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Ethical and Unethical Leadership: A Cross-Cultural and Cross-Sectoral Analysis

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ABSTRACT

Current literature on ethical leadership and unethical leadership reflects a Western-based private sector perspective, pointing toward a compliance-oriented understanding of ethical and unethical leadership. As today's executives increasingly have to ethically lead across different cultures and sectors, it becomes vitally important to develop a more holistic picture how ethical and unethical leadership is perceived in the Western *and* Eastern cultural cluster and the private *and* the public/social sector. Addressing this issue, the present study aims to identify cross-cultural and cross-sectoral commonalities and differences in international executives' perceptions of ethical and unethical leadership. Findings from in-depth interviews (N = 36) with executives from Western and Eastern cultures working in the private or the public/social sector reveal collectively held perceptions of ethical leadership (including leader honesty, integrity, concern for responsibility/sustainability and people orientation) and of unethical leadership (referring to leader dishonesty, corruption, egocentrism and manipulation). Results indicate limited support for a compliance-oriented perspective on ethical and unethical leadership but yield a much greater trend toward a value-oriented perspective. Concrete practice examples illustrate these different perspectives. Cultural and sectoral particularities of executive perceptions of ethical and unethical leadership are discussed.

Ethical and Unethical Leadership:

A Cross-Cultural and Cross-Sectoral Analysis

Leadership ethics should be at the core of business. Recent scandals in the banking sector or the oil industry demonstrated once more the devastating consequences of unethical leadership and pushed the topic of leadership ethics into the center of public and media awareness. In today's globalized and increasingly virtual work environments where cultural boundaries are dissolving and multinational team work and cross-sectoral cooperation have become common practice (cf. de Anca and Vázquez, 2007; Ferdig, 2007), leaders face the particular challenge to display ethical leadership toward people from diverse cultural backgrounds–e.g., by supervising multinational work forces, negotiating with international partners or facilitating stakeholder engagement across industries, the public and the social sector. To successfully master these challenges, organizational leaders need to have a precise knowledge about cross-cultural and cross-sectoral commonalities and differences in defining ethical leadership and unethical leadership. For instance, does a New Yorker executive from a software company perceive ethical and unethical leadership in similar terms to an Ugandan manager with major work experience in a social enterprise? What are the commonalities and differences then with the view of a Danish ethics officer working for an international energy concern?

Despite the practical significance of the topic, systematic research on ethical or unethical leadership across cultures or sectors is rare (Brown and Mitchell, 2010; Eisenbeiss, 2012). The widely accepted definitions of ethical leadership and unethical leadership (Brown and Mitchell, 2010; Brown et al., 2005) are based on an American-based perspective and most empirical research on ethical leadership (empirical research on unethical leadership is almost non-existent) was conducted in American enterprises (e.g., Detert et al., 2007; Mayer et al., 2010; Mayer et al., 2009; Piccolo et al., 2010; Walumbwa and Schaubroeck, 2009).

Even the few previous cross-cultural efforts (Resick et al., 2006; Resick et al., 2009) followed the pre-determined American understanding of ethical leadership. By describing ethical leadership in terms of "normatively appropriate behavior" and disciplinary action of employee conduct (Brown et al., 2005) and unethical leadership in terms of illegal leader behavior and/or behavior violating moral standards (Brown and Mitchell, 2010), these definitions rather focus on a compliance-based and, at the same time, relativistic approach to ethics, leaving the content of moral norms and standards contingent on the respective cultural context (cf. Brown et al., 2005). For a deeper understanding of ethical and unethical leadership, it is vitally important to analyze how society and sector cultures shape ethical and unethical leadership perceptions and if there may exist cross-culturally and cross-sectorally concordances. Cross-cultural literature showed that societies and industries have distinct values and mindsets (Brodbeck et al., 2007; Hofstede, 2001; House et al., 2004), which can affect people's implicit theories about leadership and probably also about ethics, pointing toward the existence of both universally endorsed and cultural-specific dimensions of leadership (House et al., 2004).

Taking up the significant topic of *intercultural and cross-sectoral analysis of ethical and unethical leadership* and thereby answering recent calls for more cross-cultural research in the field (Brown and Mitchell, 2010), the present study then examines how executive perceptions of ethical and unethical leadership from Western *and* Eastern cultures and private *and* public/social sectors may converge and diverge, respectively. Precisely, we are interested in identifying commonly shared core components of ethical and unethical leadership in executive perceptions across national and sectoral cultures as well as cultural-specific facets.

Current literature on ethical and unethical leadership

Literature on ethical leadership

Leader ethics have been–more or less explicitly–addressed in several prominent leadership theories: i.e., in transformational leadership (Bass, P. , 1999), authentic leadership (Avolio and Gardner, 2005), spiritual leadership (Fry, 2003; Reave, 2005), servant leadership (van Dierendonck, 2011) or responsible leadership (Doh and Stumpf, 2005; Maak and Pless, 2006). For instance, in theory of responsible leadership, which is defined 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" (Maak and Pless, 2006, p. 103), leaders are argued to need *ethical qualities* in order to build trust and develop sustainable relationships toward multiple stakeholders. However, in all these theories leader ethics presents only one leader attribute among others.

There are also *conceptual-normative* and *empirical-descriptive* approaches in management science that have exclusively focused on the subject of *leader ethics*. Scholars from the *normative tradition* argue what ethical leaders *should do*: for instance, Ciulla (1995) emphasized that ethical leaders demonstrate respect for the rights and dignity of others and Kanungo and Mendoca (1996) proposed that altruism essentially characterizes ethical leaders. Related to that, Gini (1997, 1998) argued that ethical leaders use their power in a socially responsible manner, motivated by socialized–contrary to personalized–power (McClelland, 1987).

In the present paper, we follow the *empirical-descriptive tradition* which examines *how ethical leaders are perceived* by others. In this tradition, the most widely accepted definition describes 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 et al., 2005, p. 120) and is based on an interview study with American executives and ethics officers from the private sector (Treviño et al., 2003). According to Brown et al. (Brown and

Treviño, 2006; Brown et al., 2005), ethical leadership comprises two aspects: the "moral person" and the "moral manager" aspect. The moral person aspect relates to a leader's personality, in terms of moral characteristics and traits such as honesty and altruism, which manifests in his/her personal and professional life. The moral manager aspect refers to leader intentional efforts to influence and manage followers' ethical behavior–i.e., communicating ethical standards and disciplining employees for unethical behavior. Most management research on ethical leadership has built on Brown et al.'s (2005) work (e.g., Detert et al., 2007; Mayer et al., 2009; Piccolo et al., 2010; Walumbwa and Schaubroeck, 2009).

