

# **Perspectives on ethical leadership: an overview**

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## **Abstract**

There is a growing scientific interest in ethical leadership of organizations as public confidence in organizational leaders continues to decline. Among scholarly communities there is considerable disagreement on the appropriate way to conceptualize, define and study ethical leadership. This disagreement is partly due to the ontological and epistemological differences between the scholarly communities, resulting in different views of organizations, on the role of organizational leadership in general, and on ethical leadership of organizations in particular. Because of the differences in their ontological and epistemological assumptions scholars endlessly debate the concept of ethical leadership.

This paper provides a comprehensive overview of the academic concepts of ethical leadership by classifying these concepts in terms of their ontological and epistemological assumptions and views of organizations into the modern, symbolic and the critical perspectives of postmodernism and communitarianism. Each category represents a particular set of perspectives on organizations, business ethics, and ethical leadership. The overview can serve as a guide to decode the academic debate and to determine the positions of the scholars participating in the debate. In addition it can serve as a multi-perspective-framework to study lay concepts of ethical leadership of (executive) directors of contemporary organizations. In this article the overview serves as a guide of how to classify some of the most common concepts in the debate on ethical leadership.

## **Introduction**

There is a growing scientific interest in ethical leadership of organizations as public confidence in organizational leaders continues to decline. Among scholarly communities representing different perspectives on organizations there is considerable disagreement on the appropriate way to conceptualize, define and study ethical leadership. This disagreement is partly due to the ontological and epistemological differences between the scholarly communities, resulting in different views of organizational leadership in general and on ethical leadership in particular. Because of the differences in their ontological and epistemological assumptions scholars endlessly debate the concept of ethical leadership.

Some scholars see the diversity in perspectives as a stumbling block for leadership theory in general and ethical leadership in particular. In their view, if there is no agreement on what ethical leadership theory has to offer society it probably has little to offer at all. In this paper a different view is taken: the academic debate and the diverse theoretical foundations of leadership theory add a lot of value to society provided that a comprehensive overview is offered that can serve as a guide to unravel the academic debate.

One would expect that the role of business ethics and ethical leadership – being two of the essential characteristics of contemporary organizations – would be integrated in organization theory as they are the positive and normative sides of organizing. Whereas organization theory examines how human cooperative activities are organized, business ethics reflects on how they ought to be organized. According to Heugens and Scherer (2010) organizational theory and business ethics are separated by relatively impermeable boundaries. The same applies to organizational theory and organizational psychology and sociology from which recently new theories on ethical leadership emerged. The field of organization theory does not engage in ethical theories and hardly acknowledges that ethical leaders can have a significant role. In spite of these shortcomings, organization theory can be of use to the inventory and classification of the different perspectives on ethical leadership that fuel the academic debate on ethical leadership. The view in this paper is that in order to provide an overview that can serve as a guide to decode the academic debate, it is necessary to join the field of leadership theory with the fields covered by business ethics and organization theory. In this paper an attempt is made to provide a comprehensive overview of the academic concepts of ethical leadership by embedding these concepts in an existing taxonomy of organization theories, i.e., Hatch' taxonomy (2013).

### **Hatch' taxonomy of organization theories**

According to Hatch (2013), organization theories can be classified by ontological and epistemological assumptions and views of organizations: the modern, the symbolic interpretative (symbolic) and the postmodern perspective. According to Heugens and Scherer (2010), Hatch' taxonomy of organization theories is commonly accepted and acknowledged in the field of organization theory. It encompasses a straightforward way of discussing the main themes in organization theory.

Alas Hatch' taxonomy has a number of shortcomings. First, it lacks the communitarian perspective. This macro-level approach to social theory has found its way into the business ethics literature (Heugens & Scherer, 2010). This shortcoming limits the taxonomy's suitability for mapping out the theories on ethical leadership. Second, the taxonomy does not engage ethical theories. Third, the taxonomy ignores leadership in general and ethical leadership in particular. According to Heugens and Scherer (2010) the role of leadership is widely underestimated in organization theory, a theory which emphasizes the significance of societal and organizational structures.

To strengthen Hatch' taxonomy and to increase its suitability to serve as a guide to decode the academic debate, first the communitarian perspective is added and merged with postmodernism into critical perspectives. The communitarian perspective shows some similarities with postmodern theories. Postmodern and communitarian scholars both criticize the individualistic perspective of modern theories and emphasize that the interests of individuals have to be balanced with concern about well-being of the community. Both challenge the normative vagueness of the modern and symbolic perspectives.

In the extended taxonomy presented in this paper, organization theories are classified in the modern perspective, the symbolic perspective and the critical perspectives of postmodernism and communitarianism, echoing Hatch' (2013) terminology. Second, existing theories of business ethics are traced back to their ontological and epistemological assumptions and embedded in Hatch' taxonomy. Third, strongly reliant on Etzioni's compliance theory (1975) and Heugens, Kaptein & Van Oosterhout's processual model of organizational virtue (2008), and a diversity of postmodern and communitarian theories in (business) ethics, the modern, symbolic, postmodern, and communitarian moral images of organizations and types of ethical leadership are added.

### **An inclusive taxonomy of organization theories**

The modern perspective, the symbolic perspective and the critical perspectives of postmodernism and communitarianism in the following overview represent the various communities of scholars with different views of knowledge and science, ethics and politics and therefore different views of organizations, business ethics and ethical leadership. The four perspectives are ideal types. In practise elements of all four perspectives can be found. Although, the view of organizations, business ethics, and ethical leadership to be found in practice have dominant features that reflects one of the four perspectives.

#### **1. Modernism**

##### *Introduction*

Modernism is a philosophical movement that became distinct during the Age of Enlightenment. Early modernist scholars rejected the notions of state religion, hereditary privilege, absolute monarchy, the Divine Right of Kings and the accompanying irrationality and superstition. They embraced the ideal of the free, autonomous, rational human being.

##### *Knowledge & science*

Science from a modern perspective focuses on causal explanation. Modernist scholars assume that there is an objective, external reality whose existence is independent of a person's knowledge of this reality (objectivism). They believe that universal truth can be discovered through valid conceptualization and reliable measurement that allows to test knowledge against an objective world (positivism). Knowledge acquired by quantitative research methods accumulates, allowing humans to progress and evolve.

From a modern perspective, organizations are real entities operating in a real world. They are systems of decisions and actions driven by norms of rationality, efficiency and effectiveness for stated purposes. They need to be well designed and well managed in order to survive in a competitive world (instrumentalism).

