Ethical Leadership Style: Examining The Conflict Between Personal and Non-Profit Organizational Interest

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Abstract: **Achieving organizational goals and fostering good leadership requires more than being in charge, as leadership is grounded in ethical practices and norms. This paper explores the construct of ethical leadership known to consider the implication and consequences of long-term decision. Behavioural boundaries are set within an organization via demonstration of strong will character and integrity. Leadership in a profit or non-profit organization is not a mean feat. The objective of this venture is to examine and give an insight into an ethical leadership model and highlight how such a model could inspire, impact positively and sustain quality leadership is a non-profit organization as the Catholic Women Organization (CWO). Ethical leaders are moral managers and role models through their behaviour by internalizing their values. The ethical theories of utilitarianism deontology and virtue ethics comprised the theoretical framework for this purpose. Relevant related literatures were reviewed and most indicated preference for an ethical leadership style, which has greater potential to harness resources for a positive growth and development of an organization. Ethical leadership blends both personal and organizational values harmoniously through ethical reasoning when leaders are faced with ethical dilemmas.**

Keywords: **Ethical leadership, Personal values, Organizational Interest.**

I. INTRODUCTION

Ethical lapses and transgressions in both public and private organizations, especially in some religious organization have been well documented over the past decade, most of these ethical violations and transgressions are the result of an intentional ethical misconduct (Bass, 1998: Felix, Ahmad & Arshad, 2016). While some are due largely to poor ethical reasoning or judgement, of which the consequences knows no boundaries. There are some decades of research on leadership and ethical leadership (Brown, Trevino & Harrison, 2005: Brown & Trevino, 2006). Thus, little has been done with regards to construct development and its antecedents and outcomes in an organization or even a non-profit organization. Moral decline and lapses, coupled with corporate and organizational scandals propelled concern for ethical consciousness to stem the tide (Felix *et al..*, 2017).

Moral achievement or triumphs and ethical failures of leaders carry more publicity and weight than those of non-leaders (Ciulla, 2003). The reason is obvious, as leaders are looked upon as mentors or role models (Yukl & Mashud, 2010). Most ethical problems or failures are due largely to a complex combination of factors including personal and organizational values, for the banks, high risk leading and other unethical conducts and practices of managers. Leaders should consider the consequences of unethical reasoning and help followers understand ethical issues as to make appropriate judgement when faced with an ethical dilemma (Bass, & Ratrick, 1987: Bennett, 1993). Unethical practices are rampant in developed and developing countries. In Nigeria for example, most corporate failures are attributed to unethical conducts of leaders. Thus, from (1997-2020) more than twenty six commercial banks failed due to financial irregularities. In 2011, it was the turn of Afri-bank, spring bank plc and bank PHB; the three were later placed under the Central Bank of Nigeria (CBN) for management. By 2019 the Sky Bank and Diamond Bank became merged and extinct or fused together (Felix *et al..*, 2016)

From 2013 to date, the Nigerian National Petroleum Corporation (NNPC) and the Central Bank of Nigeria (CBN) are trading blames and accusations bordering on oil revenue not remitted as and at when due to the tone of 20 billion dollars. It is only Nigeria that one could hear of oil theft and a ship load of crude oil could be declared missing or stolen while we have the navy patrolling our waters fronts and the Air force doing the same with regards to our airspace.

The three arms of government are not left out or spared from ethical scandal (Okafor, 2004: Wright & Quick, 2011). In the legislature we have Faruk gate and Otedola, the dust raised on Demji Bankole, a former speaker has just settled with his acquittal recently. The Odua gate and pension scams are just but a few. The worst is that, in attempt to cover a lesser ethical lapse, a higher degree crime is committed which could be termed the Bathsheba Virus Bathsheba syndrome' (Felix *et al..*, 2019).

The religious institutions are not left out. A popular musician turned pastor, the General Overseer of household of God has married and divorced more than three times (Victor & Cullen, 1987). Recently, a popular prophet with the cherubim and Seraphim was caught pants down with a member's wife in Lagos (Mathew, 1987: Felix, *et al..*, 2016). There is a linkage between organizational values and leadership and ethical leadership is a demonstration of normatively appropriate

conduct through personal action and interpersonal relationship and the promotion of such conduct to followers. (Brown *et al..,* 2005). Thus, leadership and management behaviour which is usually disseminated via behavioural ethical and moral boundaries standards which is vital ingredient of organizational and corporate climate (Turner, Barling, Epitropaki, Butcher & Miller, 2002; Yukl, 2002).

Against the above backdrop, the paper gave an insight into ethical leadership construct as it reviewed some relevant literature which helped in defining the construct and in evaluating some variables determining ethical leadership behaviour in an organization.

