THE STRATEGIC ROLE OF ETHICAL LEADERSHIP IN SUSTAINING THE ORGANIZATIONAL CULTURE-A THEORETICAL FRAMEWORK FROM THE PERSPECTIVES OF SOCIETY AND ORGANIZATION

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Abstract; *Organizational culture can be perceived as the sum total of individual cultural elements of an organization.The cultural gap amongst individuals is obvious in any organization. Since the leadership of a organization has to manage a diverse cultural entities, it is imperative that he knows the particular dimension operating in the organization: and thereafter has to learn to influence. The influences of globalization have pervaded all Indian organizations in general and indian business organizations in particular. It has also brought a discernable change in the work ethics. The relative increase in the affluence and relative shift towards individualism, from a sense of collectivism, has brought forth daunting challenges to the organizational leaderships of India. Is it the extrinsic reward or intrinsic reward that shapes work ethic? How can a leader bring meaning to 5P's of individual ethical power, viz. Purpose, Pride, Patience, Persistence, and Perspective? This paper tries to assess the strategic role of ethical leadership in sustaining the organizational culture.*

KEY WORDS: *Ethics, Leadership, Organizational culture, Collectivism, Individualism*

One of the major issues that is debated along with other issues of globalization effect is 'work force reduction"-a challenge that the organizational leadership has to take on.The compelling emphasis on economic return and equally compelling emphasis on social obligations -have put the leader between the proverbial "scylla and the Charybdis". Related to the above issue of economical and social obligation is a comparative study of socio-centric level of individual's psychological existence (Clare w Graves,1970)

Culture and leadership are the two faces of an organization, in that , the leaders first create culture when they create groups and organizations(Edgar Schein). In the changing (meant to indicate declining)"work ethic" values how can a leader stop the downfall? Are there any specific traits and behaviours he possesses and exhibits? What are the values that he should espouse in the changed circumstances? Though all the dimensions of cultural values do contribute to 'work ethics', major ones are related to work orientation/leisure orientation, urgent time orientation/casual time orientation and long term orientation/short term orientation

In the days of globalization, challenges are many for organizations, irrespective of the country of origin or country of their operation. In the Indian context, the organization (both business and non business) which were hitherto protected by the government,can no longer expect such protection and hence should gear up to meet the challenges which are not only daunting but also keep on becoming stringent and hard. Then how does the organizational leadership perceive these challenges and how do they translate these challenges into tasks, for their organization members?

Can the workforce stick on to the same work ethics with which once it was comfortable? No doubt work ethics are at the core of any work performance. If the work performance (or task performance) has to change, then work ethics also have to change. An individual derives ethical power for Purpose, Pride, patience, Persistence and Perspective (1). However for a leader , ethical power is for deriving all these; as ultimately these constitute influencing power, which is at the core of leadership. Hence an employee in an organization should also derive ethical power from the above 5 p's. It is here that the organizational leadership helps its employees. Translated into HR practices, this would amount that a leader should motivate his employees,

Motivational factors include, a desire for adventure, a pioneering spirit, a desire to increase one's chances

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for promotion and opportunity to improve one's economic status (2) Promotion and economic status being easily perceivable as they can be considered as extrinsic rewards, it is the pioneering spirit and desire for adventure- the two important aspects, which need the active role of organizational leadership, as they are considered as intrinsic rewards.

The importance of talented human resource in any organization needs no elaboration. The human resource directed towards goal achievement is equivalent to 'directed 'organization itself.

"People are considered to be as important as or more important than the organization itself" (3).The enormity and the complex nature of challenges itself require the manager to be a leader first and manager next. In a protected, constant and simple environment, a manager role would have sufficed. Human resource needs to be co-operated with appropriate balancing and integration, which are the essential constituents of coordination also; and in this case it is the coordination of human resources.

"Leadership is goal oriented cooperation development"(4)

The leadership should move from the culture of production to culture of community. i.e. leadership should move from professional competence to social competence; employees to human beings; trade unions to fellow human beings and hierarchy to organic mutual dependence(5)With the widening and lengthening of operation across the world, a manager meets people as human beings first and employees as next. In a domestic market, the manager mostly manages with his professional competence, which no longer suffices in the days of globalization. His move should be towards social competence.