Brown et al. (2005) intentionally framed their definition in vague and *relativistic* terms, arguing that "normatively appropriate conduct" varies with societal and sectoral culture. In view of the definition's vagueness, Giessner and van Quaquebeke (2010, p. 43) criticized: "yet, while this definition leaves little to argue with, it also provides little to work with." One may ask: are ethical leadership perceptions completely dependent on the cultural context? Or are there cross-cultural commonalities in the understanding of ethical and unethical leadership? For instance, when thinking of the recent economic crisis, media reports and civic demonstrations around the globe indicated that the egocentric and short-term profit-orientation of many investment bankers was cross-culturally perceived as unethical leadership.

Nations and organizational sectors vary in culture, which is defined as "the collective programming of the human mind that distinguishes the members of one human group from those of another" (Hofstede, 1980, p. 24). The cultural system of collectively held values in society or industry socializes people and is likely to influence how they understand and perceive ethics in leadership (Brodbeck et al., 2007; Hofstede, 2001; House et al., 2004). Beyond cultural differences, there is also indication for cross-cultural commonalities. Analyzing ethics principles in ancient and modern Western and Eastern philosophy and

across the world religions, Eisenbeiss (2012) showed that there are universally shared principles of moral conduct. And in general leadership research, findings from the "Global Leadership and Organizational Behavior Effectiveness" (GLOBE) study, a large-scale multi-nation and multi-method study with over 17,000 managers from different industries in 62 societies, yielded evidence for both universal and culturally-contingent dimensions of people's leadership prototypes (Dorfman et al., 2004), thereby considering the influence of society and industry culture. Following GLOBE research, which has focused on people's leadership ideals, we assume that there may be also universal dimensions in people's *perceptions and in their understanding* of ethical and unethical leadership.

In ethics-specific leadership literature, cross-cultural studies have been scarce (cf. Brown and Mitchell, 2010). The few extant attempts built on an American based understanding of ethical leadership, using a pre-determined list of ethical leadership attributes. In a re-analysis of GLOBE data, Resick et al. (2006) showed that ethical leadership was universally viewed as facilitating outstanding leadership but that the degree of endorsement significantly varied across societal clusters. In another study, Resick et al. (2009) found that certain societal and organizational culture dimensions (i.e, institutional collectivism, performance orientation or uncertainty avoidance) can influence people's endorsement of ethical leadership. In line with GLOBE results for general leadership, these findings point toward both culturally contingent and universal aspects of ethical leadership *endorsement* but they do not speak to how the constructs themselves are perceived and understood across cultures. In light of the limited cross-cultural insights into ethical leadership, Brown and Mitchell (2010) have already called for more research in this field.

Literature on unethical leadership

In comparison to the rapidly growing body of ethical leadership literature, very limited research has been conducted on unethical leadership, theoretically and empirically. A precise

definition of the construct was offered only recently: according to Brown and Mitchell (2010, p. 11) unethical leadership refers to "behaviors conducted and decisions made by organizational leaders that are illegal and/or violate moral standards, and those that impose processes and structures that promote unethical conduct by followers." Despite the scarcity of research directly concerned with unethical leadership, there are streams of research on various forms of destructive leadership, some of which relate to unethical leadership. As Brown and Mitchell (2010) pointed out, the concepts of abusive leadership (Tepper, 2000), toxic leadership (Frost, 2004), tyrannical leadership (Ashforth, 1994) and undermining leadership (Duffy et al., 2002) all overlap with the concept of unethical leadership, as they refer to immoral, vicious, or otherwise destructive leadership behavior (cf. Brown and Mitchell, 2010). In addition, the definition of unethical leadership advanced by Brown and Mitchell (2010) includes leader behavior that encourages unethical follower behavior through ignorance or reward even if the leader does not directly engage in that behavior. In sum, research on unethical leadership is "in its infancy" and systematic efforts are greatly needed to develop a deeper understanding of the construct's content and its conceptual boundaries.

Research Objective

While ethical leadership and unethical leadership have been mainly analyzed from a unilateral American private sector based perspective (cf. Eisenbeiss, 2012), today's business world is increasingly characterized by multinational and cross-sector leadership: national and cultural boundaries are dissolving and executives face the challenge to lead ethically (and refrain from leading unethically) within and across diverse cultures (cf. Resick et al., 2006). As collectively held values in society and industry significantly shape people's understanding and perception of leadership and probably also ethics (House and Javidan, 2004), it is vitally important to take a more holistic approach and to consider also perspectives from the *Eastern world* and the *public/social sector*. With the present study, we thus aim to explore executives'

perceptions of ethical and unethical leadership across Western and Eastern regions and across private and public/social sector backgrounds and to analyze in-depth cultural commonalities and differences.

Methods

Qualitative approach

Methodologically, we chose a qualitative explorative approach because systematic research is lacking on how ethical and unethical leadership are perceived in Eastern cultures and in the public/social sector, respectively. In order to gather rich information and maximal unbiased insights, it seemed most appropriate to conduct semi-structured interviews with executives from a diversity of societally and sectorally cultural backgrounds in which they could share in detail their thoughts, beliefs and perceptions of ethical and unethical leadership and to describe personal encounters with ethical and unethical leadership. The first author of this study conducted 36 confidential individual interviews with executives either personally (in the USA, Germany, France, UK, Italy, Finland or Switzerland) or via telephone during the period from April 2010 until February 2013 until theoretical saturation was reached (Strauss and Corbin, 1998). The average length of an interview was 45 minutes. There were no systematic differences in interview depth or length between personal and telephone conversations.

Sampling

Qualitative research methods require theoretical sampling to purposefully integrate relevant perspectives (Strauss and Corbin, 1998). According to our research questions, we drafted a theoretical sampling grid to map the diversity we sought in terms of interviewee's society and sector cultural background (see Figure 1). Following this grid, we aimed at executives, founders, senior management and award-winning entrepreneurs from the Western and Eastern culture and from the private and public/social sector.

Figure 1 about here

To recruit interview partners, we used formal letters, personal contacts and recommendations. We informed potential participants of the study's objective to explore cross-cultural and cross-sectoral commonalities and differences in executive perceptions of ethical and unethical leadership and offered a comprehensive result report as an incentive to participate. Of the 51 persons contacted, 36 agreed to participate in the study, resulting in a participation rate of 70.6 %. The sample comprised current and former chief executive officers, chairmen of supervisory boards of large international companies, (senior) vice presidents, branch directors, ethics directors from international inter-governmental organizations, presidents of global non-profit organizations, award-winning (social) entrepreneurs and leaders of religious and spiritual institutions. The interviewees' professional backgrounds spanned a wide range of disciplines, including economics, psychology, politics, philosophy and theology.

