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“The Values Challenge for Developing Ethical Leadership: Research and Practice Agenda for Values-Based Leadership.”

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Abstract

Leadership academics are increasingly calling for a change to the leadership discourse to improve the nature of leadership. Yet, the purpose and role of leadership and the nature of leadership development has largely been left unexamined in enacting these new paradigms. As a result, people’s values-based motivations are mainly ignored, with an assumption that the power of argument alone will both create and sustain change. This paper attempts to bridge this gap by embracing values-based leadership to achieve the shared aim of shifting ‘from value to values’. In doing so this paper draws on a review of the nature of development, leadership development practice and the use of metaphor to illustrate insights from the natural world can elucidate moral tendencies found in business. Moreover, a typology for moral tendencies is put forth to better understand the complexities of organisations’ modus operandi.

This paper explores three hypotheses: (i) There is a link between the symbiotic relations in the natural world and moral tendencies, (ii) values-based leadership is best understood from an Integration standpoint, and (iii) Moral tendencies vary by leaders’ values.

Building on previous work of values theorists with our own research and practice, we examine the dynamic of how definitions of morality and world eco-system vary by leader’s personal values. For researchers, a review and extension of values-based leadership is provided, and areas for further research are indicated. For leadership developers, a framework to capture the invisible forces that drive visible results is offered along with reflective questions to pursue with students and coachees. Conclusions are drawn, limitations outlined and further research suggested.
Introduction

There is a burgeoning commentary on the differential benefits and costs of ‘capitalism’, with accompanying re-definitions such as ‘responsible capitalism’, or ‘world eco-system’, or ‘conscious capitalism’, or ‘compassionate capitalism’ in an attempt to change the predominant discourse and improve the way we work and live together in our natural context (see for example Maak, 2007 and Young, 2003).

However, much less attention has been paid to the purpose and role of leadership and the nature of leadership development in enacting these new paradigms, even though we attempt to mirror the languages, e.g. ‘ethical leadership’ (Ciulla, 2004a). As a result, people’s values based motivations are mainly ignored, with an assumption that the power of argument alone will both create and sustain change.

Our proposition is human intent and impact would be best considered through a ‘pragmatic’ leadership lens (Mumford & Van Doorn, 2001), by exploring the content and influence of diverse personal values. The aim is that considerations of different ways to conduct human enterprise remain open to learning with reflective and informed behavior and action. Also, rather than constraining our ideas by continuing to mine the same body of human business knowledge, we look at illustrative examples from nature when considering morality, leadership purpose and leader’s values. Moreover, self-governing, mutually beneficial and relationship systems are also discussed thereby employing a relational view of leadership as a social influence process (Parry, 1998).

First contextual comments are made followed by insights from the natural world that offers a typology of leadership morality. Next, the relationship between personal values and leadership is explored and a hypothesis is offered concerning the relationship between leaders’ values and morality. Finally, barriers to values-based leadership development are discussed with reflections for the leadership development community.
The response of the business education community to growing socio-economic-environmental ‘dis-ease’ has been muted

Despite the fact more than 90% of the world’s economically active population work for types of enterprise with ownership-governance-business models which differ from the major global public shareholding limited companies, there is an implicit assumption and an everyday business media projection that profit maximisation, and the concomitant accountability to an elite cabal of shareholders/owners, is the only game in town (Pless et al., 2012). This narrative is increasingly devoid of concern for a well-functioning community within its natural eco-system; and academics are increasingly calling for a more sophisticated conceptualisation of capitalism, imbued with reciprocity and shared reward (Porter & Cramer, 2011). Regardless of these more critical stances and even mainstream studies which indicate a strong correlation between enterprises scoring highly on environmental and social governance activity and share-price/dividend performance (e.g. adding 0.3% per month shareholder return over a five year period (Hermes Fund Managers analysis of 1600 companies in the MSCI World Index, 2014), the predominant discourse for practicing managers and those who educate them remains largely unchanged. It seems extremely difficult to get managers and their educators to understand a counter argument, when the respective salaries of both depend on the status quo. It is proposed that this behavior is influenced by moral tendencies which in turn are influenced by leaders’ respective personal values.

Insights from the natural world and morality

It is unsurprising therefore that any reward systems predicated solely on transactional exchange such as short-term cash, leads to an ‘easy come, easy go’ transactional employment relationship; and in its most virulent form, ‘zero hours’ contracts. In ecology, ‘symbiosis’ (from Ancient Greek σύν "together" and βίωσις "living") is a close and often long-term interaction between two or more different biological species. In 1877, Albert Bernhard Frank used the word symbiosis (which previously had been used to depict people living together in community) to describe the mutualistic relationship in lichens. In 1879, the German mycologist Heinrich Anton de Bary defined it as "the living together of unlike organisms." (Wikipedia).

