# A Comparative Study of the Endorsement of Ethical Leadership in Ireland and the United States

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MARY KEATING*
GILLIAN S. MARTIN**
CHRISTIAN J. RESICK***
MARCUS W. DICKSON****

## ABSTRACT

This paper presents a comparative study of beliefs about ethical leadership in the Republic of Ireland and the United States. Using data from Project GLOBE (Global Leadership and Organizational Behavior Effectiveness), beliefs of middle managers about four components of ethical leadership – *character/integrity*, *altruism*, *collective motivation* and *encouragement* – were compared quantitatively using analyses of variance tests. Results indicated that middle managers from Ireland and the United States, on average, endorsed the *altruism*, *collective motivation* and *encouragement* dimensions to a similar degree, but differed in their endorsement of the *character/integrity* dimension. Findings are interpreted within the context of the social-cultural forces, which

*School of Business Studies, Trinity College Dublin*
*** Department of Germanic Studies, Trinity College Dublin*
*** Department of Management, LeBow College of Business, Drexel University, Philadelphia, PA, USA*
**** Department of Psychology, Wayne State University, Detroit, MI, USA*

underpin how business ethics and ethical leadership are understood in the two countries.

***Key Words*:** Business Ethics; Ethical Leadership; Cross-Cultural Studies; Leadership.

## INTRODUCTION

Whilst globalisation might be seen to have accelerated cross-cultural convergence in key areas of organisational practice, recent scandals have also stimulated global debate around issues of corporate governance and ethical leadership. This debate has been heated in the United States and many European countries. For example, fallout from the corporate accounting scandals of recent years has led many in the United States to question the ethics of corporate leaders (e.g. *Gallup Management Journal*, 2002) and resulted in the enactment of legislation such as the Sarbanes–Oxley Act of 2002 (also known as the Public Company Accounting Reform and Investor Protection Act of 2002) to protect stakeholder interests. In Ireland, corporate and political scandals in the 1990s created demands for greater transparency, accountability and compliance in business and public life. In this context, it is important to understand the significance attached to ethical leadership and the cultural factors in society that encourage or hinder people from endorsing ethical leadership as effective leadership.

Understanding the interface between societal culture and ethical leadership will provide managers with the requisite knowledge to respond to the challenges of leading ethically in a culturally appropriate way. To this end, beliefs about four components of ethical leadership – *character/integrity*, *altruism*, *collective motivation* and *encouragement* – were compared by Resick et al. (2006) across cultures using data from Project GLOBE (Global Leadership and Organizational Behavior Effectiveness) (House and Javidan, 2004). This paper builds on this research by presenting a comparative study of beliefs about ethical leadership in two countries, specifically the Republic of Ireland and the United States. First, we conducted preliminary analyses, which replicated a Q-sort exercise conducted by Resick et al. (2006), to determine if individuals from

Ireland define ethical leadership using the same or different leader attributes as the American sample. Then, we conducted quantitative analyses using data collected from Project GLOBE to identify similarities and differences in the beliefs held by middle managers in Ireland and the United States about the four components of ethical leadership. We interpret these quantitative findings by examining the socio-cultural forces that underpin the understanding of business ethics and ethical leadership in Ireland and the United States. In the first section of this paper, we review the literature on ethical leadership and explore the relationship between organisational leadership and societal culture. We then introduce the empirical study on which we base our analyses of ethical leadership in Ireland and the United States. The findings of the study are discussed, before we draw preliminary conclusions and suggest avenues for further investigation.

## ETHICAL LEADERSHIP AND VARIATION ACROSS SOCIETIES

### Defining Ethical Leadership

There is a considerable body of Western-based literature (e.g. Bass and Steidlmeier, 1999; Gini, 1997; Kanungo and Mendonca, 1996; Petrick and Quinn, 1997) which deals with the topic of leading ethically without, however, clarifying the attributes and actions that comprise ethical leadership. Broadly, ethical leadership focuses on how leaders use their social power in the decisions they make, actions they engage in and ways they influence others (Gini, 1997); it involves leading in a manner that respects the rights and dignity of others (Ciulla, 2004). Resick and colleagues (2004, 2006) reviewed the Western-based ethics literature and identified six key attributes of ethical leadership: *character/integrity*, *ethical awareness*, *community/people orientation*, *motivational*, *encouraging/ empowering* and *ethical accountability*.

