms, rules, and obligations, and promoting such decision-making and

behavior among followers. While this definition *a priori* provides a general idea of what constitutes ethical leadership, the question of which specific characteristics and behaviors compose ethical leadership is both a theoretical and an empirical one to be answered in this study.

With respect to 'public, hybrid, and private organizations' it should be noted that, following Bozeman (1987; Bozeman and Bretschneider, 1994) and Boyne (2002: 98-99), 'public' and 'private' are not a single paired opposition but rather represent the opposite ends of a public-private continuum. The position of an organization on this public-private continuum, i.e. the 'publicness' of an organization, follows from three dimensions: (1) the extent to which organizations are constrained by political control, (2) how organizations are funded and financed, and (3) the extent to which organizations perform public or private tasks in order to reach public or private goals (cf. van der Wal, 2008: 26). As Boyne (2002: 99) argues, "[i]t is important to distinguish between the three dimensions of publicness because they have different theoretical effects on organizational behavior." The terms 'public', 'hybrid', and 'private' then denote typical positions at the extreme ends respectively in the middle of the public-private continuum.

1.3 Research Outline

As research on the contingencies of ethical leadership in varying organizational context is still largely uncharted territory, this study will take an open, exploratory research approach. First, a review of the literature with respect to ethical leadership and leadership in different public-private organizational contexts is conducted. Then, qualitative, semi-structured interviews will be held with middle- and top managers of public, hybrid, and private organizations as well as several consultants that have a specific knowledge in organizational leadership. The interviews serve three main aims: (1) to gain empirical insights on the characteristics and behaviors that are believed to be relevant for ethical leadership in public, hybrid, and private organizations; (2) to develop concrete propositions on the similarities and differences between managers' views on ethical leadership in these respective contexts; and (3) to develop a measurement instrument that can be used to uncover subjective views on ethical leadership using Q-methodology. Additionally, the interviews will be used to formulate lessons for practice that may inspire managers and leadership experts in their quest for effective ethical leadership.

The thesis will first start with an overview of the academic literature in chapter two, defining the key concepts of the research and providing an answer to the first two research questions regarding the current state-of-the-art of research on ethical leadership (section 2.3) and the relationship between ethical leadership and the publicness of organizational contexts

(section 2.4). Next, the methods used to collect and analyze the empirical data are presented in chapter three. In chapter four, an answer will be given to the third and fourth research question by outlining the various characteristics and behaviors that managers and leadership experts associate with ethical leadership and identifying the similarities and differences across public, hybrid, and private organization contexts. The fourth chapter also contains the Q-set that was developed as a measurement instrument to uncover subjective views on ethical leadership. In the fifth and final chapter, the results will be interpreted in light of preexisting theoretical and empirical insights and concrete propositions with respect to ethical leadership and the publicness of organizations are offered. In this final chapter, the limitations and implications of the study are also discussed in further detail.

1.4 Scientific Relevance

First and foremost, this study complements existing research on ethical leadership with still lacking empirical insights on its contingencies. In identifying the characteristics and behaviors that managers and leadership experts of organizations across the public-private continuum attribute to ethical leadership, it broadens the scope of empirical research on ethical leadership to include a more diverse range of organizational contexts and explores the extent to which conceptions of ethical leadership in these various contexts fit with prevailing theoretical and empirical insights. Importantly, the use of a qualitative research design allows for the occurrence of unanticipated findings and thus remains open to new perspectives on ethical leadership in varying contexts. Furthermore, with its direct comparative research design this study provides some important clues as to the similarities and differences in the views that managers and leadership experts operating in public, hybrid, and private organizations hold with respect to ethical leadership. In doing so, it examines whether the 'one size fits all' ethical leadership constructs currently dominating the literature can be maintained and further advances the conceptualization and operationalization of ethical leadership. Particularly, this study facilitates subsequent research on ethical leadership by providing propositions on ethical leadership in public, hybrid, and private organizations for further empirical testing and presenting a measurement instrument to be used in a Q-study[3] on ethical leadership. More in general, this study is part of a larger mixed-method research project on ethical leadership across the public-private organization continuum. As such, the findings of this study will allow for sound triangulation of the data obtained by the Q-study

[3] It is beyond the scope of this thesis to give an elaboration of the aims, procedures, and outcomes of Q-methodology. However, see Appendix V for a clear and concise explanation by Van Exel and De Graaf (2005) of what Q-methodology entails.

and survey to be conducted later on in the project[4].

The scientific relevance of the study goes beyond fostering empirical insights and building theory on ethical leadership, though. This project takes an interdisciplinary approach by bridging public administration and organization sciences research, incorporating, integrating, and contrasting insights from both disciplines, including administrative and business ethics and public and private leadership research. Such an approach allows for an exploration of both the commonalities and tensions between these fields, as well as identification of some of the lacunas in each distinct field, which in turn might invigorate the development of perspectives that transcend the current disciplinary boundaries. Also, by incorporating insights from key theories such as social exchange theory, social learning theory, and implicit leadership theories, which are said to be important to ethical leadership (e.g., Brown et al., 2005: 119-120, 123; van den Akker et al., 2009: 117-118), the study explores the extent to which the empirical applications of these theories can be expanded to different contexts and fields of research and provides a more practical elaboration and exemplification of the mechanisms described by these theories.

1.5 Societal Relevance

The importance of organizational integrity is becoming more and more evident –and not just to safeguard organizations and communities from the tremendous financial, reputational, and societal costs associated with ethical lapses. Organizational integrity has repeatedly been associated with other beneficial outcomes such as heightened organizational commitment (Cullen et al., 2003: 137; Hunt et al., 1989: 85), strengthened organizational culture, increased employee effort, lower levels of turnover (Mowday et al., 1982), and higher levels of perceived leadership effectiveness (Morgan, 1993: 210; Parry and Proctor-Thomson, 2002: 91; Storr, 2004: 427). Organizational integrity is considered essential to cultivating trust from citizens, customers, shareholders and other stakeholders (den Hartog and de Hoogh, 2009: 218-219; Shaw, 1997; Simons, 1999: 93-94) and there is growing consent that it forms a crucial element in the long-term sustainability of organizations (Cooper, 2001; Kaptein and Wempe, 2002: 22; Worden, 2003: 41; Wu, 2002: 171). Indeed, managers are increasingly acknowledging the importance of organizational integrity for their own and organizational success (Jose and Thibodeaux, 1999: 139). This is also evidenced by the numerous ethics codes, integrity trainings, audits, and even special ethics officers and bureaus of integrity that are being incorporated in organizations across the public-private continuum (OECD, 1996: 54-55; Weaver et al., 1999: 239). But with an ever growing ‘ethics industry’, the call for

[4] See chapter 3 for a more detailed discussion.

scientific knowledge on what works and what hurts grows as well.

The study reported here explicates the diversity and commonalities in conceptions of ethical leadership in a broad range of public, hybrid, and private organization contexts and highlights the specific characteristics of these respective contexts that may be relevant to ethical leadership. It thereby provides managers with a concrete, empirically founded reference to evaluate and perhaps adjust their own ethical leadership style to become more effective and efficient in their efforts to foster organizational integrity and prevent integrity violations. Additionally, the results of this study may be used to evaluate and (re)develop more effective integrity training workshops that not only take account of the various ways in which ethical leadership may be exerted, but also recognize the particular characteristics of the public-private context of the organization that could affect its manifestations and outcomes. As part of the larger research project, this study will help the development of scientific knowledge that informs managers as well as consultants, leadership trainers, and integrity bureaus on (1) the range of different views on ethical leadership and thus the ethical leadership styles available to managers; (2) the extent to which these ethical leadership styles fit the daily practices of managers in public, hybrid, and private organizations; (3) which of the ethical leadership styles is most congenial to fostering employees' ethical decision-making in these specific contexts; and (4) the relative importance of the different aspects of ethical leadership in this respect.

Divorced from ethics, leadership is reduced to management

Gregory Burns

2 THEORETICAL FRAMEWORK

2.1 The Big Words: Ethics, Morality, Integrity

By their very nature, the 'big words' central to this study –ethics, integrity, morals, and other closely related concepts- are ambivalent in meaning, as they touch upon core normative, ontological, and epistemological beliefs of what constitutes reality. It is no surprise that these constructs are continually contested, redefined, and subjects of heated debates. Any attempt to provide definitive answers on this matter thus seems infeasible. Nevertheless, while an extensive philosophic discussion of these terms is beyond the scope of this study, at least some delineation of the terms is quintessential to providing a theoretical framework to guide the empirical research. Some key concepts will therefore be discussed in the following. An overview of the various definitions outlined in this paragraph can be found in table 2.1.

2.1.1 Ethics and Morality

In the academic debate, as well as in everyday conversations, 'ethics' and 'morality' or 'morals,' 'ethical' and 'moral,' are often used as interchangeable concepts, referring to conceptions of right and wrong, just and unjust, good and bad. These concepts refer to the collection of norms, values and principles that are considered to be supremely authoritative and that appeal to general consent (cf. Beauchamp, 1991: 5, 16; Fijnaut and Huberts, 2002: 5; Kaptein and Wempe, 2002: 41-42; Menzel, 2007: 6). As Thompson notes:

> "It may be assumed, that there is no important philosophical distinction between 'ethics' and 'morality'. Both terms denote the principle of right and wrong in conduct (or the study of such principles). When we refer to the principles of particular professions (e.g., legal ethics or political ethics), 'ethics' is the more natural term; and when we refer to personal conduct (e.g., sexual morality), 'morality' seems more appropriate. But in their general senses, the terms are fundamentally equivalent" (1985 in: Bruce, 2001: 91).

Yet there are also scholars that do explicitly distinguish morality and morals from ethics and that view ethics as something occurring at a meta-level. According to this latter view, ethics denotes the systematic reflection on or study of morality (de Graaf, 2003: 22) and thus forms

a discipline or field of study. Still others (e.g., Lawton, 1998: 16; Storr, 2004: 417) regard ethics as being prescriptive, as a set of principles reflecting what people *should* do and which serves as a framework for acting, while conceiving morals as descriptive, concerned with how and to what extent people live up to ethical standards. These authors see ethics as the cognitive side and morals as the behavioral side of the same coin.

While a clear conceptual distinction between ethics and morality may seem preferable from a purely academic standpoint, this would be untenable for the project at hand: consistent application of such a distinction would require the renaming of dominant and institutionalized constructs within the field of organizational ethics, including ethical leadership (Brown and Treviño, 2006; Treviño et al., 2003; Treviño et al., 2000), ethical culture (Kaptein, 2008; Weaver, 2001), and ethical climate (Vardi, 2001; Victor and Cullen, 1988) that are frequently discussed throughout the study. To avoid conceptual confusion with vested constructs, *ethics* and *morality*, as well as the related adjectives ethical and moral, are thus first and foremost taken here to be near synonyms, denoting the collection of normative judgments appealing to general consent about what is 'right,' 'good,' and 'just' and that provides a supremely authoritative framework for judgments, decision-making, and action. By way of contrast, at the other end of the morality continuum are the antonyms '*immoral*' and '*unethical*,' which concern the collection of normative judgments appealing to general consent about what is 'wrong,' 'bad,' and 'unjust' and that provides a supremely authoritative framework for judging, decision-making, and acting. Whether something is ethical or unethical, moral or immoral, is judged by the relevant community and is dependent on the context.

Two important remarks must be made, however. First, not every judgment concerning right and wrong, bad or good, just or unjust, is always a moral judgment. Consistent with the idea that ethics and morality are to be supremely authoritative over other normative judgments (Beauchamp, 1991: 16), Kaptein and Wempe (2002: 40-42) suggest that moral judgments always involve the fundamental interests of other individuals. When the object of concern is not judged as particularly moral or immoral, i.e. when the normative judgment does not involve such fundamental interests of others, it may therefore be termed *amoral*[5]. The second remark pertains to the *object* of the moral judgment. While some scholars conceive of ethics and morals as an attribute of conduct (cf. Thompson in the aforementioned quote), this study takes a broader perspective in which a moral judgment can bear upon more than just behavior. Decisions, institutions, organizations, policies, individuals, and many more 'objects' may be judged to be more or less ethical (Huberts, forthcoming: 6).

[5] To be sure, 'moral' here refers to what is morally good or morally right, rather than to the opposite of non-moral or amoral. For a more detailed discussion of what distinguishes non-moral from moral and immoral, see Hartland-Swann (1960, as cited in: Beauchamp, 1991: 7-12).

In addition to the definition outlined above, *ethics* will also be used in its second meaning, i.e. as denoting the systematic reflection on morality (de Graaf, 2003: 22). Similarly, *organizational ethics* is defined here as (1) the collection of normative judgments appealing to general consent within the context of the organization about what is 'right,' 'good,' and 'just' and which provides a supremely authoritative framework for judgments, decision-making and action by the organization and its members, and as (2) the systematic reflection on organizational morality. In the following, when referring to (organizational) ethics in this latter sense, this will be made explicit.

2.1.2 Integrity

This brings us to another, closely related concept that warrants explication: integrity. Integrity, too, is subjected to a myriad of viewpoints, originating from a wide range of disciplines. Huberts (forthcoming: 60-68) identifies eight different views on integrity –each emphasizing a different aspect of the construct: integrity is about wholeness, consistency and coherence (Montefiore and Vines, 1999; Musschenga, 2004), integration with the environment (Brown, 2005), professional responsibility (Karssing, 2001), conscious and moral acting (Carter, 1996), a specific value or principle (Glover et al., 1997; Posner and Schmidt, 1984), demonstrating exemplary moral behavior (Brenkert, 2004), accordance with laws and codes (Dobel, 1999), and accordance with moral principles, norms and values (Fijnaut and Huberts, 2002).

It is the latter view on integrity, which to a large extent integrates the eight perspectives[6] and is the most commonly used approach in business and administrative ethics, which is chosen here. More specifically, *integrity* is defined as a characteristic or quality of an actor or behavior that refers to their being consistently in accordance with the moral values, norms, rules, and obligations that are considered valid and relevant within the context in which the actor operates[7] (cf. Huberts, 2005: 19). Integrity is thus an inherently relational

[6] See for a more detailed discussion of the applicability and integration of the various perspectives Huberts (forthcoming).

[7] Some scholars argue that such a definition of integrity, as dependent on the values and norms considered valid and relevant in a particular context, implies a moral relativism in which "as long as one consistently acts according to any set of principles…one has personal integrity" (Becker, 1998: 155). In such a view, Becker suggests, even Hitler could have integrity and "the concept of integrity [would become] meaningless, for it would subjugate morality to personal or public opinion -even if such opinion were incorrect or evil". To some extent, this argument is valid when integrity is used in a prescriptive, normative sense. However, the objective of this paper is primarily descriptive in nature and thus takes the various meanings attached to integrity found in the research field as an empirical given. In the case of Hitler, then, such a perspective suggests that while Hitler indeed was considered to have integrity by his followers, the moral values, norms, rules and obligations of the wider international community would lead it to judge Hitler as a person that clearly lacks integrity. In other words, taking a descriptive perspective on integrity requires room for different moral judgments on the integrity of a person and his or her behavior, depending on how the context is defined.

Concept	*Definition*
Ethics	(1) The collection of normative judgments appealing to general consent about what is 'right,' 'good,' and 'just' and that provides a supremely authoritative framework for judgments, decision-making, and action (2) The systematic reflection on morality
Morals/ Morality	The collection of normative judgments appealing to general consent about what is 'right,' 'good,' and 'just' and that provides a supremely authoritative framework for judgments, decision-making, and action
Moral judgment	A normative judgment appealing to general consent about what is 'right,' 'good,' and 'just' that provides a framework for judgments, decision-making and action and involves the fundamental interests of other individuals
Integrity	A characteristic or quality of an actor or specific behavior that refers to their consistent acting and being in accordance with the moral values, norms, rules, and obligations that are considered valid and relevant within the context in which the actor operates
Integrity violations	Violations of the relevant moral values, norms, rules, and obligations, classified by a typology of ten types: Corruption (bribing and favoritism); fraud and theft; conflict of (private and public) interests through gifts, jobs, and activities; improper use of authority; abuse and manipulation of information; discrimination and sexual harassment; waste and abuse of organizational resources; and private time misconduct
Integritism	The oversimplification and immediate condemnation of an issue in terms of ethics and integrity, exaggeration of the significance of the values and norms in question and/ or overgeneralization of a moral judgment with respect to a specific aspect of behavior to the entire person or organization
Values	Important general qualities and standards that have a certain weight in decision-making and behavior and that are relatively stable and enduring over time
Norms	Formal or informal regulations prescribing the proper conduct in general as well as specific situations

Table 2.1: Definitions of key concepts

construct (Kaptein and van Reenen, 2001: 283). When relevant moral values, norms, rules, and obligations are violated, the behavior in question is defined as an *integrity violation*. Such violations may be classified as: corruption (bribing and favoritism); fraud and theft; conflict of (private and public) interests through gifts, jobs, and activities; improper use of authority; abuse and manipulation of information; discrimination and sexual harassment; waste and abuse of organizational resources; or private time misconduct (Huberts et al., 1999: 449-452). When, on the other hand, integrity is taken too far, we speak of *integritism*: The oversimplification and immediate condemnation of an issue in terms of ethics and integrity, exaggeration of the significance of the values and norms in question and/ or

overgeneralization of a moral judgment with respect to a specific aspect or behavior to the entire person or organization (Huberts, 2005: 17-18).

To some extent, the aforementioned definition implies that integrity is merely "a general way of acting morally" and "morality" (Brenkert, 2004: 5) or, put differently: "Acting with integrity is the same as acting ethically or morally" (DeGeorge, 1993: 5). Unlike ethics and morality, however, integrity specifically pertains to a characteristic or quality of actors and their demonstrated behavior –not to decisions, procedures, rules, material objects, policies and the like. As such, individuals, but also groups, organizations, societies may be said to have or lack integrity. *Organizational integrity* thus refers to a characteristic or quality of the organization and its specific behavior (the end result), not to the integrity system (means) that the organization may or may not have (see also Kaptein and van Reenen, 2001: 284).

2.1.3 Values and Norms

Two final constructs, inextricably linked to understandings of ethics, morality and integrity, require further clarification: values and norms. Undoubtedly, 'value' is one of the most essentially contested concepts in academic debates, with little agreement on how the concept is to be defined and used (de Graaf, 2003: 22). Much of the controversy on values revolves around the ontological beliefs of those involved in their conceptualization. Yet, as Dose (1997: 220) notes, consensus does seem to exist on the idea that values are standards or criteria for choosing goals and/ or guiding behavior, and that they are relatively stable and enduring over time. As opposed to attitudes, values do not correspond to specific objects or situations (Dose, 1997: 220) and are treated as latent constructs (Klenke, 2005: 52) that can only be observed through their manifestation in attitudes, preferences, decision-making, and action (van der Wal and Huberts, 2008: 4). Values are defined here as important general qualities and standards that have a certain weight in decision-making and behavior and that are relatively stable and enduring over time (cf. Dose, 1997: 220). This definition implies that values do not always need to have a moral component to them and may also refer to preferences in terms of aesthetics, ambitions, etiquette and so forth (Huberts, forthcoming: 6). In this study, the focus is solely on *moral* values and value systems, though.

However defined, personal, professional, organizational, legal and public interest values (see Van Wart, 1998: 8-22) are broadly recognized as key drivers behind employee, management and organizational decision-making and behavior in general (Posner and Schmidt, 1992: 81) and ethical decision-making and behavior in particular (e.g., Akaah and Lund, 1994: 424; Baker et al., 2006: 855; Ferrell and Gresham, 1985: 89; Fritzsche, 1995: 919-920; Fritzsche and Oz, 2007: 342; Hegarty and Sims, 1979: 337). Moreover, values are shown to affect how people frame and interpret external events (Ravlin and Meglino, 1987: 669). Values largely affect behavior through their manifestation in more specific norms.

Norms are formal and informal regulations prescribing the proper conduct in general as well as specific situations (cf. van der Wal, 2008: 10-11). Thus, norms, more so than values, tell us what to do in a particular context and situation.

2.2 Another Big Word: Leadership

While we all have initial ideas and assumptions of what the construct denotes, leadership, too, proves to be far from easy to define (see Rost, 1991). Indeed, as Bass (1990: 11) notes, "[t]here are almost as many different definitions of leadership as there are persons who have attempted to define the concept." An overview of representative definitions of leadership from the last century is presented in table 2.2. Most definitions, as Yukl (2006: 3) remarks, "reflect the assumption that it involves a process whereby intentional influence is exerted by one person over other people to guide, structure, and facilitate activities and relationships in a group or organization". Yet, he continues, that is about all these definitions seem to have in common. Many differences exist with regard to understandings of who exerts the influence, the intentions of the influence, how influence is exerted, and the outcomes of the influence attempts. As a result, leadership research focuses primarily on what constitutes *good* and *effective* leadership rather than on leadership as such (Ciulla, 1998: xvii). Nevertheless, before elaborating on the current state-of-the art regarding ethical leadership research, at least some notion of how 'leadership' is understood in this study is needed, as it inevitably frames the approach taken to the research object and the way the results will be interpreted.

2.2.1 The Leader-Follower Relationship

Leadership is defined here as "the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives" (Yukl, 2006: 8). Importantly, this definition implies that without followers (i.e., the "others"), there is no leader or leadership. Leadership is a necessarily relational construct, always interactive and occurring in the context of others (Gini, 2004b: 35). Leadership in this sense concerns an interaction between two or more group members "that often involves a structuring or restructuring of the situation and of the perceptions and expectations of the members" (Bass and Bass, 2008: 25). Consistent with recent developments in the field of leadership research (see Avolio, 2007: 26; Riggio et al., 2008: 5-6), this study therefore takes a more follower-centered perspective to leadership, viewing it as a process mutually constituted by the leader and its followers (Rost, 1991: 102-103). Followership is subsequently defined as "the acceptance of influence from another person or persons without feeling coerced and toward what is perceived to be a common purpose" (Stech, 2008: 48-49). As leadership requires followers' freedom to act and

thus at least some degree of follower buy-in (Ciulla, 1998: 11-12; McCall, 2002: 133), followers provide the terms and conditions for effective leadership (Gini, 2004b: 32-33; Hogg, 2008: 269). Both leaders and followers 'do' leadership; leadership and followership are two sides of the same coin (Rost, 2008: 56).

Period	*Leadership definition*
1920s	[Leadership is] the ability to impress the will of the leader on those led and induce obedience, respect, loyalty, and cooperation
1930s	Leadership is a process in which the activities of many are organized to move in a specific direction by one
1940s	Leadership is the result of an ability to persuade or direct men, apart from the prestige or power that comes from office or external circumstances
1950s	The leader's authority spontaneously accorded to him by his fellow group members
1960s	[Leadership entails] acts by a person that influence other persons in a shared direction
1970s	Leadership is defined in terms of discretionary influence. Discretionary influence refers to those leader behaviors under control of the leader which he may vary from individual to individual
1980s	Leadership means to inspire others to undertake some form of purposeful action as determined by the leader
1990s	Leadership is an influence relationship among leaders and followers who intend real changes that reflect their mutual interests

Table 2.2: Representative definitions of leadership from 1920s-1990s (Source: Rost (1993) in: Ciulla, 2004: 10-11)

In principle, the processes of leadership and followership are not identical to the terms 'leader' and 'follower'. Leadership and followership entail (1) a state or condition in which a person may find oneself, and (2) the exhibition or embodiment of the quality or state of leadership or followership in a specific context (Stech, 2008: 48). The leader or follower, then, is the person involved in the process of leadership or followership, respectively; they are not the process itself (Rost, 2008: 54)[8]. But as argued by Gini:

> "Although the phenomenon of leadership can and must be distinguishable and definable separately from our understanding of what and who leaders are…leadership can only be known and evaluated in the particular instantiation of a leader doing a job. In other words, even though the terms "leadership" and "leader" are not strictly synonymous, the reality of leadership cannot be separated from the person of the leader and the job of leadership" (Gini, 2004b: 34).

[8]To be sure, who exactly fulfills the role of the leader and who are considered followers may differ according to the situation and matter at hand (Stech, 2008: 48).

Consequently, the terms 'leadership' and 'leader,' and similarly 'followership' and 'follower,' will be used interchangeably throughout this study.

2.2.2 Leadership versus Management

Taking Yukl's description of the main assumption underlying most leadership definitions as a starting point, it becomes clear that leadership is not generally nor necessarily defined by the formal position of authority a person occupies. One can be a leader without being a manager or a manager without being a leader (Ciulla, 1998: 12). Leadership relies more on personal than on positional power (Khuntia and Suar, 2004: 13). Moreover, leadership may not need to rely within one person; it may be shared or distributed (Yukl, 2006: 449-450). On the other hand, the concepts of leadership and management do have a significant degree of overlap between them: The success of a manager in large part depends on that person's ability to be a leader (Yukl, 2006: 6-7) and the success of a leader may be fostered by the legitimate authority one has as manager and the resources and responsibilities attributed to such a formal position (cf. Dineen et al., 2006: 623). The distinction between leader and manager, leadership and management, is thus not as strict as some scholars believe or would like it to be. However, in this study, I will maintain a distinction between the two concepts wherever possible, referring to leaders as those involved in processes of leadership -as described in the previous section- and managers as those occupying a formal position of authority in an organization and involved in processes of organizing, budgeting, time scheduling, resource allocation, control et cetera.

2.3 What It All Adds Up To: Ethical leadership

In this day and age, few would argue that an organization could do without ethical leadership. If the scandals at Enron, Tyco, WorldCom, and other organizations worldwide have taught us anything, it's that when ethical failures occur, the consequences can be immense (e.g., Cohan, 2002: 276-277; Gini, 2004a: 9-11). Meanwhile, the ethical standards for organizations are continually being raised: what was acceptable behavior only a few years ago may not be considered appropriate anymore and the expectations that the general public, regulators, and clients have of organizations in terms of their ethical conduct are increasingly higher (Kaptein and Wempe, 2002: 35). As formal authority figures, managers are both implicitly and explicitly held responsible for stimulating and protecting the organization's integrity (Cooper, 2006: 147-148; Gottlieb and Sanzgiri, 1996: 1276; Maak and Pless, 2006: 105). This means that they not only need to carefully monitor their own behavior, but also have the difficult task of making sure that the conduct of the organization as a whole, as well as that of its individual members, is constantly and consistently in line with the relevant moral values,

norms, rules, and obligations. The question, of course, is how: how can managers secure the ethical decision-making and behavior of employees and be effective ethical leaders for their organizations?

Somewhat surprisingly, and despite the widely acknowledged importance of leadership in fostering organizational ethics, empirical and theoretical research on ethical leadership has long remained in the early stages of infancy (Brown and Treviño, 2006: 595). The academic literature on ethical leadership has been predominantly normative (e.g., Burns, 1978; Ciulla, 1998; Mendonca, 2001), presenting ideal images of what ethical leaders *should* be and providing long lists of characteristics and behaviors that ethical leaders *should* embody. In these normative discussions ethical leaders are generally depicted as heroic characters, oftentimes more virtuous than the pope himself. However, as noted before, much progress has been made in recent years to develop a more theoretically and empirically founded body of knowledge regarding ethical leadership (e.g., Brown and Treviño, 2006). Still, with some notable exceptions (Brown et al., 2005; Lasthuizen, 2008; Resick et al., 2006; Treviño et al., 2003), few have studied to what extent the ideal images of ethical leadership fit the views of those most directly involved -managers and employees-, whether there are leaders that actually match the profile of such an ideal ethical leader, if all aspects are in fact necessary to influence follower ethical decision-making, which of the characteristics and behaviors contributes most to the effectiveness of an ethical leader, and so on. Likewise, the contingencies of ethical leadership views and practices are still largely uncharted territory.

In the following, I will review the characteristics and behaviors that prevailing theories and empirical insight suggest constitute ethical leadership. To provide at least some focus, ethical leadership is defined here as the quality of leaders consistently making decisions and acting in accordance with relevant moral values, norms, rules, and obligations, and cultivating such decision-making and behavior among followers. Importantly, ethical leadership is not understood as a distinct leadership style that exists independently of other leadership styles such as transformational or transactional leadership, but rather as an umbrella concept that encompasses the collection of moral aspects inherent in the various leadership styles[9] (Heres, 2007: 11). Following dominant perspectives in ethical leadership research (e.g., Brown et al., 2005) the definition of ethical leadership is founded on two 'pillars'. The first concerns the personal integrity of the leader, also termed the 'moral person'. The second emphasizes the

[9] The vast majority of scholars that address the moral element of leadership do this within the context of specific leadership styles, most notably 'authentic leadership,' 'transformational leadership,' and 'spiritual leadership'. As these leadership styles by definition encompass both 'moral person' and the 'moral manager' elements (Brown and Treviño, 2006; Heres, 2007), the next section draws not only on research conducted with respect to moral and ethical leadership constructs, but also includes insights from studies on transformational, authentic and spiritual leadership.

extent to which a leader is able to cultivate integrity among his or her followers, which has been dubbed the 'moral manager' component (Treviño et al., 2000: 128). In a sense, the former pillar emphasizes the 'moral' part of ethical leadership, whereas the latter stresses the specific 'leadership' aspect of it (Treviño et al., 2000: 133). However, as we will see, the 'moral person' and the 'moral manager' pillars are closely intertwined and are not always as neatly distinguishable from one another as they may appear to be at first.

2.3.1 The Moral Person: Leader Integrity

Leader integrity takes center stage in most normative and empirical discussions bridging ethics and leadership. It is the extent to which the leader is perceived to have or lack integrity that many consider to be the foundation of ethical leadership and its intended elevation of organizational ethics. As 'moral persons', ethical leaders are said to require an extensive set of personal traits, which should be reflected in their decision-making and behavior.

2.3.1.1 Leader traits

Ethical leaders are portrayed as "ethical by nature" (Aronson, 2001: 253), of high moral character (Bass and Steidlmeier, 1999: 182; Jurkiewicz, 2006: 247), and guided by a strong, deeply held set of personal moral values that are highly principled and concerned with doing the right thing (Kaptein, 2003: 103; Treviño et al., 2000: 132). These values are non-negotiable and cannot be exchanged (Carlson and Perrewe, 1995: 832): the leader must have the moral courage and resilience to uphold these values and principles even in the face of significant external pressures, adversity, or risks (Brown, 2007: 151; May et al., 2003: 255, 257; Treviño et al., 2003: 18). Ethical leaders are characterized by qualities such as honesty, integrity, reliability, modesty, and trustworthiness, and strongly value respect, human dignity, justice, fairness, and equality (Avolio et al., 2004a: 807). They are caring and people-oriented, open and communicative (Josephson, 2006: 15-17; Resick et al., 2006: 347; Treviño et al., 2003: 14, 18; Treviño et al., 2000: 131-132). More debated is the issue of whether an ethical leader also needs to be authentic and have a high level of self-awareness. While Brown and Treviño (2006: 599) note that such authenticity and self-awareness "are not part of the ethical leadership construct", and Zhu and colleagues merely note that is likely to heighten the ethical leader's effectiveness (2004: 21-22), Kaptein argues that authenticity is a prerequisite for integrity and thus a key characteristics of any ethical leader (2003: 101).

Ethical leadership has been associated with a heightened awareness of others (Brown and Treviño, 2006: 599), as well as an increased awareness of the context in which one operates (Avolio and Gardner, 2005: 321) and the various moral perspectives of relevant others (Avolio et al., 2004 in: Avolio and Gardner, 2005: 321; May et al., 2003: 253). Ethical leaders are viewed as leaders with a genuine interest in others' well-being, the fundamental and

enduring needs of followers, and the broader common good (Bass and Steidlmeier, 1999: 189; Kanungo and Mendonca, 1996: 58; Michie and Gooty, 2005: 447-448; Treviño et al.). Indeed, ethical leaders are described as being committed to a higher purpose (Khuntia and Suar, 2004: 15) and embracing altruistic values (Brown et al., 2005: 118). Importantly, while ethical leaders have a clear vision of the organization in terms of its future and what (s)he wants to achieve (Kaptein, 2003: 101; Treviño et al., 2003: 19), Treviño et al. note that they themselves need not necessarily be exceptionally charismatic or visionary people (2003: 21-22).

2.3.1.2 Leader ethical decision-making and behavior

As mentioned earlier, leader integrity is not merely reflected in the traits and ideals of leaders, but also inherently embedded in the leader's decision-making and behavior (Brown et al., 2005: 120). On the one hand, by its very definition, integrity necessitates that a person's decisions and behavior are in accordance with relevant moral values, norms and rules (cf. Huberts, 2005: 19). On the other hand, leadership involves power, authority, and responsibility and is thus "fraught with ethical challenges" (Hollander, 2004: 47). Ethical decision-making and behavior on the part of the leader, which includes fair and respectful treatment of followers, is therefore seen as pivotal to ethical leadership.

Ethical decision-making and behavior require a sufficient degree of moral awareness and sound moral judgment. That is, leaders must be able to recognize the moral elements of the decision at hand and be able to, within reason, oversee the moral consequences of their decisions, the end goals they set *and* the means used to achieve them (Dobel, 1998: 78; Jones, 1991: 380; Treviño et al., 2003: 19). Subsequently, ethical leaders must be "capable of judging ambiguous ethical issues, viewing them from multiple perspectives, and aligning decisions with their own moral values" (Brown and Treviño, 2006: 599). All the while they must also take into consideration different stakeholder needs and the (moral) consequences a decision may have for each of these stakeholders both on the short and on the long term (Caldwell et al., 2002: 160-161). In order to do so, ethical leaders are said to actively seek input and organize feedback from others, including followers, thereby acknowledging that ambiguous moral situations generally require additional perspectives (Van Wart, 2005: 118; Luthans and Avolio, 2003 in: Verbos et al., 2007: 22). Throughout the whole process, ethical leaders need to make efforts to remain consistent, coherent, and constant in their decision-making and behavior (Kaptein, 2003: 102; Van Wart, 2005: 114) and to keep their words and deeds aligned: they need to walk the talk and talk the walk (Brown and Treviño, 2006: 597).

Ethical decision-making and behavior also presume ethical leaders have high moral reasoning capacities. According to Kohlberg's (1969) cognitive moral development theory, individuals with a high, principled level of moral reasoning uphold internally held values and

standards regardless of majority opinion or, at an even higher level, search for universally held deontological principles of justice and rights. This seems consistent with the premise of moral courage and resilience that is deemed an important trait of ethical leaders (Brown, 2007: 151; May et al., 2003: 255, 257; Treviño et al., 2003: 18). As shown by Turner and associates (2002: 305), leaders with higher, more principled moral reasoning "will be able to draw on more sophisticated conceptualizations of interpersonal situations, are more likely to think about problems in different ways, and are cognizant of a larger number of behavioral options". Additionally, Schminke et al. (2005: 147) found that, to the extent that leaders actually utilize their higher moral reasoning capacity, moral reasoning level is positively associated with higher-level ethical climates. In other words, leaders using more principled moral reasoning are better able to cultivate an ethical climate within the organization and are thus more likely to be considered ethical leaders.

This brings us to an important final issue: because leaders' decisions and behaviors inevitably affect their relationship with followers and thereby their ability to influence follower (ethical) decision-making and behavior, they interrelate the 'moral person' with the 'moral manager' and can be considered aspects of both components. The way leaders treat their followers is not just a matter of having personal integrity but in fact may partly account for leaders' ability to cultivate ethical decision-making and behavior amongst followers. Drawing on social exchange theory (see Blau, 1964) and the norm of reciprocity (Gouldner, 1960: 171), Mayer et al. (2009: 3, 8-9) argue that when leaders treat followers fairly and are able to engender trust, they are more likely to be reciprocated with desired follower behaviors and less likely to be confronted with behaviors that are detrimental to the leader or the group. The socio-emotional exchange between the leader and his or her followers that results from the leader's decision-making and behavior thus facilitates the moral manager capacities of the leader. As such, the ethical decision-making and behavior of leaders actually bridge the 'moral person' and the 'moral manager' components.

2.3.2 The Moral Manager: Cultivating Follower Integrity

The second 'pillar' of ethical leadership concerns the ability of the leader to be a 'moral manager', that is, to cultivate ethical decision-making and behavior amongst followers by setting and reinforcing high moral standards of performance (Avolio et al., 2004a: 807). Within the academic literatures, there seems to be broad consensus on the idea that the achievement and maintenance of such moral standards within organizational contexts requires a balanced mix of both compliance- and trust-based approaches, of rule-enforcement and values-based management, of external and internal controls, of low-road and high-road ethics (e.g., Cooper, 2006: 151; Paine, 1994: 111). As Cooper (2006: 151) notes, it is not so much about which approach to take, but rather –given that both 'hard' and 'soft' measures are

necessary- which aspect one chooses to emphasize more and what is considered to be the optimal balance within a particular context.

The notion of a balanced approach to fostering organizational ethics also underlies contemporary conceptualizations of ethical leadership (e.g., Brown et al., 2005; Kaptein, 2003; Resick et al., 2006). Most noteworthy in this respect is the work conducted by Brown, Treviño, and associates (Brown and Treviño, 2006; Brown et al., 2005; Treviño et al., 2003; Treviño et al., 2000), which has been leading in the development and empirical validation of an ethical leadership construct that explicitly addresses the 'moral person' component as well as the 'moral manager' component. In their work, these authors discern three key elements of the 'moral manager' component of ethical leadership: leaders' role modeling through visible action, reinforcement through the use of reward and discipline, and communication about ethics and values (Brown et al., 2005: 120).

2.3.2.1 Role modeling

Leader role modeling is widely acknowledged as a, if not the most, critical factor in shaping the ethical decision-making and behavior of followers (Dickson et al. 2001: 208; Carlson and Perrewe 1995: 831; Ford and Richardson 1994: 212, 215; Sims and Brinkman 2002: 332-333; Morgan 1993: 200; Grundstein-Amado 1999: 258; Treviño et al. 1999: 141; Kaptein and van Reenen 2001: 290; Mayer et al. 2009: 10; Gini 2004b: 26; Lasthuizen 2008: 138-139). The effects of leader role modeling on follower ethical behavior have even been said to exceed those of formal, written rules and procedures (Soutar et al., 1994: 336). The main idea is simple and has a strong intuitive appeal: if leaders do not practice what they preach, why should followers do so? Leaders are regarded as the "moral standard bearer[s] for their organization…their ethical behavior sends a strong message to their followers affecting what they attend to, what they think, how they construct their own roles, and ultimately how they behave" (May et al., 2003: 253). Leaders' decision-making and behavior give moral cues to followers (Cooper, 2006: 209) and set the ethical tone of an organization (Grojean et al., 2004: 224, 228-229). To most scholars, being a 'moral manager' thus first and foremost entails being a positive ethical role model.

Although closely intertwined with the various aspects of the 'moral person' component discussed above, ethical role modeling extends beyond merely having the right traits and behaving in a morally appropriate manner. Indeed, a prerequisite for being an ethical role-model is that one embodies moral virtues such as honesty and trustworthiness, makes ethical, fair, and transparent decisions, and acts accordingly (Weaver et al., 2005: 316). However, while being a moral person is primarily an individual characteristic, role modeling is a social process that takes place in the interaction between leader and follower and stresses the reputational and perceptual aspects of ethical leadership (Treviño et al., 2000: 133). As such,

ethical role modeling necessitates that the decision-making and behavior of the leader is sufficiently visible and salient to be observed by followers "against an organizational backdrop that is often ethically neutral at best" (Brown and Treviño, 2006: 597). This does not imply, though, that role modeling is about big gestures only: ethical role modeling extends to all types of behavior, whether it concerns major issues (e.g., choosing the more ethical alternative even though it has grave financial ramifications) or relatively minor issues (e.g., arriving on time for a meeting) (Weaver et al., 2005: 318).

The salience of role modeled behavior is a central premise of social learning theory (Bandura, 1977, 1986), a theory often used to explain the mechanism underlying leaders' impact on the ethical decision-making and behavior of followers (Grojean et al., 2004: 228-229). Social learning theory holds that both conforming and deviant behaviors can be learned vicariously by observing the behaviors exhibited by particular role models and paying attention to the consequences those behaviors elicit. When the behavior results in desirable consequences for the role model, the observer is likely to remember the behavior and imitate it in similar situations in the future. But whether one observes the behavior in the first place depends largely upon characteristics of the modeled behavior, such as its distinctiveness, its prevalence, and its complexity (Bandura, 1986). To illustrate, Huberts et al. (2007: 596) found that leader role modeling behavior is most effective in preventing integrity violations that concern internal social relations, such as discrimination, sexual harassment, gossiping, bullying, and falsely calling in sick, and has less effect on other integrity violations such as fraud and corruption. This may be because social interactions between the leader and other organization members occur on a day-to-day basis and are highly visible to followers, which could make social interaction behaviors much more susceptible to imitation. In contrast, fraud and corruption –at least in Western societies- tend to be more covert and complex. Consequently, such behaviors generally lack the visibility to be observed and imitated by others.

The effectiveness of role modeling behavior also depends upon characteristics of the role model (Bandura, 1986). Although role modeling may occur regardless of one's position in a group or one's level in the organization (cf. Weaver et al., 2005: 324-325), social learning theory implies that leaders are particularly attractive role models (Bandura, 1986: 207). As leaders represent significant others in the organization and by definition distinguish themselves from their followers through the behaviors they exhibit, their behaviors tend to be more salient and draw more attention than for instance peer behavior. Moreover, social learning theory suggests that people are more inclined to emulate behavior when the model in question is a person of high prestige, status, and/ or power, something leaders by the very nature of their role are more likely to be (Brown et al., 2005: 119). Because of the importance of visibility of the modeled behavior, Brown and Treviño (2006: 601) further suggest that a

proximate leader, with whom one interacts closely and on a frequent basis, is more likely to serve as an ethical role model than is a leader that operates at a greater distance from the observer. However, because of trickle-down effects, leaders at higher levels within the organization remain crucial ethical role-models to other leaders and thus to the rest of the organization as well (Mayer et al., 2009: 10).

