The effect of authentic transformational leadership on follower and group ethics

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ABSTRACT

We propose a theoretical model to examine how authentic transformational leadership influences follower individual and group ethical decision making. We investigate how follower moral identity and moral emotions mediate the effect of authentic transformational leadership on follower authentic moral action. Furthermore, we explore how authentic transformational leadership develops group ethical climate, which in turn contributes to enhancing group ethics and to developing follower moral identity and moral emotions. Future research and practical implications are discussed.

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1. Introduction

Hardly a day goes by without news of the unethical conduct of a leader, whether in the private sector, not-for-profits, or government organizations. Despite the media's focus on unethical leadership, we also hear from time to time about those leaders who strive to do the right thing, and followers who are willing to question them when they choose to do otherwise. The link between how a leader behaves in terms of moral and ethical behavior, and how the leader's followers view themselves and their actions as a consequence of leadership, is a link that has not been fully explored in either the leadership or ethics literature. Accordingly, in this article, we utilize the moral identity (e.g., Blasi, 1993; Blasi, 2004; Reed, Aquino, & Levy, 2007) and moral emotions literature (e.g., Tangney, 2003; Tangney, Stuewig, & Mashek, 2007; Weaver, 2006) to explain how leaders shape follower moral identity and moral emotions to function as central motivational mechanisms for taking moral action.

Our work is grounded on Bass and Steidlmeier's (1999) authentic transformational leadership theoretical framework, which is essentially based on the seminal work of Burns (1978) and Bass (1985). They studied leaders who, by being both morally uplifting and acting as change agents, transformed followers into moral agents and effective leaders. We specifically posit the dynamics of the relationship between "authentic transformational leadership" and the moral identity and moral actions of followers. We begin our discussion by focusing on what we argue are key mediating mechanisms between leadership and moral action, referred to as one's moral identity and moral emotions. We then explore how both moral identity and emotions enable individuals to address complex ethical challenges, and to ultimately behave and lead more ethically. Furthermore, we investigate how authentic transformational leadership influences group moral action through influencing group ethical climate, which leads to group ethics and helps develop one's moral identity and moral emotions. This focus leads us to the presentation of a model that links leadership, moral identity, moral emotions, ethical climate, and authentic moral action to provide a framework for organizing the remainder of our discussion.

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Weaver (2006) argued that future ethics research should focus on examining what constitutes one's moral identity (i.e., what a person is or has) rather than merely what a person thinks (i.e., moral reasoning), or what a person does (i.e., moral behavior). Weaver also recommended an examination of how intra- and extra-group factors could affect or help shape one's moral identity. For example, the ethical and moral standards that leaders set, and are seen living up to, could positively affect the moral identity and moral emotional development of individuals led by those leaders. Where leaders fail to live up to and display high ethical standards, we see that groups, organizations, and even societies can become corrupt (Bandura, 1991; Gardner, 1990; Gottlieb & Sanzgiri, 1996) as evidenced by cases of ethical scandals at Enron, WorldCom, BP, the Catholic Church, and Nazi Germany.

With all of the bad press that leaders have received for recent unethical violations in both the public and private sectors (Brown & Treviño, 2006b; Schminke, Ambrose, & Neubaum, 2005), it is somewhat surprising that prior theories and research on ethics and leadership have not explored the influence of leadership on a follower's level of moral identity, moral emotions and authentic moral action. Similarly, prior theory and research has also failed to examine how leadership and the ethical climate of a work group impacts individuals and group moral actions/outcomes.

The model presented in Fig. 1 captures what we suggest are the central elements in determining follower moral identity, moral emotions, and ultimately moral action. In our proposed model, we argue that authentic transformational leaders will positively raise the moral identity and moral emotions of their followers based on prior theory and research on authentic, ethical and transformational leadership (Avolio & Gardner, 2005; Avolio, Gardner, Walumbwa, Luthans & May, 2004; Bass & Riggio, 2006; Brown & Treviño, 2006b). Next, using Bandura's (1991) social cognitive theory, we explain how the ethical orientation and style of leadership influences individual follower and group ethics and actions. Specifically, we examine how individuals are shaped through social learning processes such as moral role modeling or vicarious learning, and how these learning processes then develop an individual's capability to address complex ethical challenges (McCauley, Drath, Palus, O'Connor, & Baker, 2006).

Beyond our focus on leadership, using theories of moral identity (Aquino & Reed, 2002; Blasi, 1984), self-concept-based motivation (Leonard, Beauvais, & Scholl, 1999; Shamir, House, & Arthur, 1993), authentic leadership development (Gardner, Avolio, Luthans, May, & Walumbwa, 2005), and moral emotions (Eisenberg, 2000; Tangney, 2003), we also explore how moral identity and moral emotions become persistent motivational sources for authentic moral action. As shown in Fig. 1, we will also examine how group ethical climate, in addition to influencing group moral action, serves as a mediating mechanism through which leadership impacts follower moral identity and moral emotions, which then influences follower moral action. The model presented in Fig. 1 provides the general guiding framework and boundaries for our discussion, while Table 1 offers a more detailed explanation regarding the underlying influence that authentic transformational leadership is expected to have on individual and group ethics.

2. Defining our main constructs

2.1. Moral identity

Identity is a theory of self. Personal identity is one's unique characteristics, such as traits and preferences that define how they differ from others (Hoyle, Kernis, Leary, & Baldwin, 1999; Tajfel & Turner, 1979). Social identity is defined as "the individual's knowledge that he belongs to certain social groups together with some emotional and value significance to the home of his group membership" (Taifel, 1972, p.272). Taifel (1972), Tajfel (1978) argued that social identity is the knowledge of being a group member and thus of what attributes define membership in the group, and also includes an emotional attachment to the group. The moral aspect of personal identity is known as moral identity.

The concept of moral identity was initially proposed by Blasi (1982, 1984, 1993) and expanded on by a number of other scholars (e.g., Aquino & Reed, 2002; Bergman, 2002). At a very basic level, moral identity can be characterized as one's answer to the following two questions: Am I a moral person? What kind of moral principles and values do I hold, and how resolutely will I
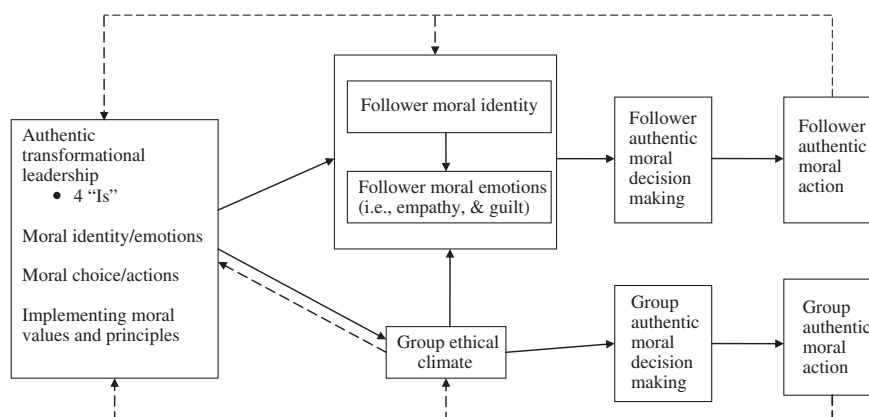

Fig. 1. The effect of authentic transformational leadership on follower and group ethics.