*Integrity* is commonly mentioned as a fundamental component of ethical leadership (Fluker, 2002; Petrick and Quinn, 1997) and of leadership in general (e.g. Bass, 1990; Bennis, 1989). It entails the ability to determine the ethically correct course of action in a given situation, as well as the willingness to engage in that behaviour

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regardless of external pressures (Emler and Cook, 2001). Ethical leaders also have a broad *ethical awareness*, which involves the ability to determine the moral or ethical issues in a situation and to make choices that serve the best interests of the broadest group of stakeholders (Brown et al., 2005; Petrick and Quinn, 1997; Trevino et al., 2003). Ethical leaders are *community-* or *people-oriented* and aware of how their actions impact others. They use their social power to serve the collective interests of the group rather than their own personal interests (Fluker, 2002; Gini, 1998; Kanungo and Mendonca, 1996; Trevino et al., 2003). This embodies the notion of altruism, which, according to Kanungo and Mendonca (1996), provides the ethical foundation of leadership. Ethical leaders are *motivational* and inspire followers to put the interests of the group ahead of their own (Bass and Steidlmeier, 1999; Gini, 1997; Kanungo and Mendonca, 1996). They are *encouraging* and *empowering* so that followers gain a sense of personal competence and self-efficacy that allows them to be self-sufficient (Bass and Steidlmeier, 1999; Gini, 1997; Kanungo and Mendonca, 1996). Finally, Trevino et al. (2003) submit that ethical leadership also has a transactional component that involves establishing standards of ethical conduct (i.e. *ethical accountability* for followers).

**Leadership, Ethics and Societal Culture**
Whilst some aspects of leadership appear to be universally endorsed as important for effective leadership, there are also considerable differences across cultures in the extent to which particular leadership characteristics are endorsed (see Dickson et al., 2003). Lord et al. (2001) examined how multiple aspects of the psycho-social environment shape beliefs about leaders and effective leadership. According to Lord et al. (2001), cultural norms and values, observed leader behaviours, follower values and goals, and the demands of the task at hand all create expectations of acceptable or unacceptable behaviour in a given situation. In turn, these expectations place constraints on the types of leader behaviours and characteristics that are endorsed.

Differences in cultural values are also associated with expectations regarding moral behaviour and issues of a moral or ethical nature. Yet, as Jackson (2001: 1268) observes, '[d]espite growing

interest in the field of cross-cultural differences in management ethics, there is still a lack of empirical work in this area', along with 'a lack of cultural explanation of national differences'. Existing studies have demonstrated cultural differences in ethical decision-making (e.g. Jackson, 2001) and ethical leadership beliefs (Resick et al., 2006). There is also evidence that the focus of the literature on ethics in the United States and Europe differs. For example, Vogel (1992: 44) observed that the problematic 'moral status of capitalism' in Europe (and Japan) generates more cynicism about the ethics of business than in the United States, and he argues that Europeans are 'less likely to be surprised – let alone outraged – when companies and managers are discovered to have been greedy'.

Compared with the large body of literature focusing on ethics and leadership in the United States, a literature search on ethical leadership in Ireland replicates the pattern identified by Martin et al. (2004) in respect of organisational leadership: the literature is sparse and much of it lacks strong theoretical underpinning. In Ireland there has historically been a greater preoccupation with issues of sexual as opposed to public morality (Lee, 1989). Indeed, the strongest locus of intellectual engagement with business ethics and morality – in some instances also in respect of corporate ethics – appears to exist within the Catholic Church and, most particularly, amongst Jesuits. Only in the early 1990s is there evidence of an awakening to the power wielded by corporate, political and religious networks, which set in motion efforts to modify Irish attitudes and behaviours in terms of compliance with rules and regulations. This, in turn, stimulated interest in business ethics. The first comparative empirical study of business ethics in Ireland was published by Alderson and Kakabadse (1994: 432), in which they reported that '[t]o date and to the authors' knowledge, there has been no formal study undertaken of Irish attitudes to ethics in business'. Explanations for this might be sought in the country's colonial history and late economic development, its size (Murphy, 1995; Clarke and Tierney, 1992), the homogeneity of Irish society, and, not least, religion and the assumption that managers automatically draw on the moral teachings of the Catholic Church for guidance on ethical issues. This stands in contrast to the United States where, traditionally, there has been greater reliance on formal

codes of ethics and policies to clarify expected corporate ethical conduct (e.g. Palazzo, 2002).

In much the same way as cross-cultural leadership research has found that beliefs about leadership vary systematically across cultures (e.g. Den Hartog et al., 1999; Dickson et al., 2003; Gerstner and Day, 1994), we anticipate that the cultural values held by citizens of Ireland and the United States will shape their perceptions of ethical leadership. Existing cross-cultural research (Hofstede, 1980; Ronen and Shenkar, 1985) suggests a high degree of similarity in the dominant value orientations of the two countries, although this does not preclude cultural difference.

Similarities as well as differences between the two countries have been documented by research from the GLOBE programme of research. The GLOBE project researchers collected data from 62 countries during the mid-1990s to investigate the interrelationship between societal culture and preferred leadership styles. They surveyed middle managers in three industry sectors: financial services, food and telecommunications. The Irish GLOBE sample ($n = 156$) was collected in the food and financial services sectors, and the US sample ($n = 399$) in the food, telecommunications and financial services sectors. Using a seven-point response scale, middle managers indicated the extent to which a range of statements concerning how things *are* in their society, that is, common practices and behaviours (*as is* scales), and how they *should be*, that is, values (*as should be* scales), characterised their society. Definitions of the nine cultural dimensions included in Project GLOBE are provided in Table 1.