Organization theories focus on finding universal laws, methods and techniques of organization and control. Modernist scholars favour rational structures, rules, standardized procedures and routine practices. Well-known modern organization theories are: organizational economics, contingency theory, organizational ecology, bureaucracy theory and resource dependence theory. These modern theories found the cornerstone of the mainstream of contemporary organization theory (Hatch, 2013).

### *Ethics & politics*

The modern ethics originate from the theory of utilitarianism developed by Bentham and Mill and the Kantian deontology. Both theories are normative theories based on the modern ideal of freedom and autonomy. Both are based on individual deduction by rational individuals from universal models.

Utilitarianism is a theory in normative ethics holding that the best moral action is the one that maximizes utility. Utilitarianism is a form of consequentialism, which states that the consequences of any action are the only standard of right and wrong. Utility is defined in various ways. Usually it is related to the well-being of sentient entities. Originally, Bentham (1748-1832), the founder of Utilitarianism, defined utility as the aggregate pleasure after deducting suffering of all involved in any action. His pupil Mill (1806-1873) redefined utility as happiness and expanded the concept to include not only the quantity, but also the quality of happiness, while focusing on rules, instead of individual moral actions. Others defined utility with relation to preference satisfaction. The latter – known as preference utilitarianism – is adopted by present-day economics (Hartogh, Jacobs & Van Willigenburg, 2013).

Kant's deontology is a theory in normative ethics stating that there is a single moral obligation, the categorical imperative, derived from the concept of duty. Categorical imperatives are principles that are intrinsically valid; they are good in and of themselves. If behaviour is to observe the moral law these imperatives must be obeyed in all situations and circumstances. The categorical imperative generates all other moral obligations and all moral obligations can be tested against the categorical imperative. Kant (1724-1804) spelled out three formulations of the categorical imperative that he considered to be more or less equivalent:

- act only according to that maxim whereby you can at the same time will that it should become a universal law without contradiction;
- act in such a way that you treat humanity, whether in your own person or in the person of any other, never merely as a means to an end, but always as an end;
- therefore, every rational being must act as if he were through his maxim always a legislating member in the universal kingdom of ends.

Kant believed that in order to be of moral value an action should be done with the motive of duty and that every action should have pure intention behind it. Without pure intention an action is meaningless. It is in this belief that the most important aspect of an action is the intention that a person has while carrying out the action. Kant's deontology is the opposite of utilitarian consequentialism to which the final result is the most important aspect of an action. Present-day western concepts as 'the rule of law' and 'the legal constitution of the state' are based on Kant's deontology as are 'codes of governance' and 'codes of conducts' (Verstraeten & Liederkerke, 2008; Van Peperstraten, 2011, Hartogh, Jacobs & Van Willigenburg, 2013).

Liberalism is a political philosophy founded by Lock (1632-1704) on the very same ideas of liberty as those of the modernist scientists and ethicists. Lock argued that each man has a natural right to life, liberty and property, while adding that governments must not violate these rights based on social contract. Classical liberals sought to replace absolutism in government with representative democracy and the Kantian ideal of the rule of law. Originally liberalism was the political equivalent of Smith's economic philosophy of the free market. During the following centuries liberalism survived major ideological challenges from an old opponent conservatism and from new opponents such as fascism and communism.

Twentieth century's social liberalism originated from classical liberalism. The philosopher Rawls (1921-2002) criticized the injustice of classical liberalism. He founded a deontological liberalism based on three principles of justice as fairness:

- the equality of opportunity: all persons with the talents and ability and willingness to use these talents have to have equal chance of success;
- the liberty principle: each person is to have an equal right to the most extensive basic liberty compatible with a similar liberty for others;
- the difference principle: social and economic inequalities are to be arranged in such a way that they are to be of the greatest benefit to the least-advantaged members of society.

Like classical liberals Rawls Theory of Justice stresses the importance of the market and its institutions above and beyond that of the state and the civil society. The role of the state is limited to the protection of the level playing field for businesses, the redistribution of wealth and the production of public services. The establishment of Rawls' social liberalism became a key component in the expansion of the present day welfare state.

Rawls' social liberalism evoked Nozick (1938-2002) to a libertarian response. Nozick challenged Rawls' principle of difference. For Nozick a distribution of goods is just if brought about by free exchange among consenting adults from a just starting position, even if social and economic inequalities subsequently emerge from the process. Nozick opposed to the governmental redistribution of wealth and pleaded for minimal government intervention (Van Peperstraten, 2011; Hartogh, Jacobs & Van Willigenburg, 2013).

### *Moral images of organizations*

From a modern perspective organizations have either the moral image of a nexus-of-contracts organization or a utilitarian organization. Each moral image requires a specific type of ethical leadership.

According to Heugens, Kaptein & Van Oosterhout (2008) the nexus-of-contract organization is a legal entity that serves as a focal point for a complex set of written and unwritten contracts among disparate organizational participants by which the interactions between these participants are structured. The organization is as a contractual system through which contractual agents accommodate their private interests, save transaction costs and clear their differences. Relationships are transactional. It is the organizational equivalent of the market and its neo-classical economists' ethos of individual-utility-maximization. It is also a regulatory institution that codifies a number of critical rules of the game, allocates decision rights, and specifies a performance-evaluation system and a reward system to facilitate cooperative interactions between organizational participants. The organization concentrates on preventing the opportunism-prone minority to pursue its self-interest at the expense of the collective. Nexus-of-contracts organizations allow individuals to focus on the material interests they have in common, and declare all other features of their trading partners irrelevant. However, members' repeated interactions with other participants urge them to give up some of the agent neutrality that is foundational to the ethos of individual-utility-maximization. The scope of their goodness is limited to two skills nested in the individual organizational participants: treating self and others with decency and justice understood broadly (Heugens, Kaptein & Van Oosterhout, 2008).

Utilitarian organizations are founded on the principle of compromise. The value of joint action and of the principles that ought to govern it are recognized by all. Corporate purpose in a utilitarian organization is an emergent collective property of the practice of participants contracting into the organization given the restrictions by the reasons other contracting parties have for joining the cooperation. Like the nexus-of-contract-organization the utilitarian organization harbours an ethos of individual utility maximization. Calculative involvement characterizes the orientation of the large majority of lower participants. In comparison to the nexus-of-contract organization members' repeated interactions with other participants and the shared purpose urge them to give up more of the agent neutrality that is foundational to the ethos of individual-utility-maximization. Although the skills of collective pursuit are in service of a collective purpose, they are still nested in the individual organizational participants. The skills are partially institutionalized in that they are shared amongst participants through joint action and communication (Etzioni, 1975; Heugens, Kaptein & Van Oosterhout, 2008).

