

Leading with Integrity

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“The supreme quality for leadership is unquestionable integrity. Without it, no real success is possible.” – Dwight Eisenhower

Executive Summary

Integrity is paramount in leadership. With the many senior leadership executives who have been in the media for scandal and illegal activity, a consistent theme in their downfall has been their lack of integrity and their inability to lead according to a moral set of values. The definition of integrity has been hotly contested for years in theory and practice. As researchers and practitioners work to bridge the gap between Merriam-Webster and what occurs in practice, the definition of integrity has begun to take shape. The current conceptualization of integrity, at its core, is the combination of both consistency in words and actions as well as the adherence to morality and one’s values in these actions.

A leader’s actions are indeed central to integrity, but followers and stakeholders are those who assess this integrity on a daily basis. Although each individual judges a leader’s integrity differently, there is consensus regarding some of the criteria through which they screen their superiors. Laws, codes of conduct and ethical standards, as well as informal norms and values expected by stakeholders, are three major ways in which followers assess the integrity of their leader.

As a leader, one can significantly impact the assessment of their integrity in various ways. By knowing your values and what is expected of you, by showing your values, and by leading through your values, as a leader you can espouse and enact integrity that will lead to greater organizational effectiveness and build lasting trust.

Nobody is perfect and this lasting trust will inevitably be shaken a time or two over your tenure as a leader. Acting without integrity can severely damage trust, but there are ways in which it can be prepared. By keeping your word, telling the truth being transparent in your actions and giving without strings attached, you can always rebuild trust and regain your integrity as a leader.

Integrity is Not a Value

Integrity makes values meaningful

Towards a Definition for Integrity

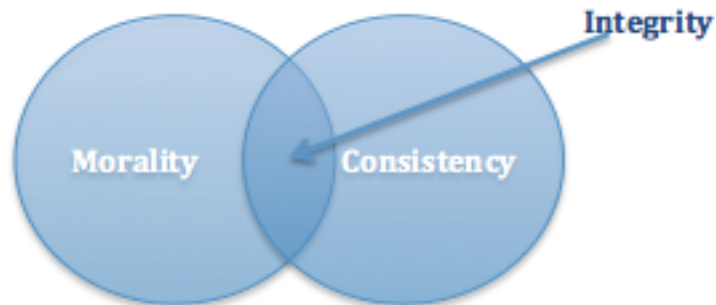
“Integrity is like the weather: Everyone talks about it, but no one knows what to do about it.”
– Stephen Carter, Integrity

After creativity, integrity has been ranked the second most essential leadership quality for the next five years by CEOs, stressing the importance of integrity in decision-making and leadership. Indeed, integrity is often cited as a key leadership expectation and employees consistently demand integrity from their immediate supervisors. Moreover, integrity itself can predict job performance, counter-productive work behaviours, and leadership across job types (Palanski & Yammarino, 2007). Despite its importance and relevance to business today, researchers and practitioners alike struggle to reach consensus about the true definition and scope of integrity in practice.

Merriam-Webster defines integrity as: “a firm adherence to a code of especially moral or artistic values”. Currently, there is a debate over if integrity is simply acting consistently with what you say, or if it should contain a moral and ethical element as outlined in the dictionary. Although, in its most basic sense, integrity does not contain a moral and ethical element, leading with integrity must be defined not only as consistency, but also as acting in a morally consistent matter that is congruent with your values and statements. If integrity is seen simply as consistency, the most horrid of leaders could still be defined as possessing integrity if they act consistently with their espoused values, regardless of how detrimental the values may be. Thus, leadership integrity will be elaborated as the act of being morally trustworthy, honest, true to oneself, and/or acting in accordance with what one says. Indeed, it is essential that leadership integrity definitions judge

people based on the morality of the values they hold as well as whether they behave consistently with these values (Moorman et al., 2012).

Figure 1: A Visual Definition of Integrity



Given this understanding of integrity as consistency and morality, it can then be stated that integrity is, in fact, not a value. Integrity is much more than a value. Values, defined by Merriam-Webster as “a person’s principles or standards of behavior and one’s judgments of what is important in life”, are essential components of successful leadership. Indeed, managerial values have been shown to strongly influence organizational behaviour (Choi & Wang, 2007). With this knowledge, we can then look at integrity as the piece of the puzzle that gives meaning to one’s values. It is one thing to have a strong set of core values as a leader, but it is another thing to have strong moral values, share them, and act consistently according to them on a daily basis. The latter, then, is the true embodiment of integrity.