Table 2 provides a summary of the Project GLOBE results for Ireland and the United States. The results indicate that the cultural profile for Ireland and the United States is similar along five dimensions for practices (*as is* scores) and seven dimensions for values (*as should be* scores). Based on the overall pattern of similarity, GLOBE researchers assigned Ireland and the United States to an *Anglo* culture cluster (also containing Australia, Canada, England, New Zealand and white South Africa) (Ashkanasy et al., 2002; Gupta and Hanges, 2004). However, it is important to note that clusters provide universal classifications for which we must seek culturally specific explanations; hence, our interest in investigating two countries such as the United States and Ireland, which are located within the same

**Table 1: Description of the Nine Globe Cultural Dimensions**

| Dimension | Definition |
|---|---|
| *Power Distance* | The degree to which members of a society expect power to be distributed equally |
| *Uncertainty Avoidance* | The extent to which a society relies on social norms, rules and procedures to alleviate unpredictability of future events |
| *Humane Orientation* | The degree to which a society encourages and rewards individuals for being fair, altruistic, generous, caring and kind to others |
| *Institutional Collectivism* | The degree to which societal institutional practices encourage and reward collective distribution of resources and collective action |
| *In-Group Collectivism* | The degree to which individuals express pride, loyalty and cohesiveness in their families |
| *Assertiveness* | The degree to which individuals are assertive, dominant and demanding in their relationships with others |
| *Gender Egalitarianism* | The degree to which a society minimises gender inequality |
| *Future Orientation* | The extent to which a society encourages future-orientated behaviours such as delaying gratification, planning and investing in the future |
| *Performance Orientation* | The degree to which a society encourages and rewards group members for performance improvement and excellence |

Source: House and Javidan (2004).

cluster, but which are characterised by markedly different patterns of economic and social development. Furthermore, substantial differences exist in the cultural practices and values between Ireland and the United States in terms of *individualism–collectivism*, *assertiveness* and *humane orientation*. These cultural differences are important for understanding differences in beliefs about business ethics and leadership. We now examine quantitatively the similarities and

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**Table 2: Mean Culture Scores for Respondents from Ireland
and the United States**

|  | Practices As Is | | Values As Should Be | |
|---|---|---|---|---|
| **Culture Dimension** | **United States** | **Ireland** | **United States** | **Ireland** |
| Uncertainty Avoidance | 4.15 | 4.30 | 4.00 | 4.02 |
| Future Orientation | 4.15 | 3.98 | 5.31 | 5.22 |
| Power Distance | 4.88 | 5.15 | 2.85 | 2.71 |
| Institutional Collectivism | 4.20 | 4.63 | 4.17 | 4.59 |
| Humane Orientation | 4.17 | 4.96 | 5.53 | 5.47 |
| Performance Orientation | 4.49 | 4.36 | 6.14 | 5.98 |
| In-Group Collectivism | 4.25 | 5.14 | 5.77 | 5.74 |
| Gender Egalitarianism | 3.34 | 3.21 | 5.06 | 5.14 |
| Assertiveness | 4.55 | 3.92 | 4.32 | 3.99 |

Source: Based on data from House and Javidan (2004), Keating and Martin (2004).

differences in beliefs about ethical leadership and interpret the find-
ings, taking into consideration the social, political, economic and
cultural characteristics of each country.

## COMPARING ETHICAL LEADERSHIP BELIEFS

### Ethical Leadership Dimensions
The GLOBE study constitutes the most comprehensive empirical
cross-cultural study of organisational leadership to have been con-
ducted within the past decade (House and Javidan, 2004). GLOBE's
research team developed leadership scales to measure 112 attributes
or behavioural descriptors of leaders (e.g. autocratic, benevolent, nur-
turing, visionary) (see Hanges and Dickson, 2004). Middle managers
from 62 societies were surveyed and were asked to rate each descrip-
tor on a seven-point scale ranging from *1 – This behavior or charac-
teristic greatly inhibits a person from being an outstanding leader* to
*7 – This behavior or characteristic contributes greatly to a person*

*being an outstanding leader*. As the GLOBE leadership scales were not originally designed to assess ethical leadership, Resick and colleagues (2006) used Q-sort and factor analysis methodologies to derive a fifteen-item, four-factor ethical leadership measure.