Covering eight out of the ten GLOBE cultural clusters with four clusters belonging to the *meta-Western region* (Germanic Europe, Nordic Europe, Anglo and Latin Europe) and four clusters to the *meta-Eastern region* (Southern Asia, Eastern Europe, Africa and Arab) (Gupta et al., 2002; House et al., 2004), our participants came from India, Greece, Korea, Namibia, Burkina Faso, Uganda, Sweden, America, Korea, Germany, Belgium, United Kingdom, Norway, the Netherlands etc. and their cultural foci of work experience included, for instance, Ivory Coast, India, Sri Lanka, Ethiopia, Rwanda, Italy, South Africa, East Africa, France, America, Germany, Sultanate of Brunei, Korea and Latin America. The interviewees averaged 49 years of age (the median age was 45, the minimum age was 28, and the maximum age was 80). Participants' average leadership experience was 20 years (the median length of professional experience was 17 years, the minimum was 2 years, and the maximum was 53 years). The average leadership scope of participants was 8,112 employees (the median leadership scope was 33 employees, the minimum was 3 employees, and the

Table 1 about here

maximum was 251,000 employees). Table 1 provides a detailed overview of interviewee characteristics.

Interview protocol

As common in qualitative research (Spradley, 1979), our semi-structured interview protocol consisted of general open-ended questions. We first asked the interviewees to describe their understanding of ethical leadership (i.e., "What is your understanding of ethical leadership?"). We then asked more specific questions on personal encounters with leaders whom the interviewees had perceived as highly ethical, including questions on specific characteristics and behaviors and on critical incidents with ethical leadership (e.g. "If you now think of a leader whom you have met during your professional career and whom you have perceived as highly ethical, what characterized this leader in terms of characteristics and behaviors? Please describe the first person that comes to your mind. Could you please give concrete examples?"). In the same manner, we asked participants about their personal encounters with leaders whom they had perceived as highly unethical, including questions on specific characteristics and behaviors and on critical incidents with unethical leadership. To generate an unbiased picture of our interviewees' beliefs and perceptions of ethical and unethical leadership, we kept our standardized interview structure short and left time to react spontaneously to interviewees' responses with probe questions (e.g., "Could you please explain in detail what particular behaviors this ethical leader engaged in when he/she tried to influence the group? What did the leader do exactly to resolve the ethical dilemma?").

Three pilot interviews were conducted in order to test and refine the interview protocol. As the interviews were conducted either in German or English, both a German version and an English version of the interview protocol were created by following the "back translation" method (cf. Brislin, 1986). A German social scientist with extensive professional experience in English-speaking countries supported the authors of the study in translating the interview

protocol. All but seven interviews were tape-recorded and verbatim transcripts were created or, in the remaining cases, extensive handwritten notes were taken during and immediately after the interviews.

Data analysis

Following standard practice for qualitative data analysis, we systematically reduced and abstracted our transcript material by inductively developing and iteratively refining a coding scheme (Miles and Huberman, 1994; Strauss and Corbin, 1998). First, we carefully read the interview transcripts at least twice. Using MAXQDA, a software program for text analysis (Kuckartz, 2010), we then divided the transcripts into separate "thought units" representing a distinct concept or thought (Lee, 1999; Miles and Huberman, 1994) and labeled the units accordingly (sample labels: honesty, transparency, fairness). We re-read all thought units, reviewed how well their labels mirrored their content and modified the labels if necessary. We printed out two separate lists of thought units' labels, one for ethical and one for unethical leadership, and in each case grouped the labels into emergent categories with high convergent and discriminant validity. The coding process proceeded in an iterative manner and included several runs in which the categorization system became increasingly structured and refined. After finalizing the categories, we counted the number of interviewees who had mentioned each category and calculated the percentage values. The overall sample size for calculating the percentage rates was 35[1]. As common in qualitative research (cf. Treviño et al., 2003), we excluded categories having emerged in relatively few interviews (less than 25% in this case) because we were interested in finding general data patterns. We also checked that each category reported occurred across diverse national and sectoral cultures.

To assess the reliability of our categorization process, a post-graduate student with expertise in the field of business ethics and training in qualitative research methods re-coded approximately two-thirds (23) of the interview transcripts, applying the coding schemes from

the preceding analysis. Initially, we obtained reliabilities of 88.2% for unethical leadership and 90.1% for ethical leadership, using the inter-coder agreement formula by Miles and Huberman (1994) (also see Milliken et al., 2003). After thorough discussion of disagreements, the inter-rater reliabilities increased slightly to 89.8% for unethical leadership and 92.1% percent for ethical leadership.

Results

Executive perceptions of ethical leadership

To facilitate understanding, we grouped the emergent categories under respective superordinate headings: personal conduct, decision making orientation and management style. Furthermore, we distinguished between core categories of ethical leadership, particularly frequently mentioned across cultures and sectors (> 40%) and relevant from both a compliance-oriented and a value-oriented perspective, and additional categories reflecting more specifically either a *compliance-oriented* or a *value-oriented perspective* of the construct (see discussion part for an in-depth comparison between the compliance-oriented and value-oriented perspective). Table 2 lists the respective categories and their frequency of occurrence.

Table 2 about here

In terms of *personal conduct*, ethical leaders were commonly described as individuals with strong integrity (48.57%) who are honest (60.00%) and just (31.43%). Furthermore, from a value-oriented perspective, they were also perceived to show a deep concern about responsibility and sustainability (62.86%) and to be servant (45.71%) and open-minded (40.00%).

In terms of *decision making orientation*, ethical leaders were most frequently described to act upon their own moral value compass (54.29%) and to transparently communicate the reasons for their decision making. From a compliance-based perspective, several interviewees (31.43%) emphasized that ethical leaders adhere to laws, rules and regulations.

With respect to *management style*, ethical leaders were seen to display great people orientation (60.00%) and to lead others by example (45.71%). In addition, ethical leaders were commonly described as inspirational managers who have great charisma and an attractive vision for the future (40.00%) and promote participation and empowerment (34.29%). Reflecting a more compliance-oriented perspective, ethical leaders were also said to engage in transactional management behaviors by setting objectives, monitoring, controlling and rewarding follower conduct and performance (31.43%).

At the most fundamental level, ethical leaders seem to have a deep respect of human dignity and rights and truly care for the interests, wishes and needs of others. They are not caught in personal ambitions and egoistic interests but seem to have overcome any narcissistic tendencies. While prior research captured ethical leader's people-orientation mainly in terms of the direct leader-follower-relationship (Brown and Mitchell, 2010), our study results suggest that the social orientation of ethical leaders goes far further and transcends the affiliation boundaries of a specific organization. By taking an open and large-minded view on the world, ethical leaders appear to realize the interconnectedness of human beings–organizationally, nationally and globally–and as a matter of course are concerned with promoting the well-being of others. Thus, ethical leaders treat not only their direct followers and organizational colleagues but also their stakeholders and wider society–including customers, suppliers, politicians, trade unions, non-governmental interest groups and citizens–with true respect and fairness.

