LEADERSHIP, ETHICS, AND COGNITION; NEW THEMES AND NEW APPROACHES

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Leadership, ultimately, involves the effective exercise of influence (Yukl, 2009). What must be recognized here, however, is that leadership can be exercised for good (e.g., Roosevelt) or ill (e.g., Stalin). Indeed, in studies of leadership it is common to distinguish between socialized and personalized leaders (Mumford, 2006). Organizations, and society as a whole, however, do not and cannot seek to develop personalized leaders. Thus, in the literature on leadership, many theoretical models, for example Authentic Leadership (Avolio & Gardner, 2005) and Transformational Leadership (Bass & Steidlmeier, 1999), present models expressly intended to account for prosocial, character-based, Leadership.

In keeping with this trend, the topic of ethics and ethical decision-making among leaders has in recent years begun to receive some attention (Brown & Treviño, 2006). Society, organizations, groups, and people all seek leaders who will make ethical decisions. Ethical decision-making, however, is a complex phenomenon in its own right. Nonetheless, in recent years we have made substantial progress in our understanding of ethical decision-making (Mumford, Devenport, Brown, Connelly, Murphy, Hill, & Antes, 2006). Our intent in the present efforts is to examine the implications of these advances in our understanding of ethical decision-making for this development of leaders. Before turning to the implications of findings with regard to ethical decision-making, however, it might be useful to consider the role of decision-making and ethical decision-making in leadership.
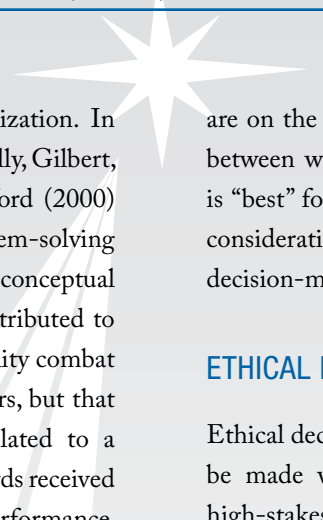
LEADER DECISION-MAKING

The fundamental importance of decision-making to leadership and leader performance, is aptly summarized in a quote from former President George W. Bush: "I am the decider." In fact, the available evidence indicates that cognitive characteristics contributing to effective problem-solving, and hence viable decision-making, are critical to the performance of leaders. For example, Mumford, Campion, and Morgenson (2007) found, in a study of foreign service officers, that the cognitive demands made on leaders increased

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as they advanced through the organization. In another study along these lines, Connelly, Gilbert, Zaccaro, Threlfall, Marks, and Mumford (2000) found not only that cognitive problem-solving skills, for example problem definition, conceptual combination, and idea evaluation, contributed to effective decision making in a low fidelity combat simulation presentation to army officers, but that these problem-solving skills were related to a variety of leader outcomes such as awards received (e.g. medals won), critical incident performance, and rank attained.
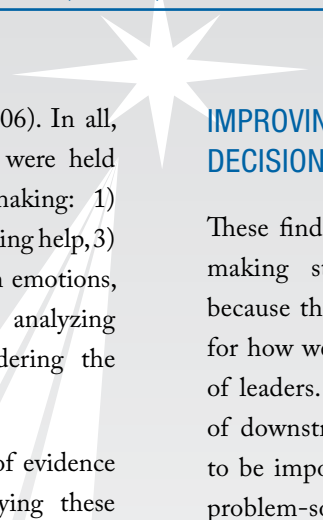
Clearly cognition and decision-making are critical to leadership performance. What should be recognized here, however, is that the decisions presented to leaders are highly complex. Leaders serve in boundary role positions (Jacobs & Jaques, 1990). In boundary role positions leaders must take into account the needs and concerns of various stakeholders – workers, the organization, customers, suppliers, etc. What must be recognized here is that the concerns and interests of these stakeholders in a decision are not always well-aligned. This lack of alignment brings to fore the question "who wins and who loses?" – an inherently ethical question. The importance of these ethical aspects of leaders' decisions is accentuated by three other considerations. First, leaders must make decisions not only for today but also for stakeholders tomorrow (Jaques, 1989). Second, the stakes in these decisions are high (Bass, 1990). Third, the leaders' own careers

are on the line (Yukl, 2009) – creating a tension between what is "best" for the leaders and what is "best" for the stakeholders. As a result, ethical considerations necessarily permeate leader decision-making.

ETHICAL DECISION-MAKING

Ethical decisions are typically decisions that must be made with respect to complex, ambiguous, high-stakes issues in which stakeholder interests are not well-aligned. Recognition of this point led Mumford and his colleagues to propose a sense-making model of ethical decision-making (Kligyte, Marcy, Sevier, Godfrey, Mumford, & Hougen, 2008; Mumford, Connelly, Brown, Murphy, Hill, Antes, Waples, & Devenport, 2008). Essentially, this model holds that prior personal and professional experience, along with the demands made by the problem situation at hand, define the structure surrounding peoples' ethical decision-making. People must then frame the problem and manage emotions in such a way as to permit the forecasting of the likely outcomes of decisions for various stakeholders – now and in the future. With reflection of these forecasts, sense-making, or understanding of the ethical problem, occurs which, in turn, provides a basis for ethical decision-making.

