(REVIEW ARTICLE)

Key concepts of ethical leadership: A review of the literature

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Abstract

Leadership styles are closely related to policy-making decisions and management of human resources. Services' efficiency, organisational sustainability, quality improvement and staff retention are affected by the leadership practices and the specific attributes that leaders possess. Ethical leadership is valued for its components of moral excellence, authenticity and integrity. It is suitable for the development of staff and organization and has a positive influence on employees and service users. The aim of this review is to identify and synthesize the key concepts of ethical leadership as well as issues of practicing ethical leadership in the contemporary organisational and social contexts. A literature search was performed in PubMed and Google Scholar to identify studies published from 2014 to 2023. The keywords used were "ethical leadership","leadership styles", and "ethical leaders". Following the examination of the relevant literature, three main categories emerged, namely: a) Ethical leadership in the era of change, b) Key-elements of ethical leadership, and c) Preparing ethical leaders. The results highlighted that elements of ethical leadership are valued more in our contemporary era where ethical principles are strongly challenged in working and social environments. Development of ethical leaders is a priority for higher education institutions and for organisations that intend to promote ethical practices, value-driven employees and an ethical culture in their mission and philosophy.

Keywords: Ethical leadership; Leadership styles; Ethical leader; Management; Organisation; Staff retention; Quality improvement

1. Introduction

Leadership as a basic function of management encompasses organisational aspects related to effectiveness and efficiency of services, sustainability and continuous quality improvement, user satisfaction and staff development. Leadership styles affect the management of human resources and the policy-making decisions in a direct manner. [1].

According to the relevant literature, leadership is an art and ability through which a manager motivates and positively influences a group of people to achieve certain goals [2,3]. Leadership in contemporary organizations encounters a variety of challenges evolved from a rapidly changing environment, such as the radical transformation of organisational function, and the implementation of innovative regulations and practices. Within this highly demanding context, leaders need to look after both the sustainability of their organizations and personnel retention [4].

For doing this in an effective way, leaders should possess specific characteristics and stances especially towards employees. Empathy and emotional intelligence are two basic qualities that characterize a successful leader [5]. Literature also refers to open communication, recognition, reward, availability of resources and staff encouragement

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[6]. Creating a climate where employees feel secure and are satisfied, requires the leader to introduce innovation and remove barriers and stereotypes [7, 8].

Leadership styles are also associated with job satisfaction, employee retainment and quality of the services rendered by the organisations. For example, relational leadership is associated with sustainability, ethical practice, moral values and employees' satisfaction [9]. Dimensions of authentic leadership such as self-awareness and internalized moral perspectives have certain benefits for the organization as it seems to influence staff's creativity, performance and professional commitment [10]. Transformational leadership is related to innovation, implementation of organizational changes, quality services, enhanced teamwork and staff motivation [11]. Finally, ethical leadership has been discussed through the Aristotelian values and moral excellence, authenticity, and integrity [12]. Ethical leadership is also related to staff satisfaction and human resource development, workforce retention, quality of services and organizational sustainability [13]. Although these issues have been thoroughly discussed in the relevant literature [14, 15, 16, 17, 18], the practice of ethical leadership remains a challenge for both managers and employees.

The aim of this review was to identify and synthesize the concept of ethical leadership, its key elements and its components. Issues of practicing ethical leadership in our contemporary context, the features and the qualities of ethical leaders and the requirements for developing future ethical leaders were also demonstrated.

2. Methods

A literature search was conducted in PubMed and Google Scholar to identify studies based on the inclusion criteria: studies published from 2014-2023, written in the English language and related to ethical leadership and leadership styles. The keywords used were "ethical leadership", "leadership styles", and "ethical leaders". Boolean operators (AND, OR, NOT or AND NOT) were used to refine the search and focus on the most relevant studies for addressing the study aim.

After duplicates were excluded, the titles and abstracts of 20 articles were screened by two researchers independently and obtained for further analysis as they met the inclusion criteria. Each of the two authors retrieved and reviewed in full all 20 articles, of which 11 were excluded as they were not primary research studies and therefore 9 articles in total were included in this review.

3. Results and Discussion

Following analysis of the selected papers, three main categories emerged: a) Ethical leadership in the era of change, b) Key-elements of ethical leadership, and c) Preparing ethical leaders.

3.1. Ethical leadership in the era of change

Ethical leadership has become an issue of major importance in today's rapidly changing social and working environments. According to Langlois et al., "ethical leadership is defined as a social practice by which professional judgment is autonomously exercised. It constitutes a resource rooted in three ethical dimensions – critique, care, and justice– as well as a powerful capacity to act in a responsible and acceptable manner" [19, p.312].

Banks et al., [20] claim that despite the extensive body of literature available, our understanding of ethical leadership is hindered by two significant constraints: Initially, current understandings mistakenly combine ethical leader actions with how followers perceive leaders' qualities, principles, attributes, and thoughts. Furthermore, our understanding of the origins and outcomes of ethical leadership behaviors is severely limited, since the available evidence not only confuses different ideas, but also fails to allow for definitive conclusions about cause and effect due to limitation of the research designs applied [20].

