ETHICAL LEADERSHIP PERSPECTIVES IN ORGANIZATIONS

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Abstract:
Throughout this paper we conduct an argument about ethical behavior and managerial communication in business organizations, whether it is an effective or rather inefficient communication. The debate shall present information about what makes a manager or an employee develop the ethical or non-ethical behavior, as well as the barriers that often stand in the way of an organization's success. Issues of ethics in organizations as well as managerial communication are topical and searching for continuous improvement. Both specialized literature in psychology and sociology emphasize the idea of simple and clear communication, but also the ways we behave, we dress or express ourselves send messages to the people. The arguments of addressing these issues are the controversy that arises, the important link they have in business organizations and the fact that these seemingly insignificant details can make an organization succeed or, on the contrary, fail. We will also focus on positive aspects such as analyzing the skills of successful managers and what has led to such a great success in their career. This section will discuss ethical issues, as well as how effectively everyone communicates throughout his career, and last but not least, the relationship with employees and the way they have been motivated over time. Therefore, through this paper we will highlight the issue of managerial ethics and communication in the manager-employee relationship but also the psychological impact that can be triggered if some basic principles of management are not respected in this context.

Key words: ethics, leadership, communication process, strategic management, organizational culture, skills.

JEL classification: M10, M12, M13

1. INTRODUCTION

As far as the managerial ethics dimension is concerned, we will discuss how employees who have ethical behavior at work can get rewards, appreciations, and an appropriate remuneration by simply providing them. As each organization is confronted with its difficulties, we will follow through this work to find out what leadership lessons we can draw from the mistakes made in ethics and managerial communication, as well as the good principles which organizations apply in order to succeed (Aubrey, 2007; Basran, 2012; Băeșu & Bejinaru, 2015).

The main purpose is to understand what has led to the success of this organization, the difficulties faced by managers, and what aspects they would like to improve. Regarding the ethical behavioral perspective of the relationship with employees, we will find out if this is a centralizing aspect in the company's business. In other respects, managerial communication issues are an important part of the analysis because it is a multilingual organization, which is why the task of managers to communicate effectively is much more difficult than in a monolingual organization (Bass & Steidlmeier, 1998; Yannopoulos, 2011).

The basic purpose is to highlight the issue of ethics and managerial communication in the manager-employee relationship as well as the importance of these things in contemporary society, but also the psychological impact that can be triggered if some basic principles of management are not respected in this context (Bejinaru & Baesu, 2013).

2. THE SIGNIFICANCE AND ROLE OF ETHICS IN BUSINESS

Regarding the genesis of ethics in the literature we find innumerable definitions of the term, but we know that, in order to correctly define this notion, we must start from the fundamental
meaning of the term. In order to use the terminology correctly, we need to understand the difference between ethics and ethology, this being the essential starting point in the debate (Sandu, 2015). Although they have the same roots, the two terms are "morals" or "habits" and the first use was given by Aristotle (Zamfirescu, 1982).

Biologists Fr. Jacob and J. Ruffe remind us of the conception that some attitudes or habits of individuals or some living things are innate, which would mean that the tendency to do good or to be moral is a behavior that sometimes does not depend on us, but as J. Ruffe even states: "Complex behaviors that could be assimilated to acquired behaviors are purely genetic. Written in the genome, they are the fruit of natural selection just like any hereditary character" (Zamfirescu, 1982, pp. 37-38). If we refer to the age of ethics, we can say that it dates back about 3,000 years. For example, in the 13th century BC, Moses received the "Ten Commandments," this being the first approach to ethics. Buda (563-483 BC) said that we would be happier if we avoid fraud, we will not lie and we will have a life based on fairness. Plato (427-347 BC) considered rational knowledge to be our most valuable asset and, last but not least, Aristotle (384-322 BC) put at the center of his work that man must tend towards fairness, honesty and morality (Iamandi & Filip, 2008, pp.24-25). All these examples, as well as many others, attest to the fact that, over time, man has been and is inclined towards a fair lifestyle, wants to be respected and live in safety. That is why, regardless of how long people lived, they have taken into account laws and a set of principles based on ethics in interpersonal relationships.