THE ELEMENTS OF INTEGRITY

Integrity, an essential quality of successful leadership, has taken on many forms over the years. Here are the five main elements of leadership integrity and what they mean to you as a leader.

- 1) Integrity as **wholeness**. Integrity consists of a manager’s personal values, daily actions, and basic organizational aims.
- 2) Integrity as **consistency between words and actions**. A demonstrated consistency with regards to social behaviour.
- 3) Integrity as **consistency in the face of adversity**. This also includes consistency in the face of temptation and challenge.
- 4) Integrity as **being true to oneself**. Conceptualized as acting according to one’s own conscience.
- 5) Integrity as **morality/ethics**. Acting in accordance with socially acceptable behaviour, such as honesty, trustworthiness, justice and compassion.

Integrity in the Eye of the Beholder

Integrity is not just the absence of lying, but telling the whole truth, as painful as it may be. If you don't exercise complete integrity in your interactions, no one will trust you. – Bill George, *Authentic Leadership*

An individual's perception that their leader has integrity signals that it is reasonable and appropriate to base decisions on and to follow what their leader currently promises and supports. This, in turn, will allow the follower to feel confident in and believe in what their leader says and what they will do, which is the very foundation of successful leadership (Moorman et al., 2012). As no two people see the world in the same way, the perception that a follower has regarding the integrity of their leader and the subsequent impact on their desire to follow becomes very complicated. Indeed, depending on the characteristics of a given follower, they will tap into varied categories of information and beliefs before attributing integrity to their leader (Moorman et al., 2012). Although this is the case, there is an essential element of integrity from a follower's perspective, which is that it is connected with a concept of what is "good". This concept of "good" is judged through the consistency with which this moral "goodness" is professed and enacted (Dunn, 2009). Thus, the perception of integrity is connected to the idea that a leader is "good" and moral, but a follower's attributions of integrity also require a very high standard of consistency that would eradicate any concerns that followers may have about the leader's moral virtue (Moorman et al., 2012). This final element brings together both the morality and consistency elements of our definition of integrity into a follower's understanding of a leader's integrity and inherent "goodness".

How, then, do followers actually judge this inherent "goodness" that a leader must possess in order to have integrity? There are three distinct lenses through which followers judge leader integrity and create perceptions of their leader (Six et al., 2007). First, a leader must act in

accordance to societal laws, the basic rules and regulations of society. If one's leader adheres to these laws, they will then be judged against the codes of conduct and ethical codes of their particular industry and profession. These codes of conduct and ethical standards drive business actions and decisions within a given industry, such as the ethical standards embedded in the law profession. These codes are often created and reinforced by professional associations and societies. If one's leader succeeds in acting in accordance with these standards, they will most importantly be judged against the informal norms and values expected by stakeholders. This third layer is simultaneously the most important as well as the most difficult to model, which is what we will try to clear up in the following section.

Figure 2: The Three Layers of Judging Leader Integrity



Integrity in Action

“Recognizing that we are capable of speaking and acting on our values, as well as the fact that we have not always done so, is both empowering and enlightening... it opens a path to self-knowledge, as well as situational analysis, that we may otherwise short-circuit” – Mary Gentile, Giving Voice to Values

No leader is perfect, and thus the challenge of leading with integrity lies in *developing integrity*, *acting with integrity*, and *repairing trust* if you happen to misstep.

Developing Integrity

1) Know your values

The first and most vital element to developing integrity is to know exactly what you stand for and what you truly value. It is easy enough to rhyme off your organization’s values as those that you espouse, but often times these are not your true, personal standards of what you believe to be “right” and “good”. Your values must define your character; your values must define you. There are many different ways to explore your values and many different worksheets and algorithms, but the most important method is through self-awareness and reflection. In the fast-paced world that leaders are bound by, we often forget to take the time to reflect on who we are and what we stand for. This is your challenge: take a moment to ask yourself these questions and think critically about your responses.

- If you could use one word to describe yourself, what would it be and why?
- Think about what this word means to you. If you could break this word down into 3 different categories, what would they be?
- If you were to interview yourself, what would be a “deal-breaker”? As in, what would be a characteristic that, if you showed it in the interview, would lead you to be unsuccessful?

Conversely, what would be a non-negotiable element of your character that must be present?

- Using your responses to the questions above, try to develop an answer to the following question. If you were an organization, what would your vision, mission and values be?

These questions will hopefully lead you in a meaningful reflection about the deep-seeded values that are core to your character. This exploration can also be seen as developing a “self-story”, which will help you to articulate your stance and find the foundation for what you stand for as a leader (Gentile, 2010).

