

Ethical Leadership: A Veteran's View



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Introduction

Let me start with the 'Oath' that every military officer will be familiar with.

Chetwode Motto "First: – The safety, honour and welfare of your country come first, always and every time. Second: – The honour, welfare and comfort of the men you command come next. Third: – Your own ease, comfort and safety come last, always and every time."

"I, Tapas Majumdar do solemnly affirm that I will bear true faith and allegiance to the constitution of India as by the law established and that I will, as in duty bound, honesty and faithfully serve in the regular army of the union of India and go wherever ordered, by land, sea or air and that I will observe and obey all commands of the President of the Union of India and the commands of any officer set over me even to the peril of my life."

With these oath starts our military careers, our thoughts, actions, and consequents, are now cast. We are now part of a force that our nation trust and believes. We grow from an individual level of self, to the subconscious level of a nation, never to wear off. Even after our tenure is complete, you never really hang your boots after all, you only move from one theater of operations to another, from the military to the corporate. Nature of operations change, types of weapons change, the rules of engagement modify, but the basic principles of leadership, Trust, Ethics do not change. Ethics, trust, and leadership engrained in the service tenure do not wear off.

Looking through these lenses at the corporate world, there is a strong case for ethical leadership that can be adopted, even more now than ever before by corporates. Leaders at all levels especially those who are the key decision makers that determine the very future of organizations and sometimes even the very existences of the enterprise, akin to the military, they shoulder the responsibility of the safety and welfare of, shareholders, and all stake holders besides honor. They are also

responsible to achieve their mission and goals that need to be achieved for the organization. The Board of Directors and the Top management provide that leadership and those who practice Ethical Leadership not just build a reputation for themselves, but organizations that Investors, Shareholders and all stake holder trust and take pride in associating with.

My article discusses the finer points of ethical leadership.

"The people entrust ... the lives of their children to soldier in our ranks. They trust that the Army will not waste those precious resources This sacred trust defines the bond between our Nation and its Soldiers. [Those] who display questionable characteristics, such as double standards, evidence of unfaithfulness, or even disregard for law ... create an environment of mistrust. There can be no equivocation of trust; it either exists or it does not". General Robert W. Cone, US army

Significance of Ethical Behaviour by Leaders

Understanding ethics from a culture point of view; Ethics are norms of behaviour that have evolved over a period. Leaders at all levels are expected to live these values and set the right example. Leaders acting in an ethical manner are based on values. Values are core beliefs such as duty, honour, and integrity that motivate attitudes and actions. Ethical values relate to what is right and wrong, which in turn relates to value systems. Oxford Dictionaries defines "ethics" as: "Moral principles that govern a person's behaviour or the conducting of an activity." So ethical leadership means acting according to your values systems and moral principles in your day-to-day business life and decision-making. Simply put, it means doing the right thing. Ethical leadership is organizational leadership that is centred on respect for ethics and values. The concepts of honesty, integrity, trust, and fairness are all critical to ethical leadership.

Leadership that is ethical is good for business. Ethical leadership is crucial to help create a positive ethical culture in a

company. Ethical leaders help investors feel that the organization is a good, trustworthy one. Customers are likely to be more loyal when they see ethical leaders in place in an organization and pride their association with them. Good press is likely to come when there are ethical leaders in an organization. Partners and vendors will similarly feel they can trust and work well with an organization when they see leadership that is ethical on display at work even on a business as usual kind of a day.

Ethical decisions by the leader generates and sustains trust. It demonstrates respect, responsibility, fairness and caring, consistent with good corporate citizenship. These behaviours provide a foundation for making better decisions across the organization by setting the ground rules for our behaviour. Effective decisions are effective if they accomplish the goal and advance the purpose of the organization, (Vision, Mission). The key to making effective decisions is to apply our minds to the choices possible in terms of their ability to accomplish the goals. There are always enough opportunities for a 'convenient' option and the hard option. What we are really deciding is the short-term benefits versus the long-term benefits of the possible action, little do we realize that often we are deciding on the very existence of the organization in the long-term.

During the 1965 war, his son, who was a fighter pilot and flew over Battlezone was shot down by Pakistani Army Air Defence (AAD). He was captured and held as a prisoner of war (POW). General Ayub Khan himself who was junior to Field Marshall Cariappa during his military service prior to Independence contacted Cariappa, who was living a retired life at his hometown, with information about his son's safety. When Ayub Khan offered to release his son immediately, Cariappa is reported to have ridiculed at the idea and told him to give his son no better treatment than any other POW. Field Marshal Cariappa reportedly replied, "He is my son no longer. He is the child of this country, a soldier fighting for his motherland like a true patriot. My many thanks for your kind gesture, but I request you to release all or release none. Give him no special treatment."