In order to properly diagnose the role of ethics, we will refer to Plato's words (427-347 BC). "As the secrets of ethics are deciphered, it is increasingly used and becomes increasingly useful to society" (Iamandi & Filip, 2008, pp.18). Starting from the premise of the utility of ethics, we understand that ethics has not always occupied a primordial place in the concerns of mankind in general, but it has gradually become more important, as it is nowadays the object of conduct. In other words, when we refer to the role ethics plays in a society, we mean that it is the starting point for the actions taken by an entity and will also be the foundation from which it departs in terms of the moral obligations it has. Ethics is therefore closely linked to a moral obligation.

What is the moral obligation? This can be considered a code of ethics? The ethics codes of the 1950s have been discussed when, due to the wrong actions of some organizations, this concept has begun to spread because of people's mistrust. Therefore, codes of ethics are intended to guide morality, fairness and good faith of an organization. The specialized literature tells us about certain rules of this kind that we should respect. For example, Sandu (2015) explains in simple steps what ethical codes are supposed to be. Among the most important, we recall: implementing employee ethics and managers at the company level, supporting professional standards as a benchmark for identifying ethical employees or unethical behavior, good reputation for clients, and methodologies used to address such issues.

Ethics from a business perspective considers that each organization wants to gain an appropriate reputation, be known as fair and have a morally clean history (Tigu, 2005). However, in order for these things to happen, the ethics or supremacy of the law must be respected or committed to fair practices. But on what scale can we classify ethics in business? Fundamentally, ethics has the role of meeting the basic needs of man. Any manager would like to have subordinates with moral high behavior around him. However, lately, business morality has become increasingly controversial and requiring some regulation. For example, in Max Weber's conception, while medieval Catholicism considered money to be immoral, he claimed that the Protestant ethics itself made possible the implementation of capitalism. In the past decades, the concept of "ethical companies" has begun to revolve around large companies, especially in countries like the US, Britain, Germany or France, because economic and informational progress has put its mark on what we define today as a successful organization (Lupan & Prelipcean, 2009). When we talk about business ethics, we can refer to 3 perspectives as shown below, in figure 1.

In order to emphasize a stand point upon these ideas, we refer to the fact that in business, the goal of each player is to win in front of others, no matter what the price they have to pay. In other news, the main objective of any organization is to increase profits and mitigate losses. That is why,
taking into account the fact that a profitable business is an ethical business, the manager will use any leverage he would have to gain ground in the face of competition (Bratianu et al, 2012). Last but not least, any organization will be led in favor of the stakeholders, according to the third theory that we find in Figure 1.

![Figure 1. Theories of the relationship between ethics and business](source: adaptation after (Iamandi, 2008, pp.51-52))

3. ETHICS IN DECISION-MAKING

According to Adam Smith's words, "How selfish is supposed to be a man following his principles, a man that interests others' assets, which makes happiness for others, though he knows he will not get anything out of it except for the pleasure of seeing it" (Pastin, 2013, p.5).

Ethics can be considered an intrinsic element in decision-making by the consistency of actions, by being rational and having the necessary experience and responsibility, being a moral person having an effect on the organization's climate. Being a moral person can be considered to be the key to the concept of ethics, which is the basis for a luggage of experience (Neely & Mosley, 2018).

Ethics is, perhaps, the best marketing strategy that an organization can approach. Business ethics can have more perceptions: ethics in general, at work, at company management level, at the level of adopted strategies, market ethics, ethics towards suppliers and customers, and collaborators
and employees. In order to be able to talk about the application of moral principles, at each of these levels there are certain rules of behavior, certain values, which must be respected. An economic system can not last, can not bring prosperity to people if it is not based on ethics. Growing interest in business ethics around the world is not just a fleeting fashion. In the European context, there is a growing consensus on the importance of business ethics, be they students, professors, government officials or consumers, but especially business firms. In most universities across Europe business ethics have been introduced in recent years and since then the number of articles published in the press on business ethics has grown enormously. Modern corporations already have ethics officers and as a global trend, has increased the number of independent business ethics consultants (Kheirandish et al., 2017).