In brief, members of the Resick et al. (2006) project team conducted a Q-sort exercise in which they reviewed the list of 112 GLOBE leadership attributes and identified all attributes which matched the theoretical descriptions of ethical leadership. This purpose of this step was to determine if the GLOBE scales could be used to study ethical leadership. Next, the researchers asked six graduate students enrolled in a PhD programme in industrial/organisational psychology in the United States, who were familiar with leadership research, to complete the same Q-sort exercise. The graduate students were presented with a list of the GLOBE leadership attributes along with a definition of ethical leadership and asked to identify the attributes that best represented ethical leadership. Next, the researchers identified a total of 23 items for which at least two-thirds of the raters indicated that the item represented ethical leadership. Then, the researchers conducted an exploratory factor analysis using responses from 13,537 middle managers in Project GLOBE. The 23 leadership items were then standardised within countries and subjected to the exploratory factor analysis. Four factors were identified which could be clearly matched to aspects of ethical leadership derived from the review of the literature. These factors include *character/integrity*, *altruism*, *collective motivation* and *encouragement*. The GLOBE attributes did not match up with the *ethical awareness* or *accountability* aspects of ethical leadership: thus, these components were not addressed in their study. Resick et al. (2006) argued that their four-factor ethical leadership construct provides a useful starting point for examining beliefs about ethical leadership across cultures.

**Preliminary Analyses**
Prior to comparing the endorsement of the four dimensions of ethical leadership among middle managers from Ireland and the United States using data from Project GLOBE, we first wished to determine whether respondents from a matched Irish sample would identify the same attributes as the US sample or identify a different set

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of attributes as representative of ethical leadership. That is, we wished to ascertain whether a sample of individuals in Ireland and the United States use similar or different leadership attributes to define ethical leadership. Specifically, we asked six Irish graduate students, researching in the organisational behaviour and leadership fields, to complete the same Q-sort exercise as their US graduate student counterparts.

   The results of this exercise are summarised in Table 3. First, we examined the extent to which respondents from Ireland indicated that items composing the four ethical leadership dimensions were

**Table 3: Percentage of Respondents Indicating That the Attribute is Indicative of Ethical Leadership**

| Leader Attribute | Factor | Overall | Ireland | United States |
|---|---|---|---|---|
| **Attributes Included in the Four Ethical Leadership Dimensions** | | | | |
| Compassionate | Altruism | 91.7% | 83.3% | 100.0% |
| Generous | Altruism | 75.0% | 66.7% | 83.3% |
| Modest | Altruism | 75.0% | 66.7% | 83.3% |
| Fraternal | Altruism | 50.0% | 33.3% | 66.7% |
| Trustworthy | Character | 91.7% | 100.0% | 83.3% |
| Just | Character | 83.3% | 100.0% | 66.7% |
| Honest | Character | 66.7% | 50.0% | 83.3% |
| Sincere | Character | 66.7% | 50.0% | 83.3% |
| Confidence builder | Collective motivation | 100.0% | 100.0% | 100.0% |
| Motive arouser | Collective motivation | 83.3% | 66.7% | 100.0% |
| Group-oriented | Collective motivation | 75.0% | 66.7% | 83.3% |
| Team-builder | Collective motivation | 75.0% | 66.7% | 83.3% |
| Communicative | Collective motivation | 66.7% | 50.0% | 83.3% |
| Morale booster | Encouragement | 91.7% | 83.3% | 100.0% |
| Encouraging | Encouragement | 83.3% | 66.7% | 100.0% |

reflective of ethical leadership. For eleven of the fifteen attributes, two-thirds or more of the Irish respondents viewed the attribute as indicative of ethical leadership. For the remaining four attributes, there was less agreement. With regard to *character/integrity*, 50 per cent of participants from Ireland indicated that *honest* and *sincere* were reflective of ethical leadership. Similarly, for *collective motivation* half of the Irish respondents rated *communicative* as indicative of ethical leadership, and for *altruism*, one-third of the Irish respondents rated *fraternal* as an attribute of ethical leadership. Overall, the results of the Q-sort exercise indicate support for the applicability of the four dimensions for examining beliefs about the endorsement of ethical leadership in Ireland.

### Quantitative Comparison

Our quantitative comparison is based on data from 554 middle manager participants ($n = 156$ Ireland, $n = 398$ United States) from Project GLOBE. First, we conducted a multivariate analysis of variance (MANOVA) to determine if there was an overall difference in the degree of endorsement by Irish and US middle managers across the four ethical leadership dimensions. Results indicated that an overall difference did exist; however, the magnitude of the effect was quite small ($\lambda = 0.938$, $F = 9.13$, $p < 0.01$, $\eta^2 = 0.06$). Next, we conducted four one-way analyses of variance (ANOVAs) to ascertain whether differences existed between middle managers from the two countries on the four dimensions of ethical leadership. Results indicated that respondents from Ireland and the United States differed in their endorsement of the *character/integrity* dimension to a statistically significant degree ($F = 12.05$, $p < 0.01$), although the size of the effect ($R^2 = 0.05$) and the differences in mean levels of endorsement (6.19 vs. 6.51 for Ireland and the United States, respectively) were quite small. It is interesting to juxtapose this finding with those of the Irish Q-sort: two of the four attributes that comprise this dimension, namely *honest* and *sincere*, were rated much less strongly by Irish Q-sort respondents as reflective of ethical leadership. For the remaining three dimensions of the four-factor ethical leadership construct, mean-level responses were nearly identical for middle managers in the two countries. The findings are listed in Table 4.