In the short-term, ethical leaders can help boost employee morale, build trust in the management and the board, which directly impacts productivity, loyalty and help attract and retain the best talent. In the long-term, it increase the brand value proposition positively and attracts reputed and high quality collaboration. Ethical leadership is a major deterrent to company scandals, ethical dilemmas, and ethical issues. At the end of the day, Leadership with ethics and ethical principles have major short-term and long-term benefits for organizations and individuals alike.

Ethical leaders demonstrate ethical and appropriate behaviour

in all aspects of their lives.

An ethical dilemma is a problem in the decision-making process between two (or more) possible options, neither of which is qualifies as 'acceptable' from an ethical standpoint. Although we face many ethical and moral challenges in our life, most of them come with relatively straightforward solutions. Ethical decision-making a psychological process of evaluating and choosing among alternatives in a manner consistent with ethical principles. In making ethical decisions, it is necessary to perceive and eliminate unethical options and select the best ethical alternative.

Ethical Leaders display two important behaviours in their decision making,

Relentless Commitment: The desire to do the right thing in the larger responsibility of fulfilling the purpose of your role. It is a higher expression of value driven culture and brand. The core-values of your culture become the design criteria for your products and services, and ultimately, your brand and your image.

Active Consciousness: The awareness to act consistently and apply moral convictions to daily behaviour as a matter of natural behaviour, at the risk of being predictable. This coupled with the ability to collect and evaluate information, develop alternatives, and foresee potential consequences and risks.

Ethical Leadership is standing tall in face of any circumstances without fear or bias and doing the right thing in the best interest (of the company in our case) even when it is not visible

Field Marshal Sam Hormusji Framji Jamshedji Manekshaw or Sam Manekshaw's military career

When Defence Minister, Krishna Menon asked him about his views on the then Chief of Army Staff, General K. S. Thimayya, Sam Bahadur replied that, "Mr Minister, I am not allowed to think about him. He is my Chief. Tomorrow you will be asking my (subordinate) Brigadiers and Colonels what they think of me. It is the surest way to ruin the discipline in the army. Don't do it in the future"

Indian Army Officer to be promoted to the position of a Field Marshal.

Moral courage is the courage to act for moral reasons despite the risk of adverse consequences especially when they are unknown at the time. Courage is required to act when one has doubts or fears about the consequences. Moral courage therefore involves deliberation or careful thought.

Moral courage is the ability to confront danger, fear, intimidation, or uncertainty. It is the ability to act rightly in the face of discouragement or opposition, possibly and knowingly

running the risk of adverse consequences. It is the quality of mind or spirit that enables a person to withstand danger, difficulty, or fear, persevere, and venture. It is a wilful, intentional act, executed after mindful deliberation, involving objective substantial risk, and primarily motivated to do the right thing in line with the value systems, stated and intended objectives, despite the emotion of fear and in the face of uncertainty.

Ethical Leadership is about actions

Ethical leaders work to create an ethical work culture. This means that a work environment is structured by a fair, clearly articulated set of rules, expected behaviours. It involves the organization's management articulating a set of principles that are understood, bought into by everyone in the organization, and has a fair system of carrot and stick. It includes a very visible system of reinforcement of the desired behaviour that inspire employees to be motivated and live up to the company's values.

Leadership is about actions and not only words. Actions that define your behaviour and are communicated loud and clear, even at the cost of being predictive. This eliminates many potential ethical dilemmas from reaching you, as it is resolved much prior.

Culture is the enabler of Ethical Leadership

After the three-day-long siege in 2008, the Taj Mahal hotel in Mumbai stood in near ruins. The hotel's walls were bullet-riddled, its domes and spires stayed ablaze even after the attack, the graceful grand lady was bruised but not out. Taj was reopened a month after it was attacked, and within 21 months restored the iconic hotel to its glory. The 26/11 attack severely damaged the heritage wing of the hotel. India stood witness to the humongous effort of the Taj employees who did whatever they could to save the lives of their guest even at the peril of their own lives and for those who survived, return to rebuild the Taj. The culture at the TATA group is well known but building a culture to drive profitability and performance is one thing and to build a culture that enables the employees to take the organization at this level is another.

Developing culture and traditions is one of the pragmatic ways of breeding ethics and moral. Although issues like developing a sense of belonging may be the theme while creating cultures, the aim is to influence a soldier into becoming an ethical team player as an instrument for winning wars. The creation and pursuit of culture establishes common values and a sense of ownership amongst the troops. The family of individuals with common cultural values thus created prevents individuals from doing the unethical.

