Ethical Leadership: Every Leader Sets a Tone

Ethics Resource Center
December 2014

OBJECTIVE:
The survey was conducted to study the relationship between management behaviors and employee conduct. The survey set out to examine what is required for successful ethical leadership and what leaders can do to set an ethical tone at the top and motivate employees to do the right thing.

METHODS USED:
The survey reflects responses from 6,520 private sector workers. Participants are currently employed at least 20 hours per week and working for a company that employs at least two people. One quarter of survey participants were interviewed by telephone while the remainder participated through an online survey.

KEY FINDINGS:
- Respondents judge their leaders primarily on personal experience and interactions, how they handle crises, and policies/procedures.
- Some behaviors that employees look for from top management are:
  - Accepting blame instead of blaming others
  - Sharing credit for success
  - Doing the right thing even if it means sacrificing profit
- When top management gives credit to employees, employees are less apt to feel pressure to compromise standards.
- Employee engagement is closely linked with top managers setting a good example of conduct.
- Managers who treat workers fairly and with respect can still fall short in the eyes of the workers if behavior outside the office suggests they may not be trustworthy.
- Making improper political contributions to officials or organizations and offering anything of value to influence a public official were the most reported misconducts.
- Being an ethical person is far more important than deliberate and visible efforts to promote ethics.

CONCLUSION:
- It does not matter if the leader is the head of the organization or many levels below, when it comes to ethics, leaders always set the tone.
- Incorporate personal character as criteria in the company’s hiring process, especially for executives.
- Institute 24-7 integrity as an expectation for senior managers and incorporate it in the annual performance review.

Full Report