The definition of symbiosis is controversial among scientists. Some believe symbiosis should only refer to persistent mutualisms, while others believe it should apply to any types of persistent biological interactions (i.e. mutualistic, commensalistic, or parasitic). After many years of debate, current biology and ecology textbooks now use the latter "de Bary" definition or an even broader
definition (i.e. symbiosis equates to all species interactions), with absence of the restrictive
definition (i.e. symbiosis equals mutualism)\(^1\).

*Mutualism* is any relationship between individuals of different species where both individuals
benefit. For us, this is the embodiment of ‘morality’ within the workplace, and between the
enterprise and its connections to the wider social and environmental eco-system. *Commensalism*
describes a relationship between two living organisms where one benefits and the other is not
significantly harmed or helped. It is derived from the English word commensal used of human social
interaction. The word derives from Latin, formed from *com-* and *mensa*, meaning "sharing a table".
We argue, that most enterprise is predicated on this ‘amoral’ notion. By contrast, ‘*Parasitism*’ based
relationships are ones in which one member of the association benefits while the other is harmed:
this represents an ‘immoral’ code of enterprise conduct, which has been coined ‘brute’ capitalism
(Young, 2003). A proposed link between symbiotic tendencies and morality is given in Table 1
below.

**Table 1 Proposed Links to Symbiosis/Morality Tendency**

<table>
<thead>
<tr>
<th>Symbiotic Tendency</th>
<th>Morality Tendency</th>
<th>Modus operandi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutualism</td>
<td>Moral</td>
<td>Win-win</td>
</tr>
<tr>
<td>Commensalism</td>
<td>Amoral</td>
<td>Live and let die</td>
</tr>
<tr>
<td>Parasitism</td>
<td>Immoral</td>
<td>‘Heads I win, tails you lose’</td>
</tr>
</tbody>
</table>

Interestingly, the business news media and business school case studies tend to over-report the
commensalism stories, except where human life and/or natural life form is threatened or lost as a
result of parasitism, e.g. Bangladeshi cheap clothing production factory collapses and the BP oil
platform disintegration in the Gulf of Mexico; whilst mutualism is under-reported, even though
mutual type enterprises tend to outperform their counterparts, especially in austere times, e.g.
Barcelona Football Club, Huawei, Nationwide Building Society and US publically traded companies
with a sustainable mission like Interface, the carpet manufacturers.

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\(^1\) Some symbiotic relationships are obligate, meaning that both symbionts entirely depend on each other for
survival. For example, many lichens consist of fungal and photosynthetic symbionts that cannot live on their
own. Others are facultative, meaning that they can, but do not have to live with the other organism
(Wikipedia).
Using the ‘mutualistic-commensalistic-parasitic’ typology as an analogy for considering the morality of internal and external enterprise relationships, we in the leadership development community would gravitate towards re-framing our focus to encourage managers, through leadership development processes, to consider forging longer-term sustainable transformative ‘belonging’ based on transformative values, rather than low-trust short-term transactional relationships based on self-serving values. However, we must acknowledge that there is a ‘moral dynamic’ in which those who we are trying to influence are already influenced by notions of a commensalistic or parasitic relationship between their organisation and its environment leadership and business and therefore have immoral or amoral perspectives on the nature of world eco-system. We believe being aware of this dynamic amongst those we are developing is a necessary first step to designing processes towards reframing to a longer term, more sustainable, mutual transformative future.

It is argued that the relationship between leadership development to business parallels ecological relationships in the natural world: Mutualistic, Commensalistic and Parasitic. Moreover, these types of ecological and leadership-business relationship map onto different types of morality: Moral, amoral and immoral. The following hypothesis is put forward:

**Hypothesis 1:** There is a link between symbiotic relations in the natural world and moral tendencies in business.

The next section reviews perspectives concerning what underpins leadership development in a world eco-system context.