Mumford, and his colleagues, have identified a set of strategies people might apply to help them make these decisions (Mumford, Connelly, et al,

2008; Mumford, Devenport, et al, 2006). In all, seven strategies were identified that were held to contribute to ethical decision-making: 1) recognizing your circumstances, 2) seeking help, 3) questioning judgment, 4) dealing with emotions, 5) anticipating consequences, 6) analyzing personal motivations, and 7) considering the effects of actions on others.

Broadly speaking, four distinct lines of evidence have pointed to the value of applying these strategies in ethical decision-making. First, Mumford, Devenport, et al (2006) have shown that the effectiveness with which people execute each of these seven strategies is strongly (R=.50) related to their ability to make ethical decisions in their professional field. Second, in a series of experimental studies (Beeler, Antes, Mumford, Devenport, Connelly, & Brown, 2009; Caughron, Antes, Mumford, Devenport, Connelly, & Brown, 2009) it was found that application of each of these strategies made a unique contribution to ethical decision-making. Third, each of these strategies made a contribution to prediction of ethical decision-making over and above other relevant variables, such as narcissism (Mumford, Devenport, et al, 2006). Fourth, instructional programs intended to encourage application of these strategies resulted in strong pre-post gains, gains that were maintained over time, in peoples' ethical decision-making (Brock, Vert, Kligyte, Waples, Sevier, & Mumford, 2008; Kligyte, et al, 2008; Mumford, Connelly, et al, 2008).

IMPROVING LEADER ETHICAL DECISION-MAKING

These findings with regard to ethical decision-making strategies are noteworthy, in part, because they have some important implications for how we seek to develop the next generation of leaders. For example, forecasting (prediction of downstream consequences) has been shown to be important in leader vision formation and problem-solving (Shipman, Byrne, & Mumford, in press). Given the findings obtained with regard to anticipating consequences in ethical decision-making, it seems plausible to argue that instructional interventions that encourage leaders to think about the long-term and short-term consequences of decisions for various stakeholders may contribute to both leader performance and ethical decision-making.

Along similar lines, Strange and Mumford (2005) have provided evidence which indicates that the ability of leaders to reflect on and appraise their past life experiences contributes to both vision formation and effective problem-solving. Again, the findings obtained with regard to analyzing personal motivations suggest that instruction intended to encourage reflection on personal motivations vis-à-vis the motivations of key stakeholders may help leaders make not only better decisions, but also more ethical decisions.
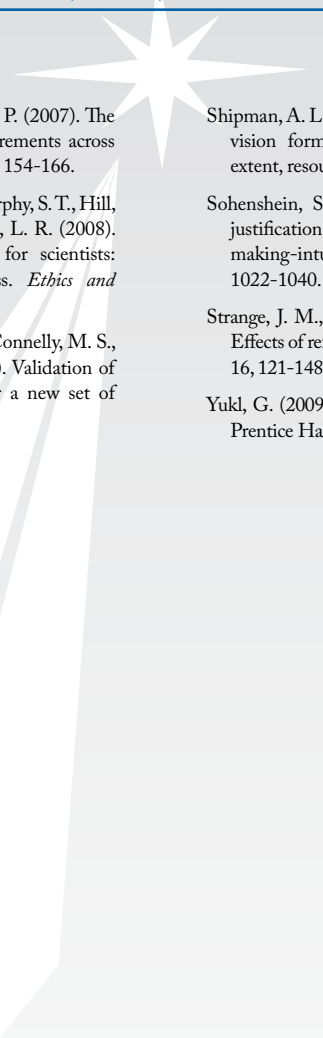
Finally, the extensiveness of leader sense-making activities has been shown to influence leader performance especially as leaders must come to grips with crisis situations (Drazin, Glynn, & Kazansain, 1999). When these findings are considered in light of the importance of recognizing circumstances and the importance of sense-making in ethical decision-making (Sohenshein, 2007), they suggest that instruction which encourages leaders to construe or understand situations from the perspectives of different stakeholder groups should improve both leader performance and ethical decision-making by leaders.

CONCLUSIONS

Of course, evidence directly bearing on the effectiveness of leadership development interventions in enhancing ethical decision-making is lacking. However, this is one of the missions to which the *Journal of Character and Leadership Scholarship* has devoted itself. By showing how variables relevant to character, such as ethics, shape leadership and organizational performance, the JCLS may do much to advance this research arena. Hopefully, this project will contribute to our ability to develop high performance leaders who make the ethical decisions individuals, groups, organizations, and society all expect and deserve.

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