**Table 4: Descriptive Statistics and Analysis of Variance
Test of Differences**

| Dimension | Ireland Mean | United States Mean | *F* | *df* | $R^2$ |
|---|---|---|---|---|---|
| Character/Integrity | 6.19 | 6.51 | 27.26** | 1,552 | 0.05 |
| Altruism | 4.68 | 4.74 | 0.68 | 1,552 | 0.00 |
| Encouragement | 6.30 | 6.34 | 0.39 | 1,552 | 0.00 |
| Collective Motivation | 6.29 | 6.32 | 0.18 | 1,552 | 0.00 |

*n* = 156 (Ireland), *n* = 398 (United States); **$p$ < 0.01.

As set out in Table 4, we can observe that across the two coun-
tries the average endorsement for each dimension was at or above
the scale midpoint of 4.0 and was above 6.0 for all dimensions
except *altruism*. This finding indicates that, on average, respondents
from Ireland and the United States view *character/integrity*, *collec-
tive motivation* and *encouragement* as facilitators of effective lead-
ership. Middle managers from Ireland endorsed the *encouragement*
(*M* = 6.30) and *collective motivation* (*M* = 6.32) dimensions to an
even greater extent than *character/integrity*. Beliefs about *altruism*
were more neutral than the other dimensions in both countries.

In sum, the data have provided support for the use of the four-fac-
tor ethical leadership construct and furnished evidence of similarity
in the endorsement of ethical leadership amongst Irish and US mid-
dle managers. Evidence of similarity is not surprising given that
both Ireland and the United States are located in the *Anglo* cluster
on the basis of similar (but not identical) cultural values. However,
there are issues emerging from the data that require exploration and
explanation within their own socio-cultural context. In particular,
the Q-sort findings, not least for *character/integrity*, raise a number
of questions around how complex constructs such as ethical leader-
ship are both understood and enacted within particular cultures.

### INTERPRETATION OF FINDINGS

In this section, we pursue a qualitative approach to explain the sim-
ilarities and differences between the countries. We draw on available

literature on ethical leadership in the two countries and on the findings for Ireland and the United States on the nine GLOBE dimensions of societal culture.

## Character/Integrity

*Character/integrity*, whilst viewed in both the United States and Ireland as facilitating effective ethical leadership, is one dimension where there is a statistically significant difference between Ireland's score (6.19) and that of the United States (6.51). The mean level of endorsement for respondents from the United States neared the top of the response scale and received the highest endorsement levels of the four dimensions. Further, when we review the findings of the Q-sort exercise, it is evident that the respondents see *character/integrity* differently: 100 per cent of Irish respondents indicated that *trustworthy* and *just* are reflective of ethical leadership, but only 50 per cent of the respondents identified *honest* and *sincere*. For US respondents the pattern is not as clear-cut: 83 per cent indicated that *honest*, *sincere* and *trustworthy* are defining attributes of ethical leaders and only 66 per cent identified *just*. The findings provide evidence of cultural variation in how the construct *character/integrity* is understood.

How can we explain the Irish pattern? In the primary GLOBE research, Irish beliefs about leadership were found to be characterised by a strong charismatic, team-oriented approach coupled with a participative and humane orientation (see Keating and Martin, 2007). Additionally, a review of available literature on leadership in Ireland asserts the centrality of integrity and trust as critical attributes of all leadership relationships (Keating and Martin, 2007; Kenny, 1987). For example, Alderson and Kakabadse's comparative empirical study (1994) of attitudes to business ethics amongst senior managers in Ireland, the United States and Britain revealed that honesty, an open management style and discipline are key qualities identified by Irish senior managers needed to produce effective performance. In Irish society, character and integrity are rooted more strongly in relationships within one's social network than in a set of obligations to outsiders. We point to two characteristics of Irish society as explanation. First, the small size of the country and the business community has traditionally supported a

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reliance on informal networks to get things done (Murphy, 1995). A negative side to such arrangements became apparent in the 1990s. As Sweeney (1998: 27) elaborates: when 'the same people keep meeting, and needing, each other in different roles', the result can be 'opportunities for individual gain capable of dissolving the moral character of key people'. Since the revelations of corporate scandals in Ireland in the 1990s, there has been a drive to achieve greater transparency and compliance.