Ethics must accompany the entire decision-making process at all stages. In general, human resource management activities (such as recruitment and staff selection, formal assessment, position analysis, remuneration, disciplinary action, etc.) are most often confronted with ethical dilemmas. However, to encourage ethics in the field of human resource management, managers can support some actions. The analysis carried out in this area reflects the complexity of the issues and the need to be approached and treated appropriately by communication and negotiation management with implications for communication with collaborators, specialists, employees, suppliers, clients, coordinating and control institutions. Improving business leadership in this direction aims to achieve business success at desired, established levels. Ethics in leadership has become a fashion bringing positive effects. Businesses that emphasize and communicate strategically their ethics have much to earn in terms of customer trust and loyalty (Neely & Mosley, 2018).

We can accept the idea that most people, in most of the time, will take or wish to make their own decisions and respond to them. The decision of the manager is taken into account, before all the decisions of the whole company, as a leader, and he must reflect on new situations and be aware of the possible consequences of his actions (Bejinaru, 2017; Mele, 2012). In contrast to legal responsibilities, moral responsibilities are not just about mistakes, but also about the good deeds one wants to do. In the last decades, management, both theoretically and practically, has begun to emphasize the importance of an informal organization. The informal organization will include the financial status of the human resource, including motivation.

How does ethics contribute to good management? Ethical behavior is related to management, mainly due to managerial decision. Managerial practice attests that ethical ideas and values will define a manager who has ethical behavior or does not (Bratianu et al., 2011). But how can these two elements contribute to efficient leadership? First, the trust that exists in a company will affect its smooth running. From a subjective perspective, trust, above all, refers to people whose thoughts inspire confidentiality and can be felt throughout the organization. Secondly, it is good to know that promoting loyalty is important to achieve growth within the company and to maintain long-lasting relationships with customers. In this respect, the company will make some steps to take care of its customers and use some tactics to spur customer appreciation. An organization that has loyal employees is generally a highly appreciated organization. A loyal employee is generally willing to stay in that organization, make sacrifices for the company's good, and work after-hours when it is needed. Therefore, loyalty that exists in an organization can be regarded as the hidden weapon of that company that influences its progress, profit and values. Employee loyalty may be motivated by emotional incentives, or, if we refer directly to employee behavior, it is demonstrated that unfair behavior with the employee will entail repulsion for work (Bejinaru & Prelipcean, 2017).

The third element is to strengthen the manager's moral habits. It is known that the habits and norms that a manager has are reflected in the company's leadership. If the managers have accepted an incorrect business on a particular occasion, it is likely that they will continue to show similar behavior in the future. The third aspect concerns the fact of encouraging responsibility and being a creative person. Efficiency usually depends on having technical skills and the concern to improve them, but without alienating from ethical behavior. A truly moral manager is one that focuses not only on efficiency and profitability, but also on people who come into contact with him and his
moral responsibilities. Thus, a moral manager will not see maximizing profits before ethical behavior. The fourth and last characteristic is to invest in an ethical organizational culture. In other words, an ethical organizational culture is deeply rooted in the values and practices of the organization (Baesu & Bejinaru, 2014). The organizational culture will be directed by the people involved in that company, and all those who interact with the company will form the ensemble. It is unanimously accepted that a quality organizational culture will positively influence the company and will have some advantages (Mele, 2012, pp.5-22).

4. MANAGERIAL COMMUNICATION WITH EMPLOYEES

Communication involves the transfer of information from the transmitter to the receiver, ensuring the flow of information to some people working towards a common goal. Effective managerial communication allows successful communication of information by managers or team leaders through written messages, gestures or other means, with great clarity in the message. Most of the activities undertaken by managers are done through communication. Thus, we can say that they must, in most cases, be well understood, so that the task can be carried out with scrupulousness. Usually there are two ways of communicating between the manager and the team. The first refers to verbal communication that is word-of-speech. In verbal communication, managers need to be mindful of their speech. Also, the tone of voice, clothing, gestures are features that make it easier for the manager to communicate. Managers must choose the right words to be understood by all team members, in other words, be clear and convinced in speech without leaving room for interpretation (Bratianu et al., 2011; Hapenciuc et al., 2014).