II. AN EXPOSITION ON THE CONSTRUCTS OF LEADERSHIP, ETHICS AND MORALITY

The act of influencing or persuading subordinates to willingly perform certain functions or activities connotes leadership (Bush & Middlewood, 2019). Leadership therefore, is a process of planning, organizing, staffing, directing, coordinating, reporting and budgeting. Thus, propelling individual's behaviour or activities towards a set objective (Cuilla, 1996: Felix, Ahmad & Arshad, 2016), the act of leadership is a relationship between subordinates and leadership or what they offer each other. It is therefore an exchange of mutual benefits; it equally connotes behavioural expectations within an organization. Thus, ethical leadership plays vital role in achieving organizational mission and vision which made them an essential element and moral compass of organizational performance and reputation (Rest, Narvaez, Bebeau & Thoma, 1999: Engelbrecht, 2002). Therefore, ethical leadership involves diverse variable (Yukl, 2006). Thus, ethical leaders are guided by universal moral principles, ability to make a post conventional judgement, leading ethically and setting moral standards. Ciulla (1995) posited that ethical leaders are effective leaders due to the fact that a leader might have moral intention but incompetency creates unethical outcome (Ciulla, 2005: Lu, Kuo & Chin, 2013). Ethical leaders are concerned about long-time effect of an action positive and negative and sacrifices personal interests for subordinates' and organizational goal.

Great philosophers as Plato and Aristotle defined ethics as character, conduct and customs from the Greek word "ethos". Ethics is a set of principles that gives rational justification for behaviour, codes of ethics to guide the decision about what ought to be done, determining right from wrong based on the action and the consequences (Malan & Smith, 2001). Ethics is broader than morality; it justifies nature of right actions. (Beauchamp and Bowie, 2004).

The church, even the society see morality as norms, values through which behaviours is considered good or bad, as acceptable or not acceptable by the community or organization (Scminke, 1998: Montefiore & Vines, 1999). Moral or morality originates in social practice, while ethics as a science is a rational endeavour. Ethics defines the individual and group priorities and harmonizes individual and group

practices (Kouzes & Posner, 1999; Frankel & PGCMS, 2019). Ethical theories are categorised into two, those that relate to leaders' behaviour and those that relate to leaders character. There are mainly two types, with regards to leaders conduct and their consequences and those that relates to rule or duty (Felix. *et al..,* 2015).

Deontological theories or "Does" a Greek Word for duty) an action is ethical depends not only on its outcome but also in whether the action, behaviour or conduct is itself inherently good, for example "telling the truth, keeping promises, being fair and respecting others" (Rossouw, 1997: Northouse, 2013).

Teleological theories (utilitarianism, egoism, and altruism) utilitarianism describes leaders actions designed to obtain greatest good for the greatest number of people. Ethical egoism is an action designed to obtain greatest good for the leaders. Altruism describes a leaders action designed to care for others interest, even contrary to the leader's personal interest or value.

Therefore, mothers as family managers play prominent role in the moral and general ethicality of the household, especially the catholic Women Organization (CWO) which is an umbrella body uniting all the catholic women in Nigeria. A popular adage says train the woman and you have trained the nation and this is very apt considering their role, impact and influence in the church.

Against the above backdrop therefore, virtue based theories are related to leaders' character and these virtues can be learned and retained through experience and practice from the cradle bed to adulthood. The individual family, the communities and various societies an individual interacts with forms training ground for future leaders. Aristotle believed that individual could be helped to become more virtuous. He suggested the virtuous of an ethical person as: generosity courage, temperance sociability, self control, honesty fairness, modesty and justice (Velasquez, 1992).

III. IMPERATIVE OF (UN) ETHICAL LEADERSHIP RELATIONSHIP

Ethical leadership is a demonstration of normatively appropriate conduct through actions and interpersonal relationship and promotion of such conducts to followers through a two way communication, reinforcement and decision making (Brown *et al,* 2005). Ethics is central to leadership, due to the nature of the relationship between leaders and followers. Leaders can influence followers positively or negatively (Kanungo & Mendonca, 1996: Yuki, 2012), thus, the extent to a leaders influence on subordinates depends on the character and behaviour especially the nature and outcome of such behaviours.

Leaders have responsibilities to their followers, themselves and their organization, as their own personal values determines the kind of ethical climate that will flourish in their organization. Ethical leadership creates a work

atmosphere characterized by empathy, trust and nurturance which helps followers to change and grow when faced with difficult situations (Cohen, 1993: Northouse, 2013).