As ethical role models, leaders need to be particularly careful not to send out negative or conflicting signals. Several studies have suggested that people in formal leadership positions are much more likely to lower the ethical standards of their subordinates, than elevate them (Jurkiewicz and Nichols, 2002; Jurkiewicz and Thompson, 1999). This is not just because they directly exert pressure on subordinates to compromise their personal ethical standards (Soutar et al., 1994: 337), but also because they engage in behavior that these subordinates *perceive* as questionable (Treviño et al., 2000: 133-134). In such cases, the precise details of and intent behind the behavior is of little relevance: "[people] are generally not aware of our intent. They see the actions and make inferences based upon them" (Treviño et al., 2000: 134). Furthermore, leaders have a tendency to make moral exceptions for themselves or others that they feel are justified by virtue of their leadership position (Price, 2004: 141, 143). Again, however, the salience of the role-modeled behavior plays an important part: moral exceptions are, because of their distinctiveness from 'normal' conforming behavior and their seemingly positive outcomes, more likely to draw attention and be emulated by followers. As a result, the culture of the organization will shape according to these exceptions and it is the moral exceptions that become the new norm (Cooper, 2006: 209). It is thus essential that ethical leaders are aware of how their decisions and behaviors might be interpreted by followers, make efforts to avoid conduct that could be perceived as inconsistent with moral norms, values, and rules, and explicate the reasoning behind their decisions and behaviors if needed (May et al., 2003: 253; Van Wart, 2005: 117; Weaver et al., 2005: 328).

2.3.2.2 Reinforcement

A second element that is considered key to being a 'moral manager' is holding people accountable and consistently reinforcing the formal and informal ethical standards through reward and discipline. Again, the underlying idea is fairly straight-forward: people are more likely to refrain from unethical conduct when that behavior will result in punishment, especially when the punishment outweighs the reward that one would get from committing the unethical behavior (Kaptein and Wempe, 2002: 254, 256; Paine, 1994: 110-111; Treviño, 1992: 651). This mechanism is most effective when it comes to integrity violations in which organizational resources are at stake, such as corruption, fraud, theft, and the like (Huberts et al., 2007: 596, 599). But if unethical behavior is left unpunished or is even rewarded – intentionally or not- it will be perceived as acceptable behavior and it is much more likely to

continue in the future (Carlson and Perrewe, 1995: 831; Sims and Brinkman, 2002: 333-334). Conversely, rewarding behavior that supports and upholds ethical standards fosters followers' ethical decision-making and behavior and helps create a stronger ethical culture (Grojean et al., 2004: 231; Treviño and Youngblood, 1990: 382).

Reinforcement can be formal as well as informal. For instance, as Grojean et al. (2004: 231) suggest, ethical conduct may be included in the criteria for the distribution of financial rewards, such as base pay raises, bonuses and incentives. However, caution is warranted here, as too much emphasis on such formal, material rewards might lead people to sacrifice the overall desired outcomes for the sake of the rewarded behavior (Bartol and Locke, 2000 in: Grojean et al., 2004: 231). In this respect, it is important to note that informal rewards and sanctions by the leader and peer group members may even be more effective than material ones (Treviño, 1992: 652). Informal rewards such as recognition, trust, respect, status and power, and increased discretion and autonomy are powerful incentives for people to engage in ethical behavior (Grojean et al., 2004: 231), while the threat of informal sanctions such as gossip, ridicule, or ostracism by peers and leaders may effectively deter people from committing unethical behavior (Treviño, 1992: 652).

As follows from social learning theory (Bandura, 1977, 1986), the learning experience of reinforcement lies not just with the person(s) being rewarded or sanctioned, but may also occur vicariously and anticipatory as people pay attention to the behaviors that leaders reward and punish (Brown et al., 2005: 120; Cooper, 2006: 210; Treviño, 1992: 650). In fact, role modeling is far more effective where there are sufficient incentives to reproduce the modeled behavior. Specifically, role modeling is facilitated by rewards provided by the role model itself and the social effectiveness of the exhibited behavior (Bandura, 1977, 1986). In a related vein, punishment is more likely to be effective when it is done by a credible and attractive role model (Treviño, 1992: 650-651). Reinforcement is thus closely related to role modeling and serves a great symbolic function within the broader organization. Treviño (1992: 669) argues that ethical leaders need to take account of this symbolic function of (not) punishing or rewarding certain behaviors as the indirect effect that reinforcement has on observers may be equally as, if not more important than the direct effect it has on the person(s) in question. Ethical leaders should therefore make sure their sanctioning is visible to other followers as well (Treviño et al., 2000: 135-136). Treviño also suggests ethical leaders should consider explicitly informing other followers of the incident and how it was dealt with, to allow learning to occur in the broader organizational community (Treviño, 1992: 669) and to "uphold […] the value of conformity to shared norms and maintain…the perception that the organization is a just place where wrongdoers are held accountable for their actions" (Treviño et al., 1999: 139).

Some scholars caution against an overreliance on rewards and punishment, though. Baucus and Beck-Dudley (2005: 360-361) suggest that too much emphasis on rewards and punishment may actually lower the level of moral reasoning used by followers. Similarly, Roberts (2009: 262) suggests a strong focus on rules and compliance lowers ethical expectations of employees and provides them with a justification for not considering the broader implications their actions and those of the organization may have for various stakeholders. Moreover, ethical leaders should beware to apply a fair and balanced amount of authority in each situation, so as to prevent resentment and cynicism, but still send a clear message that ethical lapses are not tolerated (Johnson, 2005: 3-4; Treviño et al., 2003: 18; Treviño et al., 2000). Cooper (2006: 210) further notes that it is impossible to measure ethical conduct systematically under routine conditions. Rewards should therefore be reserved for the "less frequent, more dramatic and identifiable instances of ethical courage" (Cooper, 2006: 210).

Because of their legitimate authority and direct control over valuable resources, those that occupy formal leadership positions within the organization may be better able to effectively reinforce follower behavior and thus more likely to emerge as ethical leaders (cf. Bandura, 1986: 207). To the extent that ethical leaders are indeed in a management position, Kaptein (2003: 106) stresses that they should –in addition to the aforementioned requirements- set realistic goals, enforce clear rules, and shield employees from situations that may be too tempting. Additionally, it is recommended that they ensure that formal, written rules and policies are in place to clarify the organizational norms and guide employees when they are confronted with ethical dilemmas, as this reduces the prevalence and incidence of integrity violations (Lasthuizen, 2008: 165; Sims and Keon, 2000: 398).

2.3.2.3 Communication about ethics

Many scholars contend that explicit and frequent two-way communication about ethics and integrity is another important requirement of ethical leadership (e.g., Brown et al., 2005: 120). This third feature of the 'moral management' component is all about communicating a sustained and socially salient message about ethics that stands out amongst the numerous messages about the bottom line and the immediate tasks at hand that people are confronted with on a daily basis (Brown and Treviño, 2006: 597). Ethical issues can be encumbered by ambiguity (Grojean et al., 2004: 229) and it is suggested that the ethical leader should reduce this ambiguity by clarifying and explicating the ethical dimension of decisions, behaviors, and situations (Enderle, 1987: 658) and providing followers with guidance on what is the appropriate course of action (Grojean et al., 2004: 229). Aside from using direct communication, ethical leaders may communicate their ethics message by making their own decision-making processes transparent to followers. This includes publicly sharing

information about the alternatives considered, the respective implications these alternatives would have, the process of decision-making, and the principles and justifications behind the final decision made (Grundstein-Amado, 1999: 258; May et al., 2003: 254; Treviño et al., 2003: 30; Van Wart, 2005: 117; Weaver et al., 2005: 328). Additionally, to promote ethical decision-making and behavior, leaders need to provide followers with feedback regarding their ethical conduct (Grojean et al., 2004: 230).

Obviously, communication is as much about how a message is conveyed as it is about its actual content. Here, organizational stories and myths have been posited as fruitful venues for transmitting messages about ethics (Driscoll and McKee, 2007: 213; Grojean et al., 2004: 235). Telling appealing stories about critical events of ethical and unethical behavior and about heroic leaders relays the fundamental values, standards, and assumptions of the organization. The key figures described in these stories can become ethical role models for the audience, especially newcomers in the organization, and that role model's behaviors may become ingrained in the shared cognitions of organization members about what a prototypical leader is (Grojean et al., 2004: 235). The use of storytelling may also guard ethical leaders from being perceived as talking about ethics in too much of a sermonizing way (Treviño et al., 2000: 135). To be optimally effective, stories and myths should be communicated to followers at all levels in written as well as verbal form, and where possible face-to-face (Driscoll and McKee, 2007: 213).

But communication about ethics is seen as more than just sending a one-directional message; it entails a two-way interaction between leaders and followers. Leaders are therefore encouraged to be open, approachable, and willing to listen to their followers (Huberts et al., 2007: 591). To be ethical leaders, they need to create an environment where followers feel comfortable and safe to talk to their leader and peers about a ethics-related matters, to discuss the ethical dilemmas they are confronted with and ask for advice, to be honest about the mistakes they have made, and to report any deviant behavior they have encountered – including the ethical failures of their leaders (Driscoll and McKee, 2007: 213; Huberts et al., 2007: 591; Kaptein et al., 2005: 306; Kaptein and van Reenen, 2001: 290). Ethical leaders have been suggested to intellectually stimulate their followers to think independently and creatively, to critically question their own and the organization's assumptions, and to examine their modes of thinking. Furthermore, they are said to inspire followers to view issues from different perspectives and move beyond their own interests for the sake of the interests of the group, the organization, or society (Grojean et al., 2004: 227-228; Resick et al., 2006: 347). In that sense, ethical leaders again function as important role models: by talking about ethics themselves and by being open and honest about their own ethical dilemmas and decision-making, they show that it is acceptable and even encouraged to bring ethical issues matters to the fore.

While considered a prominent part of all ethical leadership, communicating explicitly and frequently about ethics has been suggested to be particularly important for ethical leaders that operate in formal leadership positions higher up in the organizational hierarchy. On the one hand, a senior management position comes with the legitimate authority to support and strengthen the message that ethics is important and that people should abide by ethical principles and standards (Treviño et al., 2000: 135). But perhaps more importantly, senior managers tend to lack frequent interpersonal interaction with followers at lower levels of the organization, which makes it more difficult for them to visibly role model ethical conduct (Brown and Treviño, 2006: 601). Moreover, the information followers get from these leaders has generally been filtered through multiple layers: "[i]n today's highly competitive business environment, messages about how financial goals are achieved frequently get lost in the intense focus on the bottom line" (Treviño et al., 2000: 129). Senior managers that wish to be ethical leaders to followers at all levels in the organizations are thus encouraged to rely more extensively on explicit and direct communication about ethics (Treviño et al., 2000: 129).

As a final note, it must be stressed here that while being both a moral person and a moral manager is essential to ethical leadership, it is perhaps even more important that one also has the *reputation* of being a moral person and a moral manager. As argued by Treviño, Brown, and associates (Brown, 2007: 141-142), and consistent with the more relational and follower-centered view on leadership outlined earlier, ethical leadership is constituted in the leader's interaction with its followers and requires followers to accept the influence of the leader. As such, it relies heavily on the followers' perceptions of that leader: one may actually possess all the qualities of a moral person and make genuine efforts to be a moral manager, but when people do not perceive that person to have integrity and do not (consciously or unconsciously) observe the moral management behaviors exhibited by that person, they are unlikely to be affected by that person's efforts to cultivate follower ethical decision-making and behavior. Even more so, when followers do not perceive the leader to be clearly ethical or unethical, they will most likely be seen as 'ethically neutral'. The influence on followers' moral behavior will then be limited or even negative, as "employees will believe that the bottom line is the only value that should guide their decisions" (Treviño et al., 2000: 129-130). Indeed, perceptions of someone's ethical leadership capabilities thus provide far better predictions of ethical leadership outcomes than do leaders' self-assessments of their own ethical leadership qualities (Brown, 2007: 141-142). Consequently, when it comes to leaders' ability to cultivate follower decision-making and behavior, having a reputation for being an ethical leader seems even more important than just 'objectively' meeting the criteria of a moral person and a moral manager.

2.4 Putting It Into Context: The Publicness of Organizations

The distinction between public and private organizations is one of the most fundamental yet also one of the more controversial distinctions made in public administration and organization sciences. It is a distinction that implies different organizational goals, different morals, different structures, and different stakeholders. It is also a distinction that separates public administration as an academic discipline from organization sciences and business administration (van der Wal, 2008: 24). But the demarcation between public and private organizations is far from clear: even long before the introduction of New Public Management and Corporate Social Responsibility, governance networks and public-private partnerships, the distinction was considered ambiguous (Waldo, 1948 as cited in: Romzek, 2006: 151; Wilson, 1887: 201, 209). In part, this may be because definitions of what is 'public' and what is 'private' are not so much empirically driven, but rather "theoretical, ideological, or at least normative in nature […] it is an analytical distinction that is helpful in observing and criticizing phenomena (as being similar or different) or to prescribe a desired reality" (Rutgers, 2003: 15). As a result, some scholars choose to emphasize the differences between public and private organizations whilst others tend to marginalize them (van der Wal, 2008: 24-25). But Lawton (1998: 11) warns:

> "Any debate that relies upon a view that the public sector and the private sector can be treated as homogenous entities will prove, ultimately, to be sterile. The diverse purposes of the public sector mean that different public service organizations will adopt different techniques and structures to carry out their functions and will charge for some functions, but not for others. Equally diverse is the private sector, in that there will be variations in ownership and management, size, structure, or functions."

Thus, in discussing the similarities and differences between public and private organizations, it is important to continually take account of the idiosyncratic features of the individual organization in question. Moreover, it is necessary to take a more dynamic, multidimensional approach to distinguishing public and private organizations that also takes into consideration the various different organization forms that defy the labels of strictly 'public' or 'private'.

Here, 'public' and 'private' are taken as the opposite ends of a continuum indicating the degree of 'publicness' of an organization (Bozeman, 1987; Bozeman and Bretschneider, 1994). The position of an organization on this public-private continuum follows from three dimensions: (1) the extent to which organizations are constrained by political control, (2) how organizations are funded and financed, and (3) the extent to which organizations perform public or private tasks in order to reach public or private goals (cf. van der Wal, 2008: 26).

The terms ‘public’, ‘private’, and ‘hybrid’ then denote typical positions on the public-private continuum. To illustrate, ‘public organizations’ refers to organizations such as ministries and municipalities, which are predominantly public on all three dimensions: they are under substantial and direct political control, primarily depend on public funding, and perform public tasks. In contrast, private organizations are predominantly private on the three dimensions and involve organizations such as retailers and engineering companies. In such organizations, political control is limited, funding is predominantly or fully private, and the primary aim is to reach private goals (most notably, to make profit). Hybrid organizations then concern organizations where the degree of publicness of the organization differs according to the three dimensions. For instance, in the case of Dutch universities, political control is moderate, funding is increasingly becoming a mix of private and public sources, but the primary aim is still to provide a public service.

Distinguishing between organizations of varying degrees of publicness and doing empirical research that directly compares these different organizations is important in furthering our knowledge and understanding of ethical leadership. Public administration and organization sciences, and specifically the fields of administrative and business ethics and public and private leadership, currently operate as largely disjointed, seemingly independent academic fields. However, to the extent that there are similarities between public, hybrid, and private organizations in how managers conceive and exercise ethical leadership, the disconnection between public administration and organization sciences may be unnecessary and even dysfunctional, as it inhibits the accumulation of theoretical and empirical insights gathered in each of the individual fields. If large parallels between public, hybrid, and private organizations with respect to ethical leadership can be established empirically, there will be a strong rationale for better conjoining the literatures and fostering cross-disciplinary interaction between ethics scholars working in public administration and organization sciences. Conversely, if large differences regarding ethical leadership in public, hybrid, and private organizations come to the fore, there will be a good justification for the research fields to remain at least partly distinct. However, such differences would also imply that researchers in both public administration and organization sciences should more explicitly discuss and study the characteristics of the unique public-private organizational context within which ethical leadership takes place. Either way, whether differences or similarities in the ethical leadership styles of managers across the public-private continuum are found, the body of knowledge on ethical leadership stands to benefit.

As of yet, the literature is anything but straightforward on the extent to which ethical leadership may be expected to be different or similar in organizations across the public-private continuum. In fact, depending on the unit of analysis and the specific process or

characteristic one focuses on, contradictory expectations can be formulated. Below, some of the key factors that may give rise to similarities or differences between public, hybrid, and private organizations in terms of managers' ethical leadership styles, are discussed. As such, the following section provides an answer to the research question regarding the extent to which ethical leadership is expected to be contingent upon the publicness of the organizational context.

2.4.1 Leaders, Followers, and Their Interactions

2.4.1.1 Social psychological mechanisms

Undoubtedly the strongest ground for arguing that ethical leadership is likely to be similar across different organizational contexts follows from the universal appeal of the mechanisms said to underlie leaders' influence on follower ethical decision-making. As we have seen, most of the existing theory on ethical leadership is built upon the central notions of social learning and social exchange theories. These latter theories describe fundamental social psychological mechanisms that have shown to be widely applicable and valid across varying cultures and contexts (e.g., Bahn, 2001; Brandon et al., 2004; Kirkman et al., 2009; Lawler et al., 2008; Song et al., 2009). In fact, the key premises of these theories may be the closest to what the social sciences have in terms of 'universal laws'. In and of itself, there is no reason to assume that role modeling, reinforcement, and/or communication mechanisms should work out differently across varying (organizational) contexts. Instead, the effects of these mechanisms are more likely to differ with the personal characteristics of the follower, e.g. their education level, self-efficacy, level of moral development, et cetera. But as long as there are no indications of structural differences between public, hybrid, and private organizations in these respects, one would be inclined to assume that ethical leadership –and the mechanisms on which it relies- is highly similar in varying organizational contexts. Still, while it is likely that the primary influence mechanisms are at least to some degree shared between ethical leadership styles, this does not preclude differences in the way these mechanisms are subsequently employed by ethical leaders.

2.4.1.2 Public service motivation

One aspect that might yield differences in ethical leadership styles across the public-private continuum is the public service motivation of organization members. Public service motivation refers to "an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations" (Perry and Wise, 1990: 368). Public service motivation (PSM) reflects such things as a person's desire to serve the public interest, one's loyalty to the government, the strive for social equity, and a so-called 'patriotism of

benevolence' motive (Perry and Wise, 1990: 368-369). Whilst PSM is more than merely the motivational difference between public and private organization members and may occur in all types of organizations across the public-private continuum (Brewer and Selden, 1998: 418), research suggest that the publicness of an organization is the strongest determinant of PSM and moderates its effects on work outcomes (Steijn, 2008: 20; Vandenabeele, 2008: 1101). Within the Netherlands in particular, studies indicate that individuals working in different segments of the public sector have somewhat higher levels of public service motivation than their private sector counterparts, especially with respect to their commitment to the public interest (Leisink and Steijn, 2009, 46; Steijn, 2008: 20; Steijn and Leisink, 2006: 199). Importantly, this public service motivation is not just the result of organizational or job characteristics (cf. Camilleri, 2007: 373) or a mere adjustment to existing work conditions (Houston, 2000: 719). Rather, public service motivation is a predisposition present in individuals even before they enter a specific sector (Oosterbaan, 2009: 69; Vandenabeele, 2008: 1103).

There are several means by which public service motivation may affect the ways in which ethical leadership is exerted. Although not completely uncontested (Alonso and Lewis, 2001: 377; Gabris and Simo, 1995: 49), it is often argued –and shown empirically- that individuals with higher public sector motivations are less dependent on monetary and other extrinsic incentives (e.g., Bright, 2005: 148-150; Oosterbaan, 2009: 69; Perry and Wise, 1990: 371). Moreover, higher levels of PSM have been associated with increased social altruism (Brewer, 2003: 14), interpersonal citizenship behaviors (Pandey et al., 2008: 99-101), and willingness to report integrity violations that are harmful to the public interest (Brewer and Selden, 1998: 429). This could imply that ethical leaders in organizations with higher levels of PSM, presumably organizations more at the 'public' end of the public-private continuum, may attempt to appeal more to the intrinsic motivations of employees. They may, for instance, emphasize general ethical principles and the importance of certain regulations or decisions in terms of their contribution to the public interest rather than the explicit rules and the punishments that one faces when such rules are violated. In contrast, ethical leaders in organizations with lower PSM, arguably the more private organizations, may be inclined to relate ethical conduct more directly to employees' own career opportunities or their chances of receiving bonuses. Furthermore, ethical leaders in public organizations might assume that their followers already have a strong intrinsic motivation to serve the greater good and may therefore consider explicit communication on ethics and integrity to be superfluous. Or, conversely, ethical leaders in public organizations may find that communicating about ethics and integrity appeals well to their followers' motivations and will therefore communicate more explicitly about ethics-related issues than in private organizations. In private organizations, explicit communication on ethics and integrity in terms of 'the public interest'

and ‘the common good’ may be less in tune with workers’ motivations and perhaps less effective than in public organizations.

At present, presumptions like the above regarding the relation between the publicness of organizations, PSM, and ethical leadership lack a solid empirical basis and thus remain highly speculative. Moreover, studies have shown that public service motivation is also related to education level (Bright, 2005: 150; Leisink and Steijn, 2009: 44; Moynihan and Pandey, 2007: 46, 48; Steijn, 2008: 20), age (Leisink and Steijn, 2009: 44), tenure (Moynihan and Pandey, 2007: 46, 48), and the person-organization fit (Wright and Pandey, 2008: 514-515), which could further complicate the potential relationship between PSM and ethical leadership. At the very least, though, the thought-exercise above suggests further inquiry into the similarities and differences in ethical leadership across the public-private continuum, specifically in relation to public service motivation, is warranted.

2.4.1.3 Implicit ethical leadership theories

Another possible source of variation in ethical leadership styles across the public-private continuum follows from the different ideas people have of what ethical leadership ought to be. Here, the notion of ‘implicit leadership theories’ is particularly useful. Implicit leadership theories refer to the implicit, idiosyncratic conceptions people have of what (good) leaders and leadership look like, of how leaders behave, and what is to be expected of leaders (den Hartog et al., 1999: 226; Eden and Leviatan, 1975: 740). Following information processing and categorization theories (cf. Lord and Maher, 1990), it is suggested that people form implicit, abstract prototypes of leaders and leadership (i.e., implicit leadership theories) and compare an observed person against such a prototype. The extent to which the observed characteristics and behaviors of a person match the prototype that the observer has of leaders and leadership then determines whether one is considered to be a leader or not (Foti et al., 1982: 326-327; Foti and Luch, 1992: 56; Lord et al., 1984: 347-348). Leader prototypes also affect the evaluation and meanings of the observed leader characteristics and behaviors and may influence the effectiveness of leadership (den Hartog et al., 1999: 225; Engle and Lord, 1997: 992; Hunt et al., 1990: 43; Kenney et al., 1994: 410). “While leadership perceptions may not be reality, they are used by perceivers to evaluate and subsequently distinguish leaders from non-leaders or effective from ineffective leaders. This type of attribution process provides a basis for social power and influence” (Lord and Maher, 1991: 98). Thus, when the leader and his or her followers share similar standards for leadership behavior, the leader may have an increased influence on the decision-making of followers (Foti and Luch, 1992: 63; House et al., 2002: 9; Resick et al., 2006: 354).

Drawing from this line of research, one could argue that people working within different public-private organizational contexts might differ in their conceptions of what ethical

leadership entails. Implicit leadership theories in general, and implicit ethical leadership theories in particular, have been shown to encompass both universally endorsed and socio-culturally contingent attributes and behaviors (den Hartog et al., 1999: 237-242; Resick et al., 2006: 353-354; van den Akker et al., 2009: 116). What's more, even when attributes and behaviors of ethical leadership are universally shared, the enactment and meanings of these characteristics and behaviors varies in different contextual settings (den Hartog et al., 1999: 231; Resick et al., 2006: 353-354). Although the aforementioned studies have focused specifically on national contexts, such differences in conceptions of ethical leadership could also apply to organizational contexts. The differences between organizations across the public-private continuum in terms of their objectives, tasks, and value systems (van der Wal and Huberts, 2008: 274-275), their ownership, control, and funding structures (Boyne, 2002: 98-99; Bozeman, 1987), and the political pressure and types of stakeholder demands they face (Lan and Rainey, 1992; Nieuwenkamp, 2001; Poole et al., 2006: 1060) shape the moral environments of these organizations (van der Wal et al., 2008: 1). As such, the publicness of an organization could not only affect the ethical leadership styles of managers directly but also indirectly by molding the implicit ethical leadership theories that members of public, hybrid, and private organizations hold. For example, in public organizations, the significance of lawfulness (van der Wal, 2008: 166-167) could imply that employees are more inclined to think of ethical leadership in terms of rule-following and adherence to the 'letter of the law'. They might expect a more compliance-based ethical leadership style that sets clear standards for what is and what is not allowed. However, in private organizations, such conceptions of ethical leadership might clash with key private sector values like innovativeness (van der Wal, 2008: 166-167) and may therefore be less prevalent amongst those working in the private sector. As a result of such potential differences in implicit ethical leadership theories, ethical leadership styles could have varying effects on followers in different public-private organizational contexts.

Again, there is still a dearth of empirical research to substantiate the effects of an organization's publicness on employees' conceptions of what leadership –and ethical leadership in particular- is and should be. It is not unlikely that in fact societal rather than organizational values and norms are the main source for people's implicit ethical leadership theories, and that differences between sectors in this regard are therefore negligible. Additionally, we are still very much in the dark about the effects of New Public Management and Corporate Social Responsibility developments on individuals' implicit conceptions of (ethical) leadership. With leadership of public organizations arguably becoming more 'businesslike' (Hughes, 2003: 60-62) and private organizations more explicitly taking into account the societal impact of the organization's conduct (Campbell, 2007: 946-947), it may be that even if there are differences in the implicit leadership theories of public, hybrid, and

private sector employees, these are actually becoming less and less significant. For now, however, one can only conclude that there *might* be differences in implicit ethical leadership theories across the public-private continuum –how likely such differences are, how great they are, and what their effects might be on managers' ethical leadership styles remains to be seen.

2.4.2 The Publicness of the Internal Organizational Context

The internal contexts of organizations, both in terms of their structural and their cultural elements, may also be crucial in determining differences in the ethical leadership styles of managers across the public-private continuum. Such differences could emerge from the core distinguishing characteristics of public, hybrid, and private organizations, more notably organizations' respective tasks and objectives, their hierarchical structures, and the values and management philosophies they subscribe to. Of course, these are intertwined and mutually reinforcing elements, which must therefore be considered in close interconnection with one another to assess their potential effects on ethical leadership styles.

Public, hybrid, and private organizations vary in what may be considered their 'raisons d'être'. Most obviously, while the primary aim of private organizations is generally to maximize profits, public organizations are –at least in democratic societies- first and foremost executers and enforcers of democratic law and policy, serving the public interest and providing public services that are not generally sold on economic markets (e.g., Dahl and Lindblom, 1953 in: Rainey and Chun, 2005: 74-75). Indeed, public organizations are traditionally considered to have a moral obligation in abiding the mandates of democratic law and policy:

> "The honor of the civil servant is vested in his ability to execute conscientiously the order of his superior, exactly as if the order agreed with his own convictions […] Without this moral discipline and self-discipline in the highest sense, the whole apparatus falls apart" (Weber, 1946 in: Dobel, 2005: 159).

Furthermore, public organizations are oftentimes required to make decisions and operate in ways that are not only coercive and monopolistic in nature, but that also have a broader societal impact and greater symbolic significance (Hughes, 2003: 75; Rainey and Chun, 2005: 92). As Hughes argues, this requires public organizations to carry out their tasks in a very careful and consistent manner. In contrast, he notes, private organizations have more room to be arbitrary in their dealings with customers, the procedures, and so on than public organizations (2003: 75).

Differences in the core objectives and tasks of public and private organizations may cause differences in their respective hierarchical structures. Because of the lack of market

incentives, their democratic accountability, and the need to be consistent and conscientious in executing their tasks, public organizations tend to rely more on formal and legal control mechanisms, which leads to more external controls on management structures and procedures (Rainey and Chun, 2005: 81). Internally, public organizations have often been posited to be more bureaucratic and have a propensity towards more 'red-tape', rules, formalization, and centralization than most private organizations (e.g., Bozeman et al., 1992). But Parker and Subramaniam (1964: 357) argue that we must not assume that "private organizations must be relatively free from rules and regulations simply because the internal rules they do work by are not part of the 'public law of the land' and that private organizations might impose as many rules on themselves as are externally imposed on public organizations. This goes especially for larger private organizations, which may be as hierarchical and bureaucratic as public organizations (Boyne, 2002: 109; Hughes, 2003: 48). Consistent with this, empirical studies comparing the levels of bureaucratization in public and private organizations have shown mixed results (Boyne, 2002: 109-112; Rainey and Bozeman, 2000: 453-455). Additionally, some studies indicate that public and private managers differ little in their perceptions about rule enforcement in their organizations (e.g., Rainey et al., 1995: 570). All in all, Rainey and Chun (2005: 84) conclude that while the overall empirical results do seem to be consistent with the notion that public organizations have a tendency towards more formalization, rule intensity, and 'red tape' than private organizations, the differences in this respect are not as great as they are often posited to be.

The differences in the core businesses of public and private organizations are also reflected in the organizations' management philosophies, although recent New Public Management (NPM) and Corporate Social Responsibility (CSR) developments suggest there may be some converging between public and private organizations in this respect. Consistent with Weber's theory of bureaucracy, public sector organizations have traditionally been premised on notions of strict hierarchical authority and formal and impersonal rules and compliance (Hughes, 2003: 17, 21-24). Close supervision and authoritative control were deemed necessary to ensure that public activities were in line with democratically established laws and policies, and not directed towards the interests of an interest group or bureau (Redford 1958 in: deLeon, 2005: 107). However, the introduction of NPM suggests a shift towards more professional accountability and personal responsibility, relaxing the autonomy and discretion of public officials (Romzek, 1998 in: Hughes, 2003: 241). Additionally, NPM has lead public organizations to become more 'businesslike' in that management is more results-oriented, focusing more on outputs and outcomes than on inputs and processes and measuring and rewarding performance through formal incentives (Hughes, 2003: 51-55, 153). Conversely, Corporate Social Responsibility has introduced a discourse to raise awareness of

and incorporate societal consequences and imperatives into core business activities (Matten and Moon, 2008: 405).

How and to what extent New Public Management and Corporate Social Responsibility affect the deeper values and ethics systems of public and private organizations is fairly unclear. On the one hand, some scholars have expressed concerns that the principles put forth by NPM may cause corrosion of traditional public values (e.g., Hood, 1991: 16), whilst CSR in some cases seems to be little more than reputation management (Roberts, 2003: 255-257). On the other hand, NPM has been said to place higher requirements on reports and as such may be said to foster increased accountability and transparency (Holmes and Shand, 2005: 555). CSR, furthermore, is suggested to foster employees' citizenship behaviors (Rupp et al., 2006: 539-540). Empirical research on the effects of NPM and CSR on organizational values is scant, but a recent study by Van der Wal has shown that notwithstanding the popularity of NPM and CSR discourses, there seems to be little converging or intermixing of values: public and private organizations -in the Netherlands at least- retain distinctive 'core' values, with public organizations emphasizing traditionally public values such as lawfulness, impartiality, and incorruptibility and private organizations attributing more value to profitability, innovativeness, and honesty (van der Wal, 2008: 166-167).

So what does this all imply for the ethical leadership styles of managers in public, hybrid, and private organizations? In the first place, the very nature of their tasks suggests ethical dilemmas may be more pronounced in public organizations: whether it's interrogating a recalcitrant prisoner, deciding whether to spend taxpayers' money on education or on welfare for elderly, or determining when to inform the general public on the possible bankruptcy of a bank, public organizations frequently face ethical dilemmas that are inherent in their core business. Because of this, managers of public organizations may be prone to address the ethical dimensions of certain decisions and actions more explicitly and frequently than their private sector counterparts. Secondly, taking into consideration the general tendency of public organizations to rely on close supervision and rules and the importance of core public values like lawfulness, managers in public organizations may on average be somewhat more likely to apply a compliance-oriented leadership style than private sector managers. Yet in public organizations where the basic tenets of New Public Management have been effectuated and incorporated into managers' daily operations, managers may apply a more values-based ethical leadership style in which followers are awarded greater personal responsibility and discretion in making decisions and are encouraged to independently consider the ethical ramifications of their actions. NPM may also stimulate managers to make ethical standards an explicit part of their performance indicators, thereby creating more formal incentives for ethical conduct and providing a basis for more explicit and recurrent communication about ethics-related issues. Correspondingly, communication about ethics and

integrity may stress rationales that emphasize the ethical nature of the consequences of decisions and actions (teleological) over the processes by which objectives are to be achieved (deontological). Such an ethical leadership style may also fit well with the characteristics of traditional private organizations, though. As a result, NPM may actually have reduced the variance in ethical leadership styles across the public-private continuum.

2.4.3 The Publicness of the External Organizational Context

While no organization ever operates in complete isolation from the rest of the world, one aspect often considered 'distinctive' of organizations operating within the public sector context is the extent to which they find themselves confronted with external pressures (Bozeman and Straussman, 1990: 214). The more public organizations are, the more they are forced to cope with an outside (political) agenda that is highly susceptible to change or that may impose matters on public organizations for mere political reasons (Hughes, 2003: 75; Pollitt and Bouckaert, 2004: 29-32). As Hughes (2003: 75) affirms, this political influence greatly reduces the scope of action of managers. Political dynamics and external oversight thus inhibit the authority that managers are able to exert over public and oftentimes also hybrid organizations, particularly when it comes to personnel management (Rainey and Chun, 2005: 83-84). But the publicness of an organizations also affects the extent to which the organization is susceptible to citizen pressure and scrutiny, with public organizations facing uniquely high public expectations for fairness, openness, accountability, and transparency (Pollitt and Bouckaert, 2004: 31; Rainey and Chun, 2005: 81). Naturally, Bovens remarks, private organizations are also commonly under pressure from a wide array of stakeholders and have experienced an increasing amount of public scrutiny and higher ethical standards in recent decades, as is well illustrated by the now infamous Brent Spar case. Nonetheless, he argues, "this public scrutiny is not yet based on institutionalized forms of public accountability, but only on a rather contingent interplay between interest groups and the media" (Bovens, 2005: 201).

Given the increased political influence and public accountability associated with an organization's publicness, the ethical leadership styles of managers in public and to some extent hybrid organizations may necessarily be more explicit and reliant on institutionalized ethics programs. Public organizations and hybrid organizations that are under more direct control of political leaders may be formally required to develop full-fledged ethics programs. In the Netherlands, the new Civil Servant Law of April 2006 indeed obligates all public sector organizations to have an integrity policy. Ethics codes, integrity bureaus, compliance officers, ethics training sessions, et cetera are now widespread among most public organizations (National Integrity Bureau, 2009). Backed up by such an extensive ethics program and political mandate, managers in public organizations could be more apt to talk more explicitly

about ethics and integrity with their employees, discussing ethical dilemmas and reflecting on the ethical aspects of their decisions and actions. Furthermore, ethics programs may include more formal reinforcement mechanisms that managers could employ. Once again, though, the differences with private organizations must not be exaggerated. Surely, branch organizations and highly publicized scandals within sectors such as those in financial industry, construction, and social housing could urge private and hybrid organizations to take a more explicit and formal approach to fostering organizational ethics similar to those in the public sector.

2.5 Conclusion

The previous section has provided an overview of the characteristics and behaviors that prevailing theories and empirical insights suggest constitute ethical leadership and discussed the similarities and differences regarding ethical leadership that these prevailing theories and empirical insights suggest exist between public, hybrid, and private organizations. While it by no means offers an exhaustive account of all possible characteristics of public, hybrid, and private organizations that may or may not affect the ethical leadership views and practices of managers, which would clearly be beyond the scope of this paper, it does reveal some important things about the current state-of-the-art: on the one hand, ethical leadership theory and research has blossomed in recent years, providing us with much insight into what constitutes ethical leadership. On the other hand, theoretical and empirical research explicitly relating ethical leadership to the public-private nature of the organizational context within which it is exerted is lacking. As we have seen, this leaves much open for speculation about how social psychological mechanisms, public service motivation, implicit leadership theories, tasks and objectives, hierarchical structures, management philosophies and values, and external pressures might cause managers of public, hybrid, and private organizations to develop similar or different styles of ethical leadership. The discussion above suggests that there is little reason to assume that the core mechanisms upon which ethical leadership is founded –role modeling, reinforcement, and communication- vary greatly in different organizational contexts. Perhaps, though, there are differences in how these mechanisms are subsequently employed by managers –how explicitly they communicate about ethics-related issues, whether they emphasize strict rule-following or general principles, whether they use formal or informal incentives. So how do managers perceive ethical leadership? Do they indeed conceive the subtle differences in ethical leadership styles discussed here, or is there one dominant approach to ethical leadership that can be discerned? With such few answers and directions provided by the academic literature, there seems to be ample grounds for an open exploratory study on ethical leadership and the publicness of organizational contexts.

The most exciting phrase to hear in science, the one that heralds new discoveries, is not Eureka! (I found it!) but rather, "hmm… that's funny…"

Isaac Asimonov

3 METHODOLOGY

3.1 Research Design

The main research question of this paper is: *what constitutes ethical leadership in public, hybrid, and private organization contexts?* The empirical research specifically aims to: (1) gain empirical insights on the characteristics and behaviors that are believed to be relevant for ethical leadership in public, hybrid, and private organizations; (2) develop concrete propositions on the similarities and differences between managers' views on ethical leadership in these respective contexts; and (3) develop a measurement instrument that can be used to uncover subjective views on ethical leadership using Q-methodology. With respect to the third aim, it must be noted that this study constitutes the initial phase of a broader mixed-method research project[10]. As part of this larger project, the study allows for triangulation of data in several ways (cf. Hammersley, 2004). First, the data obtained in this study will *facilitate* the development of a list of subjective statements on what entails ethical leadership (a Q-set measurement instrument), to be used in the Q-study (see de Graaf and van Exel, 2008: 74-75). Secondly, the research design of this study will provide a basis for *validation* of the results obtained by the subsequent Q-study and survey. Third and last, the data obtained in this study should *complement* the Q-study and survey with insights that reveal aspects and processes of ethical leadership that the Q-study and survey alone would be unable to detect.

The explicit focus of this study on the subjective views of managers and leadership experts on ethical leadership and its aim of uncovering aspects of the public-private organizational context that affect such views suggest a qualitative research design. As discussed in the previous chapter, leadership –and more specifically, ethical leadership- is

[10] The mixed-method approach of the larger research project does raise questions as to the ontological and epistemological premises of the researcher. Some consider the philosophical traditions underlying the various quantitative and qualitative research methods to be incommensurable and suggest that a personal commitment to either a modern, positivist tradition or a postmodern, interpretive tradition is required (see Hammersley, 2004 for a detailed discussion). However, I agree with Van der Wal (2008: 40) that such a view tends to divert attention away from the question of what research method best fits the specific research question and main research objectives. It limits the methodological diversity in social research and as a result may inhibit the comprehensiveness of our understanding of the phenomena under study. I therefore prefer what Van der Wal describes as a more 'pragmatic and eclectic' approach in which labels such as 'positivism' and 'interpretivism' are attributed to specific parts of the research rather than to the researcher's identity (Soss, 2006: 131; van der Wal, 2008: 40).

understood as socially constructed phenomena that may be defined and enacted differently across various organizational contexts. Moreover, the literature provides no clear directions as to the similarities and differences that may be expected across the public-private continuum. Thus, to get a good understanding the relationship between ethical leadership and the publicness of the organizational context in which it is exhibited, it is important to employ a research design that explicitly takes account of the subjective nature of the ethical leadership construct and the lack of preexisting theoretical and empirical insights on ethical leadership contingencies. Compared to most quantitative designs, qualitative research is generally more sensitive to the multiple social meanings that people attach to the notion of leadership (Bresnen, 1995: 499) and more open to the possibility of different alternative explanations that diverge from that of the researcher (Alvesson, 1996: 477). As such, qualitative research is well-suited for studying the subjective, socially constructed nature of ethical leadership and the diverse and idiosyncratic understandings people may have of the construct (Bresnen, 1995: 505-506, 509). Furthermore, qualitative research often provides a deeper understanding of the assumptions and processes underlying (ethical) leadership (Bryman, 2004: 754) and allows for a more detailed analysis of the various contextual factors that might affect it (Bryman et al., 1996: 355-356).

A qualitative research design also fits well with the study's triangulation purposes. Because of the limited empirical research on ethical leadership, particularly in more public and hybrid organization contexts, a qualitative research design seems most appropriate for the development of a Q-set. Using qualitative research as the primary source for the Q-set allows for the emergence of aspects and dimensions of ethical leadership that had not previously been discussed in the business-dominated literature. This enhances the ability of the Q-study to adequately delineate the subjective viewpoints people have with respect to ethical leadership and guards against the trap of merely reconstituting preexisting normative accounts of what scholars believe ethical leadership ought to be. Moreover, a qualitative research design will foster validation of the results of the Q-study and survey, as these latter methods have potential sources of error that may be largely discounted by a qualitative study. In turn, the sources of error of qualitative research are to a large extent discounted by those of the Q-methodology and the survey (Hammersley, 2004: 3). This enhances the validity of the research and permits more sound conclusions. Lastly, with respect to complementing the findings of the later studies, the qualitative research design is likely to highlight different aspects of ethical leadership and may thereby help provide a more comprehensive image of ethical leadership than what would be obtained with only a Q-study and survey. Also, the rich, contextual data of the qualitative study can provide illustrative cases and specific exemplars to illuminate and clarify the characteristics, behaviors, and processes that are central in the Q-study and survey. In line with this, a qualitative research design based on

semi-structured interviews is thus employed.