Practicing Ethical Leadership

Create an Ethical Framework. Ethical leadership is developed on the foundation of a clear ethical framework, correlated to the company's vision, mission, and value systems. The leader can draw on this framework to take decisions and act on them. A

correlated framework agrees with the company's vision, and mission. It develops through the collective experience of the board and its management their experience, their background, their own value systems, and the actions of their mentors and influencers. It is thus an evolving framework that stays adaptive and relevant to the current in providing the leaders the guidance in the ever-evolving complex situations of ethical dilemmas. An ethical structure is necessary because it provides a guideline for making ethical choices. Its content includes the actual standards that each employee holds himself to. Although interpretations to application of these standards to a situation may vary from person to person and to some extent, from situation to situation, it will remain within its larger ambit. It forms the basis for making difficult ethical decisions, rather than the employee struggling with each separate decision in a vacuum, importantly it establishes consistency, internal consistency, and proactivity as it is predictable. Many situations do not offer a simple or satisfactory solution. A correlated ethical framework may not always assist the leader to take a clear decision, but it will guide him to actively consider the aspects that the leader must consider to arrive at a decision that presents itself as an ethical decision. It will also give confidence to the leader that he will be able to explain, if the need be, the reasoning of for his decisions, and hence will be able to take the decision more assertively. Ultimately, hard decisions are made not by ethical structures, but by people, which are defined by 'Relentless Commitment' and 'Active Consciousness' which goes on to building their personal credibility as well. An implication for ethical leadership here is that the vision and mission of the organization must be uppermost in any decision-making. An ethical leader does nothing to compromise the philosophy or the vision and mission of the organization.

Building a Culture of Ethics ensures its acceptance and enforcement. Culture flows top to bottom, like water. The ethical culture that the board of directors practice and promulgate by the board of directors and the top management, will set the example of acceptable behaviour. The Board and the top management set the benchmark. One of the most convincing ways to display the commitment to ethical leadership is first by practicing it yourself. Board members and members of the top management bear this responsibility. It is equally important to demand such behaviour from the immediate next echelon of the organization structure. Actions will always speak louder than words, so the Board and the top management need to be consciously aware of the fact that they are being watched and an opinion within is constantly being made. Enable and encourage discussions on ethics in general and Ethics framework. Pushing matters under the carpet and shying away from an open discussion is the ostrich syndrome. Doing so only fuels distrust... and trust either exits or it does not. Having periodic discussion on ethics and the framework induce a habit to analyse the ethical implications of a given decision or action and builds confidence in of the leader to take a decision.

Institutionalize ways for people to question authority, it promotes a healthier and open culture. Ethical leadership is about actions and building a culture that promotes ethical leadership is out the collective consciousness of the organization. It will only be effective when employees and all other within the organization subscribe to it and believe in its efficacy. Hence the need for communication. Questions raised to senior authority does not always reflect a challenge to the senior. It is prudent to put in place a structured mechanism to address question, before the questions turn to doubts, speculations, sarcasm and then disbelief and distrust.

Publicly champion the importance of ethics. Ethical leaders focus on the importance of ethical standards and work to educate their teams and peers about their importance. They seek to integrate these values into every facet of their team and company.

Reinforce Behaviour desirable behaviour. Social recognition is one way of reinforcing desirable behaviour. However, if not integrated with critical organizational process like performance appraisals, promotions, and monetary incentives of the annual bonus, it could be a damper.

Provide Protection for Employees. Most employees will want to do the right thing especially if they work for a company that has high moral and ethical standards. Being aware of the protection the company provides through its policies and procedures only embolden them to report unethical behaviour that they witness in other people at the company. It is a thin line between the intended purpose of such protection and misuse of it. It needs to be weighed pragmatically.

Offer formal ethics training. Ethics training program sends a strong message about a company's ethical stance. Seminars, workshops, and other ethical training programs reinforce the organization's commitment to the standards of conduct set out in the ethical framework. Practical examples help to address how to handle possible ethical dilemmas, assist in the enforcement to real life work situations.

Communicate clear expectations of good ethics, through the framework and ensure it reaches to the last employee in the language he understands. Integration of the communication in key processes like New joiner induction signifies the importance that the company assigns to ethical culture.

Conclusion

Ethical Leadership is good for business. It builds confidence of potential investors, impacts the company brand positively, attracts better quality talent and partners / vendors, attracts good press, and keeps your company legally safer. It can be the very difference between being a short-term player and a long-term player. The leadership of the Board and top management bears the responsibility of driving this effort.

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