**The power of personal values exploration in leadership development**

Understanding what underpins the symbiotic morality dynamic is best explained by a values-based perspective. Frondizi (1971) argues that morality like virtue stems from an Objectivist view of the development and character of a leader that emanates from an external source including the Ten Commandments. From this ontological perspective moral development is proscribed by God or Aristotle’s and Socrates’ inquiry into virtue based on immortal forms of human excellence (Frondizi, 1971; Hall 1997). The counterpoise of the Objectivist’s stance is the Subjectivist view which stems from the Existentialist Movement at the end of the 19th century that understands human development and values as solely internal to the individual, as the consequence of one’s own priorities and choices (Frondizi 1971; Hall, 1997). Expressed in the works of Nietzsche (1887) and
Sartre (1953), development and personal values are precisely the choosing of significant priorities of our lives. The Integrationist viewpoint is that of modern social science and the perspective of this paper which argues that it is more useful than the Objectivist or Subjectivist view of moral development.

The Integrationist perspective is that leadership development and values are not simply and narrowly moral norms or wholly subscribed by the individual, but motivational sources of human behaviour that underpin the actions of individuals and groups (Parsons and Shils, 1951; Allport, 1955; Maslow, 1970; Rokeach, 1973, 1979; Schwartz, 1996). As Burns (2003; p. 121) put it, “Leaders embrace values; values grip leaders”, and “values play a central role in binding would be leaders and followers, broadening moral frames of reference, and serving variously as a needed unifying and dividing force”, plus, “Addressing fundamental questions of human nature, values help to clarify the relations between individualism and collectivism, self-interest and altruism, liberty and equality – issues at the heart of political conflict – and in the process establish a leadership agenda for action”. This is echoed by Bean (1993; p. 95) who asserts, “Every enterprise is driven by its leaders’ individual and collective values, whether those values are understood or unconsciously influential, spoken or unspoken, written or unrecorded.” Moreover, the extant literature (e.g. Russell, 2001) indicates the critical importance of the leadership agility practice ‘Personal Values Sensitivity’, defined as “Tune into all the interests, beliefs and motivational drivers present in important communication and interaction, starting with your own” (McKenzie and Aitken, 2012).

Unfortunately, our general experience of business schools leadership curricula across the world finds development of knowledge based cognition as the main priority, rather than deep reflection on personal values and their often unconscious impact (Aitken, 2004). Devoid of such guided personal insight, the espoused language of leadership and business may change, without actually changing any intentions, decisions, or actions. Also, not all those who find themselves in positions where leadership is a social influence process (Parry, 1998) will be able to become more moral even with a change in discourse or facilitated leadership learning, as studies from coaching psychology indicate potential personality-values based limits of leadership behavior patterns, including ‘remarkable’, ‘perilous’ and ‘toxic’ patterns (Wasylyshyn et al., 2012). Population studies of ethical decision making (Lewis, 200) also reveal the use of three main moral consciences utilised as we morally mature; ‘rule conscience’ (do as you are told), ‘social conscience’ (do what’s best for others) and ‘principled’ conscience (doing what’s fair with courage and self-discipline).
Within these constraints, our role as leadership developers is to bring to the surface the content, motivational force and impact of personal values. Set within an educational model which the physicist Murray Gell-Mann described as ‘Odyssean’, such learning would synthesise the natural sciences, the social sciences, the humanities and the arts into a trans-disciplinary, integrative study of humans’ most existential problems. Moreover, it would explore the connections between these fields, and the actions most likely to solve or mitigate them. Such learning would become a personal values guide to discovering and enacting our moral compass within our contemporary context, rather than subjugating us to the hegemony of economic man in economics based business administration. Case studies would represent the varietal forms of human enterprise and their purposes, together with alternative leadership role models (Andrews and Woods, 2014). Based on the argument that leaders’ values are at the heart of leadership’s concern with behaviour that is best understood from an Integrationists’ view, the following hypothesis is developed:

**Hypothesis 2:** Values-based leadership development based on an Integrationist viewpoint of values as motivational sources of human behaviour that underpins leaders’ social influence is the most useful developmental perspective.

The next section seeks to establish a foundation for leadership development, which focuses on value systems and what underpins them.