The nexus-of-contract and utilitarian organizations are moral images that fit both profit and non-profit organizations. With the emphasis on self-interest of the participants and leadership that can

be described as management by contracts, the nexus-of-contract image fits commercial associations best whereas the utilitarian image with its emphasis on collective interest and leadership, that can be characterized as management by remuneration or extrinsic rewards, fits best business firms and government agencies (Lunenburg, 2012).

### *Ethical leadership*

Leadership of the nexus-of-contract organization is focused on structure and efficiency and comes with decision-making power. It is transactional in nature. Ethical leadership is focused on compliance with the rules-of-the-game through performance evaluation systems and reward systems and requires self-control. As far the interface with society is concerned, leadership is responsible for the return on investments of the shareholders and the compliance of the organization with the law (Viet, 2015).

Leadership of a utilitarian organization is focused on structure and the systematically improvement of performance, the reach of the targeted level of excellence and the setting, promotion, monitoring and enforcement of rules. These rules have both external and internal sources. Ethical leadership of a utilitarian organization implies compliance with internal and external rules by means of remuneration (Etzioni, 1975; Viet, 2015).

The leadership concept that is closest to the concept of ethical leadership of nexus-of-contract organizations and utilitarian organizations is the concept of ethical Leadership of Brown, Treviño, and Harrison (2005). They define ethical leadership as “the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making.” (Brown, Treviño & Harrison, 2005, p. 120). Whereas normatively appropriate conduct in nexus-of-contract organizations refers to treating self and others with decency and justice understood broadly, in utilitarian organizations normatively appropriate conduct refers to compliance with the in- and external rules of the organization.

According to Brown and Treviño (2006), ethical leadership comprises two different aspects: the moral person aspect and the moral manager aspect. The moral person aspect relates to the leader's personality, to their moral characteristics and traits. The moral manager aspect relates to the leader as a moral person as it manifests itself in his or her professional life.

Brown, Treviño, and Harrison (2005) take a social learning perspective. According to social learning theory, for leaders to be seen as ethical leaders by their followers, they must be attractive and credible role models. Ethical leaders are likely sources of guidance because their attractiveness and credibility as role models draw attention to their modelled behaviour. Two characteristics of models that enhance their attractiveness are power and status (Bandura, 1986). Most leaders possess authority because they occupy positions of status relative to their followers. However, attractiveness involves more than authority and status. Treat others fairly is attractive to followers

too. Fairness and credibility enhance role model effectiveness. Ethical leaders are credible because they are trustworthy and practice what they preach (Brown & Treviño, 2006).

Brown, Treviño, and Harrison's (2005) definition of ethical leadership includes a transactional influence process. Ethical leaders attempt to influence followers' ethical conduct by explicitly setting ethical standards and holding followers accountable to those standards by the use of rewards and discipline. They also believe that reinforcement plays an important role in modelling effectiveness because observers pay close attention to those who control important resources and to rewards and punishments. Followers can learn about what is acceptable or unacceptable by paying attention to how other organizational members are rewarded or disciplined and regulate their own behaviour as a result (Brown & Treviño, 2006). Brown and Treviño (2006) have identified an internal locus of control (self-monitoring and self-control) as essential for ethical leadership.

## **2. *Symbolic interpretivism***

### *Introduction*

Symbolic interpretive organization theory was inspired by the crisis of confidence faced by anthropologists in the early 1980s. Forced by the collapse of colonialism, Western anthropologists raised self-critique to international prominence. They admitted having (unwittingly) conspired with powerful Western governments to impose their values on other cultures. They started a debate whether anthropologists were capable of representing native cultures accurately. During this crisis of representation, culture became a topic of nearly universal interest. In organizational theory the debate opened the way to study organizational culture as a web of significance socially constructed by their members (Hatch, 2013).

### *Knowledge & science*

Symbolic scholars focus on the understanding and interpretation of the role of symbolism and meaning in organizational life and of the processes of sense making and enactment that comprise contemporary organizations. They believe that one cannot know an external or objective existence apart from one's subjective awareness of it (subjectivism). According to symbolists all knowledge is relative to the one who knows and can only be understood from the point of view of the individuals who are directly involved. Truth is socially constructed via multiple interpretations of the objects of knowledge and shifts and changes through time (interpretivism) (Hatch, 2013). Symbolists favour qualitative approaches like (organizational) ethnography and grounded theory, which allow for the discovery of latent meaning structures in human discourses and practices (Heugens & Scherer, 2010).

From a symbolic perspective organizations are continually constructed and reconstructed by their members through symbolically mediated interaction. They are socially constructed realities where

meanings promote and are promoted by understanding of the self and others that occur within the organizational context. Symbolic organization theories focus on describing how people give meaning and order to their experience within specific contexts, through interpretive and symbolic acts, forms, and processes (Hatch, 2013).

Over time organizations can, through processes of institutionalization, begin to represent a source of intrinsic worth over and above and occasionally instead of the instrumental value associated with their assets or captured by the goods and services they produce. Institutionalized organizations can form objects of identification, with which external parties actively seek to associate themselves. Such voluntary associations with institutions are sought because institutions can feed into and shape individuals' social identity or because their self-chosen affiliations elevate or reinforce their status and prestige (Heugens & Scherer, 2010).

The symbolic interpretive perspective has fostered one of the great debates in organizational theory: whether human agency or organizational structures has the greater significance for understanding organizations. At the agency side anchors the enactment theory while the institutional theory, organizational identity theory, and reputation and status theory provide an illustration of the structure position. Whereas the enactment theory take the view that regularities in individual action an interaction produce the patterns of relationships that appear as structures when viewed on the organizational level, those in favour of the institutional theories stress that the social structures shape and constrain the behaviour of human actors. A third position, structuration theory, lies midway (Hatch, 2013).

### *Ethics & politics*

From a symbolic perspective values and norms are socially constructed via multiple interpretations of the good and the bad. Symbolic interpretivism is reconcilable with communicative ethics which are procedural and content-independent. Symbolistic scholars embrace the idea that many values and norms are not individually deduced but collectively devised (Heugens & Scherer, 2010). The same applies to politics and laws.

Organizations need the social acceptance of actions or institutions in order to survive. Legitimacy is ascribed to organizations in processes of social construction by the members of society (Heugens & Scherer, 2010).

Symbolic theories are concerned with understanding the meaning of social phenomena. They focus on the description of these social phenomena rather than on the ethical and political assessment.