Secondly, in-group loyalty, which is underpinned by high levels of both *in-group* and *institutional collectivism* in Irish society, has always been strong. It is possibly a residual manifestation of post-colonialism, linked to the need to 'present a uniform face of resistance to the oppressor' (Kenny, 1985: 73). Indeed, one reason cited for the improprieties within one of the country's main banks, AIB, in 2002 and 2004 was the family-type culture in the organisation, which was centred on long-term camaraderie and fostered a climate of dishonesty. Michael Buckley, CEO of AIB, noted, in a lecture delivered at the University of Notre Dame in 2004, that the negative side of such a culture is that employees are concerned primarily with loyalty to their colleagues and, as a consequence, ethical issues may not be escalated.

Duncan (1994) concluded that in Ireland (with its Roman Catholic heritage) the practice of condemning the sin but not the sinner may create some duality within the Irish psyche towards *honesty* and *sincerity*. This can be illustrated by an example from focus groups conducted for the GLOBE study (see Keating and Martin, 2007): Irish middle managers had difficulty in identifying any Irish business person as an outstanding leader, but many named ex-prime minister Charles Haughey. Haughey's career was surrounded by shady public and personal dealings, yet his vision and charisma appear to compensate for his lack of honesty. This willingness to disregard Haughey's duplicity aligns well with the aforementioned willingness to forgive the sinner.

The strong endorsement of *character/integrity* amongst US respondents is consistent with previous US-based leadership research suggesting that leader character, integrity and trustworthiness are among the most important traits of effective leaders (e.g. Locke and Associates, 1999; Posner and Schmidt, 1984). These findings

resonate with themes identified by Trevino et al. (2003) from the open-ended interviews they conducted with 20 American executives about the characteristics of ethical leadership. They found that personal morality and doing the 'right thing', together with credibility, consistency, predictability and trustworthiness were among the most common characteristics raised by interviewees. The importance of leader character and integrity is reinforced in the best-selling popular press leadership books (e.g. Bennis, 1989) that provide prescriptive advice to managers on how to lead others effectively (Dickson et al., 2006).

A further explanation for the strong endorsement of this dimension is the highly individualistic culture that characterises the United States (see Dickson and Den Hartog, 2005). This is reflected in the positioning of the United States on the GLOBE societal cultural dimensions: *in-group collectivism* and *institutional collectivism*. In individualistic cultures there is a strong focus on the individual as opposed to the social group (e.g. department, organisation, etc.) (Hofstede, 1980), and ethical behaviour is viewed in more absolute terms (e.g. Jackson, 2001). In the United States leaders are set apart from followers and become the focal point for the groups' actions and decisions. For this reason, followers expect their leaders to demonstrate clearly integrity, honesty and a sense of right or wrong, as these are prerequisites for trusting the leader to make appropriate decisions for the group and to follow through on the commitments they make.

**Altruism**
Irish and US middle managers endorsed the *altruism* dimension of ethical leadership to a lesser extent than the other three dimensions. Altruism is viewed as only slightly enhancing a leader's ability to be effective.

In the case of Ireland, the results of the Q-sort exercise indicated that two-thirds or more of the respondents viewed three of the attributes – *compassionate*, *generous* and *modest* – as indicative of ethical leadership; the percentage for *fraternal* is smaller. By contrast, a higher percentage of the American respondents selected all four attributes. If one juxtaposes the Q-sort results with the scores for the two countries on the GLOBE societal culture dimension

*humane orientation*, which refers to how much a society rewards or encourages its members for being fair, altruistic and caring towards others, we see that Irish middle managers record much higher levels of *humane orientation* for practices (4.96) than their American counterparts (4.17). In fact, Ireland ranks third out of all the sampled countries on this dimension for practices and scored even higher on the *humane orientation* values scale (5.47). The very strong endorsement of *humane orientation* by Irish middle managers for practices leads us to assume that *altruism* would be more strongly endorsed in Ireland than the United States, but also that it would have achieved a higher mean score than 4.68. We also expected to find a higher percentage of Irish respondents to the Q-sort exercise to identify *compassionate* and *generous* as reflective of ethical leadership. Equally, the lower level of *assertiveness* in Ireland than in the United States for both practices and values might have led us to expect that a higher percentage of Irish Q-sort respondents than their US counterparts would identify *modesty* as indicative of ethical leadership. However, this is not the case.

The evolving social, economic and religious fabric of Irish society helps us to understand the scores for *altruism*. Irish middle managers and Q-sort respondents may be articulating the realisation that compassion and generosity, which as part of the country's Catholic heritage were so deeply engrained in the Irish psyche as to have been taken for granted, are being sacrificed as a result of Ireland's sustained economic growth with its focus on performance and achievement. This emphasis on performance was very pronounced in both the food and financial services industries in which the Irish GLOBE data were collected (Keating and Martin, 2007).