Leadership is about helping followers achieve higher ethical standards when faced with ethical dilemmas or differing values conflict. The interaction of leaders and followers enhances ethical behaviour and character of both the leader and subordinate (Weber, 1995: Burns 1978). The relationship between leaders and followers is at the heart of ethical leadership (Gilligan, 1982).

IV. DEVELOPING ETHICAL LEADERSHIP PRINCIPLE IN AN ORGANIZATION

There is difference between leadership as we see it and leadership as a position of authority, which is when someone is in charge. Leadership emerged due to the quest for group survival, which requires collective action. On the other hand, displaying personal integrity and abiding by personal ethics are prerequisites for leadership (Cohen, 1993, 2009). Research in leadership has shown that leaders need high integrity in order to win the trust of followers and when seen as lacking integrity it harms trust (Craig, & Gustafon, 1998). Therefore leaders need to learn basic principles believed to enhance ethical leadership as follows:

1. Respect for Others: Respective is reciprocal; leaders need to treat others with respect and dignity. Subordinates or followers have their values, ambitions and other personal goals, sometimes different from those of the organization.
2. Service to Others: Ethical leader serve others as they are altruistic and not egoistic in nature. They normally put followers' interest first and act as mentors, building teams and improving others (Kanungo & Mendonea 1996).
3. Justice for Others: Fairness and justice are the watch word of ethical leaders as they treat all subordinates the same way and whenever there is a differential treatment; merit and transparency will be glaring.
4. Honesty: Honesty and integrity are critical features of an ethical leader, which builds trust and followership. To be open with others in all issues.
   Do not promise what you can never deliver, don't misrepresent do not hide behind spin-doctored evasions, do not accept that the "survival of the fittest" pressure of business release any of us from responsibility to respect another dignity and humanity, (Dalla Costa, 1998).
5. Building with Others: Organizations, institutions and communities are built by ethical leaders with others. Leadership is about influencing others to achieve organizational or communal goals or objectives. The leaders harmonizes personal and organizational values into team goal appropriate and mutually beneficial to parties, these goals to be realized must be able to stir and excite the imagination of many people as possible.

V. ETHICAL VALUES OF LEADERSHIP

The development of ethical values in an organization is a primary responsibility of morally and value inclined leadership and followers via internalized moral integrity exhibited by the leader. Thus, ethics, moral and values are all standard guides to universally accepted behaviours (Felix *et al*.., 2016). These ethical principles are Codes that spells-out rights and wrongs, sanctions, as values on its own are not action but propels leadership action and behaviour. Dolan, Garcia, & Richly (2006) posited that values are types of behaviour guiding leaders towards achieving an objective and they went on to highlight various forms of values as shown bellow.

Table 2: Examples of final (personal and ethical-social) and instrumental values (ethical-moral and values of competition)

Personal values: What are the most important Things in your life?	Happiness, health, salvation, family, personal success, recognition, status, material goods, friendship, success at work, love
Ethical-social values: What do you want to do for the world?	Peace, planet ecology, social justice.
Ethical-moral values: How do you think you should behave towards people that surround you?	Honesty, sincerity, responsibility, loyalty, solidarity, mutual confidence, respect for human rights.
Values of competition: What do you believe is necessary to compete in life	Money, imagination, logic, beauty, Intelligence, positive thinking, flexibility.

Source: (Dolan, Garcia, & Richley, 2006).

VI. APPLAYING ETHICAL PRINCIPLES

Having developed some leadership skills, knowledge and abilities is not enough when faced with some ethical dilemma. To be an ethical leader the following questions should always occupy your thought.

- Is this right and fair thing to do?
- What is the right thing to do by a moral person?
- Am I respectful to others?
- Do I treat others generously?
- Am I honest towards others?
- Am I serving the community (Northouse, 2013)

The key principles as honesty, integrity, fairness and concern for others are all part of ethical leadership qualities. Personal leadership focuses on an individual's leadership skills, vision, creativity, charisma and ability to motivate others. Leadership is personal, as leaders create themselves, through learning; it is about exceeding a given authority to tackle challenge.

VII. LEADERSHIP VALUES AND ORGANIZATIONAL INTEREST

To lead is to live dangerously because you lead people through difficult change, you challenge what people hold dear

to themselves, their daily habits, loyalties, ways of thinking, while offering only possibilities (Felix, Ahmad & Arshad, 2015). An ethical organization is an intrinsic part of an individual's legitimate expectation which guarantees a sound economic development, but vested interests and personal values are threats along the line (Felix, *et al*.., 2016). Thus, the Catholic Women Organization as an umbrella of Mothers has a voice in attitude formation of leaders from the cradle to adulthood.

A "conflict of interest" occurs when your financial interests, business and social commitments, or personal or business relationship could reasonably interfere or appear to interfere with your ability to make fair and impartial decisions regarding the work of the organization (PAHO, 2001).