This study uses semi-structured interviews for several reasons. Interviews allow interviewees to formulate their conceptualizations of ethical leadership in their own terms, to attach meaning to the construct, and to express how they value certain aspects of it. Interviews are less constrained by the researcher's understanding of the research object and leave room for the negotiation of meanings to enable at least some level of mutual understanding, which fosters richer and more meaningful data (Alvesson, 1996: 465). Consistent with social constructivist approaches, what people say is understood here as being constitutive of reality; it affects how they perceive their world as well as how they can, should, and do act (de Graaf, 2001: 301). Interviews are thus considered to be relatively valid accounts of people's subjective understandings of ethical leadership. The interviews were partly structured by the researcher, though. Miles and Huberman (1994: 17-18) argue that where constructs are relatively well-delineated, a tighter design of the interview will provide more clarity and focus and yields more comparable and economic results. Furthermore, qualitative research is often criticized for its lack of cumulativeness. And while this in part is an inherent consequence of its open, inductive nature, building on previous research and explicitly relating the study to preexisting literature can be just as important in qualitative research as it is in quantitative studies (Bryman, 2004: 755-756). Given the existence of a relatively well-developed ethical leadership construct within the field of business ethics, the desire for more cumulative qualitative research, as well as the time-constraints this study was confronted with, at least some structuring of and focus in the interviews was considered necessary. Still, to allow multiple subjective meanings to come to the fore and enable the occurrence of unanticipated findings, the design of the interviews needed to remain sufficiently open. Hence, the decision was made to use semi-structured interviews.

Admittedly, interviews may not fully capture the 'actual' actions and experiences of those interviewed. The interviews occur in an artificial setting and –as many social research methods- are susceptible to social desirability bias (Alvesson, 1996: 465). However, the objective of this study is to uncover the *subjective* understandings of and assumptions associated with ethical leadership and offer a more grounded interpretation of the implicit ethical leadership theories that managers and leadership experts in various organizational contexts across the public-private continuum hold (cf. Bresnen, 1995: 502). The issue of translating these subjective views to actual behavior is therefore less problematic at this point, and will be dealt with in a later stage of the larger research project. Nevertheless, careful interpretation of the results obtained by the interviews is warranted, as artificiality and social desirability may also affect people's subjective expressions. In the words of Alvesson (1996: 470): "if similar statements are expressed in other, everyday settings remains an open question".

3.2 Sample

The choice for a specific sample of interviewees was directly derived from the study's aim to gain insight into the subjective views on ethical leadership in organizations across the public-private continuum and its intention to develop a set of statements for the Q-set that is representative of the broader concourse of all possible statements respondents can make about the subject of interest (see de Graaf and van Exel, 2008: 74-75). Both objectives required a theoretically driven, purposive sampling method that would ensure the full range of the public-private continuum was included and that would maximize the variance of possible subjective views. The chosen sampling method approaches the dimensional sampling proposed by Johnson (1990 in Miles and Huberman, 1994: 29), in which variability is sought on specific dimensions and representative and well-informed informants are selected for each of the contrasting dimensions. In this particular case, the variability was sought both in terms of the public-private nature of the organizational context and in the possible subjective understandings of ethical leadership. Consequently, interviewees were selected from a range of organization types of varying sizes and different levels of management. Because of their leadership expertise and experience with a diverse range of public, hybrid, and private organizations, several consultants were included in the sample as well. Furthermore, a deliberate effort was made to include both interviewees whose work explicitly relates to ethics and integrity (e.g., a department head of an integrity bureau) and those whose work related to ethics and integrity more implicitly (e.g., a senior executive). As men and women and people with different ethnic origins (e.g., Gilligan, 1977, 1982) may have diverging perspectives on both ethics and leadership, attempts were made to have a sufficiently balanced mix of both male and female interviewees from different ethnic backgrounds.

The sampling proceeded as follows. Drawing on known contacts of the researcher as well as through a web-based search, specific members of organizations operating in the Netherlands that varied on the abovementioned dimensions were selected. These prospective interviewees were sent an invitation letter, either by mail or e-mail, explaining the outline and purpose of the research and requesting them to participate (see Appendix I and Appendix II). Given the sensitive nature of the research object, the letter stressed the confidential nature of the information that may be provided by the interviewee and indicated that the reporting would occur under strict conditions to safeguard the interviewee's anonymity. After three to five weeks, additional attempts were made to contact the prospective interviewees by telephone and/or e-mail to make an appointment for the interview. Sampling furthermore occurred using a snowball method: one of the initial interviewees had extensive contacts with managers and consultants in various public, hybrid, and private organizations, and after their

consent provided the researcher with the contact information of these informants. These prospective interviewees were sent an invitation by e-mail similar to the one described above.

In total, 21 interviews were conducted. A description of the sample, arranged according to the organization's relative position on the public-private continuum, is represented in table 3.1. To ensure the anonymity of the interviewees, detailed information that might reveal the identity of the organization or the interviewee has been left out. As shown in the table, the final sample included organizations that range from typical public organizations such as a police force and a municipality to typical private organizations in retail and engineering. In between, there are various types of hybrid organizations with different degrees of 'publicness', such as a public hospital and a social housing corporation. While financial organizations seem to be somewhat overrepresented, the underlying financial and ownership structures of these organizations differ from one another to such an extent that they were considered sufficiently diverse to include each of them in the sample. Both with respect to the number of employees and the organization's budget, the sample further ranged from medium-sized local organizations to very large multinationals. Unfortunately, only one smaller organization was included in the sample. However, due to time constraints, no additional interviews could be arranged. This weakness in the sample will thus need to be compensated for in a later phase of the larger research project, when interviews with employees will be conducted. Another possible drawback of the sample is the apparent dominance of managers from private organizations. This picture is partly biased, though, as these more private organizations also include the leadership experts that operate in varying public, hybrid, and private organizations and thus provide views on ethical leadership that are actually shaped by a wider range of public-private contexts. Moreover, given that the aim of the research is theoretical rather than empirical generalization (cf. Ritchie and Lewis, 2003: 269), a slight imbalance in the number of public, hybrid, and private organizations was considered not too problematic.

In terms of the individual-level characteristics of the interviewees, the sample included middle- and top-level managers as well as several consultants with a specific expertise in leadership. Of the 21 interviewees, 15 were male. Ages ranged from 34 to 61, with an average age of 48,5. All interviewees had completed tertiary education, with most having obtained university-level degrees. While it may be that people with lower education levels have different views on what ethical leadership entails, the lack of diversity in the education levels of the interviewees does seem consistent with their function levels. More problematic in this regard in the lack of diversity in terms of ethnic background: as far as could be determined[11], all interviewees were Caucasian. However, within the Netherlands, the workforce is much

[11] One interviewee denied giving out information regarding ethnic status.

ID	*Organization type*	*Function*	*Financial sources*	*Political control*	*Organization tasks*	*Organization size**	*Budget***	*Sex*	*Age category*
A	Police force	Head Integrity Bureau	Full public funding	Full ministerial responsibility	Public	Large	Large	M	50-59
B	Inspection	Inspector-General	Full public funding	Full ministerial responsibility	Public	Medium	Medium	M	50-59
C	Municipality	City Manager	Full public funding	Full ministerial responsibility	Public	Large	Very large	M	40-49
D	Public bank	Head Compliance and Integrity Department	99-50% Public funding	Full ministerial responsibility	Public	Large	Large	F	30-39
E	Public bank	Head Accountancy Department	99-50% Public funding	Full ministerial responsibility	Public	Large	Large	M	30-39
F	Public hospital	Member Board of Directors	99-50% Public funding	Financial control	Primarily public	Large	Large	M	50-59
G	Special-purpose foundation	Director	Full public funding	No direct political control	Primarily public	Small	Small	F	40-49
H	Public bank	Manager Marketing and Communications	99-50% Public funding	Very limited political control	Primarily public	Medium	Large	F	30-39
I	Daycare facility	Member Board of Directors	49-1% Public funding	Very limited political control	Private	Medium	Medium	F	40-49
J	Social housing corporation	Manager Governance Affairs	Full private funding	Very limited political control	Primarily public	Medium	Large	M	30-39
K	Accountancy firm	Senior Partner	Full private funding	No direct political control	Primarily private	Large	Large	F	40-49
L	Consultancy firm	Senior Consultant	Full private funding	No direct political control	Private	Very large	Large	M	40-49
M	Consultancy firm	Director	Full private funding	No direct political control	Private	Small	Small	M	50-59
N	Consultancy firm	Leadership Trainer and Consultant	Full private funding	No direct political control	Private	Medium	N.A.	F	50-60
O	Leadership network	Managing Director	Full private funding	No direct political control	Private	N.A.	N.A.	M	40-49
P	Consultancy firm	Member Board of Directors	Full private funding	No direct political control	Private	Medium	Medium	M	40-49
Q	Retail and distribution	Member Board of Directors	Full private funding	No direct political control	Private	Large	Medium	M	50-59
R	Private bank	Member Board of Directors	Full private funding	No direct political control	Private	Medium	Medium	M	50-59
S	Private bank	Supervisory Board	Full private funding	No direct political control	Private	Very large	Very large	M	50-59
T	Engineering	Member Board of Directors	Full private funding	No direct political control	Private	Medium	Medium	M	50-59
U	Retail	Member Board of Directors	Full private funding	No direct political control	Private	Very large	Very large	M	60-69

Table 3.1: Sample description

* Small = less than 100 employees; Medium = between 100 and 1000 employees; Large = between 1000 and 25.000 employees; Very large = more than 25.000 employees
** In Euros. Small = less than 10 million; Medium = between 10 million and 100 million; Large = between 100 million and 1billion; Very large = more than 1 billion

more heterogeneous than that and includes large groups of ethnic minorities originating from Morocco, Turkey, Surinam, and the Netherlands Antilles (Portegijs et al., 2006: 71-73). This ethnic diversity may or may not translate into diversity in managers' views on ethical leadership –we simply don't know. Therefore, more ethnic diversity in the sample would have been needed to ensure the comprehensiveness of the results. Again, this is an issue to be taken into account when conducting the employee interviews in a later phase of the larger research project.

3.3 Data Collection

Between April and July 2009, 21 interviews of approximately one hour each were conducted[12]. Before each interview, interviewees were informed on the background and professional affiliations of the researcher as well as the multiple purposes of the research. It was stressed that the questions aimed to uncover the interviewee's own, individual perspectives on ethical leadership and that no 'correct' answer was sought. Furthermore, to limit the risk of social desirability of responses and make sure interviewees felt open and safe enough to provide detailed information and examples, they were assured that the interviews would remain fully confidential and that the research report would not contain any information or quotes that would reveal the interviewee's identity or that of the organization. With the interviewees' consent, the interviews were digitally recorded to enable literal transcription. Additionally, notes were made both during and after the interviews to record the researcher's hunches, thoughts, questions, and so forth that emerged in response to the interview data.

The interviews were set up as a mix between emic and etic approaches (Bijlsma-Frankema and Droogleever Fortuijn, 1997: 452). To this end, a semi-structured interview protocol was generated, containing some general themes and possible probe questions (see Appendix III). The general themes concerned such things as "ethical dilemmas", "integrity policies", and "role-modeling". Sample probe questions included: "What do you consider to be ethical leadership"?, "How can a manager raise the ethical awareness of his or her employees?", and "What characteristics should an ethical leader have?". Where possible, background information about the organization, such as its main stakeholders and its governance structure, as well as information about the organization's integrity policies, codes of conduct, values statements, and the like was obtained through the company's website before the interview. In some cases, this information resulted in additional probe questions that related more directly to the organization in question (e.g., about the role of formal

[12] Due to unanticipated time constraints on the part of the interviewees, two interviews were limited to a half hour. One interview lasted about one hour and a half.

compliance officers or the influence of stockholders). During the interviews, the interview protocol was handled relatively loosely, though. Where interviewees diverged in promising directions, or where the course of the interview suggested a different order of questions might be more appropriate, the protocol was put aside and the questions were adjusted to the situation at hand. In many cases, the themes suggested in the interview protocol emerged rather naturally from the responses of the interviewees, and the researcher was able to relate the questions more directly to the interviewee's own story. Sometimes, the insights obtained from the interviews led to a revision of (aspects of) the interview protocols used for the subsequent interviews.

In many ways, the interview procedure employed here mimics that described by Huberman and Miles (1983: 290-291). As these authors note, the use of semi-structure interview protocols is in fact a method of anticipatory data reduction: to a greater or lesser extent, it restricts the range of constructs discussed and the questions asked, thereby possibly excluding alternative means to look at and capture the phenomenon. However, Miles and Huberman contend that this is no cause for undue concern, particularly where the framework, themes, questions, and probes included in the protocol are general and middle-range. Moreover, taking into account the preexisting body of knowledge fosters accumulation of research findings (Bryman, 2004: 755-756) and, as Huberman and Miles stress, "it would have been hidebound to ignore the value of existing empirical and conceptual work as an orienting frame" (1983: 290). Lastly, and again similar to Huberman and Miles' approach, changes were repeatedly made to the conceptual framework to correct for incomplete or unbalanced aspects in the framework that became apparent from the interviews. To facilitate this, the initial questions in the interview were rather open and general questions. Furthermore, at the end of each interview interviewees were explicitly invited to raise questions or bring matters to the fore that they considered important in relation to ethical leadership but that had not yet been discussed. The researcher subsequently checked whether the newly emerged issues required adjustments to the interview protocol. Thus, there was a continuous interaction between the conceptual framework and the empirical data to thwart the risk of too much *a priori* framing and structuring on the part of the researcher.

3.4 Analysis

The analytical procedure used in this study is founded upon the so-called "ladder of abstraction" (see figure 3.1). To enhance the reliability and specifically the replicability of the study's findings, attempts are made to provide a sufficiently detailed and transparent account of each of the stages in this process (cf. Bijlsma-Frankema and Droogleever Fortuijn, 1997: 451; Bryman, 2004: 751; Huberman and Miles, 1983: 331). Careful documentation not only

permits external audit, but also fosters the quality of dialogue among scholars about both the methodological and substantive premises of the study (Huberman and Miles, 1983: 331). Furthermore, it acknowledges that reducing data by means of, for instance, coding and graphing data in matrices, not just prepares for the analysis but in fact *is* analysis: "reducing data implies aggregating and partitioning them according to some decision rules that may be, at best, tentative or intuitive, but that always have important consequences" (Huberman and Miles, 1983: 285).

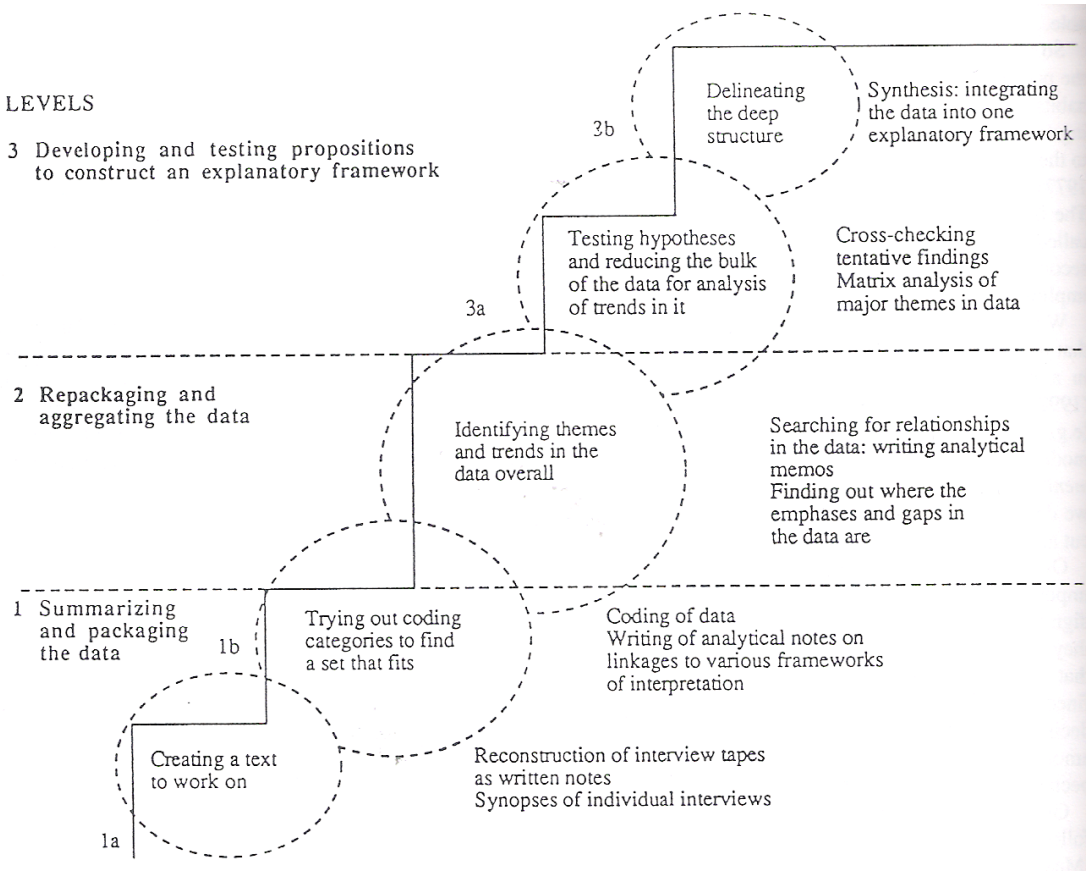

Figure 3.1: The ladder of abstraction (Source: Carney, 1990 in Miles and Huberman, 1994: 92)

3.4.1 Coding

Coding of the data constitutes the first step in the ladder of abstraction and concerns the summarizing and packaging of the data (Carney 1990 in Miles and Huberman, 1994: 92). To allow for such coding, the interviews were transformed to written text by literally transcribing the audio recording of each interview. This resulted in a total of 158 pages of interview data that, along with the research notes, formed the final data set.

Coding largely occurred according to the procedure described by Miles and Huberman, (1994: 55-69) and was done using Atlas.ti software (version 4). To facilitate the coding process, a provisional start-off list of sensitizing codes, derived from the research questions and the conceptual framework set out in chapter two, was developed. This initial start-list was

applied to the first couple interviews, and then examined thoroughly to determine its fit with the data and make adjustments to the coding list where necessary. While some codes were revised, added, separated into subcodes, or deleted, the overall structure chosen to code the interviews seemed to fit well with the data. The revised code list was then applied to a next set of interviews and again reviewed and revised to achieve better fit with the data. This procedure was repeated several times and the final code list (see Appendix IV) thus developed progressively through close interaction with the data. Importantly, all codes were given operational definitions to ensure their use remained transparent, consistent, and meaningful. Furthermore, during the coding process, memos were noted in the margins of the dataset to keep record of the researcher's hunches, thoughts, observations, new insights, well-illustrated examples and quotes, et cetera (cf. Conger, 1998: 114). These memos also included the research notes that were taken during the interviews themselves. To facilitate retrieval at a later stage, memos were attached to the specific sections of interviews for which they were considered relevant, and contained the key concepts they discussed (Miles and Huberman, 1994: 73-74).

Several types of codes were used. Specifically, the coding progressed from primarily descriptive codes to more interpretive and pattern codes (see Miles and Huberman, 1994: 57-58). The descriptive codes detailed sections of the interview data that discussed a particular theme or topic and entailed relatively little interpretation. These descriptive codes ranged from very general codes such as ILL (illustration), DEF (definition), and MET (metaphor) to more specific ones such as PP-DIF (explicit discussion of public-private sector differences). As the coding progressed, interpretive codes such as EL-CHA-AUT (ethical leader characteristics: authenticity) and EL-BEH-ROLE (ethical leader behaviors: role-modeling) were used more and more. To prevent obscurity and clutter in the coding list, the more descriptive codes were recoded as 'families' that encompassed the various interpretive codes. Some patterns in the data and apparent relationships between variables also emerged, for which pattern coding was employed. One example of a pattern code is PP-DIF-PSM (differences between public, hybrid, and private organizations attributed to different levels of public service motivation).

The coding procedure used has one major drawback. Due to time constraints of the research project and the often very limited time intervals in between the interviews, it was not possible to transcribe and code the data of one interview before the next interview would take place. Line-by-line coding thus occurred only after all the data had been collected. As argued by Huberman and Miles (1983: 292; Miles and Huberman, 1994: 65), this may have made the ongoing analysis less sharp and could have caused partly incomplete or equivocal data. Although the summaries and notes of previous interviews were re-read and used to

continually adjust the interview protocol before the next interview, the identification of gaps, puzzles, core themes, and potential sources of bias thus may not have been optimal.

3.4.2 Matrix Analysis

Following the coding of the interviews, a qualitative data matrix was developed to further organize, aggregate, and analyze the data and identify relevant themes and trends. This matrix was meant to serve multiple key functions: (1) preliminary reduction of the data to its essence, so as to provide an overview of the most important issues in the data; (2) provide an overview of the comprehensiveness and completeness of the data; (3) arrange the data to obtain an overview of the available information according to specific subthemes; (4) generate propositions on causal relations between variables; and (5) locate remarkable outlier cases (Bijlsma-Frankema and Droogleever Fortuijn, 1997: 456-457). Matrices are furthermore very useful for cross-case analysis, as it allows the researcher (and reader) to instantly compare the cases side-by-side with respect to a specific variable, theme, role, et cetera (Huberman and Miles, 1983: 286).

For this particular study, the matrix (see tables 4.1 through 4.3 in chapter 4) was designed according to a two-way thematic conceptual matrix format, in which the informants (rows) were mapped out against the conceptual themes identified during the coding process (columns) (Miles and Huberman, 1994: 131). The matrix can further be characterized as a multiple-case, partially role-ordered matrix, which in this case means that the matrix contained information of all interviewees, ordered according to the organization's position on the public-private continuum (Miles and Huberman, 1994: 240). The cells of the matrix were filled with labels as well as paraphrases and direct quotations, to stay as close as possible to the original subjective descriptions given by the interviewee. The decision rules used for selecting particular entries in the matrix closely matched the operational definitions of the codes used earlier. Where data for a specific case was missing, this is shown explicitly in the matrix. As with the coding process, the matrix format was considered provisional at first and iterated several times to obtain a better fit with the data (cf. Bijlsma-Frankema and Droogleever Fortuijn, 1997: 455; Miles and Huberman, 1994: 241).

Moving higher up the 'ladder of abstraction', the analysis of the matrix was done according to a mixed variable/theme-oriented and case-oriented strategy (Miles and Huberman, 1994: 175-176). Thus, explicit attempts were made to not merely aggregate the data superficially, but to carefully search for both within-case and cross-case patterns. Although the primary aim of this research is to compare and contrast cases with varying public-private organization contexts, Miles and Huberman caution that considering the within-case patterns is essential to preserve the complexity and contextual nature of the data. Too much emphasis on subtheme-specific, cross-case comparisons would result in

fragmented data that lacks the narrative order and natural plot of the individual case (Miles and Huberman, 1994: 176-177). First, a squint analysis was conducted to get a general overview of the data and possibly interesting themes to elaborate on further. Then, to verify, revise, or disconfirm these tentative findings, several methods of deeper analysis outlined by Miles and Huberman (1994: 246-258) were employed, including noting patterns, making contrasts and comparisons, clustering similar cases, and counting. The conclusions drawn from these analyses were written in text and used to develop concrete propositions. To test and (dis)confirm these general conclusions and specific propositions, they were subsequently cross-checked against the original interview transcripts and research notes. This entailed searching the data not just for exemplars that illuminated the phenomenon described, but also looking purposively for contrasting and disconfirming cases and alternative explanations (Alvesson, 1996: 469-470; Miles and Huberman, 1994: 242-243, 264-265). Throughout the analysis of the matrix, close interaction between the first-order data and the higher-level abstractions drawn from it was thus explicitly sought (Bijlsma-Frankema and Droogleever Fortuijn, 1997: 455).

3.4.3 Development of the Q-set

The final step in the analysis concerns the development of a Q-set for future research purposes. Q-methodology is a method to systematically study people's subjective viewpoints. It is beyond the scope of this thesis to give an extensive overview of the method, but Appendix V provides a clear and fairly concise explanation of the primary aims and procedures involved in a Q-method study. In brief, a Q-study starts with the definition of a concourse, which is supposed to contain all the possible statements a respondent could make with respect to a certain topic. This concourse may be gathered from interviews, participant observation, popular and scientific literature, or a mixture of these sources (de Graaf and van Exel, 2008: 4). Then, from this concourse, a representative subset of statements (Q-set) is drawn and the researcher has respondents (P-set) rank-order (Q-sort) the statements from their individual point of view, according to the respondents' own preferences, judgments, or feelings about the statements. The resulting rank-ordered statements reveal the individual respondent's subjective viewpoint on the issue at hand (Brown, 1980; Brown et al., 2007; van Exel and de Graaf, 2005: 1). Using factor analysis, clusters of similar rank-ordered statements are generated. These factors represent the population of subjective viewpoints that exist on a specific topic (van Exel and de Graaf, 2005: 2). In the larger research project of which the current study is a part, Q-methodology is employed to uncover the various implicit ethical leadership theories that managers and employees hold. Thus, a Q-set of statements representative of the statements people make regarding ethical leadership will need to be developed.

The qualitative data of the study reported here constitute a rich source of managers' statements on ethical leadership. As noted by Brown (1993, as cited in de Graaf and van Exel, 2008: 74): "[t]he level of the discourse dictates the sophistication of the concourse". The qualitative interviews give a rather direct access to the ethical leadership discourses of managers. Moreover, because the sampling aimed for maximum variation on dimensions of theoretical importance (e.g., the public-private nature of the organizational context, sex, et cetera), the data are likely to uncover much of the variety that may exist in managers' subjective views on ethical leadership. However, to ensure comprehensiveness of the concourse, insights from the academic literature are included as well. The Q-set that is developed here will also be cross-checked against the interviews with employees that are conducted at a later stage and will be revised where necessary, to ascertain that the final Q-set contains all relevant aspects of the concourse on ethical leadership.

The selection of a representative Q-set from the concourse can occur in various ways (see van Exel and de Graaf, 2005: 5). The structure used to select statements may either *emerge* from close examination of the statements in the concourse, or it may be *imposed* on the concourse following a particular theoretical framework. As argued by Brown (1980: 186) whatever structure used, it remains "more an art than a science". But Van Exel and De Graaf (2005: 5) suggest this may not be too problematic, as both structures require the researcher to select statements that are widely different from one another so as to arrive at a broadly representative Q-set (Brown, 1980: 189). Furthermore, in the end it is always the respondent that gives meaning to the statements by sorting them (Brown, 1991/1992: 10). Researchers that use different sets of statements obtained by different structures may thus be expected to converge on the same conclusions regarding the different subjective viewpoints that exist in the population (Thomas and Blaas, 1992 in van Exel and de Graaf, 2005: 5). Still, given that the theoretical framework presented in the literature has only limited foundations in public and hybrid organizational contexts, an emerging structure seems the most appropriate strategy for developing a comprehensive and representative Q-set and is therefore chosen here.

3.5 Researcher bias and reflexivity

To enhance the reliability of the research findings, explicitly guarding against possible researcher bias (Miles and Huberman, 1994: 265-266) and a sufficient degree of reflexivity on behalf of the researcher is pivotal (Alvesson, 1996: 467-468). In light of this, it is important to acknowledge that the results always constitute a representation of the subjective realities of the interviewees *as reconstructed by the researcher* and to check the extent to which the researcher's own knowledge and interpretive framework match the conceptions of the interviewees (Bijlsma-Frankema and Droogleever Fortuijn, 1997: 451, 453). This

involves critically reviewing the influence of one's own conceptual framework and assumptions on the analysis and presentation of the data, being open to alternative interpretations, and avoiding the premature application of totalizing concepts that restrict the meaning of constructs to that of the researcher (Alvesson, 1996: 468). Moreover, Miles and Huberman (1994: 262-263) caution against archetypical researcher bias such as interpreting events as more patterned and congruent than they actually are (holistic bias) and overweighing data from articulate, well-informed, and high-status informants (elite bias). Several strategies have therefore been employed during the analysis in an attempt to counter researcher bias, some of which have been discussed explicitly in this chapter. These include triangulation of the data, the explicit search for disconfirming cases in the data, checking for possible rival explanations and interpretations, and continually cross-checking conclusions and propositions against the raw data. But researcher bias may also occur during the writing-up of the results. Therefore, efforts have been made to present the results in a way that is non-authoritative and respects the temporal and locally situated nature of the meaning by avoiding undue empirical generalizations (Alvesson, 1996: 481). Of course, the extent to which the researcher succeeded in this is to be judged primarily by the reader itself.

Setting an example is not the main means of influencing another,
it is the only means

Albert Einstein

4 RESULTS AND ANALYSIS

As indicated in the previous sections, this study attempts to uncover the subjective viewpoints of managers in public, hybrid, and private organizations on what constitutes ethical leadership. To this end, 21 qualitative, semi-structured interviews were conducted with managers and leadership experts working in varying public-private organizational contexts. This chapter reports on the results of those interviews, identifying the characteristics and behaviors that are believed to be relevant for ethical leadership and examining the similarities and differences between the different public-private organizational contexts that came to the fore with respect to ethical leadership. Additionally, this chapter includes the presentation of a Q-set that was derived from the interview data, and which may serve as a measurement instrument in future studies on ethical leadership. It is important to note that in the analysis, aside from considering the publicness of the organization context, specific attention has also been paid to potentially confounding factors, most notably interviewees' sex, age, management scope (i.e., the number of respondents they are directly and indirectly responsible for), and the size of the interviewees' organization. However, only where the comparison of data based on these characteristics suggested differences in interviewees' views on ethical leaders will these results be discussed explicitly. Further discussion of the results in light of preexisting theoretical and empirical insights as well as propositions derived from the findings of this study follow in chapter five.

Most managers indicated that organizational ethics is an important yet complicated issue to them. Across the board, interviewees signified a broad range of ethical dilemmas that could occur or that had occurred in their organizations. Some of these dilemmas described situations that might occur in any type of organization and that often concerned interactions with colleagues, employees, or clients: what to do when your boss requires you to break formal procedure? Or when you see a colleague commit an integrity violation? What if the organization's conduct goes against what you believe is right and moral? What is and what is not morally acceptable when it comes to luncheons and dinners with clients or other stakeholders? And how to deal with employees whose religious beliefs run counter to the organizational norms and values? Other dilemmas were more specific of the task and context of the organization in question: when should a regulatory body inform the public that a

hospital or bank is not performing well and might be dissolved in the near future? Or how could a public hospital guard against over- or under-treatment of patients when in the wake of market pressures it is forced to increase its revenues in order to survive? Most interviewees indicated that dilemmas such as these were an inherent part of everyday organizational life and that ethics is a part of everything that people say and do on a day-to-day basis. One interviewee suggested that all dilemmas that a person faces are in fact inherently ethical dilemmas: *"Is an ethical dilemma not actually a kind of pleonasm? I sometimes think that, isn't every dilemma almost by definition ethical or moral? Otherwise it wouldn't be a dilemma. You know, then it would just be a simple problem that you could solve. Then it would be a technical problem. The word dilemma to me suggests that something…is not quite right, you know…I can't think of many situations, and I have thought about it, but I can't imagine one where there isn't an ethical issue underneath it. So it is actually a pleonasm, 'ethical dilemma'".* Others, however, remarked they did not know of many ethical dilemmas in their organizations. Furthermore, several respondents suggested that there are certain things that are unequivocally clear and do not require any real deliberation: *"Some things are just simply unacceptable, but they are not dilemmas anymore… For such things there are rules"* and *"A dress code is a more complex issue than integrity, because, well, everybody knows that fraud, that just isn't acceptable".*

Whether it is to guide followers when they face ethical dilemmas or whether it is to enforce the moral values and norms of the organization as they are laid down in its rules and procedures, ethical leadership is widely acknowledged as being of great significance. Particularly with the loss of traditional social-religious values and norms, increasing socio-demographic diversity, and the (perceived) decrease of social control in Dutch society, some interviewees feel that organizations nowadays have an increased responsibility and need to provide moral guidance to their members. And ethical leadership is key in how organizations can provide such guidance: *"I am convinced that there is no use for rules, if you do not also have that leadership. Just like that leadership still also requires rules and guidelines of what is and what isn't allowed. That is how rules also need leadership, because the world cannot be captured in rules. And the same goes for employees. People are people, and even the most benevolent, willing people…need examples and need guidelines".* Some interviewees see ethics and leadership as two sides of the same coin, the one necessitating the other: *"How could someone be an effective leader without starting from ethics? How does one do that? I wouldn't know…"*, "*Ethical leadership is not a separate component of leadership* […]*Ethical leadership is only possible when you are also a leader in your daily operations and you are appreciated as a leader. Otherwise you will never get to that deeper dimension of leadership"* and *"By definition, on the long term, leadership has to be ethical, otherwise it's not right* […] *There is an implicit expectation that leadership is by definition ethical".* However, ethical

leadership need not necessarily be restricted to those in formal positions of power. Indeed, several interviewees stressed that in general everyone should exercise some form of self-leadership and that senior employees have an important role as ethical leaders as well.

In spite of, or perhaps precisely because of the fact that ethical leadership is considered to be so ingrained in everyday leadership, there were interviewees who expressed difficulty in trying to pinpoint what it exactly entails: *"*[Describing] *an unethical leader is much easier…It is much easier to indicate what [ethical leadership] isn't than what it is…". "You can describe them in a descriptive sense, like how someone functions, and I like everything about* [that person] *concerning those* [ethical] *dimensions…But being prescriptive, how does a person get there, that is much more difficult".* And while some interviewees were able to give examples of ethical leaders *"in all shapes and sizes and moments in my life"*, others were much more hesitant in ascribing the 'ethical leader' label to a specific person and indicated they knew no such leaders personally. Furthermore, ethical leadership is considered especially visible in situations where there is an ethical dilemma and the stakes of the choice to be made are high. As one interviewee suggested, ethical leadership is about *"showing ethical behavior, even when it costs money* […] *That whole ethical story is worthless when it is not supposed to cost any money. That's easy. Right? To formulate all kinds of beautiful principles, but at the end of the day if people* [that do not behave] *get to stay because they also happen to be the ones who make the most money…".* Still, despite the fact that ethical leadership may be considered rather intangible and difficult to define, the interviews provided very rich and insightful accounts of what ethical leadership means to them and what they feel makes an ethical leader.

4.1 What Makes an Ethical Leader?

4.1.1 Being a Moral Person

The results indicate that ethical leadership is firmly grounded in the person of the ethical leader. When asked what they consider to be ethical leadership, most interviewees responded in terms of the characteristics and traits that ethical leaders should possess and argued that ethical leaders should first and foremost make ethical decisions and behave accordingly themselves. Similarly, in describing examples of ethical leadership, it was the 'moral person' aspects that seemed most prominent in characterizing that person as an ethical leader. Only a few interviewees strongly emphasized moral management aspects over the moral person: *"It's not so much about how you as a leader are, but how you…try to express and explain ethics and integrity in your daily work, set an example* […] *To me, it is more about how it is expressed". "Because the world cannot be captured in right and wrong, people and especially organizations need examples, need role modeling. To me, I think, that is the core of*

ethical leadership, that a leader shows where his…where the norms and the ethical decisions of the organization lie. That he primarily in exemplary behavior shows how it's done". However, in such cases where the 'moral manager' was most prominent in descriptions of ethical leadership, role modeling was clearly considered to be the defining feature. As ethical role-modeling presumes that a person behaves in an ethical manner themselves, this suggests that being a moral person is indeed seen as the key prerequisite to ethical leadership.

4.1.1.1 Leader traits

Interviewees have associated ethical leadership with a wide range of personal traits. Especially female interviewees seemed inclined to discuss many different leader traits. Integrity, honesty, trustworthiness, reliability, good conscience, and conscientiousness are among the long list of characteristics that managers and leadership experts mentioned as necessary attributes of a moral person. As one interviewee noted, *"of course these are nice concepts, easy to profess, but to give them shape and meaning…that is still really difficult".* Nevertheless, respondents often presented illustrations of what these terms mean to them in applied settings, as for instance in relation to integrity: *"Functioning for a long time without there being signs that that person has a different agenda than the one for which he is hired"* and *"Acting in such a way that the people around you, so your employees, your clients, other stakeholders, have the faith that you… act in accordance with societal norms".* Sometimes, as with respect to honesty, these illustrations imply rather different meanings of the concept in practice: *"I think that that is allowed, as long you honestly say it. So, yes…I think that a lot of things are allowed, as long as you are open about it […] If you talk about ethical leadership […] a prerequisite is that you are open about your intentions"*, *"Clarity. Also conciseness. That you don't hide behind all kinds of jargon. No covering language. So, honesty. Also mentioning things spontaneously, even though no one asked explicitly about it, when that is relevant…"*, or *"That you're honest, but also that you don't hide things. And in the case of a project for a client, for instance, that could mean that you also say that…that certain things are better not done, even if that might cost you income".*

Ethical leaders are also described as being respectful, caring, empathic, open, and responsive. More specifically, ethical leaders need to have *"respect for others, respect for other viewpoints,* [and] *don't judge people"* even while trying to uphold their own values and norms. They have a *"personal warmth"* and *"sympathy"* and are able to understand, relate to, and take seriously another person's thinking, feeling, and acting. Ethical leaders are people-oriented: they have an innate interest in people, in their backgrounds and their development, in how they feel and what they are going through. They look at the person behind the job. A related and often considered crucial trait is the ethical leaders' openness. This openness generally referred to the ethical leader being approachable and willing to listen. *"People have*

to feel welcome and feel heard", *"The attitude that whatever problem they might have, people can just walk in here"*, and *"As a leader, you should sometimes just really listen, and not talk right away"*. However, as one interviewee stressed, *"the people I have in mind are not softies"*. Moreover, ethical leaders should still be able to *"keep enough distance in order to hold people accountable"*.

Particularly to managers of public and hybrid organizations, as well as several of the leadership experts, being an ethical leader also implies being aware of one's position in society, being altruistic at times, and having a concern for and serviceability to the common good. Sometimes, these interviewees argue, it is necessary to go beyond mere self-interest and consider the interests of society at large. As one public sector manager remarked: *"The point of in the end being very serviceable to the greater good without putting yourself first* […] *And also always staying connected to society* […] *That your organization does well, that you do well within your environment"*. And a police department head: *"I think that when you talk about ethical leadership, you should have a clear vision on the position of the police within society. We are not here as a goal in and of itself, we are here to do a job for that society and that is a difficult job, in the middle of society. That comes with a lot of risks, that is difficult"*. Here, altruism and concern for the common good seem to relate to a leader's responsiveness to societal demands, values, and norms. Leadership experts, however, discussed ethical leaders' concern for the common good more in light of environmental sustainability and corporate social responsibility, noting that *"It absolutely also has to do with the ability to actively be accountable, not just for the here and now, but also for later and the long-term future"* and *"In these times I also think it is really important that you think about, for instance, sustainability and corporate social responsibility"*.