### *Moral images of organizations*

From a symbolic perspective organizations have the moral image of a moral community. Moral communities are collectives of actors with self-selected common goals. As collectives they are

higher-order agents, who can be the bearers of properties that cannot be reduced to the properties of lower-order participants. Among those properties are properties that are necessary and sufficient conditions for collective moral agency. Moral communities are collectively autonomous to bind themselves to a set of self-imposed moral constraints. In order to attain common goals, the interests of organizational constituents must be morally and materially alignable. An incentive structure and administrative system make the attainment of individual goals dependent on the attainment of collective goals. As autonomous entities, moral communities have the structural capacity to commit themselves to almost anything. To be capable of collective moral agency, organizations must possess that precise set of skills that allows them to realize their common goals. Moral communities act according to the associative principle of shared reason. They are guided by a set of rules for the general regulation of behaviour as a basis for informed, unforced general agreement. These rules have certain universal and intrinsic attractions. They are endorsed by all participants of the community and are in accordance with the rules in the civil society. Intrinsically valuable principles infuse participants with value beyond the technical requirements of the task at hand. The *raison d'être* no longer hinges on the realization of extrinsic benefits, but has become internalized (Heugens, Kaptein & Van Oosterhout, 2008).

The moral community is a moral image that fits both profit and non-profit organizations. With the emphasis on intrinsically valuable principles and value driven leadership it fits best professional and civic associations such as hospitals, universities, political organizations, and churches (Lunenburg, 2012).

### *Ethical leadership*

Leadership of a moral community is focused on the culture of the organization and is relational and communicative in character. Ethical leadership implies the development and maintenance of the morality of the organization via processes of sense making and socialization. It includes responsibility for the development of a shared morality, the identification of individuals with the *raison d'être* of the organization, and the guidance of actions of the individual towards the common goals. It also implies self-reflection and self-awareness. As far as the interface with society is concerned, leadership is responsible for the legitimacy of the organization's actions and institutions and for heeding the interests of and communication with the organization's stakeholders.

Concepts of leadership that are close to the concept of leadership of the moral community are the concepts of relational leadership, values leadership, and trust culture leadership. Authentic leadership and transformative leadership have some elements in common with the concept of leadership of the moral community. Relational leadership focuses on the communication processes – dialogue and multilogue - through which relational realities are made. They share an

emphasis on communication and on language as a means of communication; they see dialogue as a dialectical movement between and among humans in which true interaction or real meaning emerges in the space between. A relational perspective of leadership views leadership as social reality, emergent, and inseparable from context; an iterative social process that is shaped by interactions with others (Uhl-Bien, 2006). Dialogical leadership focuses on the dialogical aspect of relational leadership (Van Loon & Van Dijk, 2015).

Values leadership implies that values are set, prioritized and enforced via processes of communication, teaching, and coaching. It also implies helping individuals to become proactive contributors to the organizational actions based on shared values and agreed on goals. Trust culture leadership implies the creation and maintenance of culture through visioning, by ensuring that cultures are conducive to mutual trust and unified collective actions, by prioritizing mutual cultural values and organizational conduct in terms of those values, by fostering a shared culture, and by building trust (Fairholm & Fairholm, 2008).

Authentic leaders “are deeply aware of how they think and behave and are perceived by others as being aware of their own and others' values, moral perspective, knowledge, and strengths; aware of the context in which they operate; and who are confident, hopeful, optimistic, resilient, and high on moral character” (Avolio, Luthans, & Walumbwa, 2004, p. 4). The elements that ethical leadership from the symbolic view has in common with authentic leadership are: self-reflection and self-awareness, openness, and transparency, and consistency and integrity. Like symbolic ethical leaders, authentic leaders are capable of judging ambiguous ethical issues, viewing them from multiple perspectives, and aligning decisions with the shared values and agreed on goals (Brown & Treviño, 2006). In situations that require organizations to change, the concept of transformative leadership overlaps with ethical symbolic leadership in the element changing organizational values. According to Burns (1978) transformative leaders are able to inspire followers to change expectations, perceptions, and motivations to work towards common goals.

### ***3. Critical perspectives***

#### *Introduction*

According to Hatch (2013) the postmodern perspective introduced ethics in the field of organization theory by challenging the normative vagueness of the modern and symbolic perspective. Quoting Steffy and Grimes (1986), Heugens and Scherer (2010) stress that this is true for both modern and symbolic perspectives on organizations. Modernists propagate value-free science and aim to explain and predict social phenomena without an analysis of whether these phenomena can be considered morally right or wrong. Symbolic theories are concerned with understanding the meaning of social phenomena. They focus on the description of these social phenomena rather than on the ethical and political assessment.

Postmodernism and communitarianism both criticize the individual-centric perspective of liberal theories and emphasize that the interests of the individual have to be balanced by a direct concern with the well-being of the community (communitarianism) and society (postmodernism) as a whole. Both disapprove of the modern approach for assessing society as a system that can be described adequately by specifying rules analytically and criticise modernism for the lack of thought for social integration processes. Both stress that contemporary society is too complex, too dynamic and too diverse to be described by simple, static, and universal rule based models. Consequently, postmodernism and communitarianism show some similarity in their view of politics and ethics. First, both are relational and particular in character. Both believe that principles are particular to cultures that an individual can and should decide what to do by looking carefully at all the features of each particular case, and that moral obligations to particular people, such as one's own children or compatriots, are stronger than to people in general (particularism). Second, both are self-reflective in nature and value texts as means for reflection. Third, both are essentially responsive. Last, both postmodernism and communitarianism have influenced mainstream organization theory, business ethics, and leadership theory. However, postmodernism and communitarianism show some differences. From a postmodern perspective, society serves as an arena for the struggle for power whereas from the communitarian perspective, society is an association of local communities. It is a collection of interactions, among a community of people in a given place, or among communities who share an interest or a history (Heugens & Scherer, 2010; Van Peperstraten, 2011; Van Buuren & Dohmen, 2013).

### **3.1. Postmodernism**

#### *Introduction*

The Second World War uncovered one of the paradoxes of contemporary philosophy. Whereas Analytic Philosophers such as Russel (1872 -1970) claimed that philosophy is characterized by an emphasis on value free argumentative clarity and precision, Continental philosophers were confronted with the failure of pre-war ethics (Philipse, 2011). This failure, materialized in the organized extermination of Jews and the use of mass destruction weapons in Japan, inspired many Continental philosophers to re-evaluate the entire Western value system. This development that took place in the 1950s and 1960s, with a peak in the Social Revolution of 1968, is described with the term Postmodernity. Whereas some postmodernists were optimistic about the possibility of alternative, more sustainable value systems, others were and remained pessimistic (Hatch, 2013).

