LEADERSHIP & ETHICS: creating an values-driven culture

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As an organizational development firm we're periodically asked to "teach" ethics to groups of executives. In these discussions we work to illustrate the ethical cause and effect of managerial behavior and decisions on employee perceptions (and by extension, *their* behavior) and the organizational culture. More importantly, we attempt to demonstrate the disconnect commonly seen between managerial behaviors, decisions and perceptions and the way employees respond to those same managerial behaviors.

This disconnect is the organizational equivalent of "Do as I say, not as I do", the manifestation of which is management's general unwillingness to accept that their actions speak louder than their words. The behaviors managers model, the decisions they make, and the way they make them, without identifying and considering the inherent embedded ethical issues, communicate loudly and clearly their organization's real *values-in-action* vs. what may be their espoused values. The mixed messages of doing one thing vs. words saying another, diminishes integrity (words and deeds do not match), reduces trust, creates barriers to productivity and are the catalyst for ongoing conflict.

Creating an ethical business culture (or not) starts with, or is changed by, ethically aware individuals who demonstrate integrity, character and ethical principles – or not; a culture is created either way. Organizations are built by, and comprised of, ethical (or not) individuals, behaving in ethical (or not) ways, making ethical (or not) decisions and creating ethical (or not) relationships; it is the role of managers to set and role model the standard.

Tolstoy is to have said, "Everyone wants to change the world, but no one wants to change themselves." The general unwillingness of management to accept responsibility for their demonstrated vs. espoused values as reflected in their daily behaviors, drives to the "blame" game – it is always others who are the problem. If things aren't going well, if interpersonal relations are conflict-laden or behaviors counter-productive, it is inevitably others who are at fault. It must be a primary role of an organization's leadership to address such cultural issues. However, more often than not, in so doing leadership sees the "problem" as external to the management group. To create a more appropriate ethical guide for their day-to-day behaviors, managers could utilize Argyris' double-loop learning model to more effectively assess their behaviors and decisions.

Double-loop learning filters the results of behaviors and decisions through a check and balance of governing values and behavioral definitions; if the result of a behavior or decision can't be supported by the values change the behavior or decision not the values definition. Indeed, without clearly defined values linked to equally clear behavioral expectations, it is difficult for managers to see when they're not "walking the talk" or crossing a line.

Double Loop Learning
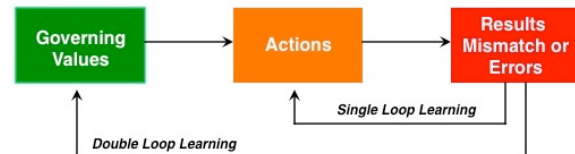
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To compound matters, managers tend to defend their single-loop learning behaviors. That is, defending behaviors and decisions taken without first considering their ethical implications, and then refusing to allow others to point out disparities between their words and actions. When bosses, peers or subordinates point out disparities, single-loop managers play the "You don't understand" game, placing blame for conflict or misunderstanding on the person who had the temerity to point out the manager's lack of integrity, i.e., their words and actions don't match. If ethics-in-action are defined as modeling specific ethical principles consistently through daily personal behaviors, the use of "situational ethics" and "outcome-driven behaviors" won't fly. Ends cannot then justify means – how something is done is every bit as important as what is being done.

The surest way to create positive relationships and increase productivity in organizations is for management to take the leadership role of collaboratively creating, defining and behaviorally supporting a set of shared organizational ethics. This cultivates an understanding of the causes and effects of personal decisions and behavior and the ethics, often unstated or unrecognized, that underpin them.

Leaders/managers are the role models in our organizations. They must individually choose to be responsible and accountable for where they are ethically, as demonstrated by their behaviors. By becoming more ethically engaged, by expressing values that others clearly understand, and modeling daily those values, managers can become the agents of positive change in relationships, organizations, and the society in which they live and work. And their employees and organization will follow their lead.