Executive perceptions of unethical leadership

Table 3 shows the categories that emerged from our text analysis on perceptions of unethical leadership and the frequency of their occurrence. With respect to *personal conduct*, unethical leaders were seen to be dishonest (45.71%) and unfair (25.71%). Furthermore, from a compliance-oriented perspective, unethical leaders were described as delinquent persons

who break the law and engage in corruption and other criminal behavior (40.00%). From a value-oriented perspective, unethical leaders were also seen as nonemphatic persons (37.14%) who lack a sense of responsibility (40.00%). Regarding leader *decision making orientation*, our interviewees indicated that unethical leaders are egocentric and follow primarily their own self-interest (57.14%). In terms of *management style*, interviewee perceptions indicated that unethical leaders tend to manipulate and misuse others (48.57%).

Table 3 about here

Basically, unethical leaders were perceived to lack enduring values but to make decisions arbitrarily and to choose actions depending on what best matches their interests in the given situation. As one interview partner put it when describing the attitude of an unethical leader: "these are my values; if you do not like them, I have other ones." Unethical leadership was often seen as the opposite of ethical leadership: "oh, that would be the exact opposite [of ethical leadership], of course–saying one thing, doing the other, instigating fights and building hostility. Usually when these persons have competitors, they're trying to ... downgrade the others rather than upgrading themselves. I met one or two of those." Furthermore, several interviewees noted that unethical leadership occurs much less frequently than ethical leadership: "there is not probably someone in my past experience that I can come up with as someone who's unethical. No, I cannot think of anyone to give you an example. My experience is most of the time people try to do the right thing." Related to that, categories for unethical leadership were fewer than the categories for ethical leadership.

Discussion

Analyzing the significant topic of cross-cultural and cross-sectoral convergence in ethical and unethical leadership perceptions, our interview study with Western *and* Eastern executives from the private *and* the public/social sector yielded a collectively shared core understanding of ethical leadership, evolving around a honest and fair leader with high integrity who displays people orientation and leads by example. In contrast to previous research on ethical leadership (e.g., Brown and Treviño, 2003; Brown et al., 2005; Treviño et al., 2003), which emphasized ethical leaders' compliance with legal, societal and

organizational rules and regulations and focused on transactional leader behaviors in terms of disciplining employee ethical/unethical conduct (cf. Brown and Treviño, 2003), the present results rather point toward a value-based understanding of ethical leadership, comprising deeply-rooted personal moral values, concern for responsibility and sustainability, charismatic inspiration and empowerment. Ethical leaders were also often perceived as effective leaders who fulfill their traditional leadership roles–such as setting performance objectives, monitoring, controlling or rewarding employee performance. Several interviewees talked about ethical leaders' transactional management behaviors in the context of effective leadership but rarely mentioned leaders' specific disciplining actions of employee ethical behaviors or deviance. In sum, while Brown et al.'s (2005) definition of ethical leadership speaks of "normatively appropriate behavior" and thus pertains to *management* as a form of "doing things right," our results go beyond management and promote *leadership* as a form of "doing the right thing."

By examining executives' shared perceptions of unethical leadership across societal and sectoral cultures, we refined the conceptual understanding of this construct and answered recent calls for more research in the field of destructive leadership (cf. Brown and Mitchell, 2010). Collectively, unethical leaders were described as dishonest, unjust and egocentric persons who tend to manipulate others. In contrast to ethical leadership, unethical leadership seems to center more specifically on actively destructive leadership attributes and behaviors and is not associated with ineffective leadership styles (e.g., laissez-faire leadership).

Compliance-oriented and value-oriented perspective

Our study surfaced two different angles from which ethical leadership could be looked at: a compliance-oriented perspective and a value-oriented perspective. A compliance-oriented perspective emphasized leaders' adherence to/violation of *law* or other *externally determined formal rules and regulations*, i.e., professional policies or organizational codes of

conduct. In that case, the standards against ethical or unethical leadership are measured are found in the *outside of oneself* and present rather tangible and clear directives what is considered as right and wrong in a certain situation. As one interviewee pointed out: "ethical leadership … when I hear that term I always, the one thing that comes to mind right away is … making sure, from a financial stand-point, the retail incomes are accurate, we are compliant with the guidelines, with IFRS or GAAP guidelines and if there are, you know, things that are not done correctly you have to bring that to light right away and you address it in the manner that is appropriate."

From a value-oriented perspective, ethical leaders were perceived to have a coherent set of moral values–a sort of "navigation system"– fully internalized and serving as their steering compass for their personal conduct and management choices. What is ethical or unethical is then determined by this *internal value* compass (cf. Paine, 2006) and may transcend a purely compliance-oriented perspective. The following example illustrates the extra-mile a value-oriented leader is willing to go for the sake of the organizational good even at the cost of her individual career development: "actually, just this previous year, our leader, my boss, made a decision to sacrifice this fiscal year's bonus the company injected, that means that actual financial hit to the pocket, to her pocket, in expense to get really good looked at and respected for the campaign in three years. So it was a very conscious decision that promotes the company long term and makes sure that we produce very good products, that we stay very competitive instead of having a very short term view to maximize the gain for this fiscal year. And visualize in particular the ethical in this case … it's because in particular, it is very unlikely that she's building from all the complete different jobs for the next two years, so that means that she's … taking a full view that is very very efficient for the company over the long horizon, even at the expense that she might not be at the company when that payback comes."

Many interview partners referred to religious and/or spiritual scriptures from their national cultural context when speaking about moral values for ethical leadership, including the *Bible*, the *Bhagavad Gita* or the *Sutras of Patanjali*. Our findings point particularly toward collectively held values such as *humanity, honesty, justice and responsibility/sustainability*. Note that these values present central ethics principles in ancient

and modern moral philosophy. For instance, the importance of justice and honesty for ethics can be traced back to the seminal work of Plato and the Nicomachean Ethics of Aristotle (cf. Morgan, 1992). Indeed, justice and honesty still figure prominently in conceptions of ethics advanced by modern philosophy (Rawls, 1971). The value of humanitarianism is consistent with Kant's categorical imperative (cf. Paton, 1971). And Jonas (1979) particularly emphasized the principle of responsibility for guiding ethical conduct.