#### *Knowledge & science*

Postmodernists believe that the world appears through language and is situated in discourse. Discourse shapes human reality. People, objects, and phenomena that are spoken of exist. Everything that exists is a text to be read or performed. Knowledge cannot be an accurate account

of truth because reality nor meaning can be fixed. There is no independent reality, there are no facts, only interpretations. Knowledge is a power play.

Postmodernism promotes the notion of radical pluralism. There are many ways of knowing and many truths to a fact. From a postmodern perspective, knowledge is articulated from different points of view, with all its uncertainties, complexity and paradox. Thus, knowledge is relational and all realities are embedded in local discourse (Hatch, 2013).

From a postmodern perspective organizations are sites for enacting power relations, oppression, irrationality, communicative distortion or arenas of fun and playful irony. Organizations are not stable structures or cultures but outcomes of linguistic convention and discourse practices.

Whereas some postmodernists consider equality and unity as utopia, others believe it is possible to emancipate one's self from human folly and degradation by deconstructing and reconstructing the linguistic representation of organizations or to reach an agreement through discourse (Hatch, 2013). The latter subscribe a relational approach to organizations and prefer heterarchies or open network organizations coordinated by decentralized deliberation and reflexive self-organization.

Postmodern organization theory focuses on the deconstruction of texts, the destabilization of managerial ideologies and modern modes of organizing and theorizing. They aim to reveal marginalized and oppressed viewpoints and to encourage reflexive and inclusive forms of theorizing and organizing.

Core approaches in postmodernist philosophy are: critical theory, the poststructuralism of Foucault (1926-1984), the postmodernism of Lyotard (1904-1998), Derrida (1930-2004), Bauman (1925) and Rorty (1931-2007), feminism, Jonas' (1903-1993) philosophy of responsibility and ecologism. These approaches have enriched organization theory with theories such as critical management studies, discursive practices, feminist organization studies, ecological organization studies and organizational ideology (Hatch, 2013).

Influences of postmodernists on organization theory are noticeable in stakeholder management, Public Value Management, whistle-blower protection policies, professional ethics in care and in organizational social and ecological responsibility, responsiveness and performance.

### *Ethics & politics*

Postmodern views of society are quite diverse. From a postmodern perspective, society is integrated by a variety of mechanisms, through communications, common culture and history, power, and contestation. Unlike the modern perspective, which rests on liberal theories of society and emphasizes freedom, social exchange, and contractual (formal) relationships, postmodern perspectives consider both the formal and informal sources of power and authority and explore the role of alternative integration mechanisms.

Critical theorist and democratic socialist Habermas has analysed the role of communication as a medium for societal integration and of ideal discourse as a counterbalance for social exchanges influenced by power. He originated modern discourse ethic (Heugens & Scherer, 2010). This type

of ethics consists of conversations about ideas of the common good in civic or community contexts marked by diversity of perspectives. In organizations this type of discourse is meant to protect and to promote the common good of the organization's stakeholders (Ten Bos & Painter-Morland, 2013).

The poststructuralist Foucault is well known for his notion of reflexive and responsive care for the self in practices of freedom. According to Foucault the care of the self is the ethical transformation of the self into a truthful existence. The care of the self is conditional for the care of others (Van Buuren & Dohmen, 2013).

Postmodernists Lyotard, Derrida, Rorty and Bauman were inspired by Levinas (Ten Bos, Jones & Parker 2005; Van Peperstraten, 2011). Levinas (1906-1995) derives the primacy of his ethics from the experience of the encounter with the Other. For Levinas, the irreducible relation of the face-to-face encounter with an Other is a privileged phenomenon in which the other person's proximity and distance are both strongly felt. The Other precisely reveals himself in his alterity as the primordial phenomenon of gentleness. The revelation of the face makes a demand to affirm or deny. One instantly recognizes the transcendence and heteronomy of the Other and responds before one can know one's freedom (Ten Bos, Jones & Parker, 2005). In his view of business ethics Bauman was influenced by Levinas. In his view mainstream business ethics is an instrument in the hands of managers in their efforts to attain the objectives of their organization. Instrumental business ethics contributes to reducing tensions, to streamline transactions and thus to better control the organization. However, says Bauman, morality is non-rational – in the sense of not being calculable, hence not being describable as following universal rules. Bauman introduced the concept of the moral call in business ethics. This moral call is thoroughly personal. It is to this call that employees of organizations answer to when they blow the whistle and report moral, legal or regulatory wrongdoing of their organization to the general public or the authorities (Ten Bos & Painter-Mortland, 2013).

Feminist theories have put the ethics of care on the business ethics' agenda, Jonas and ecologists the issue of ecological responsibility and critical theory both ecological and social responsibility. Ethics of care refers to ideas concerning both the nature of morality and normative ethical theory. From a philosophical feministic perspective, persons are understood to have varying degrees of dependence and interdependence on one another. Those particularly vulnerable to one's choices and their outcomes deserve one's extra consideration to be measured according to their vulnerability. It is necessary to attend to contextual details of situations in order to safeguard and promote the actual specific interests of those involved. As such, ethics of care uses a relational and context-bound approach toward morality and decision making. This is in contrast with deontological and consequentialist theories that tend to view persons as having independent interests and interactions. Whereas deontological ethical and consequentialist theories emphasize universal standards and impartiality, ethics of care emphasize the importance of response (Borgorson, 2007; Hatch, 2013; Heugens, Jacobs & Van Willigenburg, 2013). The ethics of social

responsibility can be seen as ethics of care that reaches beyond close family and friends, i.e., to the social environment. Likewise the ethics of ecological responsibility can be seen both as an ethics of care reaching out to the natural environment and as Levinas' ethics in its appreciation of the intrinsic value of nature.

### *Moral images of organizations*

From a postmodern perspective organizations have the moral images of the inclusive and the responsible organization. The image of the inclusive organization originated from critical theory. Inclusive organizations have people from diverse backgrounds or communities involved as participants. They are inclusive in itself as well as an integrated part of society. Inclusive organizations are learning- centred organisations that value diversity. They incorporate the perspectives of diverse communities into the design and implementation of their programs. In addition inclusive organizations recruit and retain participants to reflect the composition of the communities they serve (Otten, Van der Zee & Brewer, 2015). The responsible organization is recognizing the intrinsic value of people, as being capable of managing interdependencies and complexity, responsive to personal, social and ecological needs, and capable of taking on new dimensions of responsibilities (Lozano, 2000). Responsible organizations are value driven networks with self-selected shared goals that are not limited to the benefits for the participants but that include the benefits for the wider social and the natural environment. In the ideal postmodernist organization the shared values are agreed on in continuous discourse with participants in- and outside the organization.

