Ethical Leadership

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Ethical Leadership

• It is not enough to be a leader, great leaders have brought about some of the worst ethical failures.
Ethical Leadership

• “It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you’ll do things differently.” - Warren Buffett, Chairman & CEO of Berkshire Hathaway
Ethical Leadership

- Ethical Leadership – the demonstration of appropriate conduct through personal actions and relationships and the promotion of such conduct to subordinates through two-way communication, reinforcement, and decision making.
Ethical Leadership

• “...ethical leadership trickles down from the very top of an organization all the way to the front lines.”
Requirements

• Model organizational values
• Place what is best for the organization over their own interests
• Train and develop employees throughout their careers
Requirements

• Establish reporting mechanisms
• Understand employee values and perceptions
• Recognize the limits of organizational rules and values
Demonstrate Committed and Consistent Leadership

• Leaders Must Lead
• Put Integrity First
• Go Beyond “Tone at the Top”
• Communicate Decisions Candidly
• Leaders Must Embody Values
• Senior Members Must Be Both Leaders and Managers
Daniels Fund Guidelines for Ethics

Instruction

• Understand why it matters to be ethical
• Develop strong, personal principles of integrity.
• When faced with a dilemma, let those principles guide decisions.
Tone at the Top

• “Organizational culture emerges whether or not there is effective leadership. The ethical dimension is dependent on how the company’s leaders influence the culture.” – Ferrell, Fraedrich, Ferrell (2015).
• “Realize that without integrity, any career will be short-lived.” – Bill Daniels