Ultimately, a compliance-oriented and a value-oriented perspective seem to go together well in many management situations and should be considered as complementary rather than as exclusive elements. In democratic political systems, national law, rules and regulations were established to protect citizens' human rights, to regulate individual and collective duties in a just manner and to ensure a decent and peaceful togetherness in society. However, in a higher stage of moral development (cf. Kohlberg, 1976), following the law may sometimes not be the most ethical choice. A few interviewees even indicated that treating ethics as a pure compliance issue is unethical leadership. From a value-oriented perspective, ethical leaders who have developed their own moral value compass which guides their actions and decisions are assumed to take national law and organizational rules seriously and to try to stay in concordance with this legal, professional and/or organizational framework. Yet, when faced with a complex and ambiguous ethical dilemma, in which law, rules and regulations may conflict with moral meta-values, these ethical leaders allow themselves to transcend the respective law or the societal or organizational ethics code for the welfare of the greater good and in line with the universal ideal of humanity. The following example describes such a situation in which a leader decided to break the organizational rules and instead followed his own moral values of compassion and justice[2]: "so I had a driver, a very reliable guy, always predictable, always in time what is not a usual thing here in this country. You know, we have a rule for our drivers, they are not allowed to use the vehicle for personal purpose. Otherwise, they will get fired right away. And then it happened: my driver caused a major accident. And soon it became clear that he had broken the rule,

he had stopped by for a drink on his way back home from work and had a big accident with the car afterwards. The normal reaction would have been obvious: firing him, cancelling the contract. But it was not that easy for me. The driver has a large family that he had to support financially and–usually–he had shown to be a very very credible person. I had to come up with another solution. And that's what I did: I called the driver into my office and told him that he had to repair the car at his own expenses and that he had to promise to keep away from alcohol to keep his job. He was very happy, you can imagine. He paid for the whole accident by monthly installments and he stayed with me. And he has been reliable ever since." And another example out of everyday management practice further illustrates the point that "ethical" does not necessarily mean strict compliance with the rules: "it is because ethics, for example, in our business we are so highly regulated, you're not supposed to take a customer to dinner and have it cost more than one hundred dollars, right, so per person. If I see a bill of somebody submitted for one hundred and twenty, do I fire them? No, of course not."

The interweavement between charisma, ethical leadership and unethical leadership

Our interviewees often talked about a charismatic, visionary leader who serves as an inspirational role model, shows personal sacrifice for the sake of the greater good and has a clear vision of where the organization should be going. The following quotation illustrates the importance of charisma for ethical leadership: "ethical leadership is connected with charisma. Charisma can be built in the sense that by being the example you become charismatic for many people, because you don't move, you look generally interested, the others would say. I think it's one of these characteristics that you need to have to be a long-term leader … if you want to be a long-term leader, you need to be caring about people. You need to motivate them." In contrast, current literature on ethical leadership has focused on transactional rather than charismatic facets in ethical leadership (cf. Brown and Treviño, 2003). However, the emergent relevance of the transactional component in Treviño et al.'s (2003) qualitative study may be–at least to some extent–due to the fact that half of their sample were ethics officers whose professional background may prompt them to view ethical leadership from a compliance perspective. Anecdotal evidence of the relationship between

charisma and ethical leadership can also be derived by studying ethical-charismatic leaders such as Mahatma Gandhi, Mother Teresa or Martin Luther King.

In charismatic-transformational leadership theories, morality and ethical conduct were seen as core dimensions of leadership (Avolio and Bass, 1988; Bass, 1985). However, as explained in social science literature (Conger, 1990; Conger and Kanungo, 1998) and shown in history by the political leadership of brutal dictators such as Hitler and Stalin (cf. Ciulla, 2006), charismatic-transformational leadership can also have a "dark side." Some authors have thus differentiated between ethical and unethical forms of transformational and charismatic leadership–i.e., authentic transformational versus pseudo-transformational leadership (Bass and Steidlmeier, 1999) and socialized versus personalized charisma (Howell, 1988; Howell and Avolio, 1992). In the GLOBE study, Dorfman et al. (2004) found that "dark side" leader attributes such as egocentric, ruthless and asocial were universally viewed as inhibiting outstanding leadership. Note that the "dark side" of charisma has not been mentioned within our interview part on unethical leadership.

The emergent significance of responsibility and sustainability

Another characteristic of ethical leaders surfaced from our interview analysis which has not been in the focus of previous ethical leadership research: leaders' sense of responsibility and concern about society and the environment. Our interviewees indicated that ethical leaders stand out due to their strong sense of ownership, their concern for society, their environmental awareness, their responsible use of resources, and their future-oriented view on success. As one leader pointed out: "ethical leadership nowadays is about social responsibility in a wider sense, a political action stretching the concept of ethics from personal to global issues, taking responsibility for the entire world, the world as a living organism, as a 'Gaia.'" Another interviewee elaborated on the importance of environmental consciousness for ethical leadership: "right, that's about environmental consciousness and ethical action, not wasting resources, power, paper or water, all that what we experience daily in the office. And beyond that, in product or system development, or when

traveling, asking ourselves if we can come up with something environmental friendly or make a contribution through that." Unethical leaders were described by their lacking sense of responsibility and sustainability and their short-term view on success: "producing a product, or products, that are very appealing … very easy to market … It doesn't necessarily always provide the best diagnosed information, so the theory is immense … without providing any sort of a customer benefit. Customer benefit as a position benefit or recognition benefit and, you know, just purely financial gain or purely one more business anyway … it is not ethical from the end-user perspective and that's a reason why I don't like. In general, every company that I can see behaving this way can maximize short term gains but long term it is failing."

Perhaps recent ethics scandals in the finance sector or the oil industry have made the issue of responsibility and sustainability particularly salient to executives. But the importance of the issue does not appear to be an ephemeral phenomenon: several respondents mentioned that ethical leadership in the sense of taking care of societal and environmental issues is likely to become even more important in the future as leaders have to deal increasingly with social and ecological challenges, such as an aging workforce and dwindling natural scarceness of resources, in order to successfully perform on the global markets.

In literature on ethical leadership, little attention has been given to leader sense of responsibility and concern for society and sustainability. Kalshoven et al. (2011) acknowledged that ethical leadership may involve a pronounced ecological consciousness and therefore added leader environmental orientation into their multi-dimensional conceptualization and measure of ethical leadership. However, leader concern about stakeholders, society and humanity as a whole has not yet been taken into account. Similarly, leadership around unethical leadership has not recognized the aspects of responsibility and sustainability for defining the construct. But there is an emerging stream of research on the construct of responsible leadership which resonates well with our findings about leader sense of ownership and sustainability (Doh and Stumpf, 2005; Freeman and Auster, 2011; Pless and Maak, 2011). Responsible leadership can be understood as a social-relational

phenomenon which occurs in interaction with a multitude of stakeholders inside and outside the organization and involves leader authenticity and care for community and the environment (Maak and Pless, 2006; Pless, 2007).