**From Values to Values-led leadership**

The potential impact of values as a component of leadership cognition and the social influence process (Burns, 2003) together with insights from values theorists (e.g. Schwartz, 1996; Rokeach, 1979) leads to the consideration by Rokeach (1979) of the relationship between individual values and motivation that values are cognitive representations of internal needs. Moreover, he proposes that values express basic human needs and thus motivate social behaviour needs (Rokeach, 1973). Indeed it has been suggested that values can be considered to be deep-seated beliefs and directed towards individuals’ needs and motivations (Allport, 1955; 1961; Maslow, 1970). Although needs theorists such as Heider (1958) and McClelland (1985) recognize that needs are accompanied by feelings and emotions, values theorists have hitherto overlooked that values, for example, *Freedom* and *Security*, are essentially emotional states that individuals either want to experience or avoid.
Lee and England (1974) identified seven ways in which values affect leaders: (i) Values effect leaders’ perceptions of situations, (ii) leaders’ values affect the solutions they generate regarding problems, (iii) values play a role in interpersonal relationships, (iv) Values influence perceptions of individual and organizational successes, (v) values provide a basis for differentiating between ethical and unethical behaviour, (vi) values affect the extent to which leaders accept or reject organizational pressures and goals, (vii) personal values may also affect managerial performance.

Hambrick & Mason’s (1984) upper echelon theory and Finkelstein & Hambrick’s (1996, p54) extension to it as seen in Figure 1 provide a theoretical model that illustrates that leaders’ personal values act as a perceptual filter for how leaders perceive the external environment and shapes strategic choice, behaviour and ultimately organisational performance.

**Figure 2 Leaders’ values impact on performance**

This Upper Echelon model illustrates the theory of bounded rationality that explains why leaders and followers are not restricted to assumptions of ‘rational man’ or a calculative rationality of maximising utility: our personal value systems and psychological characteristics result in selective perception. In this sense leadership transcends calculative rationality and explains why mechanistic explanations of behaviour such as economic man are neither accurate nor helpful. It also suggests that leaders’ perceptions and those who develop them are selective with implications drawn in the penultimate section.
The Current State of Values Research in Leadership Development

Schwartz’s (1992) definition and operationalisation of values theory has become the pre-eminent values construct in the values-leadership behaviours domain of research (e.g. Aitken 2004; Sosik, 2005). In an exploratory study of 218 managers from high-technology firms in the US Sosik (2005) used Schwartz’s (1992) 56 item list of values (LoV) to examine the relationship with charismatic leadership behaviours and their outcome on managerial performance including followers’ extra effort and organisational citizenship behaviour (OCB) contrasting high performing managers (N = 122) vs low performing managers (N = 96). Three out of four of the higher order motivational domains that Schwartz proposes, Conservation values, Self-Transcendence values and Self Enhancement values explained 10% of the variance of charismatic leadership behaviour at the p < .001. The relationship between Openness to Change values and charismatic leadership were not statistically significant.

Schwartz’s (1992) concept of values theory is shown below in Figure 2 which depicts his ten value types: Self direction, Stimulation, Hedonism, Achievement, Power, Security, Conformity, Tradition, Benevolence and Universalism. They are conceptualised as bi-polar in that espousing one group of values is a rejection of the opposite values. The ten values are conceptually associated in four higher order motivational domains that are expressed as two bi-polar dimensional opposites: ‘Self Transcendence vs. Self Enhancement’ and ‘Openness to Change vs. Conservation’.

Figure 3 Schwartz’s values and their four higher order motivational domains.
Individuals’ values priorities underscore a critical characteristic of values: they are organised in a hierarchical system ordered by relative importance to one another (Maslow, 1970; Rokeach, 1979; Schwartz and Bilsky, 1987; Schwartz, 1992).

Schwartz’s values have found to be universal in cross cultural research (Schwartz, 1992, 1994). Although there are universally held values will espouse a dominant set of values, “At the top of each person’s system are a small handful of dominant values of paramount importance” (Hambrick and Brandon, 1988: p. 6). Therefore, a dominant value system exists for each person. Table 3 summarises Schwartz’s values orientations and implications for direction and focus.