Furthermore, the economic turnaround and business successes on the international stage have contributed to a growing self-confidence within Irish society and the Q-sort findings for *modesty* may simply mirror the self-assurance of a younger and highly educated generation. In the past, *modesty* was seen as a reaction to what Kenny (1985: 73) refers to as the 'Irish taboo against exhibitionism', which frowns upon any display of superiority or dominance, and is similar to attitudes that appear under different names in other postcolonial societies (e.g. Australia's tall poppy syndrome; Ashkanasy and Falkus, 2007). The identification of *modesty* as characteristic of

ethical leadership is compatible with the espoused lower levels of *power distance*, a desire to maintain existing low levels of *assertiveness* and high levels of *in-group collectivism* in Irish society.

Regarding levels of endorsement among the middle managers from the United States, the findings reflect the high levels of *performance orientation*, *assertiveness* and *individualism* characterising US culture, which results in a greater emphasis on the task than on relationships in the workplace. In the United States, a focus on the interpersonal competence of leaders emerged with the human relations movement of the 1950s and 1960s: managers became aware of the importance of demonstrating consideration for the wants and needs of their staff (see Bass, 1990). Trevino et al. (2003) found that the majority of executives interviewed in their study indicated that an important characteristic of ethical leadership is treating people well. The findings suggest that whilst treating staff well is important for leading ethically, it is somewhat less important for leading effectively in the United States.

**Collective Motivation and Encouragement**
There is strong endorsement of *collective motivation* and *encouragement* as important for effective leadership in both Ireland and the United States. Middle managers in the United States endorsed both the *encouragement* ($M = 6.34$) and *collective motivation* ($M = 6.32$) dimensions to approximately the same extent. These two dimensions represent behaviour aspects of ethical leadership (Resick et al., 2006), reflecting a need for leaders to engage in actions that promote teamwork, communication and morale among their followers. Of the four dimensions of ethical leadership, Irish middle managers demonstrated the strongest endorsement of these two dimensions. The findings should be interpreted against the backdrop of the growing focus on performance and achievement in Irish business. The country's rapid economic and social development in the 1990s together with the demands of global competition and the introduction of performance-management-type systems in organisations – a spillover effect from the United States – have contributed to the growth of a performance ethic. In fact, Ireland is located in the top band of sampled countries on the dimension *performance orientation* for practices, alongside the United States, and

middle managers in both countries espouse higher levels of per-
formance. This emphasis on performance is underpinned in Ireland
by a collectivist and team orientation.

The GLOBE study revealed that Irish managers endorse a
consensus- and team-based leadership style, which sees the leader
inspiring the followers to work towards his or her vision and
demonstrating commitment to them (Martin et al., 2004). This is
compatible with the country's positioning on dimensions of societal
culture such as *in-group* and *institutional collectivism*, *power dis-
tance* and *performance orientation*. Inspiring confidence and
encouraging employees 'to go beyond their self-interests for the
good of their group, organization, or society' (Bass, 1998: 171) is a
feature of transformational leadership, to which Irish middle man-
agers subscribe. Ethical leaders are encouraging and empowering
thereby enabling their followers to achieve a sense of personal com-
petence, which constitutes the basis of greater self-sufficiency (Bass
and Steidlmeier, 1999; Gini, 1997).

By contrast, the similar levels of endorsement of these dimen-
sions in the United States may reflect the individualistic nature of
US society. On the surface, this explanation appears to contradict
our observations about the collectivistic nature of Irish society;
however, a deeper examination of the characteristics of individual-
istic cultures is necessary. Jackson (2001), echoing Bass (1998), has
suggested that in individualistic societies people are likely to view
behaviour that involves an 'equalitarian commitment' to their rela-
tionships with the group as ethical. An 'equalitarian commitment'
involves putting aside self-interests and working towards the
group's shared goals. The ethical leader then motivates members of
the group to work together towards the group's goals: those leaders
who do so are viewed as effective in achieving goals and bringing
about the rewards that follow. In this context, it is also useful to
recall that, consistent with higher levels of individualism, US lead-
ers are set apart from the group in a position of authority and
become the focal point for the groups' actions and decisions (see
discussion of *character/integrity*).

The positive endorsement of *collective motivation* and *encourage-
ment* as features of ethical leadership could be reflective of ongoing
efforts in Ireland to promote greater collective responsibility in

dealing with a variety of corporate and societal administrative and behavioural matters. This mirrors the shift away from the solitary leader at the top to leading through the top management team (Flood et al., 2001; Kakabadse et al., 1995), perceived as offering better safeguards against unethical behaviour and abuse of power insofar as it makes leaders and followers 'reciprocally co-responsible in the pursuit of a common enterprise' (Gini, 1997: 326).