Two of the most recurrent and perhaps more important features of the moral person side of ethical leadership are leaders' authenticity and their strong moral courage. Ethical leadership, interviewees from all different organizational contexts argued, has to come from within. *"It has something to do with authenticity, with letting surface who your really are"*, *"It is internalized as a part of who you are and who you are not"*, *"Being yourself, because of course when you operate in a hierarchical structure, you play a role. Of course you always play a role, everyone plays different role, I believe, in life. But, I think it is important that in all those roles, you have a firm core and also carry that out"*. Interviewees referred to authenticity as having a deep connection with oneself, maturity and self-awareness, being able to really know and look at oneself. They often consider this a necessary attribute of

	Moral Person		
	ID	**Leader traits**	**Leader ethical decision-making and behavior**
PUBLIC	A	Concern for the common good Openness Vulnerability	Accountability and transparency Based on personal and externally imposed moral norms and values Open to and actively seeking feedback Sound moral deliberations
	B	N#A	Above-average ethical standards Accountability and transparency Open to and actively seeking feedback Principled decision-making and behavior
	C	Altruism Concern for the common good Integrity Moral courage Openness Personal moral values Serviceability Trustworthiness Vulnerability Willingness to learn	Above-average ethical standards Accountability and transparency Ethics in daily operational decisions and behaviors Multiple perspectives Open to and actively seeking feedback Principled decision-making and behavior Rule-following Sound moral deliberations Taking into account different stakeholder interests
	D	Empathy Moral courage Openness Trustworthiness	Accountability and transparency Living up to agreements Making reasonable decisions Recognizing moral dilemma Taking into account different stakeholder interests
	E	Empathy Moral courage Objectiveness	N#A
	F	Authenticity Personal moral values	N#A
HYBRID	G	Authenticity Concern for the common good Conscience Honesty Integrity Moral courage Openness Personal moral values Respect Vulnerability	Accountability and transparency Clear and consistent decision-making and behavior Open to and actively seeking feedback Recognizing moral dilemmas Sound moral deliberations Taking into account different stakeholder interests
	H	Altruism Authenticity Caring Conscientiousness Common good Inspirational Moral courage Respect	Accountability and transparency Based on personal moral values and norms Ethics in daily operational decisions and behaviors Taking into account different stakeholder interests

Table 4.1.a: Moral person attributes (manager responses)

	Moral Person		
	ID	**Leader traits**	**Leader ethical decision-making and behavior**
HYBRID	I	Authenticity	Accountability and transparency
		Caring	Consistent decision-making and behavior
		Consistency	Open to and actively seeking feedback
		Empathy	
		Inspirational	
		Respect	
		Vulnerability	
	J	Communicative	N#A
		Inspirational	
		Integrity	
		Openness	
		Responsiveness	
		Willingness to learn	
	K	Altruism	Consistent decision-making and behavior
		Caring	
		Honesty	
		Integrity	
		Moral courage	
		Openness	
PRIVATE	P	Honesty	Accountability and transparency
		Moral courage	Consistency between words and deeds
		Openness	Open to and actively seeking feedback
	Q	Honesty	Ethics in everyday operational decisions and behaviors
		Openness	Recognizing moral dilemmas
		Moral courage	Taking into account different stakeholder interests
		Willingness to learn	
	R	Authenticity	N#A
		Integrity	
		Modesty	
	S	Authenticity	Accountability and transparency
		Empathy	Consistent decision-making and behavior
		Other awareness	Ethics in everyday operational decisions and behaviors
		Respect	Open to and actively seeking feedback
			Taking into account different stakeholder interests
	T	Conscientiousness	Accountability and transparency
		Honesty	Consistent decision-making and behavior
		Integrity	Principled decision-making and behavior
		Modesty	Taking into account long-term consequences
	U	N#A	N#A

Table 4.1.a: Moral person attributes (manager responses; continued)

		Moral Person	
	ID	**Leader traits**	**Leader ethical decision-making and behavior**
EXPERTS	L	Caring	Ethics in daily operational decisions and behaviors
		Honesty	Principled decision-making and behavior
		Integrity	Recognizing moral dilemmas
		Moral courage	Taking into account different stakeholder interest
		Openness	
		Vulnerability	
	M	Authenticity	Consistency between words and deeds
		Caring	Principled decision-making and behavior
		Charisma	Taking into account long-term consequences
		Concern for the common good	
		Serviceability	
		Personal moral values	
	N	Authenticity	Taking into account different stakeholder interests
		Caring	Taking into account long-term consequences
		Charisma	
		Concern for the common good	
		Honesty	
		Integrity	
		Moral courage	
		Personal moral values	
		Reliability	
		Serviceability	
		Visibility	
		Willingness to learn	
	O	Authenticity	Principled decision-making and behavior

Table 4.1.b: Moral person attributes (expert responses)

ethical leadership: *"If it is not sincere what you have to offer somebody, then you will get nobody to move"* and *"People are no fools, they just see right through it, they see it. And I also think that with that kind of mask on you won't make it. It's just not possible, it won't work".* Closely intertwined with ethical leaders' authenticity are the strong moral principles that they are said to live by and carry out. Ethical leaders are steadfast in their beliefs, they really stand for something. Ethical leaders are courageous in standing up for what they believe in and defend their values and norms in the face of difficult external circumstances and against all odds: *"We show that even when we are under high pressure we have a backbone and apply these* [values], *even though it is not easy".*

Interestingly, many interviewees posited that having a deeply rooted set of values and having moral courage does not necessarily imply that ethical leaders are infallible or immune to ethical failures. In fact, they argued, an ethical leader is also someone who is able to be vulnerable and who is willing to learn from previous mistakes. Ethical leaders tend to acknowledge that not just their organization and the people working for them, but also they

themselves sometimes make mistakes. *"That, in spite of years working hard to prevent them, you are still open to acknowledge that integrity violations occur, that there are things that we do wrong, and that you want to do better…"*. Ethical leaders are able to put themselves in a vulnerable position by sharing their struggles and insecurities with followers: *"When people see that their manager can be vulnerable, it makes it easier for them to also do it"*. Furthermore, ethical leadership also means being able and willing to admit to one's own mistakes, making these mistakes discussable, and being accountable for them. Even more so, ethical leaders use mistakes as valuable learning experiences for both themselves and the organization at large.

Far less often mentioned were traits relating to a leader's inspirational, visionary, and charismatic capabilities. Only a few interviewees suggested that ethical leaders should be inspiring and have a clear vision, but even among these few there are differences in what this precisely entails. According to one of the leadership experts, an ethical leader *"should have a vision* [on fostering organizational ethics]. *That's where it begins of course* […] *And then it is really important that you carry out that vision. That is really important"*. And, with respect to charisma, *"maybe you should have a bit of that, of that inspiration, to be able to really stimulate people"*. Another leadership expert, however, stressed that it is more about having 'small' charisma: *"Look, when you are good, then you get a natural charisma. Not because you aspire it, but because people feel that your language has a certain weight to it* […] *It doesn't have to be that you jump on the kitchen table and speak to people* [„.] *It's small charisma, which is the result of the fact that you have your things in order. Making an impression without wanting to make an impression* […] *It's just, you feel it in terms of energy"*. In line with this latter view on charisma and ethical leadership, a couple interviewees also discussed modesty as a trait of ethical leaders: *"It also means not putting yourself in the spotlight too much"* and *"Being able to let other people take the credit"*. Or, as remarked by a private sector manager: *"I could go to a meeting by car. Or I could go to a meeting flying a jet* […] *Modesty, that is what comes to mind* […] *And modesty does not have to mean that you are not visible. It doesn't have to be. You can be modest and still be visible"*.

Overall, the data reveal both similarities and differences between managers in their views on ethical leader traits. A between-case comparison of these leader traits suggests that there is general agreement on the importance of features such as authenticity, openness, and moral courage. On other traits, however, there is some variety. When we exclude the interviews with the leadership experts, who operate in different public, hybrid, and private contexts (cases L through O), a pattern seems to emerge that suggests potential differences across the public-private contexts. Specifically, as shown in table 4.1.a, managers of the more public and hybrid organizations seem to stress aspects such as altruism and a concern for the common good somewhat more than private sector managers. Likewise, honesty seems

particularly characteristic for the views of private sector managers. The data also reveal that caring and empathy appear to be concentrated around hybrid organizations. However, a closer look at the latter finding suggests that this is more likely to be related to the interviewees' sex than to the hybrid organization context: five out of six female interviewees referred to caring and/or empathic abilities as attributes of an ethical leader. Conversely, only four out of fifteen male interviewees –two of whom are managers- suggested these aspects to be characteristic of ethical leadership. A similar explanation might apply to the differences found with respect to altruism and the leader's concern for the common good; four out of six females against only three of the fifteen male interviewees discussed these as ethical leader traits. On the other hand, it is remarkable that two of these three male interviewees work in traditional public sector organizations, and three of the four females work in more hybrid organizations. The publicness of the organization therefore does appear to be of influence.

4.1.1.2 Leader ethical decision-making and behavior

While having the traits of a moral person is an essential aspect of being an ethical leader, in the end, these leader traits are most apparent in and inferred from the ethical leaders' subsequent decision-making and behavior. Most interviewees extensively discussed the way ethical leaders should conduct themselves and deal with decision-making situations: *"Look in the mirror. Can you still account for the way you gave content and meaning to your work that day, and test that for yourself"*. Being a moral person thus comes down to how a person acts in crucial moments: *"It's really about those moments of truth. How are you then?"* and *"It is how you deal with dilemmas in specific circumstances"*. However, some interviewees also explicitly consider it a part of everyday leadership: *"It's just in your daily behavior. And I think that in your daily behavior you can never pay too much attention to integrity. Yeah, that's just in your behavior"*. A few interviewees suggested that for an ethical leader, the standards of decision-making and behavior might even be a bit higher than normal: *"That in your leadership, you live according to very accepted norms and perhaps even a bit more pure than that"* and *"Yeah, I think that it is a bit more pure, maybe that is the right word. A little more really reformed"*. Or as one interviewee noted, an ethical leader is expected to be *"more virtuous than the pope himself*". Most interviewees referred to standards for an ethical leader's decisions and conduct that are principally derived from the leaders' personal values. However, three managers of more public organizations also implied that organizational rules are a source of ethical standards as well, while another public sector manager also stressed the importance of norms imposed upon the organization by society. These remarks seem to be consistent with the previously discussed focus on external, societal norms and values that these public sector managers seem to have more than private sector managers.

Several interviewees noted that in order to make ethical decisions and be able to act accordingly, a leader should of course first be able to recognize and acknowledge ethical dilemmas and make sound moral deliberations. *"I think that it is very important that you at least are able to recognize difficult choices. When you don't see which interests are conflicting, it becomes difficult, right? Because then you have a blind spot. So I would say, a certain moral awareness".* To these interviewees, ethical decision-making is often a conscious effort that requires careful thinking through of the various interests that are at stake. It is about being sincere in how you weigh those interests and make a final decision. Making sound ethical decisions, many interviewees suggested, means talking to the people involved, taking account of the different perspectives that they have on a certain issue or problem, hearing different sides of a story. It also means being able to make tough decisions when needed and being honest and straightforward, for instance when a person is not functioning well. Moreover, ethical leadership is about considering not just the short-term, but also the long-term implications of decisions and behavior. As one interviewee noted, *"this requires a certain flexibility, that you dare to look for answers…You don't have cut and dried answer to these things, I think".* To some interviewees, though certainly not all, ethical decision-making and behavior also means being consistent and congruent –not just in terms of practicing what you preach and aligning your words and deeds, but also in terms of being consistent in what you say to different people or how you treat different people.

But an ethical leader has to do more than merely make ethical decisions and behave according to the relevant moral values and norms. Many interviewees emphasized that, to them, ethical leadership also entails being transparent about and accountable for those decisions and behaviors. Ethical leaders are leaders who share their decisions, and the information and considerations they made to reach them, with their followers and with other stakeholders outside of the organization. Ethical leaders share this information to enable others to judge their intentions, their decisions and conduct, and thus their integrity. Whether it is about appointing people, taking gifts, or using the company car: *"Explain. Always explain. Not every time* […] *but surely don't ignore questions about it"* and *"As long as you are transparent about that, than nobody is bothered by it. They won't say anything about it. But if you hide that a bit every time…".* Again, the managers working in public organizational contexts seem to have a stronger focus on (also) being transparent to the external environment: *"In your accountability to the external environment, in public courts, but also just in yearly reports* [you should]*, as transparently as possible, try to explain that you act according to the values and norms that are imposed on you and that you impose on yourself…and do what you as an organization in general are expected to do by the broader society* […] *You should be able to pass that test".* But interviewees comment that being transparent is not always easy, as people may not understand the precise context within which

a decision was taken and may get the wrong idea about what really took place. Likewise, one interviewee stated, people may not know how to deal with certain sorts of information or wind up getting so much information that they are unable to process it all.

A final key feature that, according to many managers, characterizes the decision-making and behavior of ethical leaders is their openness to receiving feedback and their tendency to actively seek out feedback on their decisions and behaviors. *"You should explain why you do certain things, but don't let it become closed off to comments from others"* and *"Not just saying that you are open to suggestions, but also showing that you are".* Consistent with the aforementioned need for vulnerability and willingness to learn, and in line with the notion of taking into account multiple perspectives to an issue, ethical leaders welcome feedback both during decision-making processes and as a post-hoc evaluation of previous decisions or conduct. Ethical leaders organize such feedback by frequently asking followers, colleagues, and/or superiors to hold up a mirror for them and tell them what they are doing wrong or could do better. *"*[I tell them] *'test, as if you are an outsider, whether in your experience we are still on course as a team. Do we still treat each other right, are the norms that we set for one another and the values on the basis of which we work, is that still right?* […] *Do we still do what society expects us to do? And if not, tell me! Have an opinion. Say it in the morning meeting. You can say anything here. That also goes for your opinion of me as a leader* […] *Feel free. My door is always open. And I also expect it from you'* […] *Saying that on a daily basis and using the power of repetition, saying that again and again until it becomes tiring".* In cases where an ethical leader is in a formal leadership position, he or she may appoint one or more people on their staff as their advisors and ask them to critically review the managers' decision-making and behavior. *"Make yourself mutually dependable. I think that that is very important for ethical leadership. Because it shows that you act on the basis of a dynamic conceptualization of ethics, not a static ethics".*

4.1.2 Having a Good Leader-Follower Relationship

A number of interviewees stressed that ethical leadership to a large extent (also) relies in the quality of the leader-follower relationship. Ethical leaders, they feel, should be able to build relationships of mutual respect, trust, care, safety, and openness. An ethical leader invests in the 'people-side', is supportive, loyal, and protects followers, even in times of hardships. Obviously, this overlaps with the leader traits mentioned earlier. Indeed, interviewees usually did not make a clear analytical distinction between the traits of the leader and his or her decision-making, behavior, and the relationship between the leader and the follower. But in contrast to this previous discussion, the emphasis here is not on who the leader *is* as a person but on the social exchanges that take place between leaders and their followers. Interviewees explicitly noted that if you treat your followers well *"in the end it pays off"*, as followers will

repay you with the same behavior. *"If you want to have criticism on the content, you have to make sure that you have a good mutual relationship. Well, if you want to keep your relationship intact, you should never begin with criticism. So we implemented a rule, we first give each other a compliment and then we name the things that could be improved* […] *That simple rule, I believe, is crucial in creating an atmosphere where feedback can come about".* Likewise, follower judgments of a leader's integrity may be more related to the overall leader-follower relationship than to the leader's actual conduct: *"A critical attitude towards the management often also has many other causes…and I think that that is sometimes also connected to integrity. You see that also in reorganizations, that is instantly associated with the integrity of the organization* […] *So it is difficult to separate whether it is really about integrity or whether it is just a general feeling about the management".* As such, the quality of the leader-follower relationship not only bridges the moral person and moral manager components of ethical leadership; it is an ingrained aspect of the moral person and a necessary facilitator and enabler of the 'moral manager' component.

4.1.3 Being a Moral Manager

While there seems to be a fairly broad consensus on many of the personal traits and behaviors that ethical leaders should adhere to, interviewees differ in their views on the extent to which one should actively and consciously practice or exert ethical leadership to try to influence the ethical decision-making and behavior of followers. Some note that being a moral person is a necessary but not a sufficient component of ethical leadership and that ethics and integrity should be managed. *"On the one hand there is being ethical yourself and on the other hand there is encouraging, addressing, or securing that your employees…that he develops ethical awareness".* Conversely, there are also a few interviewees who feel that leaders should not make ethics too much of an explicit part of their daily leadership: *"I think you should implicitly, not explicitly, but implicitly…make clear to people what your norms and values are and what you consider acceptable and not acceptable in dealing with all these different parties* […] *If you have to spend too much time on that than I feel that you should question whether you are hiring the right people and…if the people that help recruit* [personnel] *have the same norms and values".* Or, in the words of another interviewee: *"I think talking about it is nonsense* […] *That is what I see right away in people who talk too much about integrity, they always have a problem, because they…they always have a double agenda. The less talk about it the better. You just have to do it".*

Both interviewees who believe in an active and explicit way of practicing ethical leadership and those who consider it to be a more implicit process extensively discussed key themes such as role modeling, reinforcement, and communication. In addition, the issue of balancing compliance and trust approaches emerged as a central dilemma in ethical

leadership. These key themes illuminate both strong similarities and interesting differences in how managers and leadership experts conceive ethical leadership in general, and the 'moral manager' in particular.

4.1.3.1 Role modeling

Ethical leadership largely revolves around role modeling the right behavior: *"You shouldn't make it too complicated, it is still about role modeling".* Table 4.2.a and table 4.2.b give an overview of interviewees' most notable remarks with respect to role modeling. To most interviewees, role modeling is *"of course"* the main ingredient of ethical leadership; *"it falls and stands with walking your talk".* Indeed, role modeling was the most often mentioned feature of the management side of ethical leadership. Moreover, it was generally the first volunteered response when interviewees were asked how they thought a leader could influence followers' ethical behavior: *"Role modeling is the most effective way"*, "*That's 80, 90 percent"*. However, terms like 'role modeling' and 'one's own behavior' were used interchangeably throughout most the interviews: none of the interviewees made a clear analytical distinction between a leader's own decision-making and behavior on the one hand and role modeling on the other. Related to this, the term 'role modeling' was not always discussed in relation to the salience and visibility of the role modeled behavior. It seems that some considered role modeling as something that a person just 'does' rather than something that is perceived by others or that is constituted in the leader-follower relationship. In the following, only remarks that explicitly included the term 'role modeling' or that referred to how followers perceive, interpret, and mimic the leader's behavior are discussed – the leader's ethical decision-making and behavior *per se* have already been discussed in the previous section.

Particularly important is the behavior role-modeled by managers: *"It comes from the managers"* and *"What the manager lives, the employee mimics. That is a very strong influence".* While several interviewees noted that everyone in the organization has a personal responsibility to behave ethically and to be a role model to others, managers' responsibility in this regard is more explicit and the standards are thought to be higher. Managers, it was argued, are under more scrutiny: *"So when you accept management responsibility...you are, you become* [a role model] *either way. By the way, I think that you are always* [a role model], *you are all role models. So...it's just that when you accept management responsibility that it then becomes more explicit and that people are more inclined to look at you than...their neighbor. But it is a responsibility that everyone has. And it is also shown that adults, just like children, have a tendency to mimic one another. So your behavior influences the behavior of others...And especially if you...and you also have the informal leaders of an organization, informal managers, people that are just authoritative because they...well, often give wise*

answers to questions or sacrifice themselves in a non-destructive way for the common good...they acquire moral authority. And if all is well, then managers should acquire that too, but that is not necessarily true of course […] *But if you become a manager, you accept that the pressure on that becomes bigger".*

Role modeling is essential to ethical leadership because it strengthens –or weakens- the message that the leader aims to send; it is taken as a means by which leaders communicate the underlying principles that they and the organization maintain. Moreover, it directly attests to the credibility of the leader and its message: *"You cannot expect of the people in the organization that they behave ethically, because, well, if you don't do it yourself, why should someone else do it?"* and *"I mean, otherwise people do not believe it anymore. And I think that a part of the spiritual crisis is that people don't believe it anymore, they don't feel taken seriously anymore…They see that the top* [management] *writes policy on paper, but doesn't act accordingly. Give big parties while at the same time firing 200 people, you know? It happens, it still happens".* Interestingly, interviewees primarily discussed role modeling in negative terms. They almost exclusively discussed examples of negative behaviors and argued that leaders should avoid (inadvertently) sending out the wrong signals by role modeling behavior that may be interpreted as inconsistent with the values, norms and rules of the organization: *"Something like that goes all round the organization and then you can throw that rule out right away because then you completely lose your credibility". "If you don't set a good example in that, then the organization adopts that* [behavior] *too. And slowly but surely the boundaries shift, and the boundary between what is ethical and what is not ethical becomes more and more unclear. And then one can no longer make a distinction between what is and what is not allowed in the organization".* One interviewee added that negative role modeling may not only increase the occurrence of unethical behavior amongst followers, it also has an effect on the morale within the organization: *"It reduces motivation immensely when people try to follow the rules and they see that the management doesn't do it, or they suspect the management doesn't do it* [...] *I think that is disastrous".* Yet, another interviewee admitted, "*maybe you also trivialize the negative effects of such things".*

Because the behavior of a leader is seen as representative of basic underlying principles, being an ethical role model is not merely about big gestures and large sacrifices nor is it solely about how a person acts in the face of a clear ethical dilemma. *"It's all bigger and smaller things".* In fact, it is the smaller, rather mundane behaviors that take place every day that seem to be the most powerful vehicles for role modeling: *"It's really in everything: in how you react to situations, in being consistent in what you say and do* […]*So it is continuously that...that principle needs to be confirmed for people".* Examples of (negative) role modeling often referred to expenses claims for parking or speeding tickets, parking habits, the kind of car one drives, one's office space, billing work hours, dealing with

interdepartmental politics, whether one flies coach, business class, or even in a private jet, and whether one deals respectfully with clients, suppliers, employees, and so on: *"I know one manager who shares his office space with the financial manager. That sends such an immense message to the organization"* or, as another interviewee stated, *"What is the message that you send out when you do take the Audi A8? But, yeah, 'we're working on our corporate social responsibility, we want the rest of the organization to buy or drive a hybrid Honda'. What are you doing?"*. As the examples suggest, small, everyday behaviors that may not immediately be recognized as having an ethical dimension to them are assumed to have spillover effects to behaviors that do have such an explicit ethical component.

Several interviewees further suggested that role modeling occurs at different levels and has the potential to trickle down to lower levels of the organization. Some interviewees remarked that behavior role modeled by higher-level managers might be imitated by middle-level managers, whose behavior in turn may affect the behavior role modeled by lower-level managers. Other interviewees also implied that role modeling occurs not just between the leader and his or her direct followers, but also between departments, organizations, and even countries. *"We don't give wine as a gift to speakers at conferences because we consider alcohol* [abuse] *very important. We have a large dossier here that concerns youth and alcohol use, so then you don't go stimulate that…or be associated with that. It is of course always someone's own responsibility, but those kinds of things I just find really important to also show in such situations. There are plenty of other gifts you could think of"*. Role modeling at the organizational level seems even more important when it directly relates to the (inspection or controlling) task of the organization or department: *"We feel that when you hold others accountable for their behavior and for…having a controlled and ethical management, like we do with* […] *organizations, that you also set a good example. It is also a matter of practicing what you preach"*. Again, role modeling touches upon the credibility of the organization or department. This credibility may not only be essential to the organization's or the department's operational functioning, but also trickles down to members at other levels of the organization. As a result, behavior role modeled at the departmental or organizational level may either strengthen or weaken the individual leader's efforts to foster ethical decision-making among followers.

Given the strong influence that role modeling is posited to have, a number of interviewees indicated that it often requires a conscious and explicit effort on the part of the leader. As one of the leadership experts noted: *"Of course it is to a large extent also subconscious, but I do think that you, yeah, do it more consciously. In the training sessions we give, for managers at different levels, I will definitely...I emphasize also 'how does that*

	Role Modeling		
	ID	**General**	**Conscious and explicit role modeling**
PUBLIC	A	"You have to role model too. Of course we talk about that a lot as well. Your function as a role model".	
	B	"Hm, no [I do not consider myself to be an ethical role model to my employees]. Very strange maybe. Why do I say that? Because..I know, by now, that my behavior isn't always predictable for everyone. I mean, I consider myself to be pretty ethical. But I also search for boundaries. Because at that moment I find it more practical. I can explain that, but a true ethical leader never needs to explain. So he doesn't search for the boundaries".	
	C	"Also, being a role model is very complicated. Because, how do you show that, that you are doing good? By punishing hard when it goes wrong? Or by being very prudent in…It doesn't stand out. What you do right, often doesn't stand out"	
	D	"It is also a matter of 'practice what you preach' […] Setting a good example yourself, sticking to the rules. I don't see how you can stimulate people to stick to the rules, if you don't set a good example yourself […] You also see that when you talk to people, that they say 'first let them set the right example', that is...such a human response I think. I don't know if that means that, when management sets a bad example, they also commit more integrity violations. I actually think it does, because...then, I think, the threshold becomes lower to do that too".	
	E	"My view on ethical leadership is that you…because the world cannot be captured in rules, cannot be captured in right and wrong, people and especially organizations need role models, role modeling. And for me I think the core of ethical leadership is that a leader...shows where his, where the...the norms and the...ethical choices of the organization lie. So primarily through role modeling...shows how it's done"	"These are things that occur very subconsciously and implicitly…"
HYBRID	F	"If you want to be able to fire a person like that, then you as a manager of course have to be of completely irreproachable behavior yourself. And that goes very far. And well, in that respect...we are in a transition period where we come from a managerial culture in which managers often felt they had more freedom than others. And that others also accepted that. But [...] that kind of hierarchy in degrees of freedom, in which the privileged were permitted more than...the common people, that has completely disappeared. Strongly disappearing, more than that even. It is now reversed. As a manager you are permitted less than...someone on the work floor, because the higher up you are in the hierarchy, the more you also have to be a role model".	"I am very conscious about it. And I don't have a hard time with it, because I…In the things I do, but that also goes for at home a bit, and nothing human is foreign to me […] I mean, I also make mistakes and I also may do things that you shouldn't do, but I...always try to be really aware of what consequences it has in that respect".
	G	"I think that in leadership, but that goes for all kinds of leadership, you realize that you are a role model […] I think it is really important that the managers also role model that behavior".	"You have to be very aware of the fact that you are a role model…also in the smaller things set a good example, just like parents do with their children".
	H	"Role model […] For example, sharing the choices that I have made with people, and also being open about the considerations that you made […] Other than that, I think it is just in your everyday behavior. And I think that in your everyday behavior you can never spend too much attention to integrity. Yeah, it's just in your behavior".	

Table 4.2.a: Role modeling (manager responses)

		Role Modeling	
	ID	**General**	**Conscious and explicit role modeling**
HYBRID	J	"And actually you can summarize it with the saying 'good examples lead to good following' […] We of course do have to deal with a lot of other departments, so that role modeling is actually the only thing that I try to stimulate […] That also has to do with my character, but I always think 'let's not make it more complicated than necessary'. And I therefore see ethical leadership also very much like role modeling".	"Yeah, I think that [role modeling] is done very consciously here, but not specifically related to ethics, but always...integral management it's called".
	K	"Well, of course there are rules and a handbook to read, and those kinds of things, but the only way to do that...is just in your own behavior, that you also...you shouldn't break your own rules".	"Sometimes you do it very consciously and sometimes you do it subconsciously. It's often already in the person itself, I always say...But sometimes you also realize 'ok, everybody is watching over my shoulder with this', and then you know that you deliberately have to set the tone".
PRIVATE	P	"So when you accept management responsibility...you are, you become [a role model] either way. By the way, I think that you are always [a role model], you are all role models. So...it's just that when you accept management responsibility that it then becomes more explicit and that people are more inclined to look at you than...their neighbor. But it is a responsibility that everyone has. And it is also shown that adults, just like children, have a tendency to mimic one another. So your behavior influences the behavior of others...And especially if you...and you also have the informal leaders of an organization, informal managers, people that are just authoritative because they...well, often give wise answers to questions or sacrifice themselves in a non-destructive way for the common good...they acquire moral authority. And if all is well, then managers should also acquire that, but that is not necessarily true of course. Yeah, they are also role models. So yes, you find heroes everywhere, role models in terms of people who are more an example like 'I want to be like that' than others [...] But if you become a manager, you accept that the pressure on that becomes bigger".	Yeah, I do [try to role model ethical behavior consciously]. And I know I always fail a bit. That is the downside of it, it is a moving target. But I do try".
	Q	"Yeah, you try to be a role model. In the end it is about behavior, your own behavior is the most important. And people will look at you, 'oh, if he reacts like that, how will I react then?'".	"I think it is also very subconsciously, of course. It is not like I wake up every day and think 'today I will ethically...lead the company".
	R	"Just by setting examples. And also setting an example yourself […] They look at a couple people in the organization, including...the top management of the organization [...], they are just watched by everyone. And I think that as a part of that you also are a role model. And if you don't show that and you are in it wrong...yeah, then you can never establish your organization as an ethical one. And you cannot expect of the...people of the organization that they behave ethically because, well, if you don't do it...why would someone else do it? [...] They can infer from my behavior what is ethical and what is not ethical, or what I think is ethical".	"No, you're never consciously doing that, but…it is a bit of attitude, a bit subconsciously in what you do. You either do it or you don't. You have…you can't make integrity. You either have integrity or you don't. And for me there is no borderline in there, you can't have a little integrity, there is no such thing. Having a little integrity means you don't have integrity".
	S	[Ethical leadership], I think, it is in everything you do, the whole day long [...] In a way it is ingrained in everything you do. It is part of the behavior that you show every day, not just every once in a while or when you talk about it as a topic. No, it's in everything you do, every day. And in what you look at".	

Table 4.2.a: Role modeling (manager responses; continued)

	Role Modeling		
	ID	**General**	**Conscious and explicit role modeling**
PRIVATE	T	"In the way we lead our managers we make sure to try to set a good example and that we also inspire our managers to, in their turn, set a good example for their employees. In all areas, ranging from your work hours, to the way you park your car so that you don't park in the visitor's parking spaces. It's many smaller and bigger things [...] What the leader role models. That has very big influence".	"Well, [I do not consciously try to role model ethical behavior], not from minute to minute, but I do think daily, yes".
	U	"If it is of course not right at the top, if people think that the top [management] does whatever it wants to do...you know, they have their own rules, than people won't follow the rules either...then they say 'well, those people preach about what should be done, but they don't do it themselves' [...] You can't expect from your people that they abide by certain values and norms if you don't do it yourself. So role modeling is very important".	

Table 4.2.a: Role modeling (manager responses; continued)

come across?' So, aside from the individual question that you ask, I can imagine as a manager myself that you are a bit flexible in that and that others are more precise in acting according to rules and principles. To the more flexible ones I do tend to say 'also pay attention to how it comes across'. So that is deliberately looking at our role modeling behavior. Deliberately looking at how this would look [...] *Yeah, I think you should ask yourself that every once in a while. On many things".* Likewise, one of the managers stated: *"Sometimes you do it very consciously and sometimes you do it subconsciously. It's often already in the person itself, I always say...But sometimes you also realize 'ok, everybody is watching over my shoulder with this', and then you know that you deliberately have to set the tone".* Others, however, consider an ethical leader's role modeling to be a more natural and implicit process, that comes from within the leader and is done rather subconsciously: *"No, you're never consciously doing that, but…it is a bit of attitude, a bit subconsciously in what you do. You either do it or you don't. You have…you can't make integrity. You either have integrity or you don't".* These differences in how consciously and explicitly the interviewees believed an ethical leader should deal with his or her function as a role model did not appear to be related to the publicness of the organization though.

4.1.3.2 Reinforcement

Compared to role-modeling behavior and communicative strategies, reinforcement was far less prominent in both managers' and leadership experts' discussions of ethical leadership. In fact, few interviewees volunteered responses that concerned the use of punishments and rewards to reinforce certain behaviors, and often such responses were eventually solicited by asking the interviewees what they would do in case of an integrity violation or whether they

	Role Modeling		
	ID	**General**	**Conscious and explicit role modeling**
EXPERTS	L	"In everything [...] It is very daily, it is ongoing [...] If you ask me what is the most meaningful then I am convinced that letting people get to know me through those daily examples is much more influential. Much more influential than if I would explicitly talk about how I should declare my work hours. If all is well, then people can infer that from my behavior. That is 80, 90 percent".	"Of course it is to a large extent also subconscious, but I do think that you, yeah...do it more consciously. In the courses we give, for managers at different levels, I will definitely...I emphasize also 'how does that come across?' So, aside from the individual question that you ask, I can imagine as a manager myself that you are a bit flexible in that and that others are more precise in acting according to rules and principles. To the more flexible ones I do tend to say 'also pay attention to how it comes across'. So that is deliberately looking at our role modeling behavior. Deliberately looking at how this would look [...] Yeah, I think you should ask yourself that every once in a while. On many things".
	M	"I mean...people otherwise don't believe it anymore [...] They see that the top [management] writes policy on paper, but don't act accordingly [...] Walk your talk. So, lead by example I think is the most effective wat. And aside from that also have a good conversation about 'let's see what the organization's identity implies in terms of behavior, I think that's ok. But it all depends on 'walk your talk'.	
	N	"It also means leaving by it. So that means really being...a role model [...] You're a role model in what you want and carry out [...] It is very difficult, as a leader you have much influence. Just by being the person that you are. That is so incredible, I think".	"You can also do it subconsciously, because that man I was just talking about, he was also just like that. So he didn't have to do much for it. But I do think that if you say 'I want to become an ethical leader', because ethics in this society and time is very important, than you also have make a conscious effort".
	O	"As a leader you also have to show it. You...sitting somewhere in a corner being ethical, that doesn't result to much...but hat also doesn't mean that you have to stand on a soap box and say 'look how ethical I am and everyone do what I do'. It doesn't work like that. You have to show it in your behavior [...] Those are things that you do not because, I think, because they are ethical [...] but that just seep through in the everyday behavior".	"Well, yeah, I do think they do it consciously, but especially if you are in the board of managers...or the board of directors, then you sometimes have to be conscious about it and you have to make very clear decisions on what you think is acceptable and what you think is unacceptable, and...then you also show behavior, because you know it is influential [...] I know of people who use it very consciously. Not always, but sometimes".

Table 4.2.b: Role modeling (expert responses)

would be in favor of rewarding positive ethics-related behaviors. Interviewees seemed to prefer a rather positive approach to ethical leadership, focusing on ways to foster employees' intrinsic motivations for ethical behavior and emphasizing the use of role modeling and communication. The data (see also table 4.3.a and table 4.3.b) suggest reinforcement is not used as a primary means for ethical leadership but is only meant to, as the term itself suggests, *reinforce* other main components such as role modeling and communication. Yet interviewees do consider reinforcement to be a necessary requirement for ethical leadership.

With respect to reinforcement, the emphasis was on calling people to account by having a difficult yet *"sympathetic"* conversation, rather than on the actual use of punishments: *"You*

have to try to be in control of it as long as possible and prevent it from getting to that more severe phase […] *And that begins with the art of calling* [people] *to account".* As one of the interviewees stated: *"When it goes wrong, we do have to talk about it"*. Or, as another manager remarked: *"Just showing them that they do it completely different than other people and then ask 'why is that?'"* On the one hand, *"it is difficult. Often you want to avoid difficult conversations with employees. It is not easy to call someone to account".* On the other hand, *"if you don't call people to account when you observe things, then I think you are lost as a leader".* Ethical leaders need to set boundaries and have the courage to hold people accountable for their behavior. When unwanted behaviors do occur, ethical leaders make clear, in a respectful way, that such behavior is not allowed and if it ever occurs again that there will be consequences to it. But it is not just the leader that reinforces behavior in this way; ethical leaders also stimulate their followers to call each other to account: *"I always say they should first discuss it with that colleague themselves. So in that sense…I always cast it back, like 'did you talk about that, that you don't like that?'"*

Interviewees did agree that at some point more serious punishments are necessary to thwart the (re)occurrence of certain behaviors: *"In the end it is not without consequences*" and *"There should be consequences. And if you are not prepared to set consequences to that* [behavior]*, then you shouldn't complain about it* [...] *You know, minimum rules, maximum enforcement, I would say ".* Ethical leaders are thus strict when they really need to be and are willing to set consequences to behavior. Punishments are applied particularly when the offender has been warned about that behavior before or when the nature or consequences of the behavior are grave. *"If you are going to sanction, then it is indeed severe. Because sanctions in this category means that you have had a warning, and with a second offense in the same category you can expect termination of your work contract. So it is not a nonsense notation".* Interestingly, only one interviewee remarked that it is just as important not to reward unethical behavior; perverse incentives in the system of an organization that could lead to risk-taking behavior, for instance, should thus be removed in order for reinforcement to be effective. Several other interviewees indicated that a distinction can be made between people that violate rules not out of self-interest but due to a sort of naivety or by mistake, and those that repeatedly and willingly cross moral norms. With respect to the latter, one interviewee notes that *"those are the rotten apples. They should be removed".* However, interviewees expressed difficulties in determining when, where, and how to draw the line and resort to punishments: *"If you are strict very often, then responsibility and trust also become issues* […] *If someone becomes known as the great punisher of everything that is not right, do you then create an environment of trust or do you create a police state?* […] *But you also shouldn't be too soft"* It is thus a continuous balancing act, an issue that will be discussed in more detail later on in this chapter. For now it is important to note that it is this perceived

		Reinforcement		
	ID	**Punishment**	**Safety and security**	**Reward**
PUBLIC	A	"And the difficult thing is, when the environment sees that you witnessed a certain behavior in the team and your environment also sees that you do not respond, then you become part of the problem. And you lose your authority as a leader in that respect [...] The timing of your response is also very important. Some behaviors you see and they are not that obvious, and you allow them and that allows you to say in the privacy of your own room 'walk with me, I need to discuss something with you'".	"Also when that employee needs to be corrected, also when you need to punish that employee, then it is still important how you as a leader deal with those people. Respectful and seeking connecting with them. And sometimes that is above your ability [...] but then at least try [...] And then of course there is hearing both sides, because the other is of course allowed to have a defense: how did it happen, what made you do... et cetera. And in the end you need to take a carefully thought out decision based on an objective truth...For which you need to do research. But once you know, then you also shouldn't hesitate to set consequences. Because that is also part of it".	"If others do good things, you reward them [...] When you talk about ethical leadership [and] just compliment people at the right moment and say to them how important it is that they perform like that and why it really matters, people find that an awesome experience, people feel much more appreciated".
	B	N#A	N#A	N#A
	C	N#A	"It always has two sides to it. The one who shows the behavior and the one who perceives it […] So usually the report is from employees who perceive certain behavior. If I immediately take that as a fact, then I am also not being very responsible to that manager [...] So you have to hear both sides. As soon as you start that process you send a message to the employee of 'yes, we take it seriously, but meanwhile we are also going to listen to what the other person thinks".	N#A
	D	N#A	What is also important is that if people would want to report something, or if you want to investigate something, that they know where they can go to…that it is also a sort of safe haven for people, that they also know that if I report something then it stays there, then it won't, it won't end up in the line management... People also want a sort of independent examination [...] But the most important, I think, is that people don't feel like 'if I report that, I become the victim myself' [...] I think because we deal with it very carefully, there is no black sheeping people, and ...we just try to do damage control. We look at how it could have occurred, was it an accident, or was it just someone who always ignores the rules, because...we try to deal with integrity incidents in a very careful way, and not create a culture of punishment".	In assessment interviews we have discussion about the integrity awareness of people […] Well, above the norm is among other things when someone holds another person accountable with respect to integrity, or addresses a dilemma in work meetings, or in another way stimulates the dialogue about integrity. So we also try to reward people when they do that [...] In your assessment interview [...] you can get an 'excellent' for integrity and in the end your bonus is also dependent on how that score is [...] And by the way, also your salary increase, integrity is a small part of that as well [...] But the positive thing about assessing people based on integrity, I think, is that there is a conversation about it and that people also know 'oh, ok, apparently it is expected of me that I hold other people accountable' or 'it is a positive thing here, that is part of my role here'".

Table 4.3.a: Reinforcement (manager responses)

	Reinforcement			
	ID	**Punishment**	**Safety and security**	**Reward**
HYBRID	E	N#A	N#A	"Yeah, I do try to reward that. For example, rewarding in the sense that I see it and tell them that I see it…and appreciate that type of behavior. And that is explicitly discussed in assessment interviews, where […] we pay attention to our core values, and integrity is one of them. So where someone evidently showed integrity, behaved well [...] I will mention that and also acknowledge that in a positive way and reward them for it. For many of these things I think that the most important thing is that it is seen and that they get the confirmation 'gee, I saw that and I think that was really good of you' [...] I think that material rewards do very little in things like these. They are important, but in the end I think that the fact that people...see, know that you see it and that you say that you appreciate it, in the end stays with people more than...a bonus".
	F	"But in the end it is not without consequences. I mean, you also have investigate, and that also shouldn't be a repressive community or situation that you bring about, but that you determine through certain control mechanisms whether the trust you have in people, or the mistrust that you have in some people, whether that is justified [...] Because your intuition is not infallible, right?"	N#A	"Well, the managers […] they have to make sure that aside from the incident reports the good things are also visible, so that there is a balance between compliments and points of improvement […] So they should also celebrate their successes with their department"
	G	I think the norm is more important […] You could also say 'well, it is one time, just let it go'. But I find it important to set consequences to it".	N#A	N#A
	H	N#A	"And don't punish them right away. People also have to dare to make mistakes. Well, that is very difficult…"	"I think that that behavior is rewarded by itself, because you also get it back, I assume, in the response you get from the one you do it to. Yes, that is rewarded in and of itself. Then it's about interpersonal relations. We of course also have […] people who deal with clients [...] I think that behavior there, ethical behavior there, in the end is also rewarded, just in a good business relationship. Yeah, maybe that is a bit too optimistic, I don't know. I do think that we live in a time where that...emerges more. Especially also...given the developments since the financial crisis".

