

## Ethical Leadership

According to the CMI, ethical behaviour revolves around “moral principles” – in other words, concepts of ‘right’ and ‘wrong’. People who behave ethically are trustworthy and act with honesty, fairness and respect.<sup>1</sup>

While we might like to think we behave ethically at work, an international 2024 survey by the Institute of Business Ethics (IBE) found that 25% of employees had been aware of misconduct or illegal activity at work in the previous year. Furthermore, an average of 38% of employees agreed that their line manager rewards people who get results, even if they use ethically questionable practices.<sup>2</sup>

But why is unethical behaviour so commonplace? The Chartered Institute of Personnel and Development (CIPD) suggests a range of factors which might make unethical behaviour more likely. These include:<sup>3</sup>

- Highly competitive markets, which often have an ‘everyone for themselves’ culture
- Self-serving behaviour to gain power or advantage – sometimes termed ‘office politics’ – or systems which mean that managers benefit from behaving unethically
- Situations in which employees are under time pressure
- Abusive or non-caring management
- Employees who possess “dark triad” personality traits (Machiavellianism, psychopathy and narcissism) associated with low empathy, impulsivity and lack of attention to the moral implications of a situation

Similarly, CMI found that managers who behaved unethically were most likely to do so because of pay and promotion, whereas other employees did so because they felt pressured to.<sup>4</sup>

It’s important for managers to ensure that they set and communicate clear ethical standards and call out any transgressions, no matter how small – research shows that ethical behaviour is a “slippery slope”, in which small transgressions lead to ever larger ones.<sup>5</sup>

The converse to this is managers recognising and rewarding ethical behaviour. At the same time, managers should lead by example in their ethical behaviour because this not only encourages team

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<sup>1</sup> CMI Insights (2023). The slippery slope: Understanding ethics in management. Available at: <https://www.managers.org.uk/knowledge-and-insights/article/the-slippery-slope-understanding-ethics-in-management/> [Accessed 11 October 2024]

<sup>2</sup> Institute of Business Ethics (2024). Ethics at work: 2024 International survey of employees. Available at: <https://www.ibe.org.uk/ethicsatwork2024.html> [Accessed 11 October 2024]

<sup>3</sup> CIPD (2019). Unethical workplace behaviour: Rotten apples, bad barrels and sticky situations. Ethical Practice. Available at: <https://www.cipd.org/en/knowledge/evidence-reviews/ethical-behaviour/> [Accessed 11 October 2024]

<sup>4</sup> CMI Insights (2023). The slippery slope: Understanding ethics in management. Available at: <https://www.managers.org.uk/knowledge-and-insights/article/the-slippery-slope-understanding-ethics-in-management/> [Accessed 11 October 2024]

<sup>5</sup> Welsh, D. T., Ordóñez, L. D., Snyder, D. G., & Christian, M. S. (2015). The slippery slope: How small ethical transgressions pave the way for larger future transgressions. *Journal of Applied Psychology*, 100(1), pp. 114–127. Available at: <https://awspntest.apa.org/doi/10.1037/a0036950> [Accessed 11 October 2024]



members to act ethically, but also makes them more likely to call out unethical practices if they see them.<sup>6</sup>

This is particularly important when it comes to behaviours such as trustworthiness.<sup>7</sup>

Trustworthiness is key to ethical leadership and indispensable in relationships – both personal and professional. In the workplace, it's key that your team members believe that they're trusted and, in turn, that you can be trusted to lead them. People should feel as though they're being treated fairly and respectfully, and that their interests are taken seriously.

## 'ABI' model of trustworthiness

But what makes a person trustworthy? In 1995, management researchers Roger Mayer, James Davis and David Schoorman proposed a framework for trustworthiness based on three attributes – ability, benevolence and integrity<sup>8</sup> – known as the 'ABI' model.<sup>9</sup>

### Ability

Ability is a “group of skills, competencies, and characteristics” that enable someone to “have influence” in a particular area.<sup>10</sup> Ability can cover technical or interpersonal skills, judgement, experience and knowledge.

A person might be considered to be trustworthy in some abilities and not others. For example, an individual who possesses strong technical knowledge could be trusted to design a new product. However, if you needed to pitch it to a prospective client, you might choose a team member whose strong presentation skills you trust in.

### Benevolence

Benevolence is the extent to which it's believed that someone wants to do 'good' for their team. In other words, they have a genuine concern for the wellbeing of their team members. Benevolence also incorporates characteristics such as cooperation, loyalty and openness.

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<sup>6</sup> Webber, A. (2021). Staff who view managers as 'ethical' likely to challenge wrongdoing. Personnel Today. Available at: <https://www.personneltoday.com/hr/staff-who-view-managers-as-ethical-likely-to-challenge-wrongdoing/> [Accessed 11 October 2024]

<sup>7</sup> Crews, J. (2015). What is an ethical leader? The characteristics of ethical leadership from the perceptions held by Australian senior executives. Journal of Business and Management, 21(1), pp. 29–58. Available at: <https://jbm.johogo.com/pdf/volume/2101/IBM-2101-02-full.pdf> [Accessed 11 October 2024]

<sup>8</sup> Mayer, R. C., Davis, J. H. and Schoorman, F. D. (1995). An integrative model of organizational trust: Past, present and future. Academy of Management, 32(2), pp. 709–734. Available at: <https://journals.aom.org/doi/10.5465/amr.1995.9508080335> [Accessed 11 October 2024]

<sup>9</sup> Smart, P., Pickering, B., Boniface, M. and Hally, W. (2021). Risk models of national identity systems: A conceptual model of trust and trustworthiness. Technical Briefing. The Alan Turing Institute. Available at: [https://www.turing.ac.uk/sites/default/files/2021-11/technical\\_briefing\\_a\\_conceptual\\_model\\_of\\_trust\\_and\\_trustworthiness.pdf](https://www.turing.ac.uk/sites/default/files/2021-11/technical_briefing_a_conceptual_model_of_trust_and_trustworthiness.pdf) [Accessed 11 October 2024]

<sup>10</sup> Mayer, R. C., Davis, J. H. and Schoorman, F. D. (1995). An integrative model of organizational trust: Past, present and future. Academy of Management, 32(2), pp. 709–734. Available at: <https://journals.aom.org/doi/10.5465/amr.1995.9508080335> [Accessed 11 October 2024]

Some of the ways in which managers might demonstrate benevolence is by showing interest in people's lives outside work, being empathetic, recognising good performance and looking after team members' wellbeing. To demonstrate care for people's wellbeing, managers might have regular check-ins to discuss workloads and any challenges that people are facing, or encourage flexible working arrangements to help employees manage personal commitments and promote a better work-life balance.

Benevolence also involves asking team members for their opinions and showing them that they are listened to. In turn, leaders need to be open and not afraid to show their human side.

### **Integrity**

Integrity is defined as a manager's adherence to a set of principles that are acceptable to the team. It involves acting in a moral and honest way, as well as being consistent and dependable.

Additionally, managers should ensure that their words match their actions and that they follow through on commitments. This might be demonstrated by meeting important deadlines, keeping promises, or simply acknowledging emails and arriving at meetings on time.

After all, failing to honour one's commitments is an extremely effective way of damaging trust and can also imply a lack of respect, whereas being consistently dependable can inspire trust and respect in others.

Being respectful and fair is also key to demonstrating integrity. Team members tend to be very aware of issues of fairness and parity. They'll be quick to point out if they feel that they're being treated unfairly compared to their colleagues.