One interesting finding in relation to *collective motivation* concerns the lower percentage of respondents from Ireland who identified the attribute *communicative* as characteristic of ethical leadership. Existing research on ethical leadership in Ireland suggests that CEOs see themselves as exercising an important influence on the behaviour of employees. This underpins the transactional dimension of ethical leadership. Alderson and Kakabadse's study (1994) showed that Irish CEOs view their role as culture creators as critical in diffusing ethical conduct in the organisation. The study also revealed that Irish managers are less convinced than US managers of the need for a code of ethics in every company and industry. This reflects the much longer tradition of US organisations using codes of ethics and the greater scepticism of European companies towards such codes (Robertson and Schlegelmilch, 1993), although it may also be a factor of organisational size. Alternatively, these findings may reflect the litigious nature of US society, and the need for legalism to protect one's self or company from liability.

## CONCLUSIONS

This paper set out to build on the research conducted by Resick et al. (2006) to explore perceptions of ethical leadership in Ireland and the United States. First, the results of the Irish Q-sort exercise reveal support for the four dimensions of ethical leadership derived from the GLOBE scales. Then, looking at the endorsement of ethical leadership across the two countries, the one ethical leadership dimension which middle managers from Ireland and the United States endorsed to a statistically significant degree is *character/ integrity*, although the size of the effect and the differences in mean levels of endorsement are small. Our within-country analysis has demonstrated that behind the apparent similarity in the level of

endorsement of three of the four ethical leadership measures by Irish and US middle managers there are culturally specific explanations. For example, cultural assumptions about individualism and collectivism appear to exert a particularly strong influence on perceptions and the enactment of ethical leadership.

We are also conscious that for *character/integrity* a smaller percentage of Irish respondents to the Q-sort exercise rated two of the four attributes composing this dimension as reflective of ethical leadership. In general, the Q-sort exercise results raised some questions about the way ethical leadership is defined in Ireland. For this reason, we feel that additional research regarding culturally specific characteristics of ethical leadership is needed. This is particularly important given that the current research is based on the use of the GLOBE leadership scales, which were not originally designed to measure ethical leadership, and that our Q-sort samples were small.

Future research should build on these findings and examine how ethical leadership is conceptualised in Ireland and the United States using a combination of research methods, including open-response questionnaires and traditional closed-response survey questionnaire formats to explore more comprehensively the important culture-specific and shared attributes that characterise definitions of ethical leadership in the two countries. For open-response formats, a sample of thirty or more managers would generate a potentially rich source of data on how ethical leadership is understood. In addition, surveying a larger sample of managers and graduate students in both Ireland and the United States would offer more representative and reliable insights into the generalisability of the four-factor ethical leadership construct, in this way, addressing the limitations of the predictability of the current findings as a consequence of the small sample size. Furthermore, it would allow us to ascertain if the practitioner perspective differs from that of the graduate students, who, for the most part, have limited or no organisational experience.

We also believe that it would be interesting to examine the ethical leadership beliefs of a sample of CEOs; to date, our research has focused primarily on the follower perspective. In the light of the findings of the current study, it would seem appropriate to investigate the possible existence of varying assumptions about ethical leadership amongst different cohorts across cultures.

The research conducted for this current paper raises questions about semantic equivalence (see Harzing et al., 2005). Before the GLOBE questionnaires were distributed to middle managers in the mid-1990s, they were subject to translation and back-translation procedures to ensure semantic equivalence across cultures. Within the English-speaking cultures, the local research teams carried out a range of checks to ensure equivalence of meaning. This was not the case with the Q-sort respondents in this study and it may help to explain some of our findings. For example, one attribute within the *altruism* dimension that is identified by only one-third of the Irish Q-sort respondents is *fraternal*. The definition provided in the GLOBE questionnaire was 'tends to be a good friend of subordinates'. If Irish Q-sort respondents understood *fraternal* in this way, the low identification of this attribute could be explained in the following terms: in Ireland people tend to relate to each other as equals in a familiar way, regardless of position or status, yet, underlying this behaviour everybody knows their place (Keating and Martin, 2007). An alternative and more pragmatic explanation is that the respondents from Ireland and the United States conceptualised this attribute differently. To address possible issues around semantic equivalence, it would be interesting in the next stage of our research to provide some respondents with definitions of each leadership attribute. This could enable us to compare response patterns not only across the different cohorts (i.e. middle managers, CEOs, etc.), but also within these cohorts.

In conclusion, this paper underlines the advantages of interpreting quantitative findings through exploring the interface between societal culture and ethical leadership. At the macro-level, the quantitative comparison has revealed broad similarities between the two countries, which is consistent with culture cluster theory. At the micro-level, the qualitative explanation has provided culturally specific explanations for identified similarities and differences. The social and economic costs of unethical leadership are enormous. For example, a recent study by RSM Robson Rhodes (2005) reported that economic crime cost Irish business some €2.5 billion in 2004. These high costs, coupled with the ever-increasing globalisation of the workforce, highlight the need for researchers to examine differences in beliefs about ethical leadership across cultural boundaries.

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