2) Know the standards

In addition to knowing your values, you must have a keen understanding of what your followers, teammates and organization as a whole value. Do whatever you can to discover the standards of integrity that are espoused by those around you. Think of it as a 360-degree investigation of what is expected of you and your values. Most importantly, if you are to lead with integrity in the eyes of your followers, you must know what they currently perceive and what they expect. No leader is an island, and you are only as “good” as your followers believe you to be. Collecting information about the standards for your actions and values may prove to be more difficult than it seems. Particularly given that you are a leader, the power differential between you and your followers may lead them to provide you with socially desirable answers as opposed to the true standards that they are holding you to. You may have to get creative in this pursuit by developing general questions about values and integrity, such as asking your employees how they would act in workplace value conflicts or if they were to encounter pressures to act in ways you know are unethical. Their responses to questions such as these will help to draw a picture of what they expect of themselves and, in turn, you as their leader.

Practice Makes Perfect

In leadership, you make decisions in mere seconds and are expected to act consistently and with integrity every time, which can prove to be very difficult. Just as professional basketball players practice their free throws to develop the muscle memory to make the shot in the big game, you too can develop your **moral muscle memory** (Gentile, 2010) for acting with integrity.

Ask yourself these questions:

- What if you knew what you believed was “right”?
- How would you get it done?
- What would you say, to whom, in what sequence?
- What information and analysis would you need to build a case? What allies could you find or develop to rely on?

Just as basketball players don't practice missing free throws, focus on what you **can** do in situations of workplace value conflicts, not what you **shouldn't do**.

Acting with Integrity

1) Show your values

Once you have discovered what you stand for, the next step is to shout it from the rooftops. If someone were to ask any one of your employees or teammates what you value most, it should roll off of their tongue without hesitation. This step is monumental and is often forgotten in organizations and in leadership. With expectations, one cannot discipline another for not living up to an expectation of them if it has not been previously communicated. The same goes for integrity. You can never be perceived as leader who has integrity if those around you do not have an understanding of your values that you are expected to act upon. Be sure not to put the cart before the horse.

Share and show your values at every turn and you can (and will) successfully achieve the following. First, goal-setting literature says that when you share a goal publicly you become accountable to achieving it, which is precisely what will happen when you share your values

publicly. In sharing your values with your followers, you become publicly accountable to acting in accordance with them in your leadership. Second, since your followers will be judging your integrity on the informal norms and values expected of you, sharing your values will lead them to include those values in their judgments. If your espoused values are included in their judgments of your integrity, you are more likely to receive more favourable integrity assessments. Lastly, as most followers tend to emulate their leaders, you will help to instill powerful values in your team members, which will cause a trickle-down effect of integrity-driven leadership.

2) Lead with your values

“Your leadership must be rooted in who you are and what matters most to you.” – Harry Jansen Kraemer Jr., Kellogg School of Management

It is well known that actions speak louder than words. This common understanding is even more pronounced in the leadership arena. As noted in Mark Lipton’s book, “leaders, above all, must walk the talk”. It is no secret that your actions are constantly on display and that your decisions directly affect the success or failure of the organization as a whole. This increased scrutiny makes this step the most critical in understanding how to live and lead with integrity.

Conceptually, the simplest way to lead with integrity is to act despite uncertainty using reliance on deeply felt values. Of course, given the complexities of today’s world, this is easier said than done. At its core, this statement calls upon a leader’s values and asks them to base their actions on these fundamental elements of their character.

Thus, living and leading with integrity can be seen as a product of values-based leadership.

According to the Royal Roads Values Based Leadership Institute, Values-based leadership is defined as the exercise of influence in relationships, teams, organizations and communities through choices and decisions guided by explicit and consistently practiced values that balance

healthy self-interest and the common good. More simply, the concept is defined as leading by example, doing the right thing for the right reasons and not compromising core principles (Dean, 2008). Evidently, acting with integrity and values-based leadership go hand in hand and are often interchangeable. Regardless of the title, the key takeaway is the idea of knowing what you believe to be the “right thing” and doing it consistently, no matter the situation.

There are four principles of values-based leadership that are helpful in understanding how to know what you believe to be the “right thing” and how to balance the conflicting situations that you will inevitably encounter as a leader (Kraemer, 2011).

- **Self-reflection.** Find out what you stand for, what your values are, and what matters most to you.
- **Balance.** The ability to see situations from multiple perspectives and differing viewpoints to gain a better understanding. This includes considering all sides and opinions with an open mind.
- **True self-confidence.** Accepting yourself as you are while recognizing your strengths and weaknesses and striving for continuous improvement.
- **Genuine humility.** Never forget who you are or where you came from. Keep life in perspective, value each person you encounter and treat everyone respectfully.