The open postmodern image fits best to international and global operating organizations. This is true for both profit and non-profit organizations such as Non-Governmental Organizations (NGO's). In order to survive in a globalizing world, responsible organizations need to integrate elements of the modern and symbolic moral images in their organizational image (Lozano, 2000).

### *Ethical leadership*

Leadership in the postmodernist organization is essentially ethical. It needs to create and monitor the conditions of an open discourse in which participants and other stakeholders of the organization can participate freely and equally. It needs to be focused on efficiency, compliance with local laws and rules, and acquisition of legitimacy from the civil society, both locally and internationally. It needs to be morally responsive to and responsible for a broad range of stakeholders - the social and ecological environment included - in the here and now, and in the future. This requires skills associated with dialogue and connecting competences and the ability to consider different perspectives.

Concepts of leadership that are close to the postmodern concept of ethical leadership among others are inclusive leadership and responsible leadership. Transformative and adaptive

leadership have elements in common with postmodern ethical leadership. Inclusive leadership originates from the concept of inclusive management rooted in critical theory. Inclusive management is a pattern of practices by managers that facilitates the inclusion of experts, employees and other stakeholders in collaboratively addressing concerns of common interest (Feldman, Khademian & Quick, 2009). Inclusive leadership is an emergent set of practices multi-located in networks that spans boundaries across individuals, issues, and time and generates transformative and adaptive change (Quick, 2010).

Responsible leadership had been defined in different ways. Maak and Pless (2006, p. 103) define responsible leadership as “a relational and ethical phenomenon, which occurs in social processes of interaction with those who affect or are affected by leadership and have a stake in the purpose and vision of the leadership relationship”. This concept focuses on the responsibilities that leaders have in relation to various stakeholder groups. According to Maak and Pless, relationships are the centre of responsible leadership. Building and cultivating ethically sound relations toward different stakeholders with different interests is an important responsibility of leaders in an interconnected stakeholder society (Maak & Pless, 2006). Marie and Lozano (2010, p. 93) warn Maak and Pless that “a responsible leader should be aware that the different positions sustained by stakeholders might not be reduced to a ‘common vision’ after a period of dialogue”. They stress that the intended outcome of this dialogue should be a “change in the tension between irreducible positions towards a point where this tension becomes a creative source” (Marie & Lozano, 2010, p. 93) of economic, social, and ecological value (Lozano, 2000) in a way that is acceptable for all stakeholders. The ones involved in the dialogue progressively discover that it is about the shared creation of economic, social and ecological value, about an attempt to accommodate particular interests, about inclusion, and about the promotion of human dignity. This common awareness will facilitate agreements and shared actions (Marie & Lozano, 2010). Knights and O’Leary (2006) focus on alternative ethics of responsibility presented in the ethics of Levinas. In their view, Levinas' ethics of responsibility confronts the preoccupation with self that is a legacy of the enlightenment of autonomy.

According to Rowe and Guerrero (2015), concepts of ethical leadership similar to and in agreement with Gilligan’s ethic of care are Heifetz' concept of adaptive leadership (1994) and Burns' concept of transformative leadership (1978). Both argue that leadership is about helping followers to achieve higher ethical standards when their values conflict. In Heifetz's view (1994), leaders should create a work atmosphere characterized by empathy, trust, and nurturance, and help followers to change and grow when faced with difficult situations. In Burns' view, leaders should assist followers to emphasize values such as equality, justice, and liberty (Burns, 1978). Heifetz (1994) and Burns (1978) both stress that the interaction of leaders and followers should raise the ethical behaviour and character of both. Like Ciulla (1998) they emphasize the relationship between leaders and followers and argue that this relationship is at the heart of

ethical leadership and that it is of critical importance in developing collaboration and trust among leaders and followers (Brady, 1999; Rowe and Guerrero, 2015).

### **3.2. Communitarianism**

#### *Introduction*

In the 1980's Rawls' Theory of Justice led to criticism from within Analytic Philosophy. Where liberal philosophers described the polity as a neutral framework of rules within which a multiplicity of commitments to moral values can coexist, philosophical communitarians such as Mac Intyre (1929), Taylor (1931), Sandel (1953), and Waltzer (1935) argued that such a conception of political community was both empirically misleading and normatively dangerous. Good societies, these authors believed, rest on much more than neutral rules and procedure. They rely on a shared moral culture (Van Buuren & Dohmen, 2013). Like postmodernism, communitarianism is something like a mixed bag (Swift, 2014).

#### *Knowledge & science*

Communitarians believe that the meaning of the continuously changing world only truly can be understood by individuals embedded in their community's tradition. Unlike modernism which construes communities as originating from the voluntary acts of individuals, it emphasizes the role of the community in defining and shaping individuals (Heugens & Scherer, 2010; Van Peperstraten, 2011).

From a communitarian point of view organizations are communities in itself and embedded in local communities, with many expressive contacts across the ranks, little inter-rank tension, and a high degree of value consensus among the lower and higher participants. Like symbolists communitarians embrace the idea that values and norms are not individually deduced but collectively devised. They emphasize that these values and norms are a product of the historical and cultural context from which they originated. The role of the organization is defining and shaping the roles of individuals within the organizations through shared moral values (Etzioni, 1975; Heugens, Kaptein & Van Oosterhout, 2008).

Like optimistic postmodernism communitarianism subscribes a relational approach to organizations. Whereas optimistic postmodernists prefer open network organizations, communitarians prefer enclosed organizations embedded in the local community.

Organization theorists influenced by communitarians focus on the historical, traditional and communal embeddedness of organizations, organizational identity and organizational storytelling. Core approaches are organizational identity theories and narrative theories (Heugens & Scherer, 2010; Verstraeten, 2011; Hatch, 2013).

Influences of the communitarians are recognizable in organizations' reflection on its *raison d'être*, an eye for the need for the embeddedness in the community and traditions, and awareness of the

need for role integrity and integral integrity. Communitarians have contributed to the awareness that modernists are not value free in their principles and have accelerated the revival of virtue ethics, triggered moral awareness, encouraged moral imagination, and contributed to the development of moral consciousness. Above all they have encouraged organizational ethics to embrace discursive ethics and particular ethics such as virtue ethics, ethics of care, ethics of hermeneutics and narrative ethics.

### *Ethics & politics*

The ethics of Communitarianism is a modern verse of virtue ethics. Communitarian virtue ethics takes its inspiration from the Aristotelian understanding of character, the good life and virtue. Aristotelian character is about a state of being. It's about having the appropriate inner states to excel in one's role in the community and to live a good life. Aristotle named this Eudaimonia. Eudaimonia is happiness, contentment and fulfilment. It's the name of the best kind of life, which is an end in itself and a means to live and fare well as a person and as a constitutional part of the community. Having a virtuous inner disposition will also involve being moved to act in accordance with them.