Table 3 – Four Leadership Value Systems Domains

<table>
<thead>
<tr>
<th>Motivational domains</th>
<th>Value systems</th>
<th>Motivational Direction &amp; Engagement Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Schwartz 10 Universal values</td>
<td></td>
</tr>
<tr>
<td>Conservation</td>
<td>Security: Safety, harmony and stability of society, of relationships and of self</td>
<td>Prefers a stable environment with reciprocal respect</td>
</tr>
<tr>
<td></td>
<td>Conformity: Restraint of action, inclinations and impulses likely to upset or harm others and violate social expectations or norms.</td>
<td>Engaged by appealing to sense of belonging</td>
</tr>
<tr>
<td></td>
<td>Tradition: Respect, commitment and acceptance of the customs and ideas that traditional culture or religion provide.</td>
<td></td>
</tr>
<tr>
<td>Self Enhancement</td>
<td>Power: Social status and prestige, control or dominance over people and resources</td>
<td>Motivated by extrinsic and visible signs of success</td>
</tr>
<tr>
<td></td>
<td>Achievement: Personal success through demonstrating competence according to social standards</td>
<td>Engaged by approval of others and self</td>
</tr>
<tr>
<td>Openness to change</td>
<td>Hedonism: Pleasure and sensuous gratification of oneself</td>
<td>Wants it all and wants it now</td>
</tr>
<tr>
<td></td>
<td>Stimulation: Excitement, novelty and challenge in life</td>
<td>Prefers a high energy, fast moving environment with opportunity to push the boundaries</td>
</tr>
<tr>
<td></td>
<td>Self-Direction: Independent thought and action-choosing, creating, exploring</td>
<td>Engaged by appealing to entrepreneurial spirit</td>
</tr>
<tr>
<td>Self-Transcendence</td>
<td>Universalism: Understanding, appreciation, tolerance and protection for the welfare of all people and for nature</td>
<td>Motivated gaining greater harmony with their own values and gaining connection with others and the environment around them.</td>
</tr>
<tr>
<td></td>
<td>Benevolence: Preservation and enhancement of the welfare of people with whom one is frequent personal contact</td>
<td>Engaged by giving back and appealing to personal and others’ growth</td>
</tr>
</tbody>
</table>

Adapted from Schwartz (1994)
With these values orientations, we can hypothesize how leadership varies with leaders and followers by their dominant values. Those whose dominant motivational domain lies in the Conservation value system espouse Religion as part of the Tradition value conforms to an Objectivists’ view of morality as coming from the Ten Commandments. We suggest the nature of the relationship between leader-follower is one of dependence: leaders are paternalistic and followers expect to be led, conforming to traditional notions of leadership. When managers who we have measured espouse these values as their dominant are asked what leader they most admire, they respond it is their parents. Moreover, as part of espousing Tradition and Security they espouse ‘following the rules’ and ‘being satisfied with what life has given you’, indicating that there are rules to follow and following them is core to this belief system. From this perspective hierarchies are the natural order of things: someone at the bottom of the hierarchy couldn’t possible know what those at the top do let alone lead others.

Those whose dominate values orientation is Self Enhancement respond that they value material wealth and visible success. Financial and material success is an ends in itself. The nature of the leader-follower relationship is proposed as that of independence. Unpublished reports indicate leaders with Narcissistic tendencies strongly espouse control over others and material success. We suggest that followers who hold this value orientation as their dominant don’t want ‘leaders’ in the traditional sense: valuing visible ability they are highly competitive and crave a performance management system they can outperform in and want those with formal authority to get out of their way to let them ‘get on with it’. Followers often aspire to take the job of their line manager in the belief that once they learn the rules of ‘best practice’ they can do a better job than their mislabelled ‘superiors’. This value system would be analogous to an immoral standpoint, whereby the only morality is ‘winning’. Everyone ‘knows’ you have to break a few eggs to make an omelette, and the only crime is getting caught. They are often the organisations best operators, however, boards need to think carefully about how they hold their tales in their inevitable cutting of corners and ‘kick ass and take names’ approach to managing.

Those who’s dominate values orientation including the Openness to Change values who strongly espouse Hedonism and Stimulation we suggest ‘want it all and want it now’. Unpublished reports of those who espouse these values are very high energy, most likely to be into extreme sports, enjoy pushing the boundaries and doing things differently exemplified by Richard Branson in his earlier days. Leaders espousing Hedonism and Stimulation can go through a ‘coke and hoar’ phase such as Toronto mayor Rob Ford but is by no means restricted to political leaders. Values are subconscious
and people going through this phase are unaware of the invisible forces leading to the tragically visible results.

Finally, those whose dominant values in the Self Transcendence value orientation including Self-Choice, Equality, Nature and Caring (for others) is proposed as most closely associated with ethical values, where the ethic is being true to oneself. Like those whose dominant values orientation is Openness to Change, the leader-follower relationship would be that of interdependence. Leaders in this value set don’t need to be told what is ‘right’ and ‘wrong’ and will be most disposed to a long term mutualistic, sustainable, long term perspective. From his values orientation, profit is a means to a greater ends, where the ends is ‘good works. This is exemplified by the values shift made by Bill Gates, from entrepreneur to philanthropist. However, the relative silence and inaction of those with these values particularly sitting on Boards and advising companies during the Great Financial Crash from August 2007 is perplexing and could be argued amounts to ethical cowardice. Have leaders with the Self Enhancement value system outflanked advisers and peers with ethical and traditional values and hijacked the board room agenda? For followers with these values we suggest they want a ‘Chief Inspiration Officer’ with no expectation that this CIO will be the CEO or have formal authority. These followers we suggest want to be ‘on the journey’, break new boundaries and be in congruence with their values.