Table 4.3.a: Reinforcement (manager responses; continued)

		Reinforcement		
	ID	**Punishment**	**Safety and security**	**Reward**
HYBRID	I	N#A	"You know, it is not a matter of saying 'yeah, you know, you can always come to me'. It doesn't work like that. It has to be shown, so that is step by step […] And if people see that they are not punished in that, on the contrary that it only makes it better, then it is of course much easier to do it again".	N#A
	J	"Yes, if it is fraud, then in principle that person will be fired".	"It is ok to make mistakes. Because if you are not able to establish that atmosphere of openness and it indeed becomes a police, then [...] In a company you immediately get the opposite, because people cover for one another anyway [...] Being open, so that people are not afraid to report mistakes. Because if you don't have that, and you say 'hey, I see something happening and I don't think that that's right' and if you then report that to your manager or you discuss it with your colleagues and then they chop your head off...people do that one time, and then never again".	"That of course also goes in an organization, we you don't just walk around saying 'oh, this and this is going wrong and this isn't right', but that you also acknowledge successes and celebrate them [...] But in practice that all turns out to be very difficult and then it is often project results, but...We don't celebrate 'hooray, three months without fraud' and that is also difficult, because often you don't know. That's why I keep saying, I am not so naive to think that there is no fraud in this company. There has to be, with thousand employees. But where exactly, just try and find out. So yeah, then it is strange to throw a party tomorrow to celebrate 'hooray, we haven't had fraud in three months'...Because then there are of course three people gloating like 'hah, I haven't been caught yet'. So the topic, I realize, doesn't really lend itself for it".
PRIVATE	K	"Then I make clear in a very respectful way that I never want to see that behavior here ever again, and if I ever find out, that they then have a problem with me".	N#A	"I assume that everyone shows ethical behavior, and I am not going to reward that. Because otherwise we could disband this business. It is more that when you show unethical behavior, that there are consequences to it…That can be very extreme of course. If you do things [...] If things go wrong in that, then…that person is fired"
	P	N#A	N#A	"[There is] an award for the employee, internationally, who was most true to a which value? And then people can vote on that".
	Q	[When a severe integrity violation occurs] they get a letter from our lawyer […] So yeah, there is also the part that if people go too far that we just put a lawyer on it. That can go up to informing the police, which also happens.	N#A	N#A

Table 4.3.a: Reinforcement (manager responses; continued)

	ID	Punishment	Safety and security	Reward
PRIVATE	R	"But then if you sanction, then it is indeed…severe. Because sanctions in this category means, if you…have had a warning and with a second offense in the same category, that you have to beware of termination of the contract. So it is not a nonsense notation".	N#A	"Yeah, by rewarding these kinds of examples and saying 'listen, I think this was handled well' […] It's all compliments. No, it's not [material]. It's compliments, appreciation that you express and...that is more important for those people than that they get a material reward [...] In the end it does have a positive effect on your assessment, on the way the bank looks at you".
	S	N#A	"Which means that…whistle blowers don't become the victim of whistle blower policies, which up to now has always happened. People who were whistle blowers, and there were a couple very bad examples that became public, that were penalized by their organization. Well, I think that that has to do with the integrity of the management. When you think that, against one's own interest, a serious effort is being made to report something that this person thinks is unacceptable, then you should treat that with the utmost care and integrity. Because if you don't, then you can throw that whole book in which the whistle blower policy is written down back in the closet, because nobody will ever use it again. And the you create an atmosphere of mistrust and you create an atmosphere in which it is every man for himself and you create an atmosphere that goes contrary to the open, ethical atmosphere in which there is trust".	"I believe more in...rewarding exemplary behavior. I don't mean money, you have to be careful saying that these days. But stimulating, praising exemplary behavior [...And] if there is reason to, or when in the environment of that business unit or that company there is reason to, because there are developments in the sector or in the country, then yes, absolutely [it should be addressed in assessment interviews]".
	T	"Well, if something like that happens with an employee, that person is fired right away. And if needed, we take legal steps."	"But the morale is that when we think, seriously think there is something going on, well, then we need to investigate that. Then you can't cover that up".	"So, being clear, being able to bring bad news, but also conversely being able to give compliments, showing people that they are doing something right. And with that also...yeah, giving pleasure in their work, stimulating, inspiring".
	U	N#A	"There is no threshold. No threshold at all […] Because we taught that to people. That you don't have to be afraid [to discuss dilemmas or report violations]. And there are also no sanctions if you...would like to discuss something like that with your manager. Absolutely not. On the contrary".	"No [that should not be rewarded], it should just be in the organization".

Table 4.3.a: Reinforcement (manager responses; continued)

need for balance that seems to motivate managers to first call people to account and having a

"good conversation" instead of immediately punishing them.

One thing that interviewees frequently stress is the importance of safety and procedural conscientiousness in dealing with integrity violations. More specifically, interviewees argue that ethical leaders should create and maintain an environment in which others feel comfortable and safe enough to report violations. Ethical leaders make sure that people know and feel that when they have made a mistake or witnessed or heard something that could be considered a violation of organizational norms and values, that they are not penalized for coming forward with it: *"The most important, I think, is that people don't feel like 'if I report that, I become the victim myself'"* and *"When you think that, against one's own interest, a serious effort is being made to report something that this person thinks is unacceptable, then you should treat that with the utmost care and integrity. Because if you don't, then you can throw that whole book in which the whistle blower policy is written down back in the closet, because nobody will ever use it again".* Three managers, all in more public sector organizations, add that when a violation has been identified ethical leaders need to remain thorough, careful, and fair in the process of investigating the violation and punishing the individual(s) involved, and should not immediately be accusatory. As one manager of a municipality noted: *"It always has two sides to it. The one who shows the behavior and the one who perceives it* […] *So usually the report is from employees who perceive certain behavior. If I immediately take that as a fact, then I am also not being very responsible to that manager* [...] *So you have to hear both sides. As soon as you start that process you send a message to the employee of 'yes, we take it seriously, but meanwhile we are also going to listen to what the other person thinks'".* Another manager adds: *"We look at how it could have occurred, was it an accident, or was it just someone who always ignores the rules, because...we try to deal with integrity incidents in a very careful way".* By maintaining such procedural conscientiousness *"the hard decisions that you sometimes have to take will get support* [from employees]*".* A department head in a police organization further emphasizes that one must also be sure to maintain great care and respect towards those who have committed the violation, even when that violation was severe: *"You are more than that behavior for which I had to punish you. You are more as a human than the fact for which you are held accountable".*

When asked whether they would be in favor of rewarding exemplary ethical behavior, most interviewees initially responded rather hesitant and most were quick to add that such rewards should be immaterial, most notably in terms of compliments. *"I am not thinking about money or anything* […] *That actually partly removes the fundament underneath ethical behavior* [...] *I do remember that in conversations I deliberately, well not reward, but express appreciation* [...] *Yeah, I do think that in cases where you could really imagine the temptation of the opposite behavior, then you as a manager could give a bit of attention to that".* And in

the words of another interviewee: *"I will mention that and also acknowledge that in a positive way and reward them for it. For many of these things I think that the most important thing is that it is seen and that they get the confirmation 'gee, I saw that and I think that was really good of you'* [...] *I think that material rewards do very little in things like these. They are important, but in the end I think that the fact that people see, know that you see it and that you say that you appreciate it, in the end stays with people more than a bonus".* Some managers felt that rewarding ethical behavior is unnecessary or in practice just too difficult. As one interviewee indicated, *"I assume that everyone shows ethical behavior, and I am not going to reward that. Because otherwise we could disband this business. It is more that when you show unethical behavior, that there are consequences to it."* Ethical behavior may also be automatically rewarded, thus not needing explicit rewards by the leader: *""I think that that behavior is rewarded by itself, because you also get it back, I assume, in the response you get from the one you do it to. Yes, that is rewarded in and of itself".* Several interviewees did imply that material rewards could be useful, but that such rewards must be awarded only indirectly by including integrity and ethics as a regular part of the yearly assessment interviews: *"Well, above the norm is among other things when someone calls another person to account with respect to integrity, or addresses a dilemma in work meetings, or in another way stimulates the dialogue about integrity. So we also try to reward people when they do that* [...] *In your assessment interview* [...] *you can get an 'excellent' for integrity and in the end your bonus is also dependent on how that score is* […] *But the positive thing about assessing people based on integrity, I think, is that there is a conversation about it and that people also know 'oh, ok, apparently it is expected of me that I hold other people accountable' or 'it is a positive thing here, that is part of my role here'".*

Importantly, reinforcement behaviors are not just intended to influence the behavior of the individuals directly involved, but are also considered to be a way of role modeling to the broader organization. Most notably, punishing undesirable and rewarding desirable behaviors are seen as moments in which the ethical leader explicates and exemplifies the norms and values of the organization: *"You send out a signal with that. Whichever way you do it. Whether you give a reprimand or not".* Moreover, reinforcement is a means to communicate the sanctions that one can expect in response to violations of these norms and values, which in turn is thought to prevent others from committing such violations. *"And the difficult thing is, when the environment sees that you witnessed a certain behavior in the team and your environment also sees that you do not respond, then you become part of the problem. And you lose your authority as a leader in that respect".* The same goes for rewarding behaviors: *"You can do that in a personnel meeting, or in a column you write, or in a work meeting that you attend* […] *And then you can use that example to show 'this is how I look at integrity, this*

		Reinforcement		
	ID	**Punishment**	**Safety and security**	**Reward**
EXPERTS	L	N#A	N#A	"I am not thinking about money or anything, or...hold out a prospect of large sums of money...that doesn't do it for me. That actually partly removes the fundament underneath ethical behavior [...] I do remember that in conversations I deliberately, well not reward, but express appreciation for the fact that someone [...] Yes [it is more an immaterial reward]. Is it also worth money? Gee, you know, then it comes so close to the overall performance...Well, giving money based only on an ethical thing, no".
	M	"And if people don't do that, then there should be consequences. And if you are not prepared to set consequences to that [behavior], then you shouldn't complain about it" [...] You know, minimum rules, maximum enforcement, I would say, instead of the other way around".	N#A	For me, it doesn't need to be rewarded, it should get attention [...] In general I would, if I wanted to foster ethical leadership, focus more on positive behaviors than on the negative behaviors. Because everything that you are not allowed to do, of course has an irresistible attraction".
	N	N#A	"That requires… the courage to be very clear and at the same time much integrity to not right away burn someone to the ground. That kind of combination of hard and soft, of integrity and courage".	"I am not thinking about rewarding with money, I am thinking of appreciation. I do think it is good to... share these kinds of successes with the team [...] That these kinds of examples are also really mentioned as good examples. And then you should get some acknowledgement for it [...] I believe more in those kinds of rewards than financial rewards, but that also depends a bit on the organizational culture [...] I also think it is good that integrity or ethics also become part of assessment interviews [...] and that the reward is less in terms of money and more like 'did you do what we expect of one another?'".
	O	"And then those people made a distinction between people who broke the rules but didn't do that for their own interests but more because of a... type of naivety almost, or people who knowingly swindle and with them it was like, they have to be removed, they are the rotten apples that you need to remove [...] It also depends on the severity of the situation I would say and ...also again the message that you want to send with it, when someone commits a violation […] If you then just let that person be, you also send a message. Whatever way you do it. Whether you give a reprimand or not. So, you should always consider that... Of course, I think, something has to be really serious if you immediately give a red card [as in a soccer game]".	N#A	"There it was just [...] part of the material reward, there your bonus was also dependent on your behavior. Not just your commercial target [...] Yes, I think that is very good [...] I think it is good when a material reward is not just dependent on the commercial targets, when there is also something in there about what you as a company want to be".

Table 4.3.b: Reinforcement (expert responses)

is what I think, this is good, this is not good". As with role modeling, it seems that reinforcement is not about the reinforcement behavior per se, but about the underlying principles that it communicates. In line with this, reinforcement should apply to all kinds of behaviors –smaller and bigger, with or without a clear ethical component. Furthermore, reinforcement may be directed towards all kinds of stakeholders, including clients if they behave inappropriately.

4.1.3.3 Communication about ethics

With respect to ethical leaders' verbal communication styles, the data reveal an interesting variety in what interviewees of different public, hybrid, and private organizational contexts consider the most appropriate means to go about it. Most interviewees agree on the aim and content of the message that ethical leaders communicate. Moreover, many interviewees implied that communication about ethics is one-directional nor merely vertical; indeed, ethical leadership is generally understood as comprising two-way communication that occurs both vertically and horizontally. However, there seem to be rather different views on how often an ethical leader should communicate about ethics. Moreover, whether communication should be done explicitly or implicitly and whether or not formalized communication channels should be used, is clearly open for debate. In the following, both the differences and similarities in the (perceived) communication styles of ethical leaders are discussed in further detail.

A first question is why do ethical leaders need to communicate about ethics in the first place? As mentioned before, ethical leaders use communication to explain the reasoning behind their conduct and to make their decisions transparent. But ethical leaders also use communication to explicate their moral standards and to try to come to some common ground on the ethical standards within the organization: *"Sharing those kinds of things works normalizing"*. Even more so, ethical leadership is said to require an environment in which anything can be discussed, no matter how difficult or painful. Through communication, ethical leaders thus aim to *"put ethics on the agenda", "make it live"*, *"stimulate the conversation about ethics"*, and make sure *"people think for themselves 'what is allowed and what isn't?'"* In how and what they communicate, ethical leaders function as role models to their followers: they show that it is desirable to think and talk about values, dilemmas, mistakes, or occurrences of integrity violations: *"You have to take the lead in that"* and *"It makes the conversation* [about ethics] *more normal"*. Communication about ethics-related issues also helps bring to the fore *"blind spots or weaknesses"* in a person's perception or conduct and raises followers' awareness of the moral aspects of certain issues. These blind spots may then be resolved before they result in actual unethical behavior. Similarly, communication about mistakes and integrity violations allows for learning to occur in the

organization. *"You try to learn a lesson from that and then that lesson must also be applied. Not just by those involved, sometimes something also has to be ventilated through the entire organization, like 'look, this happened there and we don't want that, so let's all agree that we will not do it like that anywhere again'".*

In terms of the actual content of the message, ethical leadership is associated with communicating both the positive as well as the negative side of ethics. Ethical leadership, interviewees suggest, includes communicating about the moral values, norms, and rules, about dilemmas, about personal responsibility, and about exemplary ethical behavior. Interviewees indicate that posing questions to others and offering illustrations of concrete, context-specific examples of dilemmas or ethical behavior are particularly useful to foster followers' moral awareness and decision-making: *"When examples present themselves,* [ask] *'what do you think about it?' And just ask open questions to people. Because then it is not intimidating, not correcting, punishing right away, but just starting an open conversation".* Ethical leaders also stimulate discussions about existing rules and norms: are they still appropriate? Do we still agree with them or do they need revision? And is our actual conduct in agreement with our professed norms and rules? Several interviewees remarked that it is important to sometimes also be playful and humorous about it and to keep being creative in how to approach the topic. *"So I read this article in the newspaper* [...] *and there is this quote in big fat letters 'speaking wrong legitimizes wrong action'* [...] *I cut it out, come to work the next morning and start the morning meeting by putting glue on the back of it and I say 'people, before we begin, I read the newspaper this morning and I thought, we should remember this'. And I stick it right on the wall behind me* [...] *And I don't use more words than that. That's it. That way I send a message* [...] *And sometimes I point at it, because we have something and I say 'hold on guys'. That's all I need to do".* Ethical leadership also requires one to communicate about their own and others' mistakes and integrity violations and to make clear what consequences those mistakes and violations had: *"We try to translate that to the rest of the organization".* And in the words of another manager: *"I could imagine that you would discuss with the department like 'gee, this happened, what do we think about that, does it surprise us? Or do we actually find it quite logical because there are certain controls that are missing in our processes, making it very easy to commit a violation. Or, wait, he is now being judged for something, but I always see you doing the same thing, so no wonder he did something wrong'. I would talk to people about it like that, yeah".* By communicating about incidents and sharing their own mistakes, ethical leaders can foster learning, be a role model to their followers, and prevent *"grapevine"* speculation and gossip about the true nature of the incident.

As the previous discussion suggests, ethical leaders do more than merely sending out their 'ethics message' to followers: they stimulate two-way communication with *and* amongst

their followers, which may include their peers and their own superiors. Thus, ethical leadership implies both vertical and horizontal communication. First and foremost, interviewees posit that communication is not just about telling followers what to do and what not to do, but instead argue that ethical leaders also ask questions and listen to the doubts, struggles, and issues raised by followers. Ethical leaders are willing to 'receive' messages, even when it is about the leader's own conduct. And rather than giving the 'correct' answer to the issue at hand, several interviewees suggest that there should be an open discussion about it. In such a discussion, the ethical leader stimulates followers to think for themselves by asking further questions and presenting different perspectives on the matter. Additionally, ethical leaders are said to facilitate the conversation amongst followers, for instance by explicitly asking one follower to give their view on an issue that another follower raised. However, some interviewees do remark that when the education level of followers is low, ethical leaders may need to give more precise guidelines and instructions on what is expected of the followers.

For some managers, primarily those working in organizations more at the public end of the public-private continuum, communication about ethics and integrity is something that should occur continuously. As one public sector manager noted: *"I think that leadership is very much about utilizing your natural moments that precede those moments where it goes wrong, you know? So in your daily contact with people, you can just start a conversation about it. There are so many opportunities in practice. Those opportunities are presented to you on a silver platter continuously, allowing you to express* [norms and values] *as a leader. Not in a preachy way, but just being able to talk about it with people".* For another public sector manager *"it is just a natural topic".* For many of the managers working in hybrid organization contexts as well as for several leadership experts, ethics is a subject that does not necessarily recur on a daily basis. Nevertheless, they feel that ethics requires some periodic maintenance and updating to keep the message alive and recognizable and should therefore be stirred up every once in a while: *"I can imagine that to keep it alive and recognizable* [...] *I think the debate about that is important, about how do we deal with this, what are our -also informal- behaviors, norms?* [...] *You have to keep debating about that. And not every day, not every year, but in the end it should happen again".* However, in practice, the discussion about ethics may not always be easy to organize because *"tomorrow the business comes first and integrity can always wait a day".* Yet there are also those interviewees –primarily from organizations at the 'private' end of the public-private continuum- who feel that communicating about ethics is not necessary at all and may even be a sign of bad leadership: *"The informal environment, the informal description of integrity, of respect, goes without saying. You don't have to discuss that"* or *"if you have to spend too much time on that then you should wonder whether you are hiring the right people".* One interviewee, also a private

	Communication		
	ID	**Content**	**Frequency**
PUBLIC	A	"And just ask open questions to people. Because then it is not intimidating, not correcting, punishing right away, but just starting an open conversation [...] If you have questions on how to act, what is wise, just come to me [...] I think you have a high degree of personal responsibility in that. Also about all kinds of other aspects. So ask yourself the question 'gee, do we want this or not?' Just start a conversation about that [...] Also about your doubts or dilemmas [...] And that is all about everyday things. But that is before that more difficult stage in which we have to be increasingly more critical, because it is about types of behavior that are sometimes unacceptable. So in that earlier stage, creating the opportunity that basically anything is discussable, including you yourself [...] And sometimes you have to be able to talk about it when there are no incidents".	"There are so many opportunities in practice... Those opportunities are presented to you on a silver platter continuously, allowing you to express [norms and values] as a leader. Not in a preachy way, but just being able to talk about it with people [...] And then, when examples present themselves, [you ask] 'what do you think of that?'"
	B	"I think that you first have to talk with each other about 'how do we do these things?' Take for instance the 50 euro norm, what gifts are we allowed to accept and what not?"	"Very much, because...being an independent inspection brings with it that you come to an objective judgment and so we have to talk about that. So sometimes you are pressured, to not publish certain information, or...how did you get your data, are they valid? So that is just a natural topic".
	C	"Maintaining explicit norms could also have the effect that the situation or the discussion stiffens. So it is good to know, how do you test that, what do you expect of people [...] You have to beware not to say 'look, we have the norm, and what you do doesn't fit that'. The dialogue must continue".	"But I can imagine that to keep it alive and recognizable [...] I think the debate about that is important, about how do we deal with this, what are our -also informal- behaviors, norms? [...] You have to keep debating about that. And not every day, not every year, but in the end it should happen again [...] Look, if it becomes an obligation without added value, when that's the case...There is that risk, but that also means you're not doing it right. Yeah, then it is not alive anymore, then it is old material that you don't recognize anymore in practice and that is a big risk [...] So you may have to upgrade it sometimes, that it becomes recognizable again".
	D	"We try to stimulate [managers] to have a discussion about integrity. That way, we try to also give positive attention to integrity and make clear that integrity isn't always about incidents, or about fraud, but also has a much broader meaning. We think that by having a discussion like that about integrity, people are also stimulated to, when they notice something, to address it [...] We try to translate [...] incidents to the rest of the organization [...] We try to be practical about it by avoiding the word 'integrity'. With integrity, people at some points get the feeling like 'yeah, we know that by now'. But if you talk about 'how do we interact with one another?' or 'do we stick to the rules here?', 'how do we deal with information?', then it becomes more concrete, then people can deal with it better".	"We just hope it becomes normal, by having that dialogue a lot, that it becomes normal to talk about those kinds of things [...] That is something we struggle with a lot. There are signs from within the organization of, well, integrity fatigue. We struggle with the question, do you give in to that, does that mean that you shouldn't talk about integrity anymore? I don't think that is the right response. Because in the meantime things still happen, or we notice that people at some point have too much of a limited perception on integrity. Is integrity the kind of topic that you have to keep talking about because otherwise the attention fades again? Yeah, what to do about integrity fatigue?"

Table 4.4.a: Communication (manager responses)

	Communication		
	ID	**Content**	**Frequency**
HYBRID	E	"Taking the leadership to discuss things, address things. Especially when they are sensitive issues [...] But you have to get over that threshold, you have to be able to lead in that. So not just role modeling, it is also explicitly starting the discussion, making dilemmas discussable [...] Try to have the discussion every once in a while about that, so in a department meeting talking about the core values, or integrity, about how we do that. And then things become debatable [...] We try to discuss with each other, what are the different perspectives here, and why do people choose for different perspectives, what are the arguments they use for that?"	"To managers...they said 'don't let this die a silent death and that you make this discussable periodically in department meetings, assessment interviews, et cetera [...] So two, three times a year you already make it individually discussable with employees. But aside from that I find it important that you also discuss it at department meetings, like 'are there things [we need to discuss], do we run into things that we hadn't seen before, or that are different? What do you think about that?'"
	F	"Well, I don't think with those words. I think the words ethics and integrity are not mentioned as such very often. But there is a lot of communication about the meaning that I now give to it, in terms of structures, quality structures, that have the primary aim to... make sure that the right behavior develops...and I think that that is ethics and integrity [...] Look, at the level of the board of managers we do talk about it. And then... those words have more meaning, or they are used more easily. But when the cleaners amongst themselves talk about feedback, then the word integrity isn't mentioned. But they do talk about the same thing. [...] When an integrity violation has occurred] you try to learn a lesson from it and then that lesson also needs to be applied".	N#A
	G	"That it's clear from which norms and values system you operate. And that you make that explicit [...] I think it is important that I tell something about my personal life. In which I also illustrate what my ethic is, what my norms and values are and that often refers to the children, or your parents or your partner [...] And I always like illustrating those examples with parenting dilemmas or something. Because those dilemmas are often the same as with employees. Reward and punish, how directive should you be, how to weigh the interests of the child or the employee against those of the organization, what goes first?"	"There is communication about it. So getting it in their heads... So every time that I do something for the entire team, then it is always part of my talk, my speech, or whatever [...] So then I illustrate that using a case, the person, or the present someone gets".
	H	"We did it under the heading of integrity [...] But if you should do it under that heading, that is of course not necessary. In and of itself integrity is an empty concept, I think [...] I do think it is useful, like we do now, to every once in a while put the code of ethics on the agenda, to do it under that heading [...] Well, what I just said about our commitment to societal goals, that that is not as explicit [...] There are colleagues that say to me 'don't worry about that, because it is inherent in our operations'. Well then you would have to communicate less about it. But you just notice it, when new people enter this organization, that it is necessary to talk about it".	"I think that it is a topic that you should, every once in a while, or once a year, talk to each other about, to keep it alive... or to make it more alive even [...] And I also talk a lot to my employees about the things that occupy them and I always try to go a bit further than talking about work, or practical things [...] And then sometimes issues are raised with respect to what is and what is not acceptable? [...] Well, as long as you don't do it under the heading of integrity, you can just incorporate it in your everyday work. I think you do that as well".

Table 4.4.a: Communication (manager responses; continued)

	Communication		
	ID	**Content**	**Frequency**
PRIVATE	I	"The term coaching really lives here. And people know that that has to do with a certain way of asking questions [...] And also, managers also have those conversations with employees...But the way in which employees deal with children isn't actually all that different [...] They listen and show understanding, and in a coaching way questions are asked so that people ca show what their own feeling is about that and what they mean by it [...] They talk about [dilemmas] either way because it is very intense".	"There are just meetings, on all sorts of things. Aside from that it can be something that you talk about, for instance, over lunch or something. When something comes up".
	J	"To allow for personal responsibility, you have to have communicated the rules very well [...] We choose for a soft implementation [...] we want to connect it more to projects that already running [...] Yeah, up to now integrity has not been mentioned explicitly and it is raised when you talk about culture, about how you want to interact with one another [...] Up to now, [...] it is stimulated more in a general sense, not specifically in terms of integrity. So we have the whistle blowers code, a code of ethics...but stimulating personal responsibility, or independent judgment, that occurs much more through other projects, not specifically on these topics".	"Well, we do try to let it return. I don't want to make that bigger than it is, because often it is just nothing for six months and then three messages [...] Well, and that is a problem here, because of course, tomorrow the business comes first and integrity can always wait a day [...] Unless of course there is real fraud, then we start an investigation [...] But the problem is, integrity can always wait a day, because tomorrow we want to get that project or solve that issue with the city [...] Yeah, and one day becomes a month, a month becomes a year, et cetera, et cetera".
	K	"No [we don't use] those terms in themselves. But inherently we do. [...] I think you can stimulate people by making very clear what you stand for, et cetera. But [...] the words integrity and ethics are not singled out, let's put it like that. They are important here though. It is true that there are of course the norms and values of the CEO and there is also a vision and that just says 'integrity', it just says it explicitly [....] But not in my expressions. Or, yes, inherently [...] It is not like I emphasize it from an ethical standpoint, but everyone knows that that is what it's about".	N#A
	P	"So morality is often about what we jokingly call motherhood statements, you can't disagree with them. Everybody agrees with it. 'We have to respect each other here'. There is no organization that I know that says 'no, we don't do that here'. So that is useless. That is implicit morality, that is made explicit in such a discussion [...] So then you end up more in the direction of [...] what is, in our context, our specific morality?" .	"You should beware not to make rules into dogmas, you should also beware not to contest those rules continuously, but you do have to discuss them frequently […] Every three years the fundamental rules are discussed again".

Table 4.4.a: Communication (manager responses; continued)

Communication		
ID	**Content**	**Frequency**
Q	"Yes, absolutely [we discuss it explicitly in terms of integrity and ethics]. And they have the company code for that, we also try to make that company code come to life, using examples with employees [...] But... It is very broad [...] How do you interact with that client? How do you interact with each other internally? And how do you interact with suppliers?"	N#A
R	"And maybe [when a violation occurs] that he then addresses it in the team meeting [...] 'I want to go over this with you again'. And with that he in fact gives content to the framework of norms, not a formal framework [...] The informal norms that are ingrained in that framework [...] And by discussing that with his colleagues, his fellow supervisors like 'I have this thing, what is the deal with that, or can we do something with it?' slowly but surely get that framework of informal norms is dispersed throughout the organization".	"The informal environment, the informal description of integrity, of respect, goes without saying. You don't have to discuss that [...] And especially in the recruitment you can make sure that you get people that ask themselves the question [...] 'is this cooperative, is this ethical, is this respectful to clients?'"
S	"So when people start to talk about integrity when they are in the office, then I think we have a problem, because then apparently it is a subject that needs to be addressed or that deserves a separate label [...] It is much more important that you articulate what the trust is based on and what you expect of people and that people based purely on that can say 'listen, this isn't good enough'. Instead of always trying to set norms, regulate [...] But it is much broader than that. I mean, it is not just about integrity, but are you able to ask people questions on everything that is in the area of 'do you feel at home with this company? What do you think of the way we do things here? What is your contribution to that? Do you trust your colleagues?"	"I present it a bit black and white, on purpose of course, but if you have to spend too much time on that then you should wonder whether you are hiring the right people [...] Very exceptionally you should spend some time on that [...] I think that you already try to express that implicitly".
T	"Well, it is often wrapped up in other things [...] like which prices do we set for a project, what do we find suitable, what not, what fist our company and sometimes that has to do with integrity and often it doesn't... Sometimes very directly, very explicit [...] What I talk to them about, for instance in introduction meetings, is what we expect of people at [this company] and what people can expect of [this company], and there are aspects of integrity in that [...] Indirectly, in the sense that we encourage people to bring problems to the fore [...] And that is also to show what can go wrong. It is just a learning experience".	"Not as often, no. I have to be honest about that [...] Once a year I do talk to the trust officer [...] but that is infrequent, it doesn't happen much. And I also have the idea that there are not that many problems, to be honest [...] If we talk about the banking sector, and about the causes of the credit crisis, then you are talking about the behavior of the investment bankers and that is not comparable to what we have [here]. In that sector it is very relevant to talk about it [...] But I don't get the feeling that within [our company] we should talk about it more, no".
U	N#A	"I find it nonsense. Either you do it or you don't. I think talking about it is nonsense [...] That is what I see right away in people who talk too much about integrity, they always have a problem, because they…they always have a double agenda. The less talk about it the better [...] I also wouldn't know how a conversation like that should go. Yeah, do you have to say 'we all need to be ethical, we swear to be ethical'. I mean, it doesn't help anything, it is about how someone behaves in practice".

Table 4.4.a: Communication (manager responses; continued)

sector manager, even indicated that *"talking about it is nonsense* [...] *That is what I see right away in people who talk too much about integrity, they always have a problem, because they…they always have a double agenda. The less talk about it the better. You just have to do it".* For these latter interviewees, ethics is thus communicated through behavior and selection of personnel rather than through words. Verbal communication about ethics should only occur *"by exception"* or *"when there is reason to".*

To some extent the differences in *how often* interviewees feel ethical leaders should communicate about ethics is a reflection of their views on *how* ethical leaders should communicate. That is, it is a reflection of interviewees' stances on whether or not one should explicitly communicate in terms such as 'ethics', 'integrity', and 'morals'. As one manager put it: *"C'est le ton qui fait la musique"*, and what is the appropriate 'tone' may indeed be very different to different people. On the one hand, there are many interviewees who feel that communication about ethics occurs and should occur in rather general terms, using the everyday vocabulary of the organization and its members. These interviewees prefer to avoid terms like 'ethics' and 'integrity' and instead rephrase these terms into ones that fit the concrete context of their organization or the department. Here, ethics is ingrained into such things as *"atmosphere"*, *"appropriate prices"*, *"quality structures"*, *"corporate identity"*, *"the business model"*, and *"long-term client relations".* A manager of an accounting firm: *"No* [we don't use] *those terms in themselves. But inherently we do* [...] *The words integrity and ethics are not singled out, let's put it like that.* [...] *It is not like I emphasize it from an ethical standpoint, but everyone knows that that is what it's about".* On the other hand, there are also those who –in addition to using the more implicit and integral communication strategy- suggest ethical leadership is about using explicit communication about ethics. Specifically, these interviewees prefer to explicate the ethical component in their work, for instance by explicitly discussing what their moral norms and values are, what they mean by 'ethics' or 'integrity', and how to deal with ethical dilemmas. *"We try to discuss with each other, what are the different perspectives here, and why do people choose for different perspectives, what are the arguments they use for that?"* But while in favor of an explicit communication approach, one manager noted that there are now signs of *"integrity fatigue"* in her organization. In response to that, she says, *"we try to be practical about it by avoiding the word 'integrity'. With integrity, people at some points get the feeling like 'yeah, we know that by now'. But if you talk about 'how do we interact with one another?' or 'do we stick to the rules here?', 'how do we deal with information?', then it becomes more concrete, then people can deal with it better".* The implicit and the explicit communication style are thus not seen as mutually exclusive but instead considered as complementary. Again, the differences between managers' views on communication show a pattern along the public-private

continuum: although there are exceptions, managers working in organizations at the more private end tend to prefer more implicit communication strategies and those at the more public end seem more inclined to favor a mix of both implicit and explicit communication.

More loosely related to interviewees' preferences for explicit or implicit communication about ethics are their views on appropriate channels for communication. Most interviewees argue that 'natural' moments such as one-on-one talks, regular department meetings, new years or birthday speeches, and lunch breaks are most suitable to –explicitly or implicitly- address and discuss moral values, norms, and rules. *"I always really want to talk about it, because I want to explain, one on one, and look each other in the eye on that. Because in*

		Communication	
	ID	**Content**	**Frequency**
EXPERTS	L	"We did have a conversation with the department about 'how do we look at these kinds of regularly recurring dilemmas?' [...] We do talk about that a lot. Yeah, we frequently put that on the agenda. And with that I hope [...] to make it a more general discussion theme [...] That it is subject of conversation every once in a while, I hope that also makes it more normal to discuss that one on one. [...] By repeatedly asking questions [...] How necessary is it to address that explicitly? [...] Here it is very obvious that we treat each other, or clients...Yeah. But I am not going to ask 'have you had any dilemmas?' I would argue that it plays an important role implicitly and that we also understand and expect that of one another".	"Well, if you ask me what has the most impact then I am convinced that how you deal with those daily examples is much more important. Much more important than when I would explicitly address how to... [...] And of course, every once in a while there is a difficult dilemma, and you discuss it with the group [...] We did have a conversation with the department about 'how do we look at these kinds of regularly recurring dilemmas?' [...] Yeah, we do talk about that a lot. Yeah, we frequently put that on the agenda.
	M	"And that, aside from that, you also have a good conversation about 'let's see what type of behavior the identity of the company implies', that is ok".	N#A
	N	"If I would be a leader and we would have this as our spearhead for two years, then I would address it in every meeting. I would look at what we did about it. Let's see, was that successful? Was it hard? What dilemmas did we run into? How can we deal with those dilemmas? I would do that very much through interaction, communication [...] Then you at least need to include as many people as possible. And once you know which values you find important, also discuss 'what are the rules that we want to abide by? What kind of agreements do we want to make?'"	"Not just that one training session [...] I think that at present, of course because of the crisis and everyone is working hard, we talk about it less explicitly and then it also fades [...] You shouldn't become a preacher or anything, but it is important to pick your moments [to talk about it]".
	O	" I am convinced that ethics is rarely a black-and-white issue, it is almost always a grey area. So I think the only think you can do is to address it and talk about it with employees and... make sure that it is clear to everyone what the underlying principles are. And then they have to decide for themselves how they act on it [...] I don't think it would work if you would discuss the topic integrity or ethics every week, or every month, it is not an isolated topic, it seeps through in everything".	"Talk, talk, talk […] By continuously testing what you are really talking about and by incorporating it in everything".

Table 4.4.b: Communication (expert responses)

these things the integrity of your conduct plays a big role". But almost all managers also indicated that their organization has some form of formalized communication about ethics such as written codes of ethics, values statements, and whistleblower regulations, ethics training sessions, standard ethics-related questions in assessment or job interviews, and discussions of ethical dilemmas and value statements in internal personnel magazines, or on the intranet. A majority of the interviewees seemed to find such formalized channels a useful way to support and strengthen less formal ethics communications. *"All employees had a training about what do we mean by integrity and...Very explicitly had a discussion with them, and people themselves could indicate dilemmas and themes that emerge in our work, what do we experience as integrity-related dilemmas?"* and *"I do it for example by getting this* [code of ethics] *booklet and just going through it, but also working with examples".* But some interviewees do not believe the formalized communication channels have the desired effect and suggest that ethical leadership could certainly do without them: *"I want to organize as little separate sessions as possible, not like 'now you are going to study integrity for a day'. I don't think that works".* With respect to the code of ethics, another manager adds: *"That is paper. To me, that is paper. Write it down, I mean I wouldn't throw it in the trash* [...] *Write it down, because then you wrote it down and said it, fine* [...] *But I say, if that is not clear, what is in there, then we have a problem. That is of course too simple, I realize that. So you should at least write it down and also make explicit to people when they come to work here that that is what you expect of them* [...] *But that is it, as far as I'm concerned".* These responses suggest that ethical leadership may be helped by but need not actually require formalized communication channels to be effective in fostering follower ethical decision-making and behavior.

4.1.3.4 Balancing compliance and trust

Cross-cutting the reinforcement and communication aspects of ethical leadership is the dilemma of balancing a compliance- or rules-based approach with a more trust-based approach: where does the responsibility of the manager and the organization end and the personal responsibility of the employee begin? And where lies the balance between having clear rules and not tolerating unethical behavior on the one hand and trusting people to make sound ethical decisions for themselves and allowing them to make mistakes on the other? Some interviewees indicated that they still struggle with finding the right balance. But looking closer, almost all interviewees in the end appear to have a preference for a trust-based approach that emphasizes independent judgment, common sense, and personal responsibility. Most interviewees stress that ethical leaders should not focus too much on giving instructions on what is and what is not allowed, *"because reality is much more absurd than that".* Instead,

it is the ethical leader's job to stimulate followers to think for themselves about what is and what is not acceptable behavior. Ethical leaders, interviewees note, should emphasize the underlying principles rather than the precise rules that would apply in a specific situation. Additionally, ethical leaders should foster an open and constructive discussion about the organization's values, norms and rules.

This is not to say that rules are considered to be obsolete or that an ethical leader should not intervene or be strict when they feel someone has crossed the line. Rules and regulations are considered essential when something does go wrong; they are a safety net to allow a manager to sanction unacceptable behavior. Moreover, as one manager argues, clear rules protect both the organization and the employee. Having clear rules gives employees something to go by. By emphasizing principles over rules, an ethical leader leaves much open to interpretation and thus allow for differences of interpretation. This poses a risk to both the organization and the employee. Nevertheless, most interviewees seem to agree that rules should be minimized and should be applied only where *"the organization really doesn't want something to happen"*, *"intuition fails"*, and /or *"temptations are great"*. One simply cannot think of all possible situations for which a rule should be thought up and too many rules in fact makes the system so nontransparent that employees will be unable to know and comply with all of them. As one interviewee notes, focusing on rules and regulations merely creates a *"false sense of security"*. And too much emphasis on existing norms and rules, another interviewee adds, can stifle the open discussion about those norms and rules.

An overwhelming majority was thus clear in dismissing what was often referred to as *"the American approach"* of a strong emphasis on rules and compliance. However, one manager argues that a rules-based approach can in fact be very effective: *"What we do is managing by rules and not leaving it to vague norms. We notice that when you just establish rules, for instance in a code of conduct, and you demand of everyone that they comply, that automatically a culture develops like 'ok, these apparently are the rules that the company wants to enforce'. And that works well for us"*. This interviewee notes that the moral awareness as well as the number of reports of violations fare well with this rules-based approach: *"So we maintain very strict rules, but because of that there is considerable awareness of ethical behavior in the top* [management]*"*. In this manager's organization, the rules are supported by an extensive integrity system that encompasses ethics training, a whistleblower regulation, and an ethics hotline. *"Well, we have a lot of other control systems as well, but the net result is that because of those many rules and training of those rules and seeing to it that people comply with those rules that there really is a zero-tolerance policy. And that automatically creates ethical behavior. The reverse is not true, I think it is nonsense to, because that is a very European approach, to say 'you have to come up with all those slogans and then make people a bit aware'. People only become aware of ethical behavior*

when there are very clear rules […] *We Dutch people are very inclined to do everything in principles. Like 'too many rules is suffocating'. I believe in rules, then the integrity will develop by itself".* In this *"American approach"*, ethical leadership thus entails giving clear instructions and being unambiguous about what is and what is not allowed. At present, however, this view does not seem to be shared by any of the other interviewees and whether they work in public, hybrid, or private organizations, almost all still prefer the *"European approach"*.

4.1.4 Having a Reputation for Ethical Leadership

Aside from being a moral person, a moral manager, and having a good leader-follower relationship, one other interesting aspect of ethical leadership came to the fore. That aspect concerns the perceptual and reputational side to ethical leadership: is someone an ethical leader by virtue of his or her characteristics and behavior or because he or she is *perceived* as embodying such characteristics and behavior? The interview data suggest it is both. Ethical leadership is more than just impression management, more than *"just for the stage"* trying to look ethical, talking about ethics, and so on. Ethical leaders, several interviewees noted, cannot be mere opportunists: ethical leaders must be real, authentic moral persons and their efforts to influence the ethical behavior of followers have to have true meaning. Oftentimes, interviewees remarked, it is not that hard to determine whether someone is a 'true' ethical leader or not: *"You just see it", "You either have integrity or you don't"*, and *"At the end of the day I think you can experience it yourself. Yeah. Gut feeling usually".* Yet at the same time, interviewees indicated that ethical leadership is highly dependent on how ethical leadership is shown to the outside world: *"It also has to be recognized* […] *It has to be visible. And if the environment doesn't recognize it, then the question is whether you really are one. Right? I always say: don't assume that you are an ethical leader, but have people recognize it".* Whether someone is considered to be an ethical leader thus depends on who judges the leader and what perception that person has of the leader's characteristics and behaviors. As one interviewee suggested, people can consider themselves to be ethical leaders, but the external environment may not confirm that perception.

In order to obtain a reputation of being an ethical leader, some interviewees stress that leaders need to be sufficiently close and visible to their followers: *"Physical proximity I think is very important. You really have to be there. Yeah. Where it's about those dilemmas, how do you deal with clients, how do you do that telephone conversation? It is very important to experience that live, you can't just go recite that or something. You can't get that all over the email. No, it is really about the nuances. You really have to see him, yes".* Being close and visible is important to allow for positive role modeling. *"The example is in being visible in the organization, and that people hear you talk".* When there is incomplete or distorted

information, some interviewees argue, followers may interpret a leader's behavior as unethical even though it is in fact in full accordance with the follower's own moral values and norms. And the bigger the distance between leaders and followers the more likely the information is to be incomplete or distorted. As one public sector manager explains: *"For instance, the expenses claims of directors, including mine, are always published…That of course is very good in terms of transparency. But the effect is that people think 'they claim a lot of expenses'. While the fact that you do it, has a lot of positive sides to it…your corruptibility is lessened* […] *And you always explain that you do it to decrease you dependability and that is therefore very ethical to do. But those who read it in the newspaper, and also the employees who read that, because they all read the same newspapers, think 'those top managers, they just do whatever they want".* As this example illustrates, wrong perceptions may cause ethical behavior to actually have a negative effect on followers' decision-making and behavior.