Conflict of interest exists when there are some elements of these:-

- A clash between your personal or private interest and your responsibilities as a leader.
- You engage in a business or personal relationship that may not be in the best interest of organization.
- You or your family has a business interest which could compromise your loyalty to the organization.
- You use your contacts or position in the organization to advance your personal or private interest or those of someone closely related to you by blood or marriage, friends, former colleagues and other individuals you have affiliations with etc.

With regards to antecedents and consequences, competitive pressure usually leads some leaders to abandon principles and take questionable actions that result to ethical failures. Some scholars believes that ethical failures are due to the inability of leaders to manage personal values and organizational interest (Ludwig, D, C, Longenecker, C.O, 1993)

David and Bathsheba are paradigmatic when analyzing many ethical failures of successful leaders the world over. David was a successful leader, God hand-picked him, has a good heart; talented and a strong soldier. Ethical failure started with on an evening stroll atop his palace vintage view, saw Bathsheba bathing, sent for her, beds her, and she gets pregnant. One of David's best generals Uriah was her husband and to cover up his immoral behaviour, David sent for Uriah, tries to get him drunk so that he will go home and sleep with Bathsheba, Uriah refuses, prefers to be with his soldiers, David made sure he never come back from the war, as he was killed.

Attempts to cover ethical failure by leaders are usually worse than the original crime. For example, David committed adultery a lesser than murder, forgetting that his action cannot remain invisible as 'Whistle Blower' prophet Nathan later exposed him.

The most interesting thing about the Bathsheba syndrome is that it is difficult to predict which leaders will fall prey to it. (Ciulla, J.B. 2003) researches evidenced the fact that

candidates of the virus are leaders with narcissistic traits, characterized by inflated self views, dysfunctional interpersonal intimacy, a pattern itself regulation that enhances the self at the expense of others (Murf & Rhode W, 2001). They are over confident, extraverted high in self esteem dominant, attention seeking, interpersonally skilled and charming, above all these, they are unwilling is take criticism, aggressive, high in psychological entitlement, lacking in the true empathy, interpersonally exploitative and grandiose (Campbell, et al, 2001).

Very Rev. Fr. J.C Atado, in one of his sermons pointed out some of the challenges of leadership, especially when it comes to the women folk as a group, he maintained that they are the most difficult group of people to lead anywhere the world over, based on antecedents and consequences. Women are gifted lot in all spheres, good, bad and ugly and really have a zero tolerance to perceived leadership lapses. It follows that a narcissistic personality as leader will surely have short live reign with women.

Narcissists with their need for power, prestige, and glamour eventually end up seeking leadership positions. Their sense of drama, their ability to manipulate others, their knack to establish quick superficial relationships gives them an edge. (Kets de Vries & Muler, 1985). They are likely to self nominate themselves for challenging tasks but this is equally their undoing.

VIII. CONCLUSION

Ethical and moral challenges confronting leaders requires self-knowledge, self control and discipline, ordinary moral values and institutional values jointly give credence to people to act or not to act. Apart from our elementary catechism, human dignity is one value reason to accommodate others and avoid humiliating them. The value in truthfulness provides us a reason not to lie, or the other hand, institutional values provides a reason only to those within the organization having opted to a particular social role as Rev. Frs., the soldier or on merit.

Morality is concerned with the potential victims of wrong doing and if a ruler sets himself right, he will be followed without his command. If he does not set himself right, even his commands will not be obeyed (Confucius, 1963).

One of the greatest challenges of motherhood is bringing up their children. Children brought up without compassion but knowledge has negative attitudes towards others in positions above them, aggressive towards their peers, and scorn for the less fortunate. This leads them towards greed, perception, excesses and very quickly to loss of happiness (Dalai Laima 1999.it has been argued that leaders do not have to be power hungry psychopaths to do unethical things and are not altruistic saints in life, ethical leaders are ordinary men and women who sometimes make volitional, emotional, moral and cognitive mistakes. (Ciulla, 2003).

Aristotle a great Greek philosopher maintained that endaimonea (happiness) is the end of which we aim in life. Therefore, our integrity gives us the interest, desires, commitment, and authority, of living well for life to worth its taste.

Against the above backdrop, the greatest responsibility of an ethical leader is to create the social and material conditions under which people can and do flourish (Ciulla, 2000: Berger, & Abbasi, 2015). The bible says in proverbs, 25:26,"a righteous person giving way to the wicked is like a contaminated spring or a polluted fountain."We should continue to encourage our leaders in all spheres, but certainly not to succumb or tolerate a rapacious and unethical leadership at close range.

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