Whilst many in the leadership development community espouse this ethical value system we need to be aware of the values dynamic within leadership development, that those who we are developing may well not share our values and perspectives.

These values systems can be linked to symbiotic and morality tendencies as proposed in Table 4 below.

Table 4 The Four Values Domains and Proposed Links to Symbiosis and Morality Tendency

<table>
<thead>
<tr>
<th>Value System</th>
<th>Symbiotic Tendency</th>
<th>Morality Tendency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation</td>
<td>Mutualism</td>
<td>Moral</td>
</tr>
<tr>
<td>Self Enhancement</td>
<td>Parasitism</td>
<td>Immoral</td>
</tr>
<tr>
<td>Openness to change</td>
<td>Commensalism-Mutualism</td>
<td>Amoral-Moral</td>
</tr>
<tr>
<td>Self-Transcendence</td>
<td>Mutualism</td>
<td>Ethical</td>
</tr>
</tbody>
</table>

As previously discussed, Schwartz (1992) argues that his circumflex is bi-polar, in that strongly
espousing a certain value system includes a rejection of its polar opposite. The above Table 4 reveals why any discourse and the actions emanating from it may prove difficult to change as they are anchored in value systems and can stand in juxtaposition to one another: Openness to Change is the polar opposite motivational domain of Conservation and Self Enhancement is the polar opposite or rejection of Self Transcendence. However, the table also represents opportunities for insight into those who hold different values and moral tendencies to our own. For leadership development specialists, we may not even ‘like’ those we are purporting to develop who reject our symbiotic and moral tendency. However, by reminding ourselves that these value orientations are universal we may gain empathy for those with different values and moral tendencies through identifying what those values orientations represent in ourselves. Even the most Self Transcendent amongst those who develop leaders can remember a time in their development when we were ultracompetitive and egoistic even if it’s a part of them they don’t like. The opposite is also true: values sensitisation training holds the promise of those who have amoral and immoral tendencies to at least understand what is influencing the mislabeled ‘tree huggers’ who have values orientations other than their dominant values orientation.

From the following theoretical and empirical work we believe that there is a moral dynamic which is underpinned by a leader’s personal value system. Those with different values will have different moral tendencies. From the following discussion of the values-moral tendency link, the following hypothesis is devised:

**Hypothesis 3: Symbiotic and moral tendencies vary by leaders’ values**

The next section considers the forces confronting a values-based leadership approach.

**Forces confronting a values-based leadership development**

In 2013 we listened to the gushing media coverage surrounding the birth of a 22nd century British monarch. As the commentary said, who knows what his world will be like? We can rely on the mere hope that people, as part of our natural system, will continue to enjoy the benefits of their respective contributions, without irreversibly damaging any party in the process.
Alternatively, by embarking on community re-investment, re-establishment and re-invention, we can develop ‘mutualpreneurship’ (similar to, although subtly different from, ‘philanthropreneurship’ – see [link](http://carey.jhu.edu/one/2008/fall/rise-of-the-philanthropreneurs)), which gives service to receive benefit; producing work and life conditions where everyone has a genuine longer-term ‘affective’ or emotional, rather than ‘normative’ or ‘continuous’ commitment to (Meyer & Allen, 1990) and stake in the rewards of producing a world better for all, including new additions to royalty and the environmental charities he will inevitably go on to support as a desperate last measure. Meanwhile, the world and especially nature cannot wait for his or anyone else’s philanthropy.

Dussel (2013) outlines three ethical principles which might underpin leadership development and therefore provide values guided informed choices. These are: ‘the material’ - the production, reproduction and development of the life of each and every human in its biological, social and spiritual dimensions; ‘the communicative or intersubjective’ - focused on ways of reaching agreement (equivalent to the school of discourse ethics); and ‘the practical’ – considerations of what is actually possible to achieve (equivalent to the pragmatic school of ethics).

Unfortunately, within our management practice and education system, there are powerful forces restricting our enlightenment as humanist-naturalist leadership change agents. To re-construct the moral ontology of leadership of Maak and Pless (2008) will first require the de-construction of profound ‘ideology-action (practices)-structure complexes outlined below in Table 5 (Burton, 2013).