Effective leadership, ethical leadership and unethical leadership

Many of the attributes and behaviors that our interviewees identified as hallmarks of ethical leadership also characterize common conceptions of effective leadership and performance management. For example, many respondents expressed that ethical leaders actively engage in management practices such as monitoring, controlling, giving feedback and praising followers for excellent work. Furthermore, ethical leaders were described as providing strong guidance and setting priorities in order to successfully accomplish organizational and supra-organizational goals. Ethical leaders were also described as emphasizing consistent communication processes with followers and other stakeholders and as openly explaining the reasons behind their decisions. All these characteristics are usually considered ingredients for effective leadership in general. Even if we could not find clear evidence in our data for the specific transactional component of ethical leadership that emerged in the interview study conducted by Treviño et al. (2003), the ethical leadership attributes that emerged in our study seem to support the concept of operationally managing employee behavior and performance by means of social exchange processes.

While these effective leadership components appear to comprise an important aspect of ethical leadership, their absence–in the form of "laissez-faire" leadership–does not seem sufficient to elicit the perception of unethical leadership. Rather, unethical leadership seems to be characterized primarily by actively negative traits and behaviors such as egoism, dishonesty and corruption, inhumane and unfair treatment, manipulation and destructive behavior and a short-term perspective on success. Focusing on the antipoles of the unethical leadership attributes for describing a leader–i.e., a humane, honest and credible leader who

treats others in a compassionate and fair manner and has a strong value-orientation and a long-term view on success–may be a useful way to isolate the essential components that define ethical leadership as distinct from simply effective leadership.

Differences between Western and Eastern cultures

Apart from the substantial commonalities in executive perceptions of ethical and unethical leadership between Western and Eastern cultures, we also found culturally-specific patterns. In Eastern cultures, as opposed to Western cultures, ethical leadership was particularly associated with leader modesty and openness to other ideas. One Indian interviewee outlined: "I think he is very humble and always hungry in terms of seeking out new things and new ideas and very open to being challenged in his long-term beliefs." Following your inner calling and feeling deeply connected with others–in a spiritual sense of recognizing the oneness of all human beings–were only mentioned as important qualities of ethical leaders in the East, as it is illustrated by this description: "so if this guy is really to make sure being mature in his life, trying to understand things around, exploring, listening to your inner calling and trying to just make sense of what your purpose is here." Related to that, ethical leaders were often described to show personal detachment from material success indicators (financial wealth, status etc.) and to act as servants to society in Eastern cultures. The following example shows this point: "and also I must share this with you: he was at the top of the affairs, like he was tipped to be the managing director, he gave up everything at that level and just left everything in the corporate world just to go and serve in an ashram. You know, and to be able to do that at that level, to give up all the titles etc., when everything is at your feet, just so you can go and serve mankind. And his simple logical explanation was that 'I have achieved what I have to achieve in terms of leadership and title etc. and I don't need it anymore. So let somebody else handle it, while, at the same time, I can always contribute more to others of the society.' … Nothing else matters but your own consciousness, your own, you know, honesty, the way you look at things and not to be so much attached to any position. And you know, you should be able to make that move whenever you want to. So I think that I have been greatly inspired by him so to speak." Furthermore, ethical leaders in the East were particularly often said to show a participative management style and to empower others: "so, I was the junior

most when I joined the team but he did not ever hesitate to come and ask me my opinion. If I was working on a transaction then he always used to ask me 'What is your view' so that it is heard and if it is correct then he would not hesitate to kind of consider and, you know, implementing based on my suggestion without even looking at the hierarchy." In contrast, ethical leadership in the Western world was more often associated with transactional performance management such as setting clear objectives, monitoring behavior, giving feedback and contingent reward.

With regard to unethical leadership, executives from the meta-Eastern region (especially Africans) often mentioned the problem of bribery and corruption: "it's difficult in Africa to behave and being ethical. It's a challenge. It's a real challenge. It's a real challenge because at the end of the day to get the contract sometimes you have to accept to leave something back. Other you walk away and leave the contract or you accept to give this commission back to the person … Is that you have to accept the rule of the game or play another game. So at the beginning, I mean what I can see here is that at the beginning the people are very strong in terms of ethics but at some point it will not help surviving in your company … Give something back from the contract or issue a price maybe you give the commission to one, you are able to do the contract … So you're always facing ethical dilemmas. How do you do that? How do you manage to escape from this?" Corruption is common practice in business and politics in many African states (de Sardan, 1999) and a severe obstacle to sustainable development of this region (Gyimah-Brempong, 2002). In contrast, Western executives mentioned particularly frequently discrimination as a part of unethical leadership: "it's very clear, these people have specific preferences which they enact. Discrimination would be such a term … That I get the impression that this person discriminates against others in any manner. That's a huge problem." Public awareness of gender and racial discrimination seems to rise in nations with higher economic and social development (cf. House et al., 2004).

Differences between the private and the public/social sector

In public/social enterprises, which are driven by a pro-social and/or non-profit mission, ethical leadership was more often associated with kindness and compassion than in private companies. One leader from a social enterprise explains: "and like for me it's also about: he is an

extremely kind person, if you're kind, like Mother Theresa says, you know, 'everything begins with a smile.' So I think most people think that, you know, humans are competitive entities but I think the contrary: collaborative entities. And there is to be an understanding amongst ourselves needing to be kind." On a related note, leader approachability and modesty played a particular role for perceptions of ethical leadership in the social sector: "so the door to his cabinet is always open and I think it is something that we all try to replicate or we try to adopt that practice where it doesn't matter if you're a technician, a chief executive, an office administrator, senior manager or mid-level manager, you are always acceptable to him and your opinion and your voice is always something that he wants to hear. So I think that's something that is very important. I think in this entire and especially for the sector that we work in. That is one thing I want to throw out because it's a very, it's a unique environment if you ask me and I think not everybody has that kind of access in their company but he does make it a point to do that and I think that's something that we all try to learn from him." In contrast, in the private sector, some executives especially emphasized the importance of a business-driven compliance-oriented perspective, demonstrating a legally-based understanding of ethical leadership. One leader in the private sector pointed out: "talking about compliance now, about the entire field, I certainly will sometimes act on the edge of law, because of economic reasons, and go as far as law allows me to go. Because that's what you have to do in business. But I won't do anything that's illegal, somehow not allowed legally, and I also don't want do so." There were no systematic differences in executive perceptions of unethical leadership between the private and the public/social sector.

Limitations and future research

When conceptually designing our interview sample composition (also see Figure 1), we aimed at a high level of diversity in both society and industry culture. However, executives are difficult to gain access to and although we achieved a considerable variety across the distinct domains, our sample still does not include as many Asian and female leaders as desired. More cross-cultural research is needed to further validate our findings in Asian and African culture clusters. The underrepresentation of female leaders mirrors the fact that still relatively few women occupy leadership positions at the upper management level or lead

their own publicly well-recognized enterprises (Cotter et al., 2001). In addition, as our interview study focused exclusively on managers and executives in leading positions, the findings may not be generalizable to blue collar workers. Future research may thus examine perceptions of ethical and unethical leadership from workers and analyze potential differences to our study's results.

