### Ethical Leadership

**Traits of an Ethical Leader**

1. **Honesty.** Credibility is your most important asset. If you lose it, you will also lose your ability to lead.
2. **Respectfulness.** An ethical leader should not use their followers as a medium to achieve their own personal goals. Respecting the followers implies listening effectively to them, being compassionate to them, as well as being liberal in hearing opposing viewpoints.
3. **Humility.** Confucius said that humility is the foundation of all virtues. A lack of it makes it easier to convince yourself that what you are doing is correct, even in the face of contrary evidence.
4. **Communication.** So much company dysfunction can be prevented with clear communication. Otherwise, workers are in the dark. And soon, they won't care.
5. **Serving others.** An ethical leader should place their follower’s interests ahead of his interests. They should be humane. They must act in a manner that is always fruitful for his followers.
6. **Accountability.** Define the results you want, and acknowledge when a screw-up is your fault.
7. **Empathy.** People are more likely to listen and accept your vision if they first know that you care about them.

**To Promote an Ethical Workplace**

- Demonstrate top management commitment
- Communicate expectations on a regular basis
- Eliminate root causes and weaknesses
- Monitor conduct – trust but verify
- Maintain whistleblower channels and policies
- Respond quickly to misconduct
- Reward acts of integrity

**Red Flags That May Signal Integrity Issues**

- Cynicism; Alienation of coworkers;
- Poor work performance;
- Resentment of management;
- Behavioral changes; Sense of entitlement;
- Lack of stability; A strong desire to beat the system; Lack of a strong code of personal ethics ;
- Rationalization of contradictory behavior;

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**Contributing Factors to Lost Integrity**

1. **Short Term Perspective**
   - A trend within major corporations that has tied executive compensation to quarterly profit reports and other short term measurements of a company’s performance has created major incentives that have led to unethical and criminal behavior by company employees.
   - A business and its employees at all levels should measure success over a longer period of time and not be driven only by monthly or quarterly results.

2. **Self-Justification**
   - The only person that you can’t lie to is yourself.
   - We rationalize or self-justify unethical behavior to protect our ego and self-esteem.
   - By understanding how these mind tricks work, we can prevent this process which makes unethical behavior easier to undertake and continue.

3. **Priority Positioning**
   - How we prioritize what matters to us in life varies from person to person.
   - Many people believe that faith and family are the most important priorities in their lives.
   - In many cases of unethical and criminal conduct have resulted because people placed a higher value on money than other priorities in their lives.

4. **The Corporate Culture**
   - Leaders must make ethical behavior part of the corporate culture within an organization.
   - Ethical expectations should be discussed with employees the very first day on the job.
   - There should be regular refresher training in ethics at all levels of a corporation.
   - Violations should be dealt with in accordance with a defined policy.

**The Ethical Action Test**

1. Is the action legal?
2. Does it comply with company rules and guidelines?
3. Is it consistent with company values?
4. Will I be comfortable and guilt-free if I do it?
5. Would I do it to my family or friends?
6. Would I be okay with someone doing it to me?
7. How would it look in a news story?

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