Managers use interpersonal communication in their speech, and therefore we need to know how it is done. First of all, as mentioned above, we need a source or a transmitter, which is often the person who sends the information. Secondly, we need a message. The message is the information the broadcaster wishes to forward. Last but not least, the receiver is the person to whom the message is addressed, the latter being the source decoder. Do not neglect the disturbing factors, or how they are called in the "micro-bacteria" specialty literature. They have the role of distorting the initial message for a variety of reasons, such as: the transmitter's conception of information, the point of view of the receiver over the information, the ambiguity of the message, or the multi-sense words. All of these can be considered as harmful factors that will affect both the transmission of the message and its reception (see figure 2).

![Figure 2. Communication barriers](source: adaptation after (Husain, 2013))

Human capital is everything that is related to people (knowledge, education and relationships), individual abilities capable of achieving goals and objectives at national level.
Education is the foundation on which capital is built. Human capital is the whole mass of skills, knowledge, social attributes and personality, including creativity, resulting in the ability to perform works to produce economic value. It is an aggregate economic outlook in the economy human action, trying to explain the interaction of social, biological, cultural and psychological aspects of human culture. Human capital is an important component of the intellectual capital of organizations. As a component of intellectual capital, human capital is analyzed through the following dimensions and variables: improving skills, improving staff, stability, improving the capacity of population and groups. Human capital has the following three dimensions: knowledge - formal education, specific training, staff development and experience; skills - individual learning, collaborative teamwork, sharing individual knowledge through communication, know-how and leadership and behaviors - models, paradigms, sense of belonging, self-motivation, job satisfaction, flexibility and creativity. Both attracting and retaining talent, leadership, corporate reputation, and organizational benevolence all reflect the quality of human capital (Neamțu & Bejinaru, 2017).

As far as the managerial team and the manager are concerned, we can say that the results obtained by a manager will reflect in the efficiency of the collaboration with his team. We can define the managerial team as a group with which a manager will collaborate during the execution of one or more projects and result in certain outcomes. As a rule, the managerial team collaborates with the manager to achieve joint results, but managerial practice attests to some situations where the management team has worked to meet their own goals. That is why the manager has no obligation to approve and take on the views of the group in order to solve organizational issues. On the other hand, the position and behavior of each member of the team will condition the good course of the business organization, which is why, when choosing his team, the manager will have some standards for each member to work with. The manager will respect some aspects such as: maximum number of candidates, good collaboration skills, adaptability, professionalism, high emotional intelligence, punctuality, adaptability, good communication skills, ability to integrate in a collective, willingness to know, and show confidence (Vance, 2015).

For some managers, building the management team can be a real challenge as team members will have different personalities, they do not know each other well, which may lead to divergences, given that the manager does not know very well the potential of each employee. Once a managerial team is built, a well-designed motivational strategy will lead the team to focus on the results. The manager will have to understand each employee and help him develop the skills he / she has within and for the benefit of the corporation. If the strengths of each member of the team are properly channeled by the manager, while also resorting to motivational factors, the effectiveness of work will certainly be followed by satisfaction (Vance, 2017). When we refer to the position of a manager in relation to the team, we can say that the good thing will happen if there is a sense of equality among the employees, the management will be trust based, and each member will find himself in that organization. It is necessary for the manager to impose on some organizational issues, but the manager does not have to intimidate the team members by imposing their own point of view in front of the others, nor to try to convince them about a particular situation if the others do not agree (Drucker, 1999; Koestenbaum, 2006).

Communicating with the managerial team must be based on collaboration, understanding, and, most of the time, team communication helps develop new ideas and streamline the way the organization operates. In most cases, the act of communication defines the degree of collaboration that exists between the employer and the employees. The climate of communication is equally important because, through climate, we can establish the degree of employee satisfaction that relates to solving situations within the organization. To set the right climate requires teamwork, communication and openness to listen to new proposals. When the manager wishes to inform the team about a situation, the most effective method is to meet with all crew members. In this way, the information will not be diluted and the sense of understanding will not be lost.
The ethics of leadership rests upon three pillars: (1) the moral character of the leader, (2) the ethical values embedded in the leader’s vision, articulation, and program which followers either embrace or reject, and (3) the morality of the processes of social ethical choice and action that leaders and followers engage in and collectively pursue. These characteristics of ethical leadership have been accepted globally (Wren, 1996; Kouzes & Posner, 1993; Greenleaf, 1977). Transformational leaders transmit examples of conduct to be assimilated by their followers. Burns (1978) and Dukerich, Nichols, et al (1990) argued that the more leaders demonstrate a more mature moral reasoning, the more their followers will behave morally. On one hand, it has been noticed that the majority of ethicists are searching, exclusively, for the self-interest (Gini, 1995, 1996; Rosenthal & Buchholz, 1995). On the other hand, the authentic transformational leadership proposes a flexible approach of the self concept – a self that is linked to family, friends and community whose wellbeing could be more important than oneself. At this point, moral obligations are connected to a wider perspective upon individuals, community and connected to social norms and cultural beliefs.