Conducting interviews on a delicate and socially desirable issue like ethical leadership by its very nature entails the risk that participants will answer questions in a manner meant to show them and their organizations in an exaggeratedly good light. We tried to reduce this self-serving bias (cf. Edwards, 1957) by asking the interviewees not to reflect on the ethicality of their own leadership behavior but rather to describe concrete leaders whom they had personally met, without giving the names of these persons and whom they had perceived as outstandingly ethical or unethical. To prevent our interviewees from merely philosophizing about abstract ideal leader profiles, they also had to give specific examples and describe in detail critical incidents to illustrate their statements about ethical and unethical leaders.

Future research is needed to examine more deeply the responsibility/sustainability facet of ethical and unethical leadership. It seems important to integrate leader concern for responsibility and sustainability into the construct of ethical leadership and the lack of responsibility into the construct of unethical leadership, respectively. Eisenbeiss (2012) already indicated in her cross-cultural analysis of religious scriptures and moral philosophy the significant role of responsibility and sustainability for leader ethics. Future research may analyze the contribution leaders' concern for responsibility and sustainability can make to explain especially organizationally-relevant long-term outcomes (e.g., organizational reputation, market performance). Furthermore, more work will be needed to specify to what extent ethical leadership and responsible leadership theory (cf. Freeman and Auster, 2011; Maak and Pless, 2006) overlap. In addition, it seems fruitful to examine more closely the

relationship between ethical leadership, unethical leadership and socialized and personalized charisma (Howell, 1988), therein considering the influence of leaders' power motivation for helping or prominence (Schmidt and Frieze, 1997), socialized versus personalized power motivation (McClelland, 1987) or moral identity (Aquino and Reed, 2002).

In light of the dearth of systematic research on unethical leadership, more work is needed to theoretically and empirically analyze the construct, to specify its boundaries to conceptually similar constructs (e.g., toxic, abusive or tyrannical leadership) and to investigate its antecedents and consequences on organizationally relevant outcomes. As a first step, future research may develop and empirically validate a measurement instrument for unethical leadership based on the core aspects of the construct identified in this study.

Managerial implications

The present findings provide significant implications for managerial practice: organizations may build on our results when designing ethical leadership trainings for international managers. In today's increasingly global and flexible organizations where managers face the challenge to lead multinational work groups and cooperate with multiple stakeholders from different organizational sectors, they need to be educated on how ethical and unethical leadership perceptions can vary with society and/or industry culture. Our findings indicate that honest and just leaders with high integrity are perceived as ethical across societal and sectoral cultures. Authentically and transparently enacting moral values, leading by example, having charisma and empowering others are also commonly associated with ethical leadership. Furthermore, it seems important to provide managers with precise knowledge about cultural differences in ethical and unethical leadership perceptions: for instance, leaders working a lot in the East or with Asian people should be aware that ethical leadership in Eastern cultures seems to be more strongly associated with servant and modest leadership behaviors than in the Western region. Leadership education for internationally

working managers should also include that dishonesty, egocentrism and having a short-term focus on success is commonly perceived as unethical leadership and should be avoided in any case.

In addition, to facilitate the emergence and maintenance of ethical leadership, organizations are recommended to provide an environment that promotes moral values both through formal systems (e.g., recruitment processes, incentives and promotion systems) and through informal elements of organizational culture (e.g., hallway discussions on ethics or the perceived informal promotion procedures within an organization) (cf. Kaptein, 2008; Tenbrunsel et al., 2003). Top management should be aware that the implementation of moral values is a complex and longsome task which requires anchoring these values firmly in the corporate vision, authentically communicating the importance of these values to the everyday business and serving as an inspiring role model for the enactment of these values (Mayer et al., 2009).

Ultimately, organizations should recognize more strongly the significance of responsibility and sustainability within the business ethics context and integrate this theme into their strategic agenda and value canon. Responsibility and sustainability have not been in the focus of current leadership literature but are likely to become enormously important in the near future. One interviewee predicted: "in the future, this will be a lot more of an issue because if you were a company and made decisions that are not accepted in society–from an unethical point of view seen as negatively impacting people around us–then people would want to see you perish. That's why I think, more than in the past, I would think that if you were an ethical leader … you need to take stakeholders and society into account, otherwise it won't be of long-term success for any company."

Table 1. *Interviewee Characteristics*

Inter-viewee number	Cultural background (nationality)	Central cultural influences	Organizational sector	Position	Educational background	Leadership span (max) in employees	Leadership experience in years
1	Holland/ Switzerland	Holland/ Switzerland/ Germany	Entrepreneurship	Founder/CEO	Business administration	5	5
2	Belgium	Europe/Asia/ USA	International inter-governmental organization	CEO	Economic and social sciences	2500	36
3	France	France/Germany/ USA	Private sector firm (technology)	Head of Product Solutions	Production management	35	10
4	Norway	Norway	Politics/private sector firm	Chair of political committee/Senior Advisor	Political sciences	not applicable*	
5	Sweden	Europe	Private sector firm (energy)	Head of Corporate Responsibility	Human resources	14	12
6	Germany	Germany/ South Africa	Public sector organization (economic development)	Director Corporate Strategy and Organization	Psychology	15	13
7	Germany	Germany	Public and private sector firm (transportation/ service industry)	(Former) CEO/Board Director	Engineering	251000	53
8	Germany	Germany	Private sector firm	Vice President HR	Engineering	50	25

			(technology)				
9	Germany	Germany	Private sector firm (technology)	(Former) CEO	Engineering	8000	49
10	Germany	Germany	Private sector firm (electronic)	Senior Vice President HR	Human resources	matrix responsibility	29
11	Germany	Germany	Private sector firm (consumer goods)	Director Consumer Goods	Natural sciences	5	30
12	UK	UK	Social entrepreneurship	Founder/President	Media/ethics	100	8
13	USA	USA	Non-profit organization	CEO	Education/business administration	23	20
14	USA	USA	Non-profit organization	Founder/President	Comparative literature	18	41
15	USA/Germany	Europe/USA	Entrepreneurship	Founder/CEO	Psychology	12	12
16	Canada	Italy	International inter-governmental organization	Ethics Officer	Natural sciences	7	15
17	Germany	Switzerland/ Germany	Private sector firm (banking)	Head of Corporate Responsibility	History	matrix responsibility	17
18	Germany	Germany/ South Africa	Entrepreneurship & social entrepreneurship	Founder/CEO	Business administration	10	18
19	Germany	Germany/USA/ Africa	Non-governmental organization	Founder/President	Law	150	43