**Table 5 – The Cultural-Ideological Forces Restricting Leadership Re-Framing**

<table>
<thead>
<tr>
<th>The rational administration of complexity:</th>
<th>The impulse to order and simplify rather than describing the dimensions and layers of complexity, thereby discouraging systems thinking.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taming Natures:</td>
<td>The wild and the natural is to be controlled, mastered, channeled, enclosed and suppressed; nature is seen as separate from humanity and humanity as separate from it.</td>
</tr>
<tr>
<td>Linear Progress:</td>
<td>Progress implies a linear path from the primitive to the modern with no detours and no end; thus all other frames of reference are out of scope because after all ‘you can’t stand in the way of progress’!</td>
</tr>
<tr>
<td>The dominance of exchange and possession:</td>
<td>As Marx &amp; Engels observed ‘all that is solid turns to air...’ ....(or rather money); what was once free is subject to exchange relations and that which was once common is now owned – all</td>
</tr>
</tbody>
</table>
that is made tangible is made concrete, possessed, processed and sold.

The primacy of exploitation: The system survives on exploitation, with the high levels of consumption of the few (globally) dependent on varying degrees of workforce exploitation, often combined with denouement of the planet’s living and mineral resources.

Mono-culturality and the suppression of other cultural systems: Particular cultural forms and norms dominate and ‘alien’ cultures are variously suppressed, trivialised or co-opted, just as identity politics is celebrated.

Assumed superiority: That the ‘western neo-liberal’ civilisation is the pinnacle of human achievement and other cultures and by extension peoples are inferior; such operating principles are deeply engrained in our educational, institutional and political arrangements.

Source: Based on Burton (2013)

Paul any comment on the table above?

From all the coverage above, it is not surprising that the 2014 Edelman Trust Barometer (Edelman, 2014) shows the largest ever gap between trust in business and government since the study began in 2001. This can be attributed to a continued destruction of trust in government that began in 2011, and a steady rise in belief in business since its nadir in 2008. In nearly half of the 27 nations surveyed, there is a gap of more than 20 points. In a few nations, the divide is as much as 40 points. This is a profound evolution in the landscape of trust from 2009 where business had to partner with government to regain trust, to today, where business must lead the debate for change.

Those in the leadership development community must heed the message from the Upper Echelon theory in Figure 2 that even leaders with ethical values and mutualistic tendencies have selective perception that creates blind spots for them and others in an organisational context. The table below categorises some virtues and values and the potential threats or blindspots they pose.

**Table 5 – The Expression/Suppression of Virtues and the potential Organisational Threats Posed**

<table>
<thead>
<tr>
<th>Some Human Virtues &amp; Values</th>
<th>Threat Posed</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOPEFUL</td>
<td>Idealistic at the expense of dealing with reality</td>
</tr>
<tr>
<td>BENEVOLENCE</td>
<td>Seen as incapable of making the ‘hard’ decisions that could negatively impact share traders in the short term</td>
</tr>
<tr>
<td>COMPASSION</td>
<td>Reluctant to enforce ‘tough’ policies and practices</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>COURAGE</td>
<td>Could object to certain actions and activities</td>
</tr>
<tr>
<td>HONESTY</td>
<td>Could leak too much information thereby damaging the organisation’s ‘best’ interests</td>
</tr>
<tr>
<td>FORGIVING</td>
<td>Incapable of addressing ‘poor’ performers</td>
</tr>
<tr>
<td>GENEROUS</td>
<td>Could undermine the financial situation with ‘bad’ choices</td>
</tr>
<tr>
<td>GRATITUDE</td>
<td>May not want to get over people to get ahead</td>
</tr>
<tr>
<td>HUMBLE</td>
<td>Unwilling to ‘sell’ the strengths of the business</td>
</tr>
<tr>
<td>PATIENT</td>
<td>May lack the desire to hustle people along</td>
</tr>
<tr>
<td>SOCIALLY RESPONSIBLE</td>
<td>Likely to lose focus on the financial health of the enterprise</td>
</tr>
<tr>
<td>SPIRITUAL</td>
<td>Distracted by ‘ethereal’ concerns</td>
</tr>
</tbody>
</table>

Adapted from Giacalone & Promislo (2013)

What we have discussed above raises some reflective questions for us in the leadership development community as well as the students and clients we work with:

- Which values is your main intent and motive for action based upon?
- What are the consequences for your coaching/leadership of having these values?
- What is the potential impact of espousing very strong personally held values?
- What potential blindspots may exist for your coaching/leadership given these strong values?
- Are you able to value values diversity in people holding different values to your own?
- Which values will lead to more sustainability leadership for yourself and others?