According to Aristotle, character traits develop over a long period of time. Once it is firmly established, a person will act consistently, predictably and appropriately in a variety of situations. The raw material someone is born with, are shaped and developed through a long and gradual process of education and habituation. Initially this is a process of habituating one's self to act right. Later on it is a process of choice. True virtue requires choice, understanding and knowledge. It requires human beings to use rationale. Acting virtuously is acting in accordance with reason. The virtuous person doesn't act justly merely out of an unreflective response, but has come to recognize the value of virtue and why it is the appropriate response (phronesis).

According to Aristotle, virtue is a purposive disposition, lying in a mean. The right response to each situation is neither too much nor too little and is sensitive to the requirements of the person and the situation. Virtue is chosen knowingly for its own sake. Virtue is not purely rational. It is also associated with feelings. It involves displaying the mean – appropriate - amount of emotion. Thus, virtue requires the right desire and the right reason.

The virtues needed depend on one's role in the community and its inherent practices. There are general virtues and role specific virtues. A general virtue is an abiding character trait that makes someone a good citizen. A specific virtue is an abiding character trait that helps a person to fulfil his role in the community. Aristotelian ethics is teleological in nature. Judgments of virtue are judgments of a whole life rather than of one, isolated action. They are an integrated part of someone's life as a human being and as a citizen.

One of the essential – cardinal - virtues apart from appropriateness is justice. Justice deals with a person's relations with others. Universal justice is that state of a person who is generally lawful and fair. Particular justice deals with the divisible goods of honour, money and safety, where a

person's gain of such goods results in a corresponding loss by someone else. There are two forms of particular justice: distributive and rectificatory. Distributive justice deals with the distribution of wealth among the members of a community. What each person receives is directly proportional to his or her merit. Rectificatory justice remedies unequal distributions of gain and loss between two people (Ten Bos, Jones & Parker, 2005; IEP, 2015; Willemsen & De Wind, 2015).

Aristotle inspired communitarianism to develop modern verses of virtue ethics drawing on the ideal of life in which people work together in genuinely political communities to acquire the virtues, develop a moral character – a moral self - and fulfil their innately human purpose. In ancient Greece one's purpose was inherent to the clearly defined roles in the polis. In contrast to the citizens in ancient Greece, members of present day communities have no clear defined roles in their community and therefor their purpose is unclear. They have to dis- or uncover their authentic selves and their personal purpose through continuous interactions with text, symbols, and others throughout their entire lives; ancient as well as contemporary texts, written as well as spoken texts and in the open as well as hidden texts. How others (might) see them and how they interpret themselves through texts, is a necessary step in forming an understanding of who they are and what their purpose is, i.e., an understanding of their moral identity. According to communitarians one's life is a quest for moral identity guided by the community's traditions. Communitarian ethics explores the intersections between the domains of texts, of stories and storytelling, and of moral values; between ethics of hermeneutics and narrative ethics. One's development into a virtuous subject capable of assuming responsibility is fundamentally an imaginary process where a person makes use of concepts, schemes, and models of identification structured by imagination. Moral development can be stimulated by reading narratives, poets, and literary and religious texts. By reading, imaginations is triggered.

Communitarians regard moral values as an integral part of stories and storytelling because narratives themselves implicitly or explicitly ask the question, 'How should I think, judge, and act—as author, narrator, character, or audience—for the greater good?'. For Communitarians the greater good serves the ideal life (Van Tongeren, 1994; Verstraeten, 1994; Van Buuren & Dohmen, 2013).

Like their perspective on the good life the communitarian notion of justice is rooted in Aristotelian virtue ethics. It is influenced by the biblical model of the economy of the covenants between God and man, and based on the assumption that responsible (economic) behaviour implies the service of the common good. To communitarians, particular justice primarily means that what each person receives is directly proportional to his or her merit. To communitarians, rights and responsibility are two sides of the same coin (Verstraeten & Van Liedekerke, 2008).

### *Moral images of organizations*

From a communitarian perspective organizations have the moral images of the inclusive and responsible organization. The inclusive organization is inclusive in itself, and an integrated part of

an inclusive local community. Responsible organizations are value driven communities with self-selected shared goals that are not limited to the benefits for the participants but that include the benefits for the local community.

The embedded communitarian image fits best organizations operating in local communities, both profit and non-profit.

### *Ethical leadership*

Leadership of a communitarian organization resembles leadership of a moral community in its focus on the shared values of the organization and is of a relational and communicative character. Ethical leadership implies the maintenance of the morality of the organization via processes of reflection on the role of the organization in community. It includes responsibility for the embedding of the organization in the shared morality of the community, the identification of individuals with the *raison d'être* of the organization and its role in community, and the guidance the actions of the individual towards the common goals in accordance with its role in community. Above all it requires self-reflection and self-awareness.

Concepts of leadership that are close to the communitarian concept of ethical leadership are Flynn's concept of virtuous leadership and Verstraeten's and Fairholm & Fairholm's concepts of spiritual leadership. Flynn (Flynn, 2008) stresses the significance of virtue, alongside leisure and responsibility and advocates innovative ethics of work centred on the restoration of virtue and leisure in organizations in order to contribute to a restoration of balance in the lives of leaders as well as followers. This implies the elevation of followers, appreciation for their unique dignity, and respect for the rights of all to leisure as well as work. It requires a capacity for high principles and inspired standards and an understanding of persons as well as profits. According to Flynn (2008) and Flynn and Werhane (2008), Flynn's message of virtue is a message of hope to those engaged in organizations. Virtue strikes against all injustice, and forms an important part of the struggle for an inclusive and just community.

According to Verstraeten (Verstraeten, 2008), through self-reflection and contemplation spiritual leaders cultivate their interior life in order to establish and maintain an anchor point in oneself and to rediscover the call to humanize the world in which one lives and works. It requires "living the experience of difficult dilemmas and yet remaining open for new modes of being; living on the crossroads between absurdity and meaning, always opening oneself for an increasing transparency" and "living in the old paradigm of the invisible hand (a world based on self-interest) and in the new paradigm of the invisible handshake (a world based on solidarity)" (Verstraeten, 2008, p. 132). Like Flynn's virtuous leader, Verstraeten's spiritual leader appreciates the specific contribution of people who are motivated by their own living sources and takes personal responsibility for the effects of their leadership on those people's life. In Verstraeten's view spiritual leadership "requires role integrity, and integral integrity; the sort of integrity that requires

a narrative configuration of life and transcends differentiated role behaviour” (Verstraeten, 2008, p. 132). It also requires authenticity, imagination, and the widening of the leaders hermeneutical horizon (Verstraeten, 2008).