20	Germany	Italy/Germany	International inter-governmental organization	Assistant General Director	Sociology and law	3700	27
21	Germany	Germany/USA	International inter-governmental organization	Director of Audit and Investigation	Finance	60	15
22	Germany	Germany	Religious institution	Head of institution	Theology/business administration	250	8
23	Germany	Germany	Religious institution	Head of institution	Philosophy/ business administration/ theology	370	35
24	Croatia	Europe/USA	Private sector firm (health care)	Head of R&D	Engineering/ physics	500	21
25	Greece	Europe/USA	Private sector firm (health care)	CEO	Medical engineering	50	12
26	Czech Republic	Europe	Private sector/social entrepreneurship	Co-founder of social enterprise/ management consultant/ Board member	English literature/ geography/ finance	15	5
27	Burkina Faso	Africa/France/ USA/Canada	International inter-governmental organization	Regional Advisor	Economics/ public administration/ banking	30	15
28	Ethiopia	Ethiopia/USA	Private sector firm	CFO	Accounting	70	12
29	Ivory Coast/France	Ivory-Coast/USA/ France	Non-profit organization & entrepreneurship	Founder/CEO	Law	7	8

30	Uganda	Africa/USA	International inter-governmental organization	Director Governance and Public Administration	Public administration	50	22
31	Namibia/Germany	Namibia/ Germany	Private sector firm (brewery)	Head of Marketing	Economic engineering	9	-
32	Iran	Iran/Turkey/ United Arab Emirates/ Germany	Private sector firm (automotive)	Head of Marketing	Business administration	5	2
33	Korea	Korea/Canada/ USA	International inter-governmental organization	Director Ethics	Social policy	4	17
34	India	India/Nigeria/ Zri Lanka/USA	Social entrepreneurship	Policy Department	Conservation biology	3	4
35	India	India/Pakistan	Political institution/ international inter-governmental organization	Ambassador	Applied economics	600	35
36	India	India	Private sector firm (investment banking)	Senior Vice President	Commerce/ law and securities	15	10

Table 2. *Executive Perceptions of Ethical Leadership*

Core components	Compliance-oriented perspective	Value-oriented perspective	%	Quote
Personal conduct				
honesty/ transparency			60.00	He had honesty, straightforwardness; that doesn‘t mean that you tell things without any sensitivity; being straightforward means telling people what you think and hope.
integrity/ credibility			48.57	Ethical leadership always refers to ... integrity, walk the talk and talk the walk, have integrity in your leadership behavior towards the globe and the people you’re dealing with.
justice/fairness			31.43	Fairness both to employees and when acting in markets.
		concern for responsibility/ sustainability	62.86	So, it really always is rooted in the concept that you have responsibility to the society, to the world at large, that goes beyond the work that you are producing.
		servant orientation/ modesty	45.71	There was this CEO ... and he gave a talk and he also wrote an essay which had the title ‘leading and serving.’ Yes, leadership also means to be a servant.
		openness/ tolerance	40.00	I think he is ... always hungry in terms of seeking out new things and new ideas and very open to being challenged in his long term beliefs.
				... tolerance is absolutely critical ... to be able to deal with the fact that there are multiple different opinions and that there may be very different behaviors.
Decision making orientation				
		according to own moral value	54.29	Where you say ‘there are certain things that I don't do because of my own norms and values and the kind of person I am.‘

		framework		
	adherence to laws, rules and regulations		31.43	Fundamentally, it is about conformity with the law ... when you wanna claim to be an ethical leader, you have to show very clearly and to prove that you abide by the law.
Management style				
people orientation/ consideration			60.00	Also, they distinguish themselves by a great concern for human beings, a sort of interest in people's thinking ... not very sort of concerned about themselves.
leading by example			45.71	So leading my example is key for me. We should have leaders that show the way and we should promote ethical people that are leaders. It's not about having fancy hair and dancing and having your name sung, but it's about victory through your hard work and dedication to what you do. So, there is a big challenge in that respect in Côte d'Ivoire.
		charisma/vision/inspiration	40.00	And within about fifteen, twenty minutes of meeting him, I was completely thrown into the idea. Maybe I did not understand what it entailed but I sold into his vision. I think that says a lot because I think he is somebody who I think really lives and breathes what he does. And that for me happens to anybody who sits in a room with him.
		participation/ empowerment/	34.29	The *inner noblesse oblige*: i.e., that you have a certain responsibility when you have a leadership position. And that you have to enact this responsibility in a way that you give your very best to help your subordinates to grow personally, to empower them. Only then when you have truly grown-up people around you, these people can work together successfully.
	transactional management		31.43	How do I measure my objectives and how do I evaluate my subordinate [against these objectives].

Note. $N = 36$

Table 3. *Executive Perceptions of Unethical Leadership*

Core components	Compliance-oriented perspective	Value-oriented perspective	%	Quote
Personal conduct				
dishonesty/no credibility			45.71	I‘ve to say that they are, you know, we would say very blunt, may they lie. In the sense that they will promise one thing with no intention of delivering. It‘s one thing if you intend to deliver and then circumstances come along and you can’t.
injustice/ discrimination			25.71	He favors one person and cold-shoulders the other.
	criminal/ corruption		40.00	Corruption, from small, petty corruption to bigger things ... you know, you ... don’t say something like: ‘Oh, you have some money left in your project, we can use that to pay the driver for sightseeing.’ And I have to say: ‘No, you can’t.’
		lack of empathy	37.14	They lack the ability ... to put themselves into someone else‘s shoes and to watch themselves ... from the outside. And you see then the CEOs who spectacularly fail to grasp things, they were just unable to empathize.
		lack of responsibility/ short-term perspective	40.00	People going for the quick wins and simple-minded cowboys.
Decision making orientation				
egocentric/narcissistic			57.14	People with their own self-interest coming first ... what you tend to find in this type of people is that they’re myopically power-hungry and it‘s not always about money, sometimes it‘s really much more about ego. Money just can become the symbol of

		success.
Management style		
manipulation/malpractice	48.57	They are manipulative, they put self-doubt into others, the opposite of trying to encourage people to bring their ideas forward, they discourage people.

Note. $N = 36$

Figure 1. *Theoretical Sampling Grid*

	Meta-Western culture (Nordic, Germanic, Latin Europe, Anglo)	**Meta-Eastern culture** (Eastern Europe, Southern Asia, Africa, Arab)
Private sector industries (e.g., automotive, finance, high technology, health care)	- chief executive officers (CEOs) - chairs of advisory boards - (senior) vice presidents - rewarded entrepreneurs	
Public/social sector	- founder/presidents of NGOs - executive heads of inter-governmental organizations - department directors - leaders of religious institutions - rewarded social entrepreneurs	

Notes

1 As one interview had to be conducted as a joint interview with two leaders from the same organization (i.e., with the general director and the international ethics officer) and the responses were hard to dissociate afterwards (because the interviewees did not allow for recording), we treated the resulting transcript as one entity.

2 Please note that this illustrative example is not based on a verbatim transcription but on extensive handwritten notes.

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