Nevertheless, there is an agreement in the relevant literature that there are several qualities which are critical to ethical leadership. A relationship-centred attitude towards employees, altruism, justice, integrity and reliability are essential attributed of an ethical leader and for gaining trust and respect [21, 22]. Ethical leaders are referred to as following official organisational regulations and use discretion in decision making process [23]. They further act as a role model for their employees, by indorsing and reassuring ethical behaviors in their workplace and creating thus a feeling of safety for their staff [4]. These features of safety, fairness and altruism are the most defining ones regarding the ethical leader' s engagement with others [24].

To be an ethical leader however, one must first possess specific characteristics of a leader. Important aspects of a leader's personality are those of creative thinking, cooperativeness, tactfulness, integrity, and emotional stability [25]. Leaders are distinguished by their vision, passion, empathy, emotional intelligence, enthusiasm, and their ability to inspire and motivate their staff. Leaders are the innovators, those who are willing to change, who easily adapt to different working environments and possess a sense of justice, altruism and compassion, stability and realism, dedication, and optimism [26]. Many of these charismas are also found in ethical leadership. Yet, as all managers do not possess the attributes of a leader, one can perceive that practicing ethical leadership can be a very challenging task.

3.2. Key elements of ethical leadership

Key elements of ethical leadership concern team building, initiative support, justice, and transparency [27, 28, 29, 30].

Team building is an essential action for professional development and organisational commitment. Successful teams are thriving under the inspiring guidance of an ethical leader who foster teamwork and team cohesion. For effective team building the ethical leader works towards objectives that transcend beyond personal goals and interests. The focus strives towards promoting and achieving the goals of the team and the organization, rather than gaining personal profits [29].

Within a cohesive teamwork environment, innovation, development and implementation of pioneering ideas and interventions are not only supported but are also encouraged by the ethical leader. Employees are motivated to act and rewarded when they are the first to take initiatives and introduce innovative activities in the organization [29].

An ethical leader eliminates biased treatment of human resources by considering and valuing equally diverse contributions and competing viewpoints that may arise in the working environment. An empathetic stance towards employees, active listening, compassion, and respect for others stand along with fairness and justice in ethical leadership [28].

Ethical leaders value transparency as a mean of open and honest communication. They maintain an authentic communication channel with their personnel, by informing and presenting the facts, regardless of how controversial these may be [1]. These leaders understand that being transparent fosters trust and provides individuals with the resources they require to make informed decisions for themselves [30].

These elements of ethical leadership are valued more in our contemporary era where ethical principles are strongly challenged in various working and social environments (31). As such, ethical leaders who possess attributes as those mentioned above may represent a human value paradigm, not only for their employees but also for their organisation, the state and society.

3.3. Preparing ethical leaders

Developing ethical leaders in an era of radical transformation seems to be an imperative task. Increased frequency of corruption phenomena and discrimination in various workplaces call for the necessity of creating and retaining ethical leadership models based on integrity and justice [32, 14]. The role of higher education in this process is critical since an important part of moral values in leadership can be taught (33). Educational institutions strive towards introducing teaching methods and mechanisms that enable their students to acquire ethical leadership skills and competencies [34]. Interprofessional education, which entails competencies of mutual respect, understanding and shared values, teamwork and open communication, can play a substantial role in preparing ethical leaders. Understanding the roles and responsibilities of others and interacting in a way that respect and support teamwork are considered basic skills for future ethical leaders. In this respect the development of curricula which focus on interprofessional education is suggested for preparing professionals who respect distinct professional values and for cultivating thus the future ethical leaders.

At an organisational level, individualised interest and recognition of employees' achievements, opportunities for professional development and continuous in-service training can motivate and promote ethical leadership [5]. This is a lengthy process that requires continuous effort and commitment [35]. For enhancing ethical leadership within the frame of the organisation, the top management needs to recognise the different management styles practiced by the middle or first-line managers and uphold ethical practices [26]. For example, authentic, transformational and spiritual leadership styles are positively related to ethical leadership and managers who adopt these styles lead beyond their personal interest and move towards the common ethical good that empowers the team [35, 1]. These managers should be identified as the future ethical leaders and thus gain recognition as such.

Furthermore, ethical practices and value-driven employees may be supported by an organisation that cultivates an ethical culture by highlighting the importance of ethics in the organization's mission and philosophy. Significant organizational changes though are required for establishing such a culture and provide as such a platform for future ethical leaders to raise moral concerns and find moral solutions [36]. This is even more challenging in the present highly demanding organisational environment, in which interdisciplinary and cross-organisational strains require rigorous evaluation methods.

Recommendations for research in this field may include exploring the challenges and the potential contribution of technology to promote ethical leadership styles and value-driven organisational environments. The development and assessment of advanced interdisciplinary training programs for developing ethical leaders and for eliminating toxic leadership behaviours can also be a priority in the research agenda of any contemporary organization.

4. Conclusion

In conclusion, ethical leaders are individuals who prioritize interpersonal relationships and exhibit qualities such as honesty, trustworthiness, reliability, virtue, and courage, guiding them to make equitable decisions and enhancing their credibility as role models.

Due to the importance of ethical leadership, it is anticipated that organisations and Higher Education Institutions will establish clear ethical standards and cultivate an ethical environment within their context. Fostering an environment where open communication about ethical concerns is encouraged may create a supportive system where individuals can seek advice when faced ethical challenges and acknowledge and celebrate instances of ethical behavior.

Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to be disclosed.

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