Correcting your Mistakes: Trust Repair

“Integrity is one of those few things in life that can’t be taken from you – you can only give it away.” – Martin Fox, The Centre for Global Leadership

1) Refine your Skill-Set and Mindset

Nobody is perfect and certainly no leader is perfect, regardless of his or her strengths and abilities. As a leader, you are going to misstep and you are going to encounter situations in which

there is no right course of action or, at the very least, no right course of action that you can see at the time. Although these missteps will inevitably occur, there are ways in which you can rebuild the trust that is lost when you act in a way that goes against your values and those that are expected of you. First and foremost, you must admit your mistake. Admit it clearly and confidently, and be specific about the values that you have breached in order to prove to your followers that you know what you have done and that you are working to rectify it. By taking personal responsibility for restoring trust, we must sacrifice our ego, but it will be worth it in the end as it demonstrates genuine humility and true intentions.

Throughout this process, the most important element to understand is that you have damaged the trust that your followers have in you, and it is your job to rebuild it. Rebuilding trust takes time. To begin the process, Michael Hyatt lists four things that you can commit to in order to rebuild the trust that you have lost (Hyatt, 2012).

- **Keep your word.** Above all, your followers must believe that they can count on you and that you will keep your promises. You cannot change what happened in the past, but you can ensure that moving forward, when you commit to something, you follow through with no exceptions. There is no better way to rebuild trust than to prove to those around you that you are worthy of it.
- **Tell the truth.** As intuitive as it sounds, telling the truth can be harder than it seems. It is essential to act according to your values and commit to telling the truth even when it may be extremely difficult or when the situation may not be black and white.
- **Be transparent.** This step is likened to taking the “initiative to go first” (Hyatt, 2012). You are demonstrating to your staff that you trust them with your information and with your vulnerability, which will encourage them to, in turn, trust you with themselves.

- **Give without strings attached.** The last element of rebuilding trust is to give to others without expecting anything in return. This, much like telling the truth, is easier said than done. Within organizations, we are in a consistent cycle of reciprocation, following the old adage “if you scratch my back, I will scratch yours”. In order to rebuild trust, reciprocation cannot be in the equation. You must give selflessly through being respectful, helpful and supportive of your employees. To quote Michael Hyatt, “nothing builds trust like love”.

2) Refine your Context

“A leader is one who knows the way, shows the way and goes the way” – John C. Maxwell

Utilizing your skills to rebuild trust is an essential first step, but it is only half of the battle. Just as fire cannot burn without oxygen in the air, trust and integrity cannot thrive without the right environmental surroundings. Thriving is characterized by vitality, learning and growth, (Dutton & Spreitzer, p 45). To build an environment where integrity can thrive, then, there must be ample opportunity for these three essential elements. In order to build an organizational context where integrity and ethical behaviour can thrive, a leader must engage in two distinct activities: 1) being a moral leader, and 2) being a moral manager. (Dutton & Spreitzer, p 90). Doing so will lead to the key environmental elements that will support, encourage and reinforce acting with integrity in accordance to moral values.

- **Be a Moral Leader**

Ethical leaders influence their employees’ attitudes and behaviours with resounding significance (Dutton & Spreitzer, pg 91). Too often, leaders effectively share the appropriate ways to act, but fail to emulate them consistently, following the “do as I say, not as I do” mantra that has been around much too long. First and foremost, a leader must practice what they preach. *Actions speak*

louder than words, and when your actions and words are not consistent, your employees will likely use your actions as their barometer for what is appropriate. In addition to role modeling appropriate values-based actions, *to be a moral leader one must exude openness*. Openness, one of the Big Five personality traits, is defined as involving active imagination, aesthetic sensitivity, attentiveness to inner feelings, preference for variety, and intellectual curiosity. This personality trait has long been understood as an important element of effective leadership, which rings true more than ever when working to build an environment rich with integrity and trust. Particularly when looking to rebuild trust, *being open to feedback, collaboration and collective knowledge* is paramount. By demonstrating that you are open to working together with your employees to build a moral and values-based environment, your staff will engage in the process and take ownership of the pursuit and their own behaviours. Moreover, it is beneficial to not only be open to feedback and collaboration, but also to actively encourage and welcome it. *By encouraging and openly endorsing feedback and collaboration*, you will show your employees that you are committed to an open environment where people feel safe to voice their opinions and work together to build a collective context where integrity can thrive.