The importance of leader distance in perceptions of ethical leadership suggests that managers at higher levels of the organization may have a more difficult time establishing a reputation for ethical leadership and may need to adjust their approach to ethical leadership accordingly. Indeed, several interviewees suggested that higher-level managers encounter specific difficulties in their attempts to be ethical leaders: communication does not cascade nicely down the organization from the higher levels to all sections of the organization, the smaller everyday behaviors of higher level managers aren't very visible to those outside of their direct environment, and they have a harder time defending themselves against rumors or incorrect perceptions of their behavior. *"What I find difficult about that is that those people have a harder time defending themselves. That there are, in every organization and here as well, there are rumors, true or untrue about* [the president of the organization]*...And the difficult thing is that those stories don't reach the people at the top and they are thus unable to defend themselves* [...] *And you also shouldn't come to a situation where you need to explain everything. So I think that role modeling at the top isn't always easy".* Meanwhile, the standards for top-level managers are said to be higher than normal and perceptions of their behaviors may have more extensive ramifications within the organization: *"We are in a transition period where we come from a managerial culture in which managers often felt they had more freedom than others. And that others also accepted that. But* [...] *that kind of hierarchy in degrees of freedom, in which the privileged were permitted more than...the common people, that has completely disappeared. Strongly disappearing, more than that even. It is now reversed. As a manager you are permitted less than...someone on the work floor, because the higher up you are in the hierarchy, the more you also have to be a role model".* The data reveal no clear differences between higher and lower level managers' views on ethical leadership and thus suggest no ethical leadership strategy specific to higher-level

managers. However, two interviewees implied that to overcome the difficulties of establishing a reputation for ethical leadership higher-level managers might be more inclined to use explicit communication and formalized communication channels such as speeches and magazine interviews in particular. Through such communication channels, these interviewees note, higher-level managers are able to 'show' their role modeled behavior and explicate the rewards and punishments they set to certain behaviors. Moreover, it allows higher-level managers to more explicitly emphasize that ethics is important to them.

4.2 Ethical Leadership and the Publicness of Organizational Contexts

At the end of the interviews, both managers and leadership experts were asked to reflect on aspects of the public, hybrid, and private organization contexts and the extent to which such aspects may or may not affect ethical leadership. To be clear, the aim here was not to determine whether public, hybrid, or private sectors are considered more or less ethical than one another, but rather to uncover possible contextual influences on ethical leadership. Specifically, interviewees discussed the publicness of the organization's tasks, the effects of societal expectations and reputation, the intrinsic motivations of their employees to serve the common good, as well as cultural and structural characteristics of their organization. Interviewees' perceptions of how these various aspects may relate to ethical leadership provide some possible explanatory mechanisms for the subtle differences found in the

The interview data suggest that the publicness of the organization's task is one of the most likely sources of differences between public, hybrid, and private organizations in terms of ethical leadership. Particularly managers of organizations more at the hybrid-public end of the public-private continuum stress that their organization's task inherently makes ethics an issue that requires attention. A police department head: *"Of course, the nature of our profession means that there are many moments where you enter that ethical layer* […] *You have such a specific function in society that goes so far in terms of the infraction you can make in people's lives. Because of that I think the issue is much more often on the table* […] *It is inherent to a police organization to be dealing with it at such an early stage".* And a manager of a regulatory body: *"As a regulatory body it is very important that there are no doubts about your integrity, that there are no questions about how you do things yourself when you are the one that has to hold others accountable for that. It all has to do with credibility".* For organizations with a more public task, some interviewees thus suggest, ethics is more ingrained in their daily operations and decisions. Ethics is a more explicit issue and *"a natural topic"* of discussion in more public organizations. This seems consistent with the finding that managers operating in the more public organizations have a preference for more frequent and explicit communication in terms of 'ethics' and 'integrity' than their

private sector counterparts. Moreover, it is line with the emphasis that managers of public and hybrid organizations place on the societal and altruistic side of ethical leadership.

While no specific questions were asked with respect to the public service motivation of employees, three of the interviewees suggested that public and hybrid organizations tend to attract and select employees that have a specific intrinsic motivation to serve the common good. *"I notice that in our people, and in the people that apply for jobs here, that they have a relatively big inclination to… the good. People work here because they like doing something for the public good, for the common good. People don't just work here for the money. They already have a different attitude, a different mindset in how they judge things* […] *They have a strong intrinsic motivation to do good".* A manager in a hybrid organization: *"We actually already do that very explicitly in job interviews. I make sure that I find out why they want to come work for this bank. Or whether they would also go next door to* [private banks] *to do the same work".* Conversely, only one of the private sector managers indicated that their organization explicitly selects employees on their commitment to societal goals. This again seems to be in line with the view that ethics-related issues are more *"a natural topic"* of discussion in organizations more at the public end of the public-private continuum, since such discussions could appeal well to the public service motivation of employees.

An often-reiterated contextual aspect that might affect how managers exercise ethical leadership concerns the expectations that the general public has of an organization. Many public and hybrid sector managers suggested that the reputation of the organization is of great importance and that addressing ethical issues is also done in an attempt to avoid negatively publicity. *"As a regulatory body you are a bit in a glass house, you need to be* […] *more virtuous than the pope in a way, that is what's expected of you".* And a manager of a social housing corporation: *"We are also ruled by publicity and by the press, and we also think 'how can we prevent* [negative] *publicity?'* […] *And integrity to a large extent affects your image".* Additionally, as noted by one of the interviewees, whether something is seen by the outside world as an integrity issue or as 'mismanagement' depends to a large extent on the publicness of the organization. Some of the public and hybrid sector managers therefore feel that it is important to more explicitly show that their organization indeed acts according to legal and moral norms and values. This, again, seems consistent with the communication styles that these managers seemed to prefer. But while some public and hybrid sector managers suggest it may be more pressing in their sectors, the importance of having a reputation for being ethical is not exclusive to public and hybrid contexts. Private organizations, too, are sensitive to public opinion and (negative) publicity: *"Look, we also put a brand in the market* […] *So if there is anyone who has a problem, who didn't get their medication right, then that can have an effect on the entire organization* […] *Trust is an important part of what you do".* Or as another private sector manager remarks: *"Just look at*

the bonuses […] *The press is a strong instigator of discussions* [within the private sector]*".* Furthermore, temporal dynamics may intensify public scrutiny of organizations, including private ones. These temporal dynamics include scandals that have occurred within that organization or at other similar organizations within the industry, as is the case with the financial sector and the social housing industry in the Netherlands. *"The financial world is now completely in the wrong corner. At the moment, we are* [considered] *greedy, we are thieves, and all that goes with it. So that means that you have to make extra efforts to show that integrity to the outside world. We now need to pay a lot of attention to that".* Other temporal dynamics are, for instance, changing public opinions of what is expected and acceptable behavior, for example when it comes to the relationship between the organization and its clients or the responsibility that private sector organizations are thought to have to the society of which they are part: *"What was considered ethical ten years ago, may not be ethical today* […] *I mean, all bonuses are now suspect. That was not an issue at all ten years ago, the bonuses of managers".*

Some of the interviewees also implied possible differences in the value systems of public, hybrid, and private organizations. Several interviewees remarked that since public organizations as well as many hybrid organizations do not value profit maximization, ethical leadership in such organizations might be easier. *"Your employees also have the opportunity to not just pursue commercial interests* […] *Well, that may make it a bit easier. It makes ethical leadership easier, I think* […] *You give people more room to operate ethically"* and in the words of another hybrid sector manager, *"I think that the temptations are greater in the private sector".* Indeed, some private sector managers described situations in which they or their employees may feel pressured to cross the moral line, for instance because of client or stockholder demands. However, it must be noted that not all private sector managers necessarily value profitability as much: *"It is not fundamentally, not principally different* […] *The idea of a for-profit organization is outdated* […] *The profit maximization is a fallacy".* Another possible difference in values concerns the lawfulness of one's conduct; for several of the more public organizations, it was considered evident that the conduct of the organization and its members must be in full compliance with laws, rules, and regulations. *"We cannot afford not to stay within the boundaries of the law".* Consequently, a few interviewees argued that managers of public as well as some hybrid organizations exercise *"extra diligence"* to make sure that all decisions and behaviors are in accordance with such formal standards. As one private sector manager noted: *"The civil service of course has much stricter rules when it comes to for instance procurements, testing the legal security and lawfulness of those procurements".* This manager further adds: *"To me, as a tax payer, it is more important that a civil servant is incorruptible and whether the realtor on the corner or car rental X is incorruptible, that matters less to me. I don't have anything to do with that. I can choose a*

different realtor if I don't trust him. But I can't choose a different government". All in all, there seem to be modest indications of value differences between public, hybrid, and private organizations. However, how differences in the valuing of profitability, lawfulness, and incorruptibility precisely affect the specific aspects of ethical leadership such as communication or balancing compliance- and trust-approaches remains unclear from the data.

With respect to the structural characteristics of public, hybrid, and private organizations, interviewees noted few differences. Interestingly, both private sector managers as well as public and hybrid sector managers indicated that the direct influence of political and administrative regulators on how their organization deals with ethical issues is very limited. *"There is a lot of talk* […] *but they don't have much strength"* and *"It is more distant".* Government bodies do affect organizations in terms of the rules and regulations that they enforce upon them. However, such regulations are enforced on most organizations across the public-private continuum, whether it is an inspection organization, accountancy firm, financial institution, or engineering company. Likewise, several interviewees note that public, hybrid, and private organizations probably do not differ much in terms of the amount of rules that organizations have. And while there are interviewees that suggest that public organizations are more likely to strictly adhere to rules and regulations, the data revealed no clear difference between public, hybrid, and private organizations in their preferences for either a more rule-based or trust-based approach to support this.

4.3 A Q-set on Ethical Leadership

To allow for further study on the differences and similarities in subjective viewpoints on ethical leadership, the results have been used to develop a Q-set. This Q-set, as explained in chapter three, consists of a series of representative statements about ethical leadership, as drawn from the concourse. The concourse in this case entailed the raw interview data concerning managers' and leadership experts' views on ethical leadership. Moreover, the academic literature on ethical leadership as reviewed in chapter two was checked for additional aspects to ethical leadership that had not emerged from the interviews but might constitute important aspects of ethical leadership nonetheless. This check revealed that the relevant aspects to ethical leadership discussed in the literature also emerged from the interview data. All statements in the Q-set are therefore taken from the interviews –either literately or in edited form to enhance comprehensibility of the statements. The resulting Q-set is a total of sixty statements regarding ethical leadership that respondents will be asked to rank-order in the extent to which they agree and disagree with the statements. The full Q-set is presented in English in table 4.5, the original Dutch Q-set that will be used in the follow-up study can be found in Appendix VI.

Q-set			
1	To be an ethical leader, one primarily has to be an ethical person him- or herself	21	An ethical leader takes account of the opinions and desires of all stakeholders when making decisions
2	Ethical leadership primarily involves stimulating and encouraging others to act in accordance with moral norms and values	22	An ethical leader always looks at situations from different perspectives
3	An ethical leader is always honest	23	An ethical leader always first asks stakeholders of a decision for their opinion
4	An ethical leader is reliable	24	An ethical leader says what he/she does and does what he/she says
5	An ethical leader acts careful and conscientiously	25	An ethical leader is always open and honest about his or her decisions and actions
6	An ethical leader must show impeccable behavior	26	An ethical leader discusses with followers how and why a decision was made
7	An ethical leader is caring to others and concerned about their welfare	27	An ethical leader makes clear to both internal stakeholders and the outside world how and why a decision was made
8	An ethical leader is easily approachable and listens well to others	28	An ethical leader is open to critique about his or her own behavior
9	An ethical leader takes into consideration the expectations and demands that society has of the organization	29	An ethical leader asks followers and colleagues for feedback about his/her own behavior
10	An ethical leader puts the interests of society above personal or organizational interests where necessary	30	An ethical leader protects followers and stand up for hem when necessary
11	An ethical leader takes into consideration the societal consequences that decisions have on both the short and the long term	31	An ethical leader makes clear what is and what is not allowed through his or her own behavior
12	An ethical leader knows who he/she is and is always true to oneself	32	An ethical leader communicates clearly about what is and what is not allowed
13	An ethical leader stands up for what he/she believes in and is prepared to defend his//her norms and values even when under pressure	33	An ethical leader is aware that he/she is a role model to others and therefore pays attention to how his or her behavior might come across to others
14	An ethical leader has be able to show vulnerability	34	An ethical leader calls others to account for undesirable behavior
15	An ethical leader discusses his/her struggles and doubts with followers	35	An ethical leader encourages followers to call others to account for undesirable behavior
16	An ethical leader is charismatic and should be able to inspire others	36	An ethical leader compliments followers when they act in accordance with moral norms and values
17	An ethical leader is modest	37	When someone violates rules and norms, an ethical leader engages that person in a conversation to make clear that such behavior is not acceptable
18	An ethical leader acts in accordance with his/her own principles, norms and values	38	An ethical leader takes followers' ethical behavior into account when awarding financial or other material rewards
19	An ethical leader acts in accordance with the rules, norms and values of the organization	39	An ethical leader attaches clear consequences to undesirable behavior
20	An ethical leader acts in accordance with the law and values and norms broadly accepted in society	40	An ethical leader does not penalize followers when they report occurrences of undesirable behavior

Table 4.5: Q-set on ethical leadership

Q-set			
41	An ethical leader deals with reports of undesirable behavior very carefully and always looks at different sides of the story	51	An ethical leader stimulates followers to discuss dilemmas and doubts with him or her as well as with each other
42	Even when someone has shown undesirable behavior, an ethical leader remains respectful and caring to that person	52	An ethical leader communicates frequently about ethics and integrity, both implicitly and explicitly
43	An ethical leader creates a safe environment for followers where things can be discussed and reported safely and easily	53	An ethical leader shows his or her norms and values in how he/she communicates about topics like 'collaborating', 'atmosphere' and so on
44	An ethical leader makes clear what is and what is not allowed primarily by the behaviors that he/she punishes and rewards	54	An ethical leader makes use of tools such as codes of conduct and interviews in personnel magazines to support his or her leadership
45	An ethical leader communicates clearly about his or her norms and values and what he/she expects of followers	55	An ethical leader particularly stimulates followers to make independent ethical decisions
46	An ethical leader has open discussions with followers about what they consider (un)ethical behavior	56	An ethical leader provides clarity on what is and what is not allowed and does not tolerate unethical behavior
47	An ethical leader stimulates followers to engage in a conversation about integrity and ethics	57	An ethical leader especially emphasize principles and values, not rules and procedures
48	An ethical leaders discusses mistakes and violations of norms and rules with followers so that they can learn from it	58	An ethical leader only emphasizes specific rules when behavior is absolutely unacceptable or when the behavior would have severe consequences
49	An ethical leader discusses examples of ethical behavior and ethical dilemmas with followers	59	To be an ethical leader you first of all have to be recognized as such by your followers
50	An ethical leader frequently discusses with followers whether existing rules, norms, and values still apply or whether they need to be adjusted	60	An ethical leader emphasizes the larger societal significance of decisions and action

Table 4.5: Q-set on ethical leadership (continued)

4.4 Summary

The 21 interviews that were held provide an interesting account of what managers and leadership experts believe constitutes ethical leadership and the similarities and the differences that exist in how these managers and leadership experts from all sorts of organizations across the public-private continuum in the Netherlands conceptualize ethical leadership. Table 4.6 gives an overview of the most noteworthy results. The data reveals that to most interviewees, ethical leadership is firmly based upon the person of the leader. First and foremost, ethical leaders are thought to require specific (moral) traits, which are expressed through and inferred from the leader's own ethical decision-making and behavior as well as the relationship between the leader and its followers. While interviewees' views on what it precisely entails to be such a 'moral person' showed many similarities, some subtle differences did emerge between the more public and the more private sector managers. Specifically, it appears that private sector managers place more emphasis on honesty than

public and hybrid sector managers. Also, those working in a more public organizational context are more inclined to emphasize an outward, societal focus as an important aspect of being a moral person. Ethical leaders, these public and hybrid sector managers indicate, are responsive to societal demands, are aware of their position within society, have a general concern for the common good, and are altruistic. And in contrast to their private sector counterparts, managers of the more public organizations did not just emphasize accountability and transparency to the internal organization, but also to outside stakeholders and society at large. These differences are consistent with the proposition of some of the public and hybrid sector managers that their organization tends to explicitly attract and select members who have an intrinsic motivation to serve the common good. Furthermore, it fits well with the suggestion of a number of public and hybrid sector managers that their organization's task and position in society automatically makes ethics an important issue that needs to be addressed and accounted for to both the inside and the outside world.

To many of the interviewees, ethical leadership also entails a more or less deliberate attempt to influence the ethical decision-making and behavior of followers, i.e. it also entails being a 'moral manager'. For the most part, ethical leaders attempt to foster ethical decision-making and behavior by role modeling morally appropriate behavior. But unlike Albert Einstein's quote at the beginning of this chapter suggests, role modeling is not the only thing to being a moral manager. Many interviewees also regard reinforcement and two-way communication as necessary to ethical leadership, and are in fact considered a part of role modeling as well. Through their role modeling, reinforcement, and/or communication, ethical leaders send out signals that explicate and strengthen the underlying (ethical) principles that they wish to instill upon their followers. Consequently, for a majority of the interviewees, role modeling, reinforcement, and communication are not merely restricted to ethics-related issues. Instead, they feel ethical leadership is inferred from all sorts of smaller and bigger behaviors, ranging anywhere from the type of behavior one compliments to the kind of car one drives. Furthermore, most of the managers and leadership experts prefer a more *"European"* trust-based approach to ethical leadership that emphasizes personal responsibility, general principles, and open discussions over an *"American"* approach that is founded upon clear and specific rules and fostering compliance. In many respects, managers' and leadership experts' views on the management side of ethical leadership are thus rather similar. But when it comes to communication some differences between public, hybrid, and private sector managers' views on ethical leadership also emerged. In general, the private sector managers seemed to have a preference for more implicit communication strategies in which ethics is ingrained in operational terms such as *"long-term client relationships"* and *"the business model"*. Conversely, the public and hybrid sector managers were more in favor of, in addition to using implicit communication, also addressing ethics-related issues more

explicitly in terms of 'ethics' and 'integrity'. Again, these results seem consistent with public managers' notion that the tasks of public and hybrid organizations and their position in the broader society make ethics a *"natural topic"* to discuss. Also, it might appeal well to organization members' motivation to serve the common good.

To conclude, the results suggest that there are more similarities than there are differences between public, hybrid, and private sector managers in their views on ethical leadership. Many of the characteristics and behaviors that prevailing theories and empirical insights have attributed to ethical leadership have been found across the various public, hybrid, and private organization contexts. Nevertheless, there are subtle differences in how managers of these different contexts conceptualize ethical leadership, which some interviewees have related to the organization's task and a possible difference in members' public service motivation.

Section	*Results summary*
4.1.1	Moral person traits and the leader's own ethical decision-making and behavior are emphasized over moral management behaviors. However, interviewees usually did not make an analytical distinction between the leader's own decision-making and behavior and role modeling
4.1.1.1	Ethical leadership is associated with many personal traits. Frequently mentioned traits include integrity, honesty, trustworthiness, reliability, conscientiousness, respect, caring, empathy, openness, altruism, concern for the common good, strong moral values, authenticity, moral courage, willingness to learn from mistakes, and vulnerability
4.1.1.1	Inspirational, visionary, and charismatic capabilities only rarely emerged as aspects associated with ethical leadership
4.1.1.1	Public sector managers were more inclined to emphasize altruism and a concern for the common good than the more private sector managers
4.1.1.1	Private sector managers were more inclined to emphasize honesty than the more private sector managers
4.1.1.2	An ethical leader is expected to make sound ethical decisions and behave accordingly. The decision-process involves carefully weighing the various interests at stakes, talking to the people involved, taking account of different perspectives, and considering both the short-term and the long-term implications of decision alternatives
4.1.1.2	Ethical leaders must be transparent and accountable concerning their decisions and behavior. The more public sector managers placed stronger emphasis on also being transparent and accountable about their ethical conduct to the external environment than the private sector managers
4.1.1.2	Ethical leaders are expected to be open to receiving feedback and also actively seek out feedback on their decisions and behaviors
4.1.2	Ethical leadership requires a good relationship with followers that is based on mutual trust, support, respect, safety, loyalty, and openness. This leader-follower relationship is ingrained in the leader's personal traits and behavior and is a necessary requirement for the effectiveness of role modeling, reinforcement, and communication
4.1.3	Interviewees differed in the extent to which they considered ethical leadership as something that required explicit and active efforts on behalf of the leader
4.1.3.1	Role modeling, reinforcement, and communication often emerged as aspects of the 'management' side of ethical leadership
4.1.3.1	Role modeling was generally considered the most crucial and influential means to foster followers' ethical decision-making and behavior. However, interviewees usually did not make an analytical distinction between the leader's own decision-making and behavior and role modeling
4.1.3.1	Role modeling is considered a means to communicate underlying principles and directly attests to the credibility of the leader and his or her message
4.1.3.1	Role modeling is generally conceived in negative terms, i.e. in terms of the kind of behaviors that an ethical leader does not engage in rather than the kind of behavior that an ethical leader does display. Moreover, role modeling is done through all sorts of smaller, mundane behaviors that occur every day.

Table 4.6: Summary of the results

Section	*Results summary*
4.1.3.1	Interviewees differ in the extent to which they believe role modeling requires an explicit and conscious effort on behalf of the leader; to some, it is done 'naturally', others feel it requires reflection and evaluation of one's own behavior
4.1.3.2	Reinforcement was far less prominent in both managers' and leadership experts' discussions of ethical leadership; interviewees seemed to prefer a positive approach to ethical leadership, focusing on ways to foster employees' intrinsic motivations for ethical behavior and emphasizing the use of role modeling and communication. Yet interviewees do consider reinforcement to be a necessary requirement for ethical leadership
4.1.3.2	With respect to reinforcement, interviewees emphasized calling people to account and having a conversation with them over the use of formal punishments. Ethical leaders are expected to reserve punishment for recurring or severe cases of integrity or other rule violations
4.1.3.2	Ethical leadership is said to require a safe environment and procedural conscientiousness in dealing with (reports of) violations
4.1.3.2	Rewards for ethical behavior are either considered not necessary or preferred to be informal only, i.e. in terms of recognition and compliments. Material rewards were not generally supported, although some do find it useful to include ethical behavior as one of the many performance indicators in yearly assessment interviews
4.1.3.2	Reinforcement is considered a way of role modeling to the wider organization; punishing undesirable and rewarding desirable behaviors are seen as moments in which the ethical leader explicates and exemplifies the norms and values of the organization. Reinforcement is seen as a way of role modeling and applies to all types of behaviors and all different stakeholders -not just employees
4.1.3.3	Ethical leaders are said to stimulate two-way communication about ethics with and amongst followers. Communications concern both the positive and negative side of ethics and is commonly done using examples and stories. Communication, too, is seen by some as a way of role modeling
4.1.3.3	Private sector managers preferred an ethical leadership style in which communication about ethics occurs not too frequently, whereas the more public and hybrid sector managers were in favor of communicating about ethics more often or even continuously
4.1.3.3	Related to the previous, private sector managers were more in favor of communicating only implicitly about ethics, i.e. by using the everyday vocabulary of the organization and its members and avoiding terms like 'ethics' and 'integrity'. Conversely, the more public and to some extent also hybrid sector managers were more in favor of addressing ethics-related issues both implicitly and explicitly
4.1.3.3	Formal channels of communication such as codes of ethics, training sessions, assessment interviews, and personnel magazines were often considered useful but not necessary for communication about ethics
4.1.3.4	Across the public-private continuum, interviewees preferred a more "European" trust-based approach to ethical leadership that emphasizes independent judgment, personal responsibility, and general principles. The "American", more compliance-based approach of setting and enforcing clear and strict rules was generally refuted
4.1.3.5	Ethical leaders are expected to be genuine, authentic moral persons. At the same time, ethical leadership is seen as dependent upon followers' perception and the leader's reputation
4.1.3.5	Given the importance of perception, an ethical leader should be sufficiently close and visible to followers, particularly to avoid misinterpretation of decisions and behaviors of the leader. Ethical leadership at higher levels of the organization may be more difficult because of the increased distance to followers, yet no specific ethical leadership style for higher-level managers emerged from the data
4.2	Public sector managers and to some extent also hybrid sector managers remarked that the publicness of the organizational task and the accountability that the organization has to the public because of that task, makes ethics a 'natural topic' of discussion in their organization.
4.2	Several public and hybrid sector managers indicated that employees in their organizations have a specific intrinsic motivation to serve the common good
4.2	Both the more public and the more private sector managers noted that the reputation of the organization is of great importance and that ethical matters must (also) be addressed in order to avoid negative publicity
4.2	There were modest indications of organizational value differences between public and private organizations, most notably with respect to profitability, honesty, and lawfulness. However, it remains unclear from the data how this would affect ethical leadership
4.2	No clear differences between public, hybrid, and private organizations with respect to ethical leadership and the organizational structure were found

Table 4.6: Summary of the results (continued)

The paradoxical --and tragic- situation of man
is that his conscience is weakest when he needs it most

Erich Fromm

5 DISCUSSION AND CONCLUSIONS

Over the years much has been said and written about ethical leadership; what it *should* be, what it *should* look like. Yet until recently, only few scholars have attempted to empirically study conceptions and manifestations of ethical leadership in practice (Brown and Treviño, 2006: 595). And although much progress has been made towards building a body of knowledge on ethical leadership, there is still plenty of ground to cover when it comes to understanding the specific antecedents, components, and effects of ethical leadership in various contextual settings (Brown and Treviño, 2006: 612-613). One such contextual factor that might cause diversity in conceptions and manifestations of ethical leadership is the publicness of the organizational contexts within which it occurs. On the one hand, public, hybrid, and private organizations share many characteristics, the most important of which is that all such organizations are in the end constellations of human individuals, who tend to be susceptible to the same social psychological mechanisms. Specifically, social learning and social exchange mechanisms are considered key to ethical leadership (Brown et al., 2005) and such mechanisms have a very universal appeal. On the other hand, differences in tasks, personal and organizational value systems, ownership, control, and funding structures, and subsequent political and other stakeholder demands may affect how members of public, hybrid, and private organizations think and feel about ethical leadership. As has been discussed in the previous chapters, the publicness of an organization could invigorate a preference for either a more compliance- or a more trust-based approach, for an emphasis on rules or general principles, for more or less explicit communication, and so on. Given the lack of comparative empirical research, there is no way of telling whether ethical leadership is best considered to be a 'one size fits all' construct that hinges on the application of more or less universal 'best practices', or whether ethical leadership must be treated as a more context-dependent construct that has different meaning and content across the public-private continuum. The main research question of this study was therefore as follows: *what constitutes ethical leadership in public, hybrid, and private organization contexts?*

In order to answer this question, several subquestions were formulated to guide the theoretical and empirical research:

1. What characteristics and behaviors do prevailing theories and empirical insights suggest constitute ethical leadership?
2. Which similarities and differences regarding ethical leadership do prevailing theories and empirical insights suggest exist between public, hybrid, and private organizations? To what extent is ethical leadership expected to be contingent on the publicness of the organizational context?
3. What do managers of public, hybrid, and private organizations and leadership experts believe constitutes ethical leadership? What characteristics and behaviors do they consider to be typical of and conducive to ethical leadership?
4. Which similarities and differences regarding the views of managers of public, hybrid, and private organizations on ethical leadership are suggested by the empirical findings?
5. How can the empirical results be incorporated in a measurement instrument used to study the subjective views people hold with regard to ethical leadership?

In order to answer these questions, the second chapter first presented an overview of the characteristics and behaviors that prevailing theoretical and empirical works attribute to ethical leadership. Moreover, this second chapter discussed characteristics of public, hybrid, and private organizational contexts that might account for possible similarities and differences in how ethical leadership is conceptualized and executed in these respective contexts. Next, chapters three and four reported on an exploratory empirical study into the views of managers and leadership experts on ethical leadership. In total, 21 qualitative, semi-structured interviews have been conducted to gain insight on what managers and leadership experts themselves believe constitutes ethical leadership and to uncover possible similarities and differences between the conceptualizations of managers across the public-private continuum (see section 4.4 and table 4.6 for a summary of the main results). Furthermore, drawing on data from the interviews, a Q-set was developed that allows for more structured measurement of the commonalities and diversity in people's subjective viewpoints on ethical leadership in a Q-method study (see table 4.5). As such, the previous chapters have satisfied two main aims of the study, namely to gain empirical insights on the characteristics and behaviors that are believed to be relevant for ethical leadership in public, hybrid, and private organizations, and to develop a measurement instrument that can be used to uncover subjective views on ethical leadership using Q-methodology. The third aim of this study, providing concrete propositions with respect to ethical leadership and the publicness of organizational contexts, follows below as the results of the study are interpreted in light of previous theoretical and empirical work.

5.1 Discussion

5.1.1 Ethical Leadership Similarities Across the Public-Private Continuum

The findings of this study provide strong support for the social learning model of ethical leadership proposed by Brown, Treviño, and colleagues (2006). Consistent with this model, the interview data revealed both a 'moral person' and a 'moral manager' side to ethical leadership. Moreover, the moral manager side of ethical leadership, interviewees across the public-private continuu, agreed, encompasses the fundamental components of visible role-modeling, reinforcement, and two-way communication (cf. Brown et al., 2005: 120). The interviewees described key mechanisms of social learning theory (cf. Bandura, 1977, 1986), including followers' vicarious learning through observing and imitating the leader's behavior and how such learning is strengthened or weakened by subsequent reinforcement and communication. Likewise, a number of interviewees suggested it is the behavior role modeled by the manager –who is likely to have power, authority, and status and according to social learning theory is therefore a more likely role model (Brown et al., 2005: 119)- that is most salient and therefore most likely to be imitated. The results thus suggest that in its fundamental components and mechanisms the social learning model of ethical leadership is applicable in most, if not all organizations across the public-private continuum. Especially considering that the interviews were explorative in nature and fairly loosely structured to allow for unanticipated aspects of ethical leadership to come to the fore, the emergence of a similar model as that proposed by Brown, Treviño, and colleagues (2006) suggests that this model is indeed rather robust across contexts.

Interestingly, most initial responses to the question of what makes an ethical leader centered on the 'moral person' component, emphasizing in particular the leaders' own decision-making and behavior. In fact, while reinforcement and communication aspects were generally considered necessary elements of ethical leadership, interviewees' views with respect to such elements often emerged only after the interviewer explicitly asked interviewees about them. This result is consistent with the findings of Treviño et al. (2003: 25-26), who conducted a similar study among top-level managers in the United States. Treviño and her colleagues, too, found that executives tend to emphasize decisions and decision-making processes as key to ethical leadership and suggest this may be explained by the fact that "decision-making is such a consuming aspect of the executive's daily life" (2003: 25). An additional explanation that is suggested by the data of this study is that, unlike in the academic literature (Brown and Treviño, 2006: 597; Treviño et al., 2000: 133), people do not themselves make an analytical distinction between ethical decision-making and behavior on the one hand and role modeling on the other. In the interviewees, discussions with respect to these aspects were closely intertwined and in many cases the interviewee did not imply a

clear distinction between ‘doing it’ and ‘showing it’. The importance of one’s own decision-making and behavior therefore also lies in the social learning effects that it is thought to have on followers. It thus seems likely that, regardless of their public, hybrid, or private organizational context, managers are inclined to consider the moral person component of ethical leadership to be more important than the moral management component, but only with respect to the reinforcement and communication aspects of that moral management component.

But while the results are largely consistent with the social learning model of ethical leadership (Brown and Treviño, 2006), the results also suggest social learning theory may not be the sole explanatory mechanism behind ethical leadership; additional (social) psychological theories must be considered in further developing ethical leadership theory. Specifically, the results implied that social exchange theory (Blau, 1964; Gouldner, 1960: 171) is likely to account for some of the effects that an ethical leader may have on followers’ decision-making and behavior: by being supportive, loyal, and protective of followers and showing a genuine interest in their well-being, ethical leaders are said to cultivate good leader-follower relationships. As a result, these ethical leaders are considered more likely to get positive, ethical follower behavior in return. In contrast, if a good leader-follower relationship is lacking, one is less likely to gain a reputation for ethical leadership and may therefore be less effective in fostering ethical decision-making and behavior. This finding resonates recent arguments by Brown and Treviño (2006: 607) and Mayer et al. (2009: 3, 8) and suggests that positive socio-emotional exchanges are likely to be considered necessary to enable and facilitate ethical leadership. Again, the results appear to be unrelated to the publicness of the organizational contexts.

The results also confirm Treviño et al.’s (2003: 8; 2000: 129-130) argument that having a reputation for ethical leadership is vital to that leader’s effectiveness and that the proximity of the leader is therefore an important aspect to ethical leadership. While interviewees asserted that ethical leadership must be real and authentic, coming from within, several interviewees explicitly suggested that ethical leadership must also be recognized as such. Being an ethical leader and influencing followers’ ethical decision-making and behavior is therefore said to require sufficient visibility and closeness to followers. Previous research suggests that leader-follower distance is an important moderator between leadership and follower outcomes (e.g., Avolio et al., 2004b; Howell and Hall-Merenda, 1999). Moreover, Brown and Treviño already somewhat implied a moderating effect of leader-follower distance on the relationship between ethical leadership and follower ethical decision-making by noting that “top manager ethical role models would likely not be proximate enough to serve as a model from a social learning perspective” (2006: 601). Similar to previous arguments by Treviño et al. (2000: 129-130), some interviewees note that where there is a greater distance a

manager and his or her followers, there is less direct interpersonal interaction between them. Consequently, it was suggested, decisions and behaviors of the manager are more likely to remain unnoticed or become distorted. This, in turn, lessens the chances of that manager being recognized as an ethical leader and decreases the chances of his or her behaviors having a positive influence on employees' ethical decision-making and behavior. This leads to the following propositions:

Proposition 1a: **The larger the distance between the manager and his or her employees, the less likely that manager is to have a reputation for ethical leadership.**

Proposition 1b: **The larger the distance between the manager and his or her employees, the less positive influence his or her role modeling, reinforcement, and communication efforts will have on employees' ethical decision-making and behavior.**

In response to the difficulties that managers face when dealing with a large distance to their employees, they may prefer and require a somewhat different approach to ethical leadership. Two interviewees indeed remarked that higher-level managers should communicate more explicitly and use more formalized communication channels to bring their role modeling, reinforcement, and ethics communications to the fore. This is also what has been recommended by scholars in the field (Treviño et al., 2000: 129-130). However, the data revealed no distinct pattern of differences between the views of managers with a smaller and those with a larger managerial scope, even though those with a larger managerial scope presumably experience more distance to their employees. It therefore seems too preliminary to conclude that managers with different levels of distance to their employees also have different takes on what constitutes ethical leadership. Nevertheless, the results do suggest that further inquiry into the relationship between leader-follower distance and ethical leadership views and manifestations is needed.

5.1.2 Ethical Leadership Differences Across the Public-Private Continuum

In many respects, the results of this study resonate the dominant theoretical and empirical frameworks provided by Brown, Treviño, and colleagues (2006). However, the results also imply an important qualification of this general model of ethical leadership. That is, ethical leadership should not be treated as a simple universal, but rather as a *variform* universal phenomenon. In cases of variform universal phenomena, the general principles are universally stable, yet the precise meaning and enactment of those principles varies across

contexts (Dorfman and Ronen, 1991 in: den Hartog et al., 1999: 231). In other words, the results of this study suggest that while the basic components of ethical leadership –moral person, moral manager, positive leader-follower relationship- may be consistent across settings, the way these components are interpreted and enacted is likely to differ across contexts, as is the relative weight that is given to the respective components. Both with respect to the moral person and the moral manager side of ethical leadership, there are signs that a variform universal model indeed best fits the results found in this study.

5.1.2.1 A variform universal conception of the moral person

The results with respect to the 'moral person' component of ethical leadership reiterate much of what previous empirical, theoretical, and normative accounts of ethical leadership have posited (e.g., Brown and Treviño, 2006). Yet at the same time, the results also raise fundamental questions as to the conceptualization of this 'moral person' component and ethical leadership itself. In the interviews, ethical leadership has been associated with an extensive set of personal traits and detailed characteristics of the inputs, process, and outcomes of decision-making and behaviors that one would require to be considered an ethical leader (see table 4.6). However, the list of requirements for being a moral person is rather long and leaves much to wonder. Is it necessary to meet *all* the requirements listed or is it sufficient if a person meets a majority of them? Surely, few would contest that an ethical leader should be able to make sound moral deliberations. Moreover, some characteristics may be so closely interrelated that they in practice presuppose one another, as for instance trustworthiness often also implies honesty and integrity and vice versa. But could someone still be considered an ethical leader even though he or she does not actively seek out feedback from followers? How much weight is given to each of the requirements, what in the end determines whether someone is an ethical leader or not? And is it a matter of having a specific trait or not, or is there a degree to which someone has such a trait? In a similar vein, is 'ethical leader' something a person either is or not? Where then lies the boundary between 'ethical leader' and 'not an ethical leader'? Or is it more an ideal type leadership that one should continuously strive for, that someone satisfies to a certain degree? While it is beyond the scope of this paper to provide a founded answer to such questions, it is important to raise them here as they may have crucial implications for future empirical research on ethical leadership. It is how one answers these questions that guides –or at least should guide- the choice of research design, measurement instruments, and type of analysis. And it may not only be a matter of researcher's choice: the results of this study indicate that there are indeed empirical differences in how managers themselves think about such matters. Unfortunately, most of the questions raised above tend to remain hidden in the undisclosed assumptions underlying current-day academic studies on ethical leadership, though.

Another important remark to be made here is that while the research findings support the attributes of the 'moral person' component as they are discussed in academic literature, they also suggest that there is variety in what being a moral person precisely entails in practice. Among the traits and attributes of decision-making and behavior, some consistent clusters of similar types of traits such as integrity, trustworthiness, and honesty or caring and empathy emerged. However, the specific traits mentioned differed somewhat between interviewees; for example, some interviewees stressed the importance of actively seeking feedback or caring and empathy whilst others did not. Moreover, what particular interviewees understood by general concepts like 'honesty' varied. This indicates that while people may agree on the importance of certain traits to ethical leadership, the specific meaning and enactment of these traits could still differ in applied settings. Although this may not be a particularly revolutionary notion, it does suggest that there may be much more variety in how people understand and exert ethical leadership than one's mean score on existing ethical leadership scales (Brown et al., 2005: 125; Huberts et al., 2007: 594) reveals. As such variety in ethical leadership is likely to also affect its influence on followers' ethical decision-making and behavior, it would be interesting to explore whether there are perhaps particular clusters of viewpoints on ethical leadership and to what extent such viewpoints indeed imply different styles of ethical leadership.

To some extent, the variety in what managers attribute to the 'moral person' part of ethical leadership appears to be related to the publicness of the organizational context within which they operate. Particularly, the managers of public and hybrid organizations interviewed for this study had a tendency to more strongly emphasize the societal, outward focus of ethical leadership than their private sector counterparts. These public and hybrid sector managers explicitly associated ethical leadership with altruism, with a concern for the common (societal) good, with being responsive to societal demands and adhering to societal values and norms. Moreover, with respect to decision-making and behavior, the public sector managers were more inclined to stress the importance of transparency and accountability to the external environment. The primary explanation for the differences found seems to lie in the fundamental tasks of the organization as well as in individual and organizational value systems. The more public organizations have an explicit task to be executers of democratic law and policy and to serve the public interest (e.g., Dahl and Lindblom, 1953 in: Rainey and Chun, 2005: 74-75). Such a task, public and hybrid sector interviewees themselves also noted, inherently creates expectations of high levels of accountability and transparency to the general public as well as to specific stakeholders (Bovens, 2005: 201; Pollitt and Bouckaert, 2004: 31; Rainey and Chun, 2005: 81). Somewhat contrary to this, Van der Wal (2008: 166-167) uncovered no significant differences in the value that public and private organizations attribute to accountability and transparency. However, the argument is not that public

organizations are expected to be more accountable than private organizations and thus value accountability and transparency more. Instead, it is posited here that private and public organizations face partly different types of stakeholder demands that relate to the public or private nature of the organization and thus require different types of accountability. From the data it appears that the accountability and transparency of public organizations is more aimed towards the general public than it is in the more private sector organizations. A final factor that could account for the public-private differences is that there may be higher levels of public service motivation (PSM) in the more public organizations. Studies comparing Dutch public and private sector members have indicated that individuals' public service motivation –which includes social altruism and a commitment to the public interest (Perry and Wise, 1990: 368-369)- is positively associated with the publicness of the organization (Leisink and Steijn, 2009, 46; Steijn, 2008: 20; Steijn and Leisink, 2006: 199). In line with this, managers of public sector organizations may have higher PSM, which translates to their views on what constitutes ethical leadership. But managers may also experience high levels of PSM amongst their employees and perhaps consider a societal, outward focus in ethical leadership necessary to appeal to their employees.

Proposition 2a: **The more public their organizational context, the more important altruism and concern for the common good are to managers' conceptions of ethical leadership.**

Proposition 2b: **The more public their organizational context, the more important external transparency and accountability are to managers' conceptions of ethical leadership.**

Proposition 2c: **Manager public service motivation moderates the relationship between an organization's publicness and managers' conceptions of the moral person dimension of ethical leadership.**

Proposition 2d: **Employee public service motivation moderates the relationship between an organization's publicness and managers' conceptions of the moral person dimension of ethical leadership.**

An ethical leadership attribute that emerged as typical to the views of the private sector managers is honesty. This result fits well with Van der Wal et al.'s (2008: 475) study, which finds a negative relationship between the publicness of organizations and honesty as an organizational value. This finding indicates that private organizations -by virtue of their top-

level managers- have a tendency to emphasize honesty more so than public organizations. With honesty being the only moral value specifically characteristic of the private sector (van der Wal et al., 2008: 479), it is not too surprising that managers also incorporate this value explicitly in their conception of ethical leadership. Of course, the differences found between public, hybrid, and private organizations in this study do not necessarily imply that managers of private organizations would disagree that being aware of the broader societal context is important to ethical leadership or that public sector managers think that an ethical leader does not have to be honest. However, as the interviewees themselves did not initially volunteer these responses, it does suggest that specific aspects of the moral persons may be more pronounced and explicitly required in particular public, hybrid, or private contexts than in others.