Fairholm and Fairholm (2009) relate to spiritual leadership as whole-soul leadership. Spiritual leaders relate to their followers in such a way that concern for the whole person is paramount in raising each other to the higher levels of (moral) awareness and action. They focus on the continuous improvement of the self and the culture, and liberate followers to build a community. They are a source of inspiration as well as the ones who guard moral standards. In short, they develop and enable individual wholeness in a community setting. Verstraeten and Fairholm and Fairholm both emphasize visioning, hope and faith. To Verstraeten, leadership is a vocation. Both concepts of spiritual leadership have elements in common with the concepts of authentic leadership (self-reflection and self-awareness) and responsible leadership (responsiveness and responsibility). They also show similarity to Greenleaf’s concept of servant leadership. According to Greenleaf, servant leadership is a set of practices, which builds better organizations and ultimately creates a more just and caring world. Servant leadership serves the needs, legitimate interests and the growth of others (Greenleaf, 1970; Greenleaf, 2002).

### **Perspectives on ethical leadership: summary**

In order to provide a comprehensive overview of the academic concepts of ethical leadership this paper classified these concepts into the modern, symbolic and the critical perspectives of postmodernism and communitarianism, focusing on their ontological and epistemological assumptions and their views of organizations. A summary of the findings is provided in Table 1. Each category represents a particular (set) of perspectives on organizations, business ethics and ethical leadership. This overview can serve as a guide to decode the academic debate and to determine the positions of the scholars participating in the debate. In this article the different perspectives in the debate have been illustrated by classifying some of the most common concepts of ethical leadership.

**Table 1:** Summary of the modern, the symbolic and the critical perspectives  
(Based on Hatch (2013), Heugens & Scherer (2010) and Viet (2015))

| Perspective →<br>Attribute ↓     | Modernism                                                                                                                                                                              | Symbolism                                                                                                                                                                                                                                                                               | Critical perspectives                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                         |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  |                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                         | Postmodernism                                                                                                                                                                                                                                           | Communitarianism                                                                                                                                                                                                                                                                        |
| KNOWLEDGE & SCIENCE              |                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                         |
| Ontology                         | Objectivism: believe in an objective, external reality whose existence is independent of one's knowledge.                                                                              | Subjectivism: the belief that one cannot know an external or objective existence apart from one's subjective awareness.                                                                                                                                                                 | Postmodernism: the belief that the world appears through language and is situated in discourse. Discourse shapes human reality. People, objects and phenomena that are spoken of exist. Everything that exists is a text to be read or performed.       | Subjectivism: the belief that one cannot know an external or objective existence apart from one's subjective awareness.                                                                                                                                                                 |
| Epistemology                     | Positivism: one can discover universal truth through valid conceptualization and reliable measurement that allows one to test knowledge against an objective world.                    | Interpretivism: all knowledge is relative to the one who knows and can only be understood from the point of view of the individuals who are directly involved. Truth is socially constructed via multiple interpretations of the objects of knowledge and shifts and changes over time. | Postmodernism: knowledge cannot be an accurate account of truth because reality nor meaning can be fixed. There is no independent reality, there are no facts, only interpretations. Knowledge is a power play.                                         | Interpretivism: all knowledge is relative to the one who knows and can only be understood from the point of view of the individuals who are directly involved. Truth is socially constructed via multiple interpretations of the objects of knowledge and shifts and changes over time. |
| View of organizations            | Organizations are real entities operating in a real world. They are systems of decisions and actions driven by norms of rationality, efficiency and effectiveness for stated purposes. | Organizations are socially constructed realities where meanings promote and are promoted by understanding of the self and others that occur within the organizational context.                                                                                                          | Organizations are sites for enacting power relations, oppression, irrationality, communicative distortion or arenas of fun and playful irony. Organizations are not stable structures or cultures, but outcomes of linguistic convention and discourse. | Organizations are communities in itself embedded in local communities, with many expressive contacts across the ranks, comparatively little inter-rank tension, and a relatively high degree of value consensus among the lower and higher participants.                                |
| ETHICS & POLITICS                |                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                         |
| Moral agency                     | The individual (individualism)                                                                                                                                                         | The collective (collectivism)                                                                                                                                                                                                                                                           | Individual & collective                                                                                                                                                                                                                                 | Collective                                                                                                                                                                                                                                                                              |
| Universality vs particularity    | Universal                                                                                                                                                                              | Particular                                                                                                                                                                                                                                                                              | Particular and provisional                                                                                                                                                                                                                              | Particular and embedded in traditions                                                                                                                                                                                                                                                   |
| Ethical theories                 | Kant's deontology<br>Utilitarianism                                                                                                                                                    | Communicative theories                                                                                                                                                                                                                                                                  | Deliberative / discourse ethics<br>Ethics of care<br>Levinas' ethics<br>Environmental ethics                                                                                                                                                            | Virtue ethics<br>Ethics of hermeneutics<br>Narrative ethics                                                                                                                                                                                                                             |
| Political philosophical theories | Deontological-liberalism<br>Libertarianism                                                                                                                                             | -                                                                                                                                                                                                                                                                                       | (Democratic) socialism<br>Feminism<br>Ecologism                                                                                                                                                                                                         | Communitarianism                                                                                                                                                                                                                                                                        |

| MORAL IMAGE OF ORGANIZATIONS          |                                                            |                                                                                                                                            |                                                                                                      |                                                                                                                    |
|---------------------------------------|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| <b>Moral image of organizations</b>   | Nexus-of-contract organization<br>Utilitarian organization | Moral community                                                                                                                            | Open inclusive organization<br>Open responsible organization                                         | Inclusive organization embedded in the local community<br>Responsible organization embedded in the local community |
| ETHICAL LEADERSHIP                    |                                                            |                                                                                                                                            |                                                                                                      |                                                                                                                    |
| <b>Value orientation</b>              | Instrumentalism                                            | Institutionalism                                                                                                                           | Critical instrumentalism                                                                             | Critical instrumentalism                                                                                           |
| <b>Concepts of ethical leadership</b> | Ethical leadership                                         | Relational & dialogical leadership<br>Values leadership<br>Trust culture leadership<br>Elements of authentic and transformative leadership | Inclusive leadership<br>Responsible leadership<br>Elements of transformative and adaptive leadership | Virtuous leadership<br>Spiritual leadership<br>Elements of responsible, authentic and servant leadership           |

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