5. CONCLUDING PERSPECTIVES OF ETHICS IN LEADERSHIP

In order to give concluding perspectives of ethics in leadership we shall briefly point out a series of ideas. The analyzed literature and surveys, led to the formulation of the following concluding perspectives. At the core of an efficient and lasting leadership stand the principles of integrity and ethics. In the first place, personal integrity is the foundation for the ethics of the entire organization. Considering these assertions, we conclude that the two notions have strong
convergence and synergy effect. In fact, we cannot discuss about leadership in the absence of ethics. At organizational level, the leader’s personal values as honesty, fairness, transparency and responsibility, become at the organization level the following four cornerstones of the code of ethics: responsibility, respect, objectivity and integrity.

In leadership, the value of responsibility is represented by the duty of assuming the taken decisions, the taken actions and the assuming of consequences. Responsibility must be perceived in several positive ways: -to take decisions and act on the basis of the society’s benefits, public safety and the environment protection; -to accept and lead only projects that are in line with our qualifications, experience and qualities and the team we work with; -to do what we say we will do; -to react and correct mistakes immediately; -to keep any confidential or personal information that has been entrusted to us.

Another important value in leadership is respect. Respect is the duty to show consideration for ourselves, for others, and for the resources that have been entrusted to us. These include: people, money, reputation - their safety and natural or environmental resources. An environment that cultivates respect generates trust, security and performance through the development of cooperation. It is highly appreciated that a leader who has mastered respect as a core value, shows the following behavior: - informs about the norms and traditions of all members and avoids engaging in behaviors that may be considered unreasonable; - listens to the opinions of all, trying to understand them; - directly addresses the people with whom it has a misunderstanding that can degenerate into a conflict and clarifies the situation; - behaves in a professional manner, even when there is no reciprocity; - negotiates for win-win outcomes; - does not use his/her power of expertise and hierarchical position in order to influence the decisions or actions of others for personal benefit; - does not have abusive behavior towards others; - totally respects the ownership of others.

The feature of objectivity is the duty to make decisions and act impartially and objectively. Behavior of leaders must not compete with their own interests, prejudice and favoritism, be impartial and lacking in preconceived ideas. A leader aligned with the objectivity mark must show the following profile: - proves transparency in the decision-making process; - constantly reviewing its impartiality and objectivity, taking the necessary and appropriate corrective measures; - gives equal access to information to all those who are authorized to hold that information; - offers equal opportunities to all qualified candidates; - avoids situations of conflict of interest; - avoids situations of favoritism and discrimination.

In leadership, integrity is understood as the duty to understand the truth and to act correctly, both in the way we communicate and in behavior. The behavior of an integrous leader will be characterized by: - seriously and honestly tries to understand the truth; - correct in communication and in its behavior; - provides accurate, timely information; - to make commitments and make promises, implied or explicit, in good faith; - creates an environment in which others feel safe to tell the truth; - do not tolerate or engage in unsound behavior by: - making false or misleading claims, telling the half-truth, to provide information outside the context or to retain information that, if known, would make our information misleading or incomplete; - does not engage in dishonest behavior with the intention of making personal gains based on the work of others.

The essentials of a leader lie in its values, beliefs and sales of attitudes, features that help make clear and effective decisions in a very short time. According to Stephen R. Covey, principles-based leadership is the way to success. Covey (2001) states that "true leadership power derives from an honorable character and from the exercise of certain principles and tools of power." Thus, in effective management, it is both ethical behavior (values, traits) and leadership (leadership style).

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