Proposition 2e: The more private their organizational context, the more important honesty is to managers' conceptions of ethical leadership.

5.1.2.2 A variform universal conception of the moral manager

One of the strongest and a seemingly universal aspect of ethical leadership is role modeling. When asked how an ethical leader could influence the ethical decision-making and behavior of followers, interviewees were very consistent in their initial answers: role modeling the right behavior. In line with previous empirical research (Lasthuizen, 2008: 138-139), role modeling appropriate behavior is considered to be the most influential aspect of ethical leadership. And like Weaver, Treviño, and Agle remarked (2005: 318), role modeling is about all sorts of bigger and smaller behaviors, although it appears that it is actually the smaller, mundane acts of a leader that are considered most useful to ethical leadership. To some extent, this seems congruous with social learning theory, which suggests that the prevalence of a certain type of behavior increases it chances of being imitated (Bandura, 1986). Simply put, as the bigger, graver ethical dilemmas or sacrifices presumably occur less frequent, they provide ethical leaders with fewer opportunities for role modeling. Furthermore, the role-modeled behaviors need not necessarily be recognized as having an ethical component to them in order to influence followers' ethical decision-making and behavior. All behaviors – with or without a clear ethical component- were seen as crucial to ethical leadership because it explicates the underlying principles of the leader and the organization, e.g. whether it is expected to strictly follow the rules or if they may be bent a little, or what is considered the right balance between the organization's own interests and that of the client's. Moreover, role modeling attests to the credibility of the leader. As such, role modeling is generally considered a *sine qua non* aspect of ethical leadership.

Proposition 3a: **Managers consider role modeling normatively appropriate behavior to be the most important aspect of ethical leadership, regardless of the publicness of their organizational context.**

Social learning theory suggests that behavior should be observed in order for it to be imitated by others (Bandura, 1986). Likewise, Huberts et al. (2007: 597) showed role modeling to be most effective where it concerns visible interpersonal behaviors. However, the interviews suggest that role modeling is not merely about behavior that is observed and imitated, but also about the underlying principles that that behavior communicates. This finding would suggest that the role modeling of more common and visible behaviors explicates principles that are also applied to less common and less visible behaviors. In that way, role modeled behavior may have an effect on both the type of behavior explicitly role modeled and types of behaviors that are not directly role modeled but that are implied by the general principles of the behavior that is explicitly shown by the leader. To illustrate, when a leader claims expenses for things that are according to the rules but which are clearly not related to one's actual work, this might suggest to followers that as long as something complies with the rules it is considered acceptable behavior. Some followers, in turn, could then take this as a justification for taking on sideline work that might cause conflicts of interests, simply because such work is not explicitly excluded by existing rules and regulations. Such a mechanism indeed could account for the effects that role modeling was shown to have on more covert behaviors like corruption and fraud (Huberts et al., 2007: 597). While the effect of role modeling on the type of behavior explicitly role modeled is likely to be greater, the results of this study therefore imply that there is also a spillover effect of role modeling to other non-observable behaviors.

Proposition 3b: **Leader role modeling has a positive effect on followers with respect to both the observed behavior and other non-observed behaviors.**

The interviews also stressed the particular importance of avoiding negative role modeling to ethical leadership. Nearly all examples given of role modeling concerned 'bad examples' in which the managers and leadership experts illustrated behaviors that the leader should *not* engage in so as to avoid (inadvertently) sending out the wrong message. Conversely, the interviewees showed great difficulty coming up with positive examples of role modeling. From this, one could infer that managers consider role modeling negative behavior to be a more important influence on followers' ethical decision-making and behavior than role modeling positive behavior. This view is congruent with previous findings that managers are more likely to lower followers' ethical standards than they are to elevate them

(Jurkiewicz and Nichols, 2002; Jurkiewicz and Thompson, 1999). Again taking a social learning perspective (Bandura, 1977, 1986), negative behaviors are likely more salient than positive or conforming behaviors. By definition, behavior that complies with moral norms and values is 'normal' behavior, and thus behavior that may reasonably be expected of someone. Because conforming behavior is so 'normal', it is more likely to remain unnoticed (Cooper, 2006: 209). As one of the interviewees remarked, *"what you do right, often doesn't stand out"*. But when behavior is perceived as inconsistent with moral values and norms and/or with what that person has professed previously, that behavior does not fit the expectations of others and becomes distinctive from regular, positive behavior. And when that negative behavior then also remains without serious negative consequences (i.e., is 'rewarded'), it is even more likely that observers will imitate it. Managers may thus stress negative examples of role modeling over positive ones because it is the negative behaviors that are expected to have the most impact.

Proposition 3c: Managers consider it more important for ethical leaders to avoid negative role modeling than to emphasize positive role modeled behavior.

Unlike role modeling, reinforcement was far less pronounced in managers and leadership experts' discussions of ethical leadership. Nevertheless, conform what many scholars have posited (e.g., Carlson and Perrewe, 1995: 831; Sims and Brinkman, 2002: 333-334), interviewees agreed that reinforcements are a necessary prerequisite of ethical leadership. To most interviewees, such reinforcements primarily concerned informal reinforcements. Managers from across the public-private continuum emphasized that ethical leadership entails calling people to account and having a *"sympathetic"* conversation with them about their transgressions. Only when the person in question has been warned for such behavior before or when the behavior is of great consequences, does an ethical leader need to resort to formal punishment. With respect to rewarding ethical behavior, it is again almost exclusively about informal rewards such as recognition, compliments, and praise. Consistent with several studies have posited (Grojean et al., 2004: 231; Treviño et al., 1999: 652), it appears that managers perceive informal reinforcements to be more effective than formal reinforcements.

The primary reasons for the perceived superior effectiveness of informal reinforcements suggested by the data is that there are social exchange and social learning mechanisms (cf. Blau, 1964; Gouldner, 1960: 171) at work that have an effect beyond the specific incident and person(s) involved. The interviews implied that reinforcements are often seen as social exchanges that shape the relationship between leaders and followers: how a leader deals with (suspicions of) integrity violations or positive ethical performance creates either negative or

positive social exchanges with the follower in question, but also those observing the leaders' conduct, and may thereby strengthen or weaken those relationships. Given that the working relationship is likely to continue after the incident and the quality of this relationship is said to affect one's influence on follower ethical decision-making and behavior, an ethical leader will want to foster positive social exchanges as much as possible. Hence, as several interviewees suggested, ethical leaders must maintain procedural conscientiousness and a safe environment throughout the process of addressing integrity violations –from the initial report and investigation into the matter up to the execution of the punishment itself. Similarly, an ethical leader will use compliments and recognition as positive social exchanges to strengthen the leader-follower relationship. Conversely, was an ethical leader to extensively employ formal punishments, he or she might create resentment or cynicism among followers (Johnson, 2005: 3). Likewise, interviewees have posited that formal rewards do not fit the motivation of people to engage in ethical behavior, and is therefore less likely to be effective. An additional explanation for the popularity of informal reinforcements is that the leaders' response to a follower's unethical behavior is in fact also a way of role modeling ethical decision-making and behavior (Brown et al., 2005: 120; Cooper, 2006: 210; Treviño, 1992: 650). In their response, ethical leaders show carefulness, trust, weighing of different stakeholder perspectives, and so on. However, as some interviewees commented, if the response is perceived as even a little too harsh or unbalanced, it may be taken as a sign of unethical behavior on part of the leader and could therefore have counterproductive effects on followers' ethical decision-making and behavior. Managers and leadership experts thus suggest ethical leaders should preferably employ informal reinforcements and reserve formal reinforcement for those situations where it is strictly necessary.

That informal reinforcement methods are preferred for ethical leadership is not surprising when one considers the social learning and exchange mechanisms that are at play. However, the finding that managers across the public-private continuum share this preference for informal methods does divert from the notion that public sector organizations are generally more inclined to employ formal and external controls (cf. Rainey and Chun, 2005: 81); even if there is such a difference in the degree of formalization and external controls between public and private organizations, the results of this study suggest that these differences have little effect on the ethical leadership styles that managers employ. Furthermore, the results imply that New Public Management discourses are unlikely to alter public managers' takes on ethical leadership: in neither the more private nor the more public organizations were there signs of a supposedly more 'businesslike' emphasis on results and outcomes and rewards through formal incentives (Hughes, 2003: 51-55, 153). Across the public-private continuum, managers considered ethical performance as something that does

not lend itself to such formal reinforcement mechanisms. Given these findings, the following proposition can be formulated:

Proposition 4: Managers prefer the use of informal methods to formal methods to reinforce employees' ethical behavior, regardless of the publicness of their organizational context.

The final component of the moral management side of ethical leadership is communication. It is with respect to this last component that the 'variform' character of ethical leadership is most directly noticeable. Across the public-private continuum, most managers considered communication with and amongst followers to be important to ethical leadership. Examples and stories are used extensively to illustrate what is considered appropriate behavior and what is not (cf. Driscoll and McKee, 2007: 213; Grojean et al., 2004: 235), Additionally, the results confirm many communication aspects of ethical leadership that are emphasized in other ethical leadership studies (e.g., Grojean et al., 2004: 227-228; Huberts et al., 2007: 591; Kaptein and van Reenen, 2001: 290; Resick et al., 2006: 347), including the importance of stimulating independent and critical thinking, group discussions, listening to followers' dilemmas, providing feedback, and creating a safe and comfortable environment. However, contrary to Brown and Treviño's (2006: 597) assertion that communication should stand out from regular, everyday messages, not all managers agree that ethical leaders should communicate explicitly in terms of 'ethics' and 'integrity' or that the ethical dimension of decisions and actions should explicitly be made salient. Rather, while the more public sector managers seemed to be in favor of communicating both implicitly and explicitly about ethics, the more private sector managers indicated a clear preference for 'just doing' ethical leadership and incorporating their ethics message more implicitly in routine operational decisions, behaviors, and communications. Related to this, most managers of the more private sector organizations implied that communication specifically about ethics does not need to occur too often or only *"when there is reason to"*. Those managers operating in the more public organizations suggested that ethics should be addressed more frequently, or even continuously, whereas hybrid sector managers tended more towards discussing ethics-related issues every once in a while, *"to keep it alive"*.

The differences across the public-private continuum concerning the explicitness and frequency of communication about ethics may have various origins. The data suggest that the core business, the 'raison d'être' of public and to some extent hybrid organizations almost inevitably makes ethics an issue that is embedded in daily operational decisions and actions. Moreover, as was noted previously, the ethical leadership views of the more public sector managers suggest they have a somewhat stronger outward focus. Managers of the more public

sector organizations consider ethical leadership as something that is not merely used to safeguard the internal organizational ethics, but by doing so also helps satisfy the uniquely high expectations that the general public and specific stakeholders have of more public organization in terms of accountability and transparency (Bovens, 2005: 201; Pollitt and Bouckaert, 2004: 31; Rainey and Chun, 2005: 81). As a result, managers of the more public organizations have a stronger incentive to discuss ethical matters not just implicitly but also explicitly. Another possibility, as was suggested in chapter two of this thesis, is that the more explicit communication about ethics in public organizations is also prompted by the design of formal and institutionalized ethics policies enforced by political and administrative regulations. However, to what extent this is indeed the case remains unclear from the data at hand; there were no signs of differences between the public, hybrid, and private organizations in the degree to which they had formalized ethics programs, and the study did not include an analysis of the contents and approaches of these ethics programs. How and to what extent external requirements to ethics programs affect the ethical leadership views and practices of managers thus requires further inquiry. A last explanation for why managers of more public organizations may be more in favor of using both implicit and explicit communication about ethics is the public service motivation of managers and employees. Similar to what has been discussed earlier, the higher levels of public service motivation in the more public organization contexts (Leisink and Steijn, 2009, 46; Steijn, 2008: 20; Steijn and Leisink, 2006: 199) might impel managers to discuss their work more explicitly in terms that directly appeal to their and their employees' social altruistic and public interest values. This suggests the following propositions:

Proposition 5a: **The more public their organizational context, the more important explicit communication about ethics is to managers' conceptions of of ethical leadership.**

Proposition 5b: **Manager public service motivation moderates the relationship between an organization's publicness and managers' conceptions of the communication aspect of ethical leadership.**

Proposition 5c: **Employee public service motivation moderates the relationship between an organization's publicness and managers' conceptions of the communication aspect of ethical leadership.**

5.1.3 The International Dimension

The notion that ethical leadership is a variform universal phenomenon also applies when looking at it from an internationally comparative perspective. Particularly, the interview data revealed that there might be differences in how ethical leadership is conceptualized by managers in the Netherlands and the United States. Almost all managers –whether they work in public, hybrid, or private organizations- had a preference for a more *"European"* trust-based approach in which communication and reinforcement focus primarily on independent judgment, general principles, and personal responsibility. Moreover, many of these interviewees were united in their adamant dismissal of what was referred to as *"the American approach"* in which leaders emphasize specific rules and compliance. While there was one interviewee who clearly indicated to be in favor of a more compliance-based approach, this interviewee also remarked that this was not typical of European organizations and that his approach was indeed a more *"American"* approach. Thus, while trust- and compliance-approaches are not mutually exclusive to one another (e.g., Cooper, 2006: 151), the data suggest there may be a difference between the US and Europe, and the Netherlands in particular, in what is considered an appropriate balance between the two.

The perceived differences between the European versus American approach to ethical leadership are not an isolated result and may be explained by more general cultural differences in the perceived need for organizational and self-protection. As Roberts (2009) details, the US has faced numerous cases of corruption and bribery throughout the 20th century. In response to this, compliance-based ethics programs were deemed necessary "to reassure the citizenry that an organization has the capacity to maintain discipline" and to avoid attacks by critics of government and the media (Roberts, 2009: 265-266). With US law and regulation posing increasingly larger fines and penalties to organizations that committed criminal actions or that failed to take action to prevent its members from committing criminal actions (Khalfani, 1996 in: Roberts, 2009: 269), organizations felt even more pressured to protect themselves through compliance-based ethics programs (McKendall et al., 2002: 370-372). Restricting ourselves to the Dutch case on which the present study reports, the development of ethics programs has been rather different. Explicit attention to organizational ethics was not as common in the Netherlands until the beginning of the 1990s (Huberts, 2005: 4). Law and regulation that specifically aims to foster administrative and business ethics is therefore relatively limited and recent (Huberts, 2005: 24; see also National Integrity Bureau, 2009). Moreover, as in most Northern-European countries, integrity- or trust-based ethics programs have been far more prominent here (OECD, 1996: 61). It thus seems that Netherlands-based organizations have less (perceived) need for external controls to provide organizational protection. In line with this, a cross-cultural study on implicit leadership theories by Den Hartog et al. (1999: 238-239) shows that leadership in the United States is

conceived as being more self-protective than in the Netherlands. More specifically, conceptions of leadership in the US have a somewhat stronger focus on procedure and 'saving face' than Dutch conceptions of leadership (den Hartog et al., 1999: 236, 238-239). All in all, then, it seems likely that there are differences in how member of US and Netherlands-based organizations conceive the appropriate balance between compliance- and trust-based approaches to ethical leadership.

Proposition 6a: **Managers of organizations based in the Netherlands have a stronger preference for a trust-based approach to ethical leadership than managers of organizations based in the United States.**

Proposition 6b: **Managers of organizations based in the United States have a stronger preference for a compliance-based approach to ethical leadership than managers of organizations based in the United States.**

5.2 Limitations

As with any research, this study is of course not without its limitations. Due to the trade-offs that are necessarily made in the design and execution of the research, there are inherent and inevitable weaknesses. The most important weaknesses will be addressed here. First and foremost, because of the research-intensive method –semi-structured qualitative interviews- and the limited time and resources available to the researcher, only a relatively small number of interviews could be conducted. As a result, the findings are founded upon the views of its 21, non-randomly selected participants, who are not fully representative of the general population of managers and leadership experts in terms of gender, age, ethnicity, tenure, and other personal characteristics. Similarly, the organizations that they represent do not encompass all types of organizational constellations that one may find across the public-private continuum. This limits the external validity of the findings and implies that the research does not allow for generalizations to be made regarding the views of Dutch managers in public, hybrid, and private organizations. Additionally, no conclusions can be drawn concerning the precise causal relations between the various phenomena (e.g., public service motivation, publicness of the organizational task) and the relative weight of each of the causal mechanisms discussed. However, the study explicitly aimed for theoretical rather than empirical generalization (cf. Ritchie and Lewis, 2003: 269). Given the lack of theoretical and empirical studies on ethical leadership in public and hybrid organizations and the contradicting implications of the various adjacent literatures, a deeper understanding of the possible similarities and differences in public, hybrid, and private contexts and their

underlying explanatory mechanisms was required to further our theoretical insights on this. The interviews thus served to delineate theoretical generalizations regarding the relation between ethical leadership and the publicness of organizations and to abstract specific propositions to guide further theory building and empirical testing –not to yield definitive conclusions on the distribution of viewpoints on ethical leadership across the public-private continuum or to specify the precise size of the different effects. Furthermore, this study only constitutes the first phase of a large mixed-method research project on ethical leadership across the public-private continuum. The results of this study will be triangulated with data from the Q-study and large-N survey to be conducted in later phases of the project, which might enhance the external validity of the findings reported here.

The sample is not just limited in numbers, though. While much effort was made to include a very diverse selection of managers and leadership experts from a range of different backgrounds and personal characteristics, some *a priori* selections had to be made. For instance, the study only included formal organizational leaders. However, leadership is not necessarily bound to a formal position of authority (Ciulla, 1998: 12) and informal leaders have been shown to have a significant amount of influence on teams that may even exceed the influence of formal leaders (Pielstick, 2000: 111). It might be that informal leaders, precisely because they lack the formal authority and management resources to strengthen their efforts, have distinct views on ethical leadership than those that emerged from the data reported here. Likewise, followers need not be without a formal leadership position themselves; managers, too, may be followers to a specific ethical leader. Still, in most organizations, managers remain the primary objects of interest when studying ethical leadership: as several interviewees commented, the manager's leadership is given extra weight when it comes to role modeling, reinforcement, and communication, the manager is held accountable for employees' ethical behavior, the manager is the one with the formal authority and resources to back up their ethical leadership efforts with. A greater limitation of the sample is that it does not include those on the other side of the leader-follower relationship: the employees. Therefore, no inferences can be made regarding the effectiveness of the various approaches to ethical leadership proposed by the interviews. Employees' needs for ethical leadership may be very different than what managers conceive by it and how they exert it in practice. Employees may actually expect and want an ethical leader that reduces ethical ambiguity by providing clear rules, as studies by Lasthuizen (2008: 141-142) and Kaptein (2003: 106) imply. Or perhaps employees feel that implicit communication about ethics, like Brown and Treviño (2006: 597) argue, is not salient or clear enough. Indeed, there may be various sources of discrepancy in the implicit ethical leadership theories of managers and employees, which in turn may decrease the effectiveness of ethical leadership on followers' ethical decision-making and behavior (cf. Foti and Luch, 1992: 63; House et al., 2002: 9; Resick et

al., 2006: 354; van den Akker et al., 2009: 116). Moreover, exploring employees' views on ethical leadership is necessary to ensure the comprehensiveness of the Q-set that has been developed on the basis of the results of the present study. To the extent that employees' views divert from those of managers, some additional adjustments to this Q-set may be needed. In the follow-up studies that are part of this research project, employees' views on ethical leadership will therefore be explored as well.

With respect to the reliability and internal validity of this study, several remarks must be made. First, qualitative interviews merely reflect the perceptions of those interviewed, and these perceptions are not necessarily a good reflection of how that person 'actually' behaves or feels. However, as noted in chapter three, this study does not intend to assess managers' ethical leadership practices, but rather aims to uncover similarities and differences in *subjective* viewpoints of managers. Whether a manager actually behaves according to what he or she conceives as ethical leadership is thus all too not relevant at this stage. The focus on subjective views does imply that the results are situated in very specific contexts, which lessens the replicability and thus the reliability of the findings. Also important in this respect is the risk of social desirability bias. Interviewees may have felt inclined to answer in ways that they perceive as consistent with socially accepted norms, either to put themselves and their organizations in a positive daylight or because they did not feel comfortable enough to reveal their true feelings and opinions to the researcher. Even though precautions were taken on part of the researcher to reduce the likelihood of socially desirable answers, for instance by stressing the anonymity of participation and asking additional probing questions to get a more elaborate answer, social desirability remains an inevitable risk embedded in nearly all social science methods. Again, though, it must be stressed that this study revolves around the subjective views of managers, not their actual behavior. Moreover, most of the interviewees in fact responded very frank, extensively discussing their doubts, struggles, mistakes, or incidents that they had encountered. Some were very explicit in disagreeing with particular statements that the researcher presented to the interviewees and there were few signs of restraint as managers made less popular remarks. Still, it is impossible to fully exclude social desirability bias as an undue influence on the study's results.

A final important limitation of the study is that it is not a direct and full report of managers' views on ethical leadership, but rather a reconstructed summary of those views made by the researcher. This opens the door for researcher bias in the interpretation, analysis, and reporting of the data. As Miles and Huberman (1994: 263) argue, there is a chance that the researcher interprets the data as more patterned and congruent than they are, "lopping off many loose ends of which social life is made". As a result, causal relations may have been falsely attributed (Miles and Huberman, 1994: 144), for example when it comes to the effects of the publicness of organizational contexts on ethical leadership views. Furthermore, the

semi-structured nature of the interviews may have influenced the results as a preexisting notion of ethical leadership might have shaped both the questions and the researcher's interpretation of the answers. As already discussed in chapter three, several different tools were used throughout the data-collection and –analysis to reduce the risk of researcher bias, which need not be reiterated extensively here. Moreover, the existing body of literature was often conflicting and suggested no particular outcome beforehand. Likewise, there was no incentive for the researcher to expect or prefer a particular outcome: whether differences or similarities emerged between public, hybrid, and private organizations, it stood to make an important contribution to the field of administrative and business ethics. But the real proof is in the pudding of triangulation: by comparing and contrasting the data of the study at hand with those to be collected in follow-up studies, further confirmation, adjustment, or disconfirmation of the results reported here will occur. As such, this study has no pretences of providing definitive answers as to the ethical leadership views of managers across the public-private continuum. Instead, it 'merely' constitutes a crucial first step in uncovering the many aspects to ethical leadership in public, hybrid, and private organizational contexts.

5.3 Theoretical Implications

The results of this study once again underscore the importance of comparative ethical leadership research that crosscuts the boundary between public administration and organization science. The findings suggest that there are far more similarities than there are differences between public, hybrid, and private sectors organizations with respect to ethical leadership. Still, administrative and business ethics are relatively disjointed fields of research with distinct journals, conferences, and other academic forums. In line with this, accumulation of theoretical and empirical insights seems to occur primarily within the separate fields (e.g., Brown and Treviño, 2006). In a way, we seem to be inventing the wheel on both sides of the disciplinary boundary. Both administrative and business ethics would benefit from taking a beyond their own fields a bit more, integrating and contrasting their own data with findings on the other side of the public-private sector fence. At the same time, the present study also shows that we mustn't assume that ethical leadership is a generic, universal phenomenon and that the contextual nature of conceptions and manifestations of ethical leadership needs further exploration. However, as with the present study, our view on the contextual specificities of ethical leadership may be much sharper when we take a direct comparative approach; it is in making comparisons, that the distinctive characteristics in ethical leadership as well as their relative importance across contexts likely become most apparent.

In addition to the propositions presented in the previous section, the results illuminate several gaps in the literature on ethical leadership that need to be addressed. Although Brown and Treviño (2006: 612) argued against the likelihood of sex differences in ethical leadership, the results presented here suggest a difference might exist in how men and women view the 'moral person' component of ethical leadership, specifically with respect to caring and empathy. In line with this, women more than men may emphasize caring and empathy in their own ethical leadership styles as well. As has been posited before (Heres, 2007: 41), further inquiry into the relationship between ethical leadership and gender thus seems necessary. Additionally, several interviewees proposed that ethical leadership –and the balance between trust and compliance in particular- may need to be adjusted to the education level of the (prospective) followers. Lower educated followers, it was proposed, may need more specific ethical guidelines, whereas higher educated followers are likely to resist strict rules and regulations and require an ethical leadership style which emphasizes independent judgment. Likewise, higher educated followers are suggested to be more capable of discussing abstract notions such as ethics, whilst lower educated followers may require more precise and concrete concepts that relate directly to their daily work experience. Lastly, the data suggest group dynamics may be key to furthering our understanding of how ethical leadership works and how one obtains a reputation for ethical leadership. At different moments in the interviews, it was implied that ethical leadership is not merely a dyadic relationship between the leader and the follower but is also constituted at the group level. Gossip and 'grapevine' rumors circulating in a team or organization likely affect one's reputation for ethical leadership, and whether an ethical leader succeeds in stimulating followers to hold one another accountable to ethical standards may depend on, for instance, the specific power relations within the group. The results thus provide various interesting venues for future research on the contingencies of ethical leadership.

The results also warrant further development of the measurement instruments of ethical leadership. Instruments such as the Ethical Leadership Scale (ELS) of Brown et al. (2005: 125) and the ethical leadership styles of Lasthuizen (2008: 75-76) have done much for the development of empirical research on ethical leadership and must be commended for the ground-breaking contributions they have made to the field. However, to advance our understanding of the conceptions, manifestations, and effects of ethical leadership, it is imperative that such measurement instruments become more sensitive to its contingencies. Currently, ethical leadership measures provide very little information on the specific expressions of the traits and behaviors that it entails –yet it is with respect to these specifics that the most variety in ethical leadership styles is to be expected. Thus, whether rewards attributed by the leader are material or immaterial, or how frequently a leader communicates about ethics does not become clear from existing measures of ethical leadership. Similarly,

existing instruments do not enable analysis of the relative weight of the different aspects across settings. Whether a societal, outward focus is more important to ethical leadership in the more public sector organizations and whether honesty is as characteristic of private sector organizations as suggested above, therefore cannot be determined using existing measures. While commendable for their parsimony, it seems that the general nature of measurement instruments such as the Ethical Leadership Scale (Brown et al., 2005: 125) hide much of the potential variety embedded in ethical leadership.

The general character of existing ethical leadership measures may also have important implications for assessing the antecedents and effects of ethical leadership. To illustrate, measurement instruments include communication items like "discusses business ethics or values with employees" (Brown et al., 2005: 125) and "my supervisor clarifies ethical decisions and norms concerning my work" (Huberts et al., 2007: 594). Yet given the different views on what communication about ethics entails –incorporating it into operational discussions or addressing the ethical component of work explicitly- items such as these may be understood in different ways: one respondent might score its leader on the amount of explicit communication about ethics, whereas another might feel that this item also encompasses more implicit discussions of norms and values. As a result, different interpretations of these measurement items might cause variance in ethical leadership scores that is not an indication of whether someone is more or less perceived to be an ethical leader, but which rather reflects the differences in how ethical leadership is exerted. If the abovementioned propositions are found to be true, one might for instance find that ethical leadership occurs less in private sector organizations than in public sector organizations. But perhaps this is not because the private sector is actually experienced as 'less ethical', but merely because ethical leadership is conceived and executed *differently* across sectors. Of course, the views of managers and leadership experts do not necessarily represent the most effective way of enhancing followers' ethical decision-making and behavior. Perhaps explicit communication about ethics, like Brown and Treviño infer from their theoretical framework (2006: 597), is essential to being recognized as an ethical leader by followers. However, given the results presented here, I would argue that such theoretical assumptions should be made empirically falsifiable to further substantiate their validity.

A final remark that should be made with respect to current conceptualizations and measurement instruments of ethical leadership concerns the so-called "pillars" on which the dominant models (e.g., Treviño et al.) are founded. While models such as these provide much instant clarity on the two components of ethical leadership –moral person and moral manager- the data presented here raise questions as to their tenability. Specifically, the results indicate that many of the components and aspects attributed to ethical leadership are both conceptually and empirically interwoven constructs. The moral person component includes traits such as

'empathy' and 'trustworthiness', suggesting that they these traits are characteristic of an individual person. Yet at the same time, the results suggest that trust and care are constituted in the leader-follower relationship. And the leader-follower relationship is not only an aspect of the leaders' own ethical decision-making and behavior, but is also seen as a necessary prerequisite to the effectiveness of role modeling, reinforcement, and communication. Likewise, interviewees rarely distinguished between role modeling as visible action and the leader's decision-making and behavior per se. In fact, it was mainly discussed in terms of negative examples and in the way that it is expressed through a person's reinforcement and communication efforts. Role modeling seems so ingrained in each of the other aspects of ethical leadership that its true meaning and shape remains rather vague and elusive. Given the close interconnection and mutual constitution of the different aspects and components of ethical leadership, it seems questionable whether we need to and want to maintain the distinction between the moral person and the moral manager pillars of ethical leadership or whether a more comprehensive conceptualization of ethical leadership is perhaps more appropriate.

To develop a measurement instrument of ethical leadership that is both more context-sensitive and that is able to deal with the interwoven nature of the different ethical leadership aspects, the interview data have been used as input for a Q-set. This Q-set (see table 4.5) is a set of statements that is taken as representative of the population of subjective viewpoints that exist with respect to ethical leadership[13] (cf. van Exel and de Graaf, 2005: 2). The Q-set can be used to uncover the clusters of subjective viewpoints that exist with respect to ethical leadership. Contrary to traditional 'R' methods, a Q-study would not look at differences in scores on 'objective' traits or behaviors (i.e., person *a* has more of trait *A* than does person *b*) but would rather focus on the individual's subjectivity which takes meaning in terms of the way traits are valued (i.e., person *a* values trait *A* more than trait *B*) (Brown, 1980: 19). And unlike correlations in R-studies, correlations in Q-methodology do not represent the degree of similarity between traits but rather the similarity in how individuals rank-ordered the statements (Brown et al., 2007). Using the Q-set, we can thus better assess the various – subjective- implicit ethical leadership theories that people hold. Moreover, Q-methodology *inductively* establishes categories or dimensions of ethical leadership; it does not require structures pre-developed and imposed by the researcher (de Graaf and van Exel, 2008: 67). The clusters thus emerge in an operant manner from the data and represent functional (to the subject) distinctions rather than merely logical (to the researcher) distinctions (Brown, 1993,

[13] However, as mentioned in chapter three, the Q-set that is developed here will be cross-checked against the interviews with employees that are conducted at a later stage in the research project. Where necessary, the Q-set will be further revised to ascertain that the final Q-set contains all relevant aspects of the concourse on ethical leadership.

2002 in: de Graaf and van Exel, 2008: 66). Finally, Q-methodology would not consider ethical leadership as the mere sum of individual traits and behaviors but forces the researcher to interpret the various aspects in their entirety, as irreducible and nonfractional wholes (Brouwer, 1999 in: de Graaf and van Exel, 2008). That is, Q-methodology takes explicit notion of the functional relations between and the relative weight given to the different aspect of ethical leadership. Such an approach fits well with the findings of this study, which suggest that people do not make clear analytical distinctions in the various components of ethical leadership and that being a moral person, role modeling, communication, reinforcement, and the leader-follower relationship are closely intertwined with one another in practice. To conclude, by using the qualitative interviews to develop a Q-set, this study sets a large step in coming to a context-sensitive ethical leadership measure.

5.4 Practical Implications

The contributions of this study are not merely academic, though. The study provides managers with an extensive framework –both theoretical and empirical- that outlines different ways to look at ethical leadership. Moreover, it explicates the mechanisms upon which ethical leadership is founded. While this study must not be taken as a 'checklist' that one can just tick-off in order to become an ethical leader, it can provide a benchmark to assess one's own ethical leadership efforts and to reflect on what might be the most appropriate ethical leadership approach in their specific situation. For instance, the results suggest that ethical leaders need not be infallible per se, as long as they show they are willing to be open and honest, own up to mistakes, and learn from them. It might be useful for managers to evaluate the extent to which they are indeed perceived by employees as having such an open and learning stance to (ethical) failures as this affects their influence on employees' ethical decision-making and behavior. The theoretical and empirical framework presented in this thesis also provides interesting information for ethical leadership trainings, which the results suggest may need to be tailored to the publicness of the organizational context; to the more public organizations, societal accountability seems especially important to managers' and employees' daily realities and should be therefore be addressed when considering for instance how to communicate about ethics. Hybrid sector managers seem to be in a very specific 'in-between' situation where they may have the financial and ownership structure of a private organization, but because of their task (e.g., child care, social housing) are judged by the general public on typical public sector standards. Conversely, for private sector managers the emphasis may need to be more on honesty and what that entails to the managers in specific situations. Or, if future research confirms Brown and Treviño's (2006: 597) argument that implicit communication is insufficient for employees to consider their manager as an ethical

leader, training to private sector managers might need to place even more emphasis on the importance of communicating an explicit and salient message about ethics.

On a more general note, this study shows that there is more than one way to view ethical leadership. Managers may therefore want to assess to what extent there are varieties in how organizational ethics is dealt with throughout the organization. Just as there seem to be differences across the public-private continuum, there might be different views on ethical leadership within an organization. It has been noted before, but bears repeating here, that managers' and employees' views on ethical leadership do not necessarily coincide. Likewise, managers suggested that there might be somewhat different notions of ethical leadership within a single organization. Because of the importance of reputation and perception, these differences may lessen the effectiveness of ethical leadership. For example, a higher-level manager might emphasize the importance of general principles, independent judgment, and common sense, whilst his or her lower-level managers stresses rule following and compliance to employees. Here, the higher-level manager may not be able to attain a reputation for ethical leadership amongst lower-level employees, as they might consider the manager's words as mere 'reputation management' and 'nice words' that are not backed up by action. After all, room for independent ethical judgment is not what these employees experience in their everyday work setting. In a related vein, formal ethics programs may not always be consistent with managers' own perspectives on what is the best approach to foster organizational ethics. To stay with the same example, an organization's ethics program may be rather trust-based whereas a manager in that organization might feel that ethics should in fact be more compliance-based. In such cases, employees might see the formal ethics program as mere window-dressing or as hypocritical, lessening the effectiveness of such ethics programs. To assure that both managers' ethical leadership efforts and formal ethics programs are optimally effective, it may thus be useful to identify potential inconsistencies in approaches and consider whether such inconsistencies can perhaps be mended for the organization's ethical leadership efforts to become more coherent and mutually reinforcing.

5.5 Conclusion

This thesis set out to uncover the viewpoints of managers and leadership experts operating across the public-private continuum with respect to ethical leadership. An extensive body of literature and a rich dataset has been presented, outlining the characteristics and behaviors that are thought to constitute ethical leadership in public, hybrid, and private organizational contexts. The results suggest there are far more similarities than there are differences in the views on ethical leadership across contexts. As such, this study has reaffirmed the basic premises of existing ethical leadership theories and previous empirical works. On the other

hand, the study has also revealed potential contingencies of ethical leadership and underscores the variform universal nature of the phenomenon. By providing specific propositions and a new measurement instrument that allows for more systematic study of people's subjective viewpoints on ethical leadership, this thesis has opened the door to new venues of research on ethical leadership. Future research will of course have to confirm or disconfirm the proposed similarities and differences in ethical leadership views across the public-private continuum. However, one thing has become unequivocally clear from this thesis: what makes the difference in ethical leadership is a conglomerate of complex interwoven aspects and contextual factors. When it comes to ethical leadership, there is thus plenty that still needs unveiling.

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APPENDICES

Appendix I: Interview Invitation Letter

Original in Dutch

<Naam organisatie>
<Naam>
<Adres>
<Postcode en plaats>

Geachte heer/ mevrouw XXX,

Iedere organisatie heeft wel eens te maken met situaties waarbij verschillende waarden en belangen tegenover elkaar staan en de beslissing wat het beste of meest juiste is niet direct voor de hand ligt. Dergelijke ethische dilemma's kunnen soms verstrekkende gevolgen hebben. Waar ligt u 's nachts wakker van? Hoe gaat u als leidinggevende met dergelijke dilemma's om? En hoe spoort u uw medewerkers aan om integer en ethisch te handelen?

Dit voorjaar doet de onderzoeksgroep Integriteit van Bestuur van prof.dr. L.W.J.C. Huberts, onderdeel van de Faculteit der Sociale Wetenschappen aan de *vrije* Universiteit, onderzoek naar deze problematiek in het onderzoeksproject '**Ethisch leiderschap in publieke, private en hybride organisaties**'. In dit onderzoek wordt gekeken wat managers en medewerkers van publieke, private en hybride organisaties verstaan onder ethisch leiderschap en hoe daar in de praktijk invulling aan wordt gegeven.

Gegeven uw positie als XXX bij XXX, zijn wij zeer geïnteresseerd in uw visie op ethisch leiderschap. Uw deelname aan het onderzoek zou dan ook zeer op prijs worden gesteld. Het interview bestaat uit een aantal vragen over het soort ethische dilemma's waar u en uw medewerkers mee te maken hebben, hoe u hier als leidinggevende mee omgaat, en hoe u de rol van leidinggevenden ziet in het aansturen van medewerkers wat betreft ethiek en integriteit (zie verder bijlage). Het interview zal ongeveer één uur in beslag nemen. Het spreekt voor zich dat wij uiterst vertrouwelijk omgaan met de door u verschafte informatie. In de eindrapportage zal op geen enkele wijze informatie te herleiden zijn tot uw naam of die van uw organisatie.

Omdat u drukbezet bent, beseffen wij dat het even kan duren voordat u tijd heeft voor een dergelijk gesprek. Idealiter vindt het interview plaats in mei 2009. Binnen twee weken zullen wij telefonisch met u contact opnemen om te vernemen of u deel wenst te nemen aan het onderzoek en eventueel een afspraak te maken voor het interview. Uiteraard kunt u ook contact met ons opnemen. Onze gegevens staan bovenaan deze brief.

Wij hopen op uw medewerking en danken u daar bij voorbaat hartelijk voor.

Hoogachtend,

Leonie Heres, BSc.
Onderzoeker Integriteit van Bestuur

Dr. Karin Lasthuizen
Universitair docent Integriteit van Bestuur

Translated to English

<Name organization>
<Name>
<Address>
<Postal code and city>

Dear sir/madam XXX,

Every organization deals with situations in which different values and interests conflict with one another and in which the decision of what is best or most appropriate is not immediately clear. Such ethical dilemmas can sometimes have grave implications. What keeps you up at night? How do you as a manager deal with such dilemmas? And how do you encourage your employees to behave ethically?

This spring the research group Integrity of Governance of prof. dr. L.W.J.C. Huberts, part of the Faculty of Social Science of the *VU* University, will conduct a study on these issues in the research project **'Ethical leadership in public, hybrid, and private organizations**'. In this project, we will study how managers and employees of public, hybrid, and private organizations conceive ethical leadership and how it is given shape and meaning in practice.

Given your position as XXX with XXX, we are very interested in your vision on ethical leadership. Your participation in the study would therefore be much appreciated. The interview will consist of a number of questions concerning the type of ethical dilemmas that you and your employees are confronted with, how you deal with this as a manager, and how you see the role of managers in safeguarding the ethics and integrity amongst employees (see also the attachment to this letter). The interview will take approximately one hour. We will of course handle all the information provided by you with the utmost care and confidentiality. In the final report, information will not be traceable to you or your organization.

Since you are busily engaged, we realize that it may take a while before you have time to arrange such an interview. Ideally, the interview would take place in May 2009. Within two weeks we will contact you by telephone to learn whether you would like to participate in the study and if so, to make an appointment for the interview. Of course, you may also contact us. Our contact information is included at the top of this letter.

We hope for your collaboration and thank you in advance.

Sincerely,

Leonie Heres, BSc.
Researcher Integrity of Governance

Dr. Karin Lasthuizen
Associate professor Integrity of Governance

Appendix II: Research Project Information

Original in Dutch

Onderzoeksgroep Integriteit van Bestuur
Integriteit van Bestuur is een subprogramma van het onderzoeksprogramma *Dynamics of Governance* van de afdeling Bestuurswetenschappen aan de Faculteit der Sociale Wetenschappen. Doel van de onderzoeksgroep *Integriteit van Bestuur* is empirisch onderzoek te verrichten naar integriteits- en veiligheidsproblemen in bestuur, bedrijf, beroep en samenleving, naar de oorzaken van die problemen, en de oplossingen die bestaan of denkbaar zijn, om aldus een bijdrage aan nationale en internationale wetenschappelijke (met name bestuurskundige) theorievorming te leveren.

De centrale onderzoeksvraag is: *wat is de inhoud van de integriteit en ethiek van bestuur, wat zijn de oorzaken van integriteitsproblemen (inclusief corruptie) en welk soort beleid en instituties kunnen helpen de integriteit van bestuur te beschermen?* Het brede spectrum van issues, organisaties en sectoren dat in het onderzoek aan de orde komt, is een belangrijk en onderscheidend kenmerk van de onderzoeksgroep. Meer informatie over de onderzoeksgroep Integriteit van Bestuur kunt u vinden op www.fsw.vu.nl/integriteit.

Onderzoeksproject 'Ethisch leiderschap in publieke, private en hybride organisaties'
Bij het beschermen van de integriteit en het voorkomen van integriteitsproblemen binnen organisaties lijkt een belangrijke rol te zijn weggelegd voor leiderschap. Ethisch leiderschap omvat al het soort leiderschap dat erop gericht is de integriteit en ethiek van organisaties te waarborgen en de ethische besluitvorming van medewerkers positief te beïnvloeden. Onder ethische besluitvorming wordt hier verstaan de mate waarin medewerkers in staat zijn om de morele implicaties van een situatie in te schatten (het ethisch bewustzijn), een besluit te nemen dat voldoet aan de maatschappelijk relevante normen, waarden en regels, en daar vervolgens ook naar te handelen. Het is denkbaar dat leidinggevenden op verschillende wijzen trachten dergelijke besluitvorming van medewerkers te beïnvloeden, bijvoorbeeld door duidelijke regels te stellen of door met medewerkers te discussiëren over de mogelijke ethische implicaties van besluiten.