The final section concludes with indications for further development for some of the ideas expressed in the paper.
Conclusion

This paper has offered three hypotheses: (i) There is a link between the symbiotic relations in the natural world and moral tendencies, (ii) values-based leadership is best understood from an Integration standpoint, and (iii) Moral tendencies vary by leaders’ values.

Our role as leadership educators and developers is to respond to this increased breakdown in the promise of civil society by facilitating a deeper reflective dialogue, where our personal values and accompanying beliefs (as depicted in the Tables above) are exposed to public scrutiny within a broader curriculum not restricted to the study of business; and centered on the philosophy and history of social thought. Only then will we be able to embark on slaying ‘sacred cows’ when they are no longer fit for our own and our children’s future purpose on planet earth. We need to facilitate the development of wisdom beyond intellect (Sternberg et al., 2007), if we are not to repeat to reap what we sow.

Our proposed community based leadership development programme (Paul? Or has it been taken out now?) produces the ingredients for encouraging sustainability by learning from our past and present experience and offers guidance on how these understandings might be mixed to create enterprises which work well for every living creature without over-exploiting the world’s finite valuable resources, including humans. Whilst the ‘lean’ movement has been helpful for reducing wastefulness and ‘circular’ economics is a significant step change in the right direction for doing business, the deeper mutually reinforcing connections between increased brand equity, unwavering employee motivation and customer loyalty within local communities are yet to be fully realised. By creating a new learning programme based on the ideas in this paper, people will be positioned for emerging careers beyond current expectations. In fact, by using newly acquired personal values insights we may innovate mutually prosperous ways of working alongside re-discovering our humanity. In developing these programmes we must acknowledge the moral and values dynamic. If we want to change behaviour towards a more sustainable future, we must understand the drives that underpin them. For example, leaders with needs for Control and Self Enhancement will have very different meanings of ‘world eco-system’ and ‘mutualism’; much less have a motive for action to pursue them unless their needs and values can be fulfilled in the process.

What must leaders do? Leaders need to understand how their needs and values shape their moral and ethical stance. They also need to accommodate their leadership style to lead the business culture with directors, executives and managers with needs and values other than their own. New methods of contributing more to their team, division, business unit, organisation, community or society are unlikely to reach their full potential if leaders are creating dis-ease with other
stakeholders with values other their own. The values of the top team can and do create ‘dis-ease’ with employees with different values at an unconscious level, which gives rise to beliefs such as ‘too much too soon’ or ‘they (leaders) have lost the plot’ that can lead to active resistance to policies and in the extreme case sabotage.

Leaders need to ask themselves a range of questions based on the insights provided by this paper if they are to attain the promise of a mutually interdependent and therefore more sustainable conducting of human enterprise, which the leadership development community can facilitate: (i) How do I determine the values, beliefs and motivations of my and my colleague’s leadership?; (ii) How can I improve my effectiveness by making sure I am appealing to those values at the basic level (i.e. gaining acceptance for policies and practices at the level that feels ‘right’ to me)?; (iii) How can I determine the values, beliefs and motivations of my main stakeholder groups (e.g. staff, suppliers, communities where we are located, customers, market analysts)?; (iv) How can I alter or accommodate my approach to decision making and resource allocation, whilst also keeping my treasured policies/practices, to ensure that I meet a variety of needs and wants?; and (v) How can I learn to confront and navigate with others the moral dilemmas caused by personal values diversity; given I also have to make choices about the overriding purpose of my organisation and leadership, i.e. whose benefit does it ultimately serve?

As an early stage perspective there are inevitable shortcomings that could be improved by further research. Exploring the relationship between Kohlberg’s (1982) notions of moral development and values would be a useful next step. Moreover, a meta-analysis of leadership-values research would also build the platform for values-based leadership research. We do hope the leadership development community will embrace values-based leadership, practioners will reflect on the invisible forces (needs and values) that have a visible impact on daily actions and behaviour and researchers endeavor to extend and research the hypotheses put forth in this paper which could be particularly amenable to qualitative research. Regarding further research, of importance is the need to update our description and operationalisation of values for the 21st Century. Bearing in mind the socio-economic changes in society and the business environment, current notions of value systems developed in the 20th century are in need of updating to deal with contemporary leadership development challenges.
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