- **Be a Moral Manager**

Although leading morally is a vital step to rebuilding trust and building the ideal context for integrity to thrive, the second piece of the puzzle reflects how you manage good and bad moral behaviour within this context. Employees must first see you acting with integrity, but then they must also see you rewarding and punishing actions that support and contradict integrity, respectively. Once employees know what constitutes appropriate behaviour, they must then be rewarded, encouraged and recognized for engaging in these desired behaviours. Show your gratitude to them and to their teammates, publicly and sincerely. As employees begin to realize

the rewards for acting with integrity within the environment that you are looking to build, they will engage in it more and more frequently.

On the other side of the coin, inappropriate behaviour must be taken very seriously in order to build a context where integrity can thrive. First and foremost, behaviour that violates morality and values cannot be tolerated. As a moral manager, it is your responsibility to address inappropriate behaviour consistently and quickly to ensure that all employees understand that it is not acceptable within the work environment. Although the immoral behaviour may upset you, it is important to address it both sincerely and respectfully. Focus on the behaviour, not the person, and emphasize what they can do to rectify the situation moving forward. Last, but certainly not least, follow up regarding their improvements and how they have managed to rebuild trust and act with integrity. In doing so, you will reinforce that fact that transgressions are taken seriously and that they will not be tolerated within the work context.

The context, created through your moral leadership and management, will be the driving force behind the actions of your employees. By building an environment where integrity can thrive, you are creating a space where employees feel psychologically safe. Psychological safety, defined as “a shared belief held by members of a team that the team is safe for interpersonal risk taking” (Edmondson, 1999; Mathieu et al., 2008), is an important element of an environment where integrity can thrive. When employees feel safe to take interpersonal risks and are being led and managed morally, they will be more willing to morally lead and manage each other, particularly when inappropriate behaviour takes place. By building an environment in which you and your employees can lead and manage with morality, integrity can and will thrive in all circumstances.

Size DOES matter: Can your space influence your integrity?

New research has suggested that the bigger your physical space is at work, the more apt you may be to compromise your integrity and engage in dishonest behaviour. Columbia Business School researchers have shown that our body postures instinctively adjust to our setting, such that they will be expanded or contracted, depending on the size of our space. In an expansive workspace, our bodily postures will expand and, in fact, impact our thoughts, feelings and behaviours and lead us to act less honestly at work. These expansive postures lead us to feel more powerful which can render people less honest. This phenomenon can also be seen outside of the office. For example, a field study of the size of driver seats in cars found that the more expansive the driver's seat, the more likely the car was to be illegally parked.

When trust is broken, relationships are strained and we must work to rebuild it and repair the very bonds that are the organization's lifeblood. By focusing on your skills, and leading and managing with morality, you will build and reinforce an environment where integrity will prevail. Focusing on integrity will lead to stronger and more trusting relationships moving forward that will benefit you, your team and your organization as a whole.

Moving Forward with Integrity

Great strides have been made in our understanding of integrity in both theory and practice. Now that we have built a solid foundation, there are still several questions that have yet to be answered about how we can live and lead with integrity. Both researchers and practitioners alike are digging deeper and deeper into the world of integrity, discovering the inner workings of leadership and morality. We encourage you to look inward and take time out of your busy schedule to truly understand what makes you tick, build your leadership around these values, and challenge those around you to do the same.

LEADERS BEHAVING WELL

Leading with integrity warrants some clear examples of what it looks like when it is done well. Here are just a few leaders who have gotten integrity right.

Bob Macdonald, Retired Chairman, President and CEO, P&G

“You must live by your word and actions, and know that is the most powerful demonstration of leadership.”

Bob has long been known as a leader who places values and integrity at the forefront of his leadership. “Choose the harder right instead of the easier wrong” is one of his main mantras, learned while he was at a military academy in his youth. Bob’s Values-Based Leadership beliefs define him as an individual and a global business leader. He believes that the best companies and leaders operate with a clear purpose and consistent set of principles or values.

Paul Polman, Chief Executive Officer, Unilever

“Successful leadership requires a high level of integrity and trust, today more than ever. This is true for us individually, but also how we work together as teams.”

Under his leadership, Unilever has set out an ambitious vision to double its size while reducing its overall environmental footprint and increasing its positive social impact. According to Paul, “Creating a better world is equally important for business, which simply cannot succeed in societies that fail”. Following his mantra that “You can do well by doing good”, he is focused on growing Unilever and improving their success, but has noted that they “are not going to have a mentality to grow at the expense of others”.

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