Bij het onderzoeksproject 'Ethisch leiderschap in publieke, private en hybride organisaties' wordt gekeken wat door managers en medewerkers van een breed scala aan organisaties wordt verstaan onder ethisch leiderschap, welke verschillende ethische leiderschapsstijlen kunnen worden onderscheiden en hoe deze leiderschapsstijlen samenhangen met de ethische besluitvorming van medewerkers. Daarbij wordt in het bijzonder aandacht besteed aan het type organisatie en de specifieke context waarin de organisatie opereert. De centrale onderzoeksvraag van het onderzoeksproject is: *welke overeenkomsten en verschillen zijn er in de ethische leiderschapsstijlen van managers in publieke, private en hybride organisaties en in hoeverre beïnvloeden deze leiderschapsstijlen de ethische besluitvorming van medewerkers?*

Uw deelname
Om goed inzicht te krijgen in hoe er in verschillende soorten organisaties wordt gedacht over en omgegaan met ethisch leiderschap, worden er interviews gehouden met een diverse groep leidinggevenden en medewerkers van publieke, private en hybride organisaties. Graag zouden wij ook met u in gesprek raken over uw visie op ethisch leiderschap. Uw deelname aan het onderzoek zou bijzonder op prijs worden gesteld.

Tijdens het interview gaat het nadrukkelijk om uw eigen beleving en ervaringen, hoe u zelf invulling geeft aan ethisch leiderschap maar ook uw beeld van hoe hier door andere

leidinggevenden binnen de organisaties waar u mee te maken heeft mee omgegaan wordt. Belangrijk is dat het om uw eigen mening gaat, er zijn dus geen goede of foute antwoorden.

Het interview zal omstreeks één uur in beslag nemen. Tijdens het interview zullen onder meer de volgende onderwerpen aan bod komen:

- Kenmerken en context van uw organisatie
- Ethische dilemma's waar managers en medewerkers mee te maken hebben
- Integriteitsbeleid van organisaties
- Uw visie op ethisch leiderschap

Het spreekt voor zich dat wij uiterst vertrouwelijk omgaan met de door u verschafte informatie. U ontvangt een transcript van het interview om eventuele feitelijk onjuistheden te kunnen corrigeren. In de eindrapportage zal op geen enkele wijze informatie te herleiden zijn tot uw naam of die van uw organisatie. Indien u dat op prijs stelt, kunnen wij u te zijner tijd het onderzoeksverslag doen toekomen.

Translated to English

Research group Integrity of Governance
Integrity of Governance is a subprogram of the research program *Dynamics of Governance* of the Department of Governance Studies at the Faculty of Social Sciences. The aim of the research group *Integrity of Governance* is to conduct empirical research on integrity- and security problems in governance, professions, and society, on the causes of those problems, and the solutions that exist or are thinkable, so as to contribute to the national and international academic (and most notably public administration) theory building.

The central research question is: *what is the content of the integrity and ethics of governance, what are the causes of integrity problems (including corruption) and what type of policies and institutions may help safeguard the integrity of governance?* This broad spectrum of issues, organizations, and sectors that our research deals with is an important and distinctive characteristic of the research group. More information about the research group *Integrity of Governance* may be found on www.fsw.vu.nl/integriteit.

Research project 'Ethical leadership in public, hybrid, and private organizations'
In safeguarding the organization's integrity and preventing integrity problems, leadership seems to play an important role. Ethical leadership encompasses all the leadership that is aimed to protect the integrity and ethics of the organization and to positively influence employees' ethical decision-making. Ethical decision-making here concerns the extent to which employees are capable of assessing the moral implications of a situation (the moral awareness), to make a decision that is in line with the relevant social norms, values, and rules, and to act accordingly. It is conceivable that managers try to influence such decision-making of employees, for instance by setting clear rules or by discussing the potential moral implications of decisions with employees.

In the research project 'Ethical leadership in public, hybrid, and private organizations' we look at what managers and employees from a wide range of organizations conceive as ethical leadership, what different ethical leadership styles can be discerned, and how these ethical leadership styles relate to the ethical decision-making of employees. Special attention is paid to the type of organization and the context within which the organization operates. The central research question of the project is: *what similarities and differences are there in the ethical leadership styles of managers of public, hybrid, and private organizations and to what extent do these leadership styles influence the ethical decision-making of employees?*

Your participation
To get insight in how people think about and deal with ethical leadership in different types of organizations, interviews are held with a diverse group of managers and employees from public, hybrid, and private organizations. We would also like to learn your view on ethical leadership. Your participation in the study would be very much appreciated.

The interview explicitly revolves around your own views and experiences, how you yourself give meaning to ethical leadership as well as your view of the ethical leadership of managers in the organizations that you deal with. It is important to stress that it is about your own opinion, there are no wrong or right answers.

The interview will take about one hour. During the interview, the following subjects will be addressed:

- Characteristics and the context of your organization
- Ethical dilemmas that managers and employees are confronted with
- Integrity policy of the organization

- Your vision on ethical leadership

We will of course handle all the information provided by you with the utmost care and confidentiality. You will receive a transcript of the interview to correct any factual errors. In the final report, information will not be traceable to you or your organization. If you are interested, we will send you the research report when it is completed.

Appendix III: Interview Protocol

Interview protocol	
Introduction	
• Introduction of self • Purpose of the study: what managers in different organizations conceive as ethical leadership and how that relates to employees' ethical decision-making • Emphasize anonymity and note that interviewee will receive transcript • Overview interview, making notes • Request permission of digital recording	
1. Could you first tell something about your own background?	
• Previous job positions • Experience in public/private/hybrid • Current job content	• Could you tell me something about what you have done in previous jobs? • Can you give a description of a typical work day?
2. Can you tell me something about your organization	
• Primary tasks and goals • Structure (flat, hierarchical, etc.) • Culture (informal/ formal, open/closed) • Interest parties internally and externally	• Could you elaborate further on that?
3. Does the organization pay attention to ethics and integrity? If so, how?	
• Level • Proactive/ structural – reactive/incidental • Procedures, rules, codes, policy • Institutions (ethics officers, teams, seminars, etc.) • Integritism	• To what extent is ethics on the organization's agenda? • What does the organization do to reduce integrity risks? • Do you find all the attention to ethics justified? Or is it perhaps a bit overdone?
4. How do you see your own role in fostering organizational ethics?	
• Results/ process oriented • Participative/ autocratic decision-making • Communication, reinforcement, role modeling	• How do you attempt to influence the ethical decision-making and behavior of followers? • How do you try to raise employees' moral awareness? • How do you yourself try to prevent integrity violations?
5. What would you conceive as ethical leadership?	
• Personal traits • Stimulating, encouraging, managing • Leader-follower relationship	• What requirements are there for an ethical leader? • What traits characterize an ethical leader to you? • What do you mean by that? • Could you give an example of that?
6. Do you see yourself as an ethical role model to your employees?	
• Characteristics of role modeling • Active/ passive	• How do you try to role model ethical behavior? • What do you mean by that? • Could you give an example of that? • Are you consciously trying to be a role model to your employees?

7. Do you communicate with your employees about ethics? If so, how?	
• Explicit/ implicit • Proactive/ structural – reactive/incidental • Open discussion, emphasis on rules • Communication about integrity violations • Evaluation of decision-making processes	• Do you often talk to employees about ethics? What do you discuss precisely? • How and when does communication about ethics occur? • Do you give employees clear ethical guidelines or do you discuss with them what they perceive as ethical behavior? • Do you discuss the moral implications of decisions with employees?
8. How do you deal with employee integrity violations? And how do you deal with cases of clear ethical behavior?	
• Punishments, rewards • Public private	• What do you when you receive signals of integrity violations? • Are integrity violations discussed with the team or only with the employees involved? • Are cases of ethical behavior rewarded? How?
9. Could you give an example of an ethical dilemma that you or your employees have been confronted with?	
• Typical dilemmas • Characteristics of ethical dilemmas • Factors that influence the decision-making • Interests and stakeholders involved • Decision-making process • Deliberations	• Could you elaborate further on that? • How did you experience that? • How did the decision-making process go?
10. Relative to the employees' personal traits and experiences, organizational culture, formal policies, and so on, how important do you consider leadership to employees' ethical decision-making and behavior?	
• Extent and type of influence of leaders	• Is is possible for leaders to influence employees' ethical decision-making and behavior?
11. I have come to the end of the interview. Do you have any additional remarks you would like to make, or discuss matters that have not yet been discussed?	

Thank you for participating in the study.
What did you think of the interview? Were the questions clear enough?

As mentioned before, you will receive a transcript of the interview for approval. If you like, I will also send you the research report with the findings of the study when it is completed.

Appendix IV: Code List

	Code	Description	Operational definition
General	**DEF**	Definition	Definition of a construct as provided by the interviewee
	EXPL	Explanation	Explanation of a phenomenon provided by the interviewee
	ILL	Illustration/ example	Illustration or example of a phenomenon or construct
	MET	Metaphor	Use of metaphor
Thematic	**ETH**	Ethics	Interviewee discussion of what 'ethics' or 'morality' entails
	INT	Integrity	Interviewee discussion of 'integrity' entails
	VIOL	Integrity violation	Description of what the interviewee perceives as a violation of relevant moral values, norms, rules, and obligations
	INTISM	Integritism	Interviewee discussion of what (s)he perceives as an oversimplification and immediate condemnation of an issue in terms of ethics and integrity, exaggeration of the significance of the values and norms in question and/ or overgeneralization of a moral judgment with respect to a specific aspect or behavior to the entire person or organization
	EDIL	Ethical dilemma	Ethical dilemma, i.e. a situation where a decision has to be made but where the interviewee feels the alternatives involve trade-off between fundamental values
	EL	Ethical leadership	Description and meaning of ethical leadership. What the interviewee perceives as and associates with leader integrity and a leader's ability to cultivate such decision-making and behavior among followers
	CTX	Context	Characteristics, circumstances, and environmental surroundings of the organization of which the interviewee is a part or in which the interviewee operates, e.g., the organization's culture, structure, internal and external stakeholders, temporal and societal culture
	PP	Public-private organizational context	Interviewee characterization of the differences and similarities between public, hybrid, and private organizations
Ethical leadership	**EL-CHA**	Ethical leader characteristics	Characteristics, attributes, traits the interviewee associates with ethical leadership
	EL-CHA-ALT	Altruism	Care for greater concern above and beyond personal gain; unselfish concern for the welfare of others; selflessness
	EL-CHA-AUT	Authenticity	Owning one's personal experiences, be they thoughts, emotions, needs, preferences, or beliefs, processes captured by the injunction to know oneself and behaving in accordance with the true self
	EL-CHA-CARE	Caring and people-orientation	Genuine interest in and concern for other people and their well-being, helpfulness, attentiveness to others
	EL-CHA-CAW	Contextual awareness	Awareness of the context within which a person operates
	EL-CHA-CG	Concern for common good	Genuine concern for the common good, the well-being of the larger community, society at large
	EL-CHA-CHR	Charisma	Special magnetic charm or appeal
	EL-CHA-COU	Moral courage and resilience	Ability to uphold personal values and principles even in the face of significant external pressures, adversity or risks
	EL-CHA-HON	Honesty	Being candid, frank, and straightforward about one's intentions, conduct, et cetera
	EL-CHA-INT	Integrity	Characteristic or quality of an actor or specific behavior that refers to their consistent acting and being in accordance with the moral values, norms, rules, and obligations that are considered valid and relevant within the context in which the actor operates
	EL-CHA-JUST	Justice, equality, fairness	Genuine concern for justice, equality, and fairness
	EL-CHA-MOD	Modesty	Simplicity, moderation, and freedom from vanity, arrogance, boastfulness, et cetera
	EL-CHA-OAW	Other-awareness	Awareness of other people's perspectives, feelings, views, et cetera
	EL-CHA-OPEN	Openness	Being accessible and approachable
	EL-CHA-REL	Reliability	Dependable and consistent, can be depended upon with confident certainty
	EL-CHA-RESP	Respect	Showing regard or consideration for others and refraining from undue interference with others
	EL-CHA-TRUST	Trustworthiness	Deserving of trust or confidence
	EL-CHA-VAL	Values	Strong, deeply held set of personal moral values that are highly principled and concerned with doing the right thing
	EL-EDM	Ethical leader decision-making and behavior	Process and outcomes of leaders' own ethical decision-making and behavior
	EL-CHA-VIS	Visionary	Has clear vision for the personal and/or organizational future

	Code	*Description*	*Operational definition*
Ethical leadership	**EL-EDM-AWA**	Moral awareness	Ability to recognize the moral elements of the decision at hand and, within reason, oversee the moral consequences of decisions, the end goals set and the means used to achieve them
	EL-EDM-BEH	Ethical behavior	Exhibiting behavior that is in accordance with relevant moral values, norms, and rules
	EL-EDM-CONS	Consistency	Consistency, coherence, and constancy between decision-making and behavior, words and deeds. Walk the talk and talk the walk
	EL-EDM-DEC	Ethical decision-making	Making decisions that are in accordance with relevant moral values, norms, and rules
	EL-EDM-FEED	Feedback	Ethical decision-making in which feedback from others is actively sought out and taken into consideration
	EL-EDM-JUD	Moral judgment	Ability to judge ambiguous ethical issues, viewing them from multiple perspectives, and aligning decisions with their own moral values
	EL-EDM-REAS	Moral reasoning	High level of moral reasoning capacity. Ability to draw on more sophisticated conceptualizations of interpersonal situations, to think about problems in different ways, and be cognizant of a larger number of behavioral options. Decisions are made on very principled reasoning, based on focal person believes are universal laws of what is just and right
	EL-EDM-STAKE	Stakeholder needs	Ethical decision-making in which all stakeholder needs and consequences for stakeholders are taken into account
	EL-MM	Moral management behaviors	Leadership behaviors aimed to cultivate ethical decision-making and behavior amongst followers
	EL-EDM-TERM	Short and long term	Ethical decision-making in which both short- and long-term consequences are considered
	EL-MM-BAL	Balance	Balance between ethical leadership behavior in terms of compliance and integrity-based approaches, 'hard' and 'soft' measures, external and internal controls, et cetera.
	EL-MM-COM	Communication	Leader-follower communication about ethics-related issues, e.g., values, ethical dilemmas
	EL-MM-PUN	Punishment	Punishing behavior that violates moral values, norms, and rules
	EL-MM-REW	Reward	Rewarding behavior that complies with moral values, norms, and rules
	EL-MM-ROLE	Role-modeling behavior	Leader role modeling of ethical decision-making and behavior
	EL-DEV	Ethical leadership development	Interviewee perspectives on the development of ethical leadership, e.g. through training, inherent dispositions, personal experiences
	EL-SIGN	Ethical leadership significance	The significance of ethical leadership as conceived by the interviewee

	Code	Description	Operational definition
General context	**CTX-OSTR**	Organizational structure	Organization's formal framework of policies and rules, within which an organization arranges its lines of authority and communications, and allocates rights and duties. Includes written policies, rules, and procedures that delineate what is and what is not considered appropriate and desirable conduct. E.g., written codes of conduct, integrity policies
	CTX-OCUL	Organizational culture	Organizational pattern of shared basic assumptions, values, and norms, symbols, artifacts, et cetera. Includes informal codes of conduct, norms of behavior
	CTX-EXINF	External influences	Interviewee describes influences on the organization and/or it's (ethical) leadership originating from the organization's external context
	CTX-EXINF-REGU	Governmental regulations	Interviewee describes influences on the organization and/or it's (ethical) leadership that come from governmental regulations that are directly or indirectly imposed on the organization
	CTX-EXINF-REP	Reputational	Interviewee describes the effects of reputational concerns on the organization and/or it's (ethical) leadership. Includes influence from press
	CTX-EXINF-SOC	Societal context	Interviewee describes influences on the organization and/or it's (ethical) leadership that have to do with the organization's position in a broader societal context. E.g., national culture
	CTX-EXINF-STAKE	Stakeholders	Interviewee describes influence of external stakeholders (e.g., customers, suppliers, supervisory organizations) on the organization and/or it's (ethical) leadership
	CTX-EXINF-TEMP	Temporal context	Interviewee describes influences on the organization and/or it's (ethical) leadership that concern the temporal context within something takes place
Public-private comparison	**PP-LEAD**	Public-private comparisons	Interviewee makes a direct and explicit comparison between public, private, and/or hybrid organizations, regarding it's organization, context, leadership, et cetera.
	PP-SIM	Public-private similarities	Interviewee describes similarities between public, private and/or hybrid organizations, regarding it's organization, context, leadership, et cetera.
	PP-SIM-CULT	Organizational culture	Interviewee describes similarities between public, private and/or hybrid organizations, regarding organizational culture (i.e., the organizational pattern of shared basic assumption, values, norms, symbols, artifacts, et cetera)
	PP-SIM-PSYCH	(Social) psychological processes	Interviewee describes similarities between public, private and/or hybrid organizations in terms of universal human (social) psychological processes
	PP-SIM-STRU	Organizational structure	Interviewee describes similarities between public, private and/or hybrid organizations, regarding organizational structure (i.e., the organizational formal and informal framework of policies and rules, within which an organization arranges its lines of authority and communications, and allocates rights and duties)
	PP-DIF	Public-private differences	Interviewee describes differences between public, private and/or hybrid organizations, regarding it's organization, context, leadership, et cetera.
	PP-DIF-CULT	Organizational culture	Interviewee describes similarities between public, private and/or hybrid organizations, regarding organizational culture (i.e., the organizational pattern of shared basic assumption, values, norms, symbols, artifacts, et cetera)
	PP-DIF-PSM	Public service motivation	Interviewee describes differences between public, private and/or hybrid organizations in terms of the public service motivation of employees. PSM represents an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions. The construct is associated conceptually with six dimensions: attraction to public policy making, commitment to the public interest, civic duty, social justice, self-sacrifice, and compassion
	PP-DIF-STRU	Organizational structure	Interviewee describes differences between public, private and/or hybrid organizations, regarding organizational structure (i.e., the organizational formal and informal framework of policies and rules, within which an organization arranges its lines of authority and communications, and allocates rights and duties)
	PP-DIF-TASK	Task	Interviewee describes differences between public, private and/or hybrid organizations in terms of the tasks, goals, and/or objectives of the organization
	PP-DIF-VAL	Value systems	Interviewee describes differences between public, private and/or hybrid organizations in terms of the organization's underlying value system, ethics, morals

Appendix V: How Does Q –Methodology Work?

The following is an excerpt taken from Van Exel and De Graaf (2005: 1-10). Please visit http://www.qmethodology.net for the full paper, which includes a more detailed discussion of Q-methodology as well as some exemplary studies.

What is Q methodology?

Q methodology provides a foundation for the systematic study of subjectivity, a person's viewpoint, opinion, beliefs, attitude, and the like (Brown 1993). Typically, in a Q methodological study people are presented with a sample of statements about some topic, called the Q-set. Respondents, called the P-set, are asked to rank-order the statements from their individual point of view, according to some preference, judgment or feeling about them, mostly using a quasi-normal distribution. By Q sorting people give their subjective meaning to the statements, and by doing so reveal their subjective viewpoint (Smith 2001) or personal profile (Brouwer 1999).

These individual rankings (or viewpoints) are then subject to factor analysis. Stephenson (1935) presented Q methodology as an inversion of conventional factor analysis in the sense that Q correlates persons instead of tests; "[w]hereas previously a large number of people were given a small number of tests, now we give a small number of people a large number of test-items". Correlation between personal profiles then indicates similar viewpoints, or segments of subjectivity which exist (Brown 1993). By correlating people, Q factor analysis gives information about similarities and differences in viewpoint on a particular subject. If each individual would have her/his own specific likes and dislikes, Stephenson (1935) argued, their profiles will not correlate; if, however, significant clusters of correlations exist, they could be factorised, described as common viewpoints (or tastes, preferences, dominant accounts, typologies, et cetera), and individuals could be measured with respect to them.

The factors resulting from Q analysis thus represent clusters of subjectivity that are operant, i.e., that represent functional rather than merely logical distinctions (Brown 1993; 2002[b]). "Studies using surveys and questionnaires often use categories that the investigator imposes on the responses. Q, on the other hand, determines categories that are operant" (Smith 2001). A crucial premise of Q is that subjectivity is communicable, because only when subjectivity is communicated, when it is expressed operantly, it can be systematically analysed, just as any other behaviour (Stephenson 1953; 1968).

The results of a Q methodological study can be used to describe a population of viewpoints and not, like in R, a population of people (Risdon et al. 2003). In this way, Q can be very helpful in exploring tastes, preferences, sentiments, motives and goals, the part of personality that is of great influence on behaviour but that often remains largely unexplored.

Another considerable difference between Q and R is that "Q does not need large numbers of subjects as does R, for it can reveal a characteristic independently of the distribution of that characteristic relative to other characteristics" (Smith 2001).

To summarise the above, a statement from Steven Brown about Q methodology: *Most typically, a person is presented with a set of statements about some topic, and is asked to rank-order them (usually from 'agree' to 'disagree'), an operation referred to as 'Q sorting.' The statements are matters of opinion only (not fact), and the fact that the Q sorter is ranking the statements from his or her own point of view is what brings subjectivity into the picture. There is obviously no right or wrong way to provide "my point of view" about anything—health care, the Clarence Thomas nomination, the reasons people commit suicide, why Cleveland can't field a decent baseball team, or anything else. Yet the rankings are subject to factor analysis, and the resulting factors, inasmuch as they have arisen from individual subjectivities, indicate segments of subjectivity which exist. And since the interest of Q-methodology is in the nature of the segments and the extent to which they are similar or dissimilar, the issue of large numbers, so fundamental to most social research, is rendered relatively unimportant.*

Brouwer (1999) argued that one of the important advantages of Q is that questions pertaining to one and the same domain are not analysed as separate items of information but rather in their mutual coherence for the respondent: "[s]ubjective feelings and opinions are most fruitfully studied when respondents are encouraged to order a good sample of items from one and the same domain of subjective interest (instead of just replying to single questions)".

Because Q is a small sample investigation of human subjectivity based on sorting of items of unknown reliability, results from Q methodological studies have often been criticised for their reliability and hence the possibility for generalisation (Thomas and Baas, 1992). The most important type of reliability for Q is replicability: will the same condition of instruction lead to factors that are schematically reliable – that is, represent similar viewpoints on the topic - across similarly structured yet different Q samples and when administered to different sets of persons. According to Brown (1980) an important notion behind Q methodology is that only a limited number of distinct viewpoints exist on any topic. Any well-structured Q sample, containing the wide range of existing opinions on the topic, will reveal these perspectives. Based on the findings of two pairs of tandem studies, Thomas and Baas (1992) concluded that scepticism over this type of reliability is unwarranted. The more common notion of statistical reliability, regarding the ability to generalise sample results to the general population, is of less concern here. The results of a Q methodological study are the distinct subjectivities about a topic that are operant, not the percentage of the sample (or the general population) that adheres to any of them.

Interested readers will find more information on the methodological background of Q in Stephenson (1953) and Brown (1980; 1986); a guide for Q technique in Brown (1980; 1986; 1993); and a recent discussion and review of applications in Smith (2001).

2. How does Q methodology work?

This section provides those unfamiliar with Q methodology a very basic introduction to Q, largely based on Brown (1980; 1993). Performing a Q methodological study involves the following steps: (1) definition of the concourse; (2) development of the Q sample; (3) selection of the P set; (4) Q sorting; and (5) analysis and interpretation. A comprehensive discussion of each step follows.

2.1 Definition of the concourse

In Q, concourse refers to "the flow of communicability surrounding any topic" in "the ordinary conversation, commentary, and discourse of every day life" Brown (1993). The concourse is a technical concept (not to be confused with the concept of discourse) much used in Q methodology for the collection of all the possible statements the respondents can make about the subject at hand. The concourse is thus supposed to contain all the relevant aspects of all the discourses. It is up to the researcher to draw a representative sample from the concourse at hand. The concourse may consist of self-referent statements (i.e., opinions, not facts), objects, pictures, et cetera. A verbal concourse, to which we will restrict ourselves here, may be obtained in a number of ways: interviewing people; participant observation; popular literature, like media reports, newspapers, magazines, novels; and scientific literature, like papers, essays, and books. The gathered material represents existing opinions and arguments, things lay people, politicians, representative organisations, professionals, scientists have to say about the topic; this is the raw material for a Q. Though any source may and many have been used, "[t]he level of the discourse dictates the sophistication of the concourse" (Brown 1993).

2.2 Development of the Q set

Next, a subset of statements is drawn from the concourse, to be presented to the participants. This is called the Q set (or Q sample) and often consists of 40 to 50 statements, but less or more statements are certainly also possible (e.g., Van Eeten 1998). According to Brown (1980), the selection of statements from the concourse for inclusion in the Q set is of crucial importance, but remains "more an art than a science": the researcher uses a structure for selection of a representative miniature of the concourse. Such a structure may *emerge* from further examination of the statements in the concourse or may be *imposed* on the concourse based on some theory. Whatever structure is used, it forces the investigator to select

statements widely different from one another in order to make the Q set broadly representative (Brown 1980). Different investigators or structures may thus lead to differing Q sets from the same concourse. This is not regarded as a problem for two reasons. First, the structure chosen is only a logical construct used by the investigator. Whatever the starting point, the aim is always to arrive at a Q set that is representative of the wide range of existing opinions about the topic. Second, irrespective of the structure and of what the researcher considers a balanced set of statements, eventually it is the subject that gives meaning to the statements by sorting them (Brown 1993). The limited number of comparative studies that have been carried out indicate that different sets of statements structured in different ways can nevertheless be expected to converge on the same conclusions (Thomas & Baas 1992). Finally, the statements are edited where necessary, randomly assigned a number, and statements and the corresponding number are printed on separate cards – the Q deck – for Q sorting.

2.3 Selection of the P set

As discussed before, a Q methodological study requires only a limited number of respondents: "...all that is required are enough subjects to establish the existence of a factor for purposes of comparing one factor with another […] P sets, as in the case of Q samples, provide breath and comprehensiveness so as to maximise confidence that the major factors at issue have been manifested using a particular set of persons and a particular set of Q statements" (Brown 1980). This P set usually is smaller than the Q set (Brouwer 1999). The aim is to have four or five persons defining each anticipated viewpoint, which are often two to four, and rarely more than six. The P set is not random. It is a structured sample of respondents who are theoretically relevant to the problem under consideration; for instance, persons who are expected to have a clear and distinct viewpoint regarding the problem and, in that quality, may define a factor (Brown 1980). Eventually, the number of persons associated with a factor is of less importance than who they are; in the total population the prevalence may be much higher (Brown 1978).

2.4 Q sorting

The general procedure is as follows (Brown 1993). The Q set is given to the respondent in the form of a pack of randomly numbered cards, each card containing one of the statements from the Q set. The respondent is instructed to rank the statements according to some rule – the *condition of instruction*, typically the person's point of view regarding the issue - and is provided with a score sheet and a suggested distribution for the Q sorting task. The score sheet is a continuum ranging from *most* to *most*, for instance: with "most disagree" on the one end and "most agree" on the other; and in between a distribution that usually takes the form

of a quasi-normal distribution. The kurtosis of this distribution depends on the controversiality of the topic: in case the involvement, interest or knowledge of the respondents is expected to be low, or a relatively small part of the statements is expected to be salient, the distribution should be steeper in order to leave more room for ambiguity, indecisiveness or error in the middle of the distribution; in case respondents are expected to have strong, or well articulated opinions on the topic at issue, the distribution should be flatter in order to provide more room for strong (dis)agreement with statements. Usually, respondents are requested to adhere to the distribution provided. The range of the distribution depends on the number of statements and its kurtosis: according to Brown (1980), nowadays most Q sets contain 40 to 50 statements and employ a relatively flattened distribution with a range of -5 to +5.

The respondent is asked to read through all of the statements carefully. In this way (s)he gets an impression of the type and range of opinions at issue. The respondent is instructed to begin with a rough sorting while reading, by dividing the statements into three piles: statements (s)he generally agrees with (or likes, finds important, et cetera), those (s)he disagrees with and those about which (s)he is neutral, doubtful or undecided. The number of statements in each pile is recorded to check for agreement- disagreement balance in the Q set. Next, the respondent is asked to rank order the statements according to the condition of instruction and to place them in the score sheet provided. It is recommended to have the Q sort followed by an interview. The Q sorter is invited to elaborate on her/his point of view, especially by elaborating on the most salient statements - those placed at both extreme ends of the continuum on the score sheet. This information is helpful for the interpretation of factors later on.

Though many feel that because the Q sorting procedure is complex and unfamiliar to the lay public, it requires administration in a face-to-face interview setting. Van Tubergen and Olins (1979), however, argue that Q studies may just as well be conducted by mail. They found results from Q sort self-administration to be highly congruent with those from in-person interviews. Reber, Kaufman and Cropp (2000) performed two validation studies comparing computer- and interview-based Q sorts and concluded that there is no apparent difference in the reliability or validity of these two methods of administration. Nevertheless, interviews usually enable the researcher to understand the results better, and this often leads to a more penetrating interpretation. I would only mail a Q sort if there were no other way. Mail- or computer- based Q sorts may be desirable in case the theoretically relevant sample has a wider geographical distribution, and because of lower costs of administration.

2.5 Analysis and interpretation

Brown (1980; 1993) provides a comprehensive overview of the analysis of the Q sorts. Because nowadays many software packages are available to perform the analysis, we will only give a very concise overview of the subsequent steps.

The analysis of the Q sorts is a purely technical, objective procedure – and is therefore sometimes referred to as the scientific base of Q. First, the correlation matrix of all Q sorts is calculated. This represents the level of (dis)agreement between the individual sorts, that is, the degree of (dis)similarity in points of view between the individual Q sorters. Next, this correlation matrix is subject to factor analysis, with the objective to identify the number of natural groupings of Q sorts by virtue of being similar or dissimilar to one another, that is, to examine how many basically different Q sorts are in evidence (Brown 1980; 1993). People with similar views on the topic will share the same factor. A factor loading is determined for each Q sort, expressing the extent to which each Q sort is associated with each factor. The number of factors in the final set depends on the variability in the elicited Q sorts. It is however recommended to take along more than the number of factors that is anticipated in the next step of the analysis – factor rotation – to preserve as much of the variance as possible: "[e]xperience has indicated that 'the magic number 7' is generally suitable" (Brown 1980).

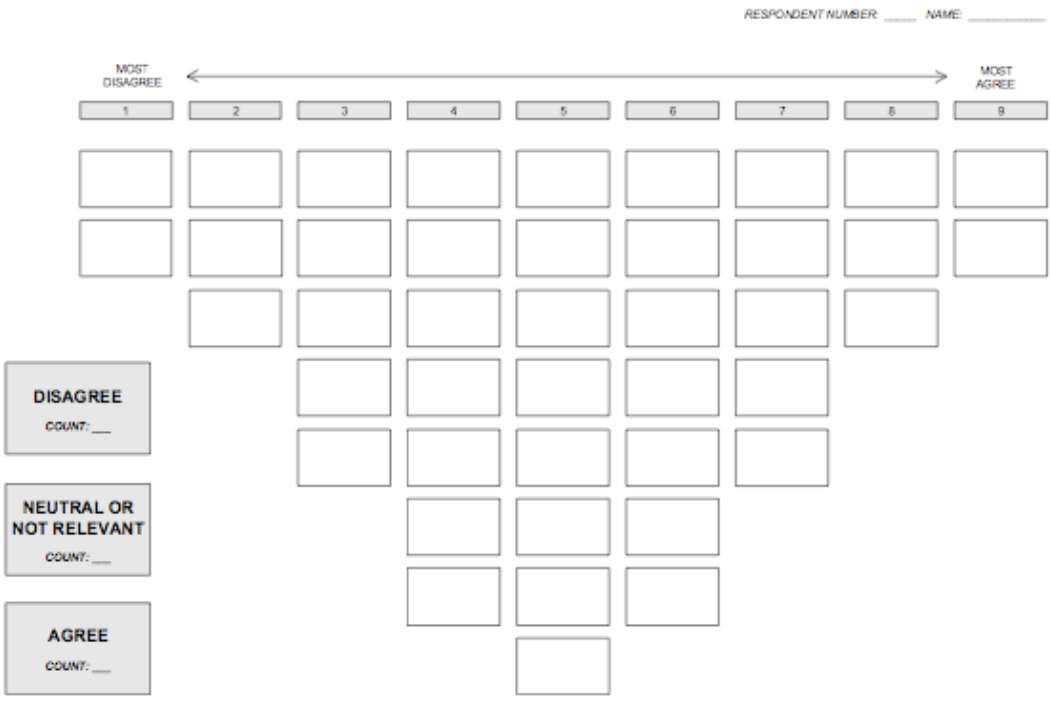
This original set of factors is then rotated to arrive at a final set of factors. Rotation may be either *objective*, according to some statistical principle (like varimax), or *theoretical* (or *judgmental*), driven by theoretical concerns, some prior knowledge or preconceived idea of the investigator, or an idea that came up during the study (e.g., from a salient Q sort or during a follow up interview). By rotating the factors, the investigator muddles about the sphere of opinions, examines it from different angles. A judgmental rotation looks for confirmation of an idea or a theory, a theoretical rotation for an acceptable vantage point by statistical criteria (though the investigator has to judge about the acceptability of this solution). Rotation does not affect the consistency in sentiment throughout individual Q sorts or the relationships between Q sorts, it only shifts the perspective from which they are observed. Each resulting final factor represents a group of individual points of view that are highly correlated with each other and uncorrelated with others.

The final step before describing and interpreting the factors is the calculation of factor scores and difference scores. A statement's *factor score* is the normalised weighted average statement score (Z-score) of respondents that define that factor. Based on their Z-scores, statements can be attributed to the original quasi-normal distribution, resulting in a composite (or idealised) Q sort for each factor. The composite Q sort of a factor represents how a hypothetical respondent with a 100% loading on that factor would have ordered all the statements of the Q-set. When the factors are computed, one can look back at the Q sorts and see how high their loadings are on the different factors. When a respondent's factor loading exceeds a certain limit (usually: $p < 0.01$), this called a *defining variate* (or *variable*). The

difference score is the magnitude of difference between a statement's score on any two factors that is required for it to be statistically significant. When a statement's score on two factors exceeds this difference score, it is called a *distinguishing* (or *distinctive*) *statement*. A statement that is not distinguishing between any of the identified factors is called a *consensus statement*.

Factor scores on a factor's composite Q sort and difference scores point out the salient statements that deserve special attention in describing and interpreting that factor. Usually, the statements ranked at both extreme ends of the composite sort of a factor, called the *characterising statements*, are used to produce a first description of the composite point of view represented by that factor. The distinguishing and the consensus statements can be used to highlight the differences and similarities between factors. Finally, the explanations Q sorters gave during the follow-up interview can be helpful in interpretation of the factors, in ex-post verification of the interpretation, and as illustration material (sometimes a single quotation says it all).

Score sheet for Q-sorting



Appendix VI: Q-Set on Ethical Leadership (Dutch)

1. Om een ethisch leider te zijn moet je vooral zelf een integer persoon zijn
2. Ethisch leiderschap gaat er vooral om dat je anderen stimuleert en aanspoort om te handelen in overeenstemming met morele normen en waarden
3. Een ethisch leider is altijd eerlijk
4. Een ethisch leider is betrouwbaar
5. Een ethisch leider handelt zorgvuldig en doordacht
6. Een ethisch leider moet van onbesproken gedrag zijn
7. Een ethisch leider is zorgzaam voor anderen en is bezorg om hun welzijn
8. Een ethisch leider is gemakkelijk benaderbaar en luistert goed naar anderen
9. Een ethisch leider houdt rekening met de verwachtingen en eisen die de samenleving heeft bij de organisatie
10. Een ethisch leider plaatst waar nodig de belangen van de samenleving boven diens eigen belangen of organisatiebelangen
11. Een ethisch leider houdt rekening met de maatschappelijke gevolgen van beslissingen op zowel de korte als de lange termijn
12. Een ethisch leider weet wie hij/zij is en blijft altijd trouw aan zichzelf
13. Een ethisch leider komt op voor waar hij/zij voor staat en is bereid zijn/haar normen en waarden te verdedigen zelfs als hij/zij onder druk staat
14. Een ethisch leider moet zich kwetsbaar kunnen opstellen
15. Een ethisch leider bespreekt zijn/haar eigen worstelingen en onzekerheden met volgelingen
16. Een ethisch leider is charismatisch en moet anderen kunnen inspireren
17. Een ethisch leider is bescheiden
18. Een ethisch leider handelt in overeenstemming met zijn/haar principes, normen en waarden
19. Een ethisch leider handelt in overeenstemming met de regels, normen en waarden van de organisatie
20. Een ethisch leider handelt in overeenstemming met de wet en normen en waarden die breed in de samenleving worden gedragen
21. Een ethisch leider houdt bij het maken van besluiten rekening met de meningen en wensen van alle belanghebbenden
22. Een ethisch leider bekijkt situaties altijd vanuit verschillende oogpunten
23. Een ethisch leider vraagt belanghebbenden bij een besluit altijd eerst naar hun mening
24. Een ethisch leider doet wat hij/zij zegt en zegt wat hij/zij doet
25. Een ethisch leider is altijd open en eerlijk over zijn/haar keuzes en handelingen
26. Een ethisch leider bespreekt met volgelingen hoe en waarom een beslissing tot stand is gekomen
27. Een ethisch leider maakt zowel aan belanghebbenden binnen de organisatie als aan de buitenwereld duidelijk hoe en waarom een beslissing tot stand is gekomen
28. Een ethisch leider staat open voor kritiek op zijn/haar gedrag
29. Een ethisch leider vraagt zelf aan volgelingen en collega's om feedback op zijn/haar eigen gedrag
30. Een ethisch leider beschermt zijn/haar volgelingen en komt voor ze op als dat nodig is
31. Een ethisch leider maakt door z'n handelen duidelijk wat wel en niet is toegestaan
32. Een ethisch leider communiceert helder en duidelijk over wat wel en niet is toegestaan
33. Een ethisch leider is zich bewust van de voorbeeldrol die hij/zij heeft en let daarom goed op hoe zijn/haar gedrag kan overkomen op anderen
34. Een ethisch leider spreekt anderen aan op onacceptabel gedrag
35. Een ethisch leider spoort volgelingen aan om elkaar aan te spreken op onacceptabel gedrag
36. Een ethisch leider complimenteert volgelingen wanneer zij handelen in overeenstemming met morele normen en waarden
37. Als iemand de regels en normen overtreedt, gaat een ethisch leider een gesprek met diegene aan om duidelijk te maken dat zulk gedrag niet toegestaan is

38. Een ethisch leider houdt rekening met het ethisch gedrag van volgelingen bij het toekennen van financiële of andere materiële beloningen

39. Een ethisch leider verbindt duidelijke consequenties aan onacceptabel gedrag

40. Een ethisch leider straft volgelingen niet af wanneer zij melding doen van onacceptabel gedrag

41. Een ethisch leider gaat zorgvuldig om met meldingen van onacceptabel gedrag en bekijkt altijd meerdere kanten van het verhaal

42. Ook als iemand onethisch gedrag heeft vertoond, blijft een ethisch leider respectvol en zorgzaam naar diegene

43. Een ethisch leider creëert een veilige omgeving voor volgelingen waar dingen gemakkelijk en veilig besproken en gemeld kunnen worden

44. Een ethisch leider maakt vooral duidelijk wat wel en niet is toegestaan door het gedrag dat hij/zij bestraft en beloont

45. Een ethisch leider communiceert duidelijk over zijn/haar normen en waarden zijn en wat hij/zij verwacht van volgelingen

46. Een ethisch leider houdt open gesprekken met volgelingen over wat zij wel en niet verstaan onder ethisch gedrag

47. Een ethisch leider stimuleert volgelingen om het gesprek aan te gaan over integriteit en ethiek

48. Een ethisch leider bespreekt fouten en overtredingen van regels en normen met volgelingen zodat ervan geleerd kan worden

49. Een ethisch leider bespreekt goede voorbeelden van ethisch gedrag en ethische dilemma's met volgelingen

50. Een ethisch leider bespreekt regelmatig met volgelingen of bestaande regels, normen en waarden nog wel van toepassing zijn of dat ze aangepast moeten worden

51. Een ethisch leider stimuleert volgelingen om dilemma's en twijfels met hem/haar en met elkaar te bespreken

52. Een ethisch leider communiceert regelmatig over ethiek en integriteit, zowel impliciet als expliciet

53. Een ethisch leider laat zijn/haar normen en waarden zien door hoe hij/zij communiceert over zaken als 'samenwerken', 'sfeer', en dergelijke

54. Een ethisch leider maakt gebruik van middelen als gedragscodes en interviews in personeelsbladen om zijn/haar leiderschap kracht bij te zetten

55. Een ethisch leider stimuleert volgelingen vooral om zelfstandig morele besluiten te nemen

56. Een ethisch leider geeft duidelijkheid over wat wel en niet is toegestaan en tolereert geen onethisch gedrag

57. Een ethisch leider benadrukt vooral principes en waarden, niet regels en procedures

58. Een ethisch leider benadrukt alleen specifieke regels wanneer gedrag absoluut onacceptabel is of zeer ernstige gevolgen zou hebben

59. Om een ethisch leider te zijn moet je in de eerste plaats als zodanig herkend worden door je volgelingen

60. Een ethisch leider benadrukt het grotere maatschappelijke belang van beslissingen en handelingen