In the context of globalization, the process and techniques of organization and development have become more significant than ever. M/S China steel in an attempt to gear up for challenges, developed a "Corporate leadership, which was able to display its concern for the staff members to set examples and to nurture among the staff, a sense of corporate altruism and identity, by deflating the self and strengthening concern for others; whilst appealing to the moralistic support of the subordinate(6).The continued but unanswered question of deflation of 'self' vis-a vis others, would thus lead to a sense of culturist in the leader. Creating a sense of altruism, deflation of the sense of self are few such leadership challenges

It is argued by some authors that value based management is at the core of development. They vehemently argue for value based management espoused by socially conscious managers, whose major concern is "Values" and major imperative is "social" (7). Creating a sense of altruism and deflation of the sense of self can definitely be considered as the core values of manager or a leader if one wishes to label so.

A comparison of Eastern and Western views about business would also indicate the core values of such leaders."Traditional western view of corporation assumes that the business of business is business and that good society comes from effective, economic goal oriented activities of government, corporation and consumers. A new view is required to balance the traditional one and repair some of the damage already done to system complexity and nature"(8)Then the movement from the culture of production to the culture of community is in itself an answer to challenges thrown open by the process of globalization.

Another imperative for the organizational leadership is the change in perception. It is not the set of activities which create a value for the organization and thereby the society. But it is action. Accordingly the perception should be revised to 'Actions'. Following is the list of such desired changes.

Existing perception	Revised Perception
Activity	Action
Individualistic approach	Collaborative approach
Fear of failure in reaching goals	Joy of scaling new heights
Hard work	Wise work
Imposing order	Enlisting co-operation
Organizational productivity	Social productivity
Non conformity	Conformity
Organization profit	Beneficiary profit

The revised perception is essential not only for the economic prosperity but also for moral prosperity. When there is high degree of fit, both cognitively and experimentally, between high moral standards and economic prosperity, life has a substantial degree of moral continuity (9)

It is argued that morals or ethics, while taking the view of distributive justice would ensure equitable distribution of benefits. Benefits though include both tangible and non tangible elements, can be conveniently equated with economic benefits also, which is one of the primary reasons for the existence of business. The revised perception would also fit the utilitarian theory of ethics viz. the principle that every one should act to generate the greatest benefits for the largest number of people. Hence it can be argued that high moral standards and economic property are not only complimentary (or fit) to each other but high moral standards are supplementary to economic prosperity also. Just as a person acts to achieve his own greatest good to advance his rational ends, why should not a society act on the same principle applied to group (10).A group can be conveniently construed as an organization. The leadership which emerges as an offshoot of organization, which in turn operates in a society, are in fact shaping the organizational culture through the organizational members' i.e employees. Pictorially when depicted it would result in a triangle with individual (employee), organization and society at the three apices and leadership having a central pivotal place



Many economists believe that market exchange is to be promoted in all earnestness since this ensures social productivity. The "Personal liberty" view of ethics espouses that there shall be primacy of single value liberty and every one should act to ensure greater freedom of choice, for, this promotes market exchange, which is essential for social productivity (11). According to" Personal liberty" view of ethics, moral standards and economic prosperity can be complimentary, so that "life has a substantial degree of moral continuity"

The organization leadership, it is said, should encourage Non conformist attitude, as this may have a telling effect on the work ethics as well as work place ethics."Non-conformists are always a minority and therefore are not usually helpful for any commonly accepted organizational purposes. Hence it is not welcome that non-conformists grow in number in any organization (12)

In cultures whether on the eastern or the western hemisphere, such organizations which support individualism, non conformity as value, is cherished. Where as an organization which supports collectivism, on conformity gets declined. Since organization in itself connotes collectivism, on conformist attitude at work place is undesirable. However non-conformity and conformity have a meaning limited to conformity to time tested processes and procedures only.

At the core of any study on organizational culture, there lies the ethic. Work ethics is something that stems from factors internal to and factors external to an employee. Any great organization is an organization of more leaders and less followers. Citrin et al have identified six common characteristics of 50 top performing companies. viz.

1. Focus on strategy
2. Lead by example
3. Build a great team
4. Inspire employees to greatness
5. Create a flexible organization
6. Arrange management and compensation to support there among (13)

Culture gets embedded over a time. Unless the members of an organization retain their loyalty, culture gets weakened and thereby it vanishes. "Loyalty" is indeed a criterion, which denotes the unbreakable bond between employer and employee or leader and follower; Loyalty is not one way relationship. Work ethics as such includes the loyalty aspect also."Loyalty to the organization and the people who work there-a value, which has indeed strong roots in companies like Shell, has become the hall mark of morality(14).Thus it can be inferred loyalty is not something towards people or organization, but loyalty towards certain values cherished by all the parties concerned. It is not the company, say in terms of its market image or market position that matters for loyalty, but the values of the company

One necessary question that arises in one's mind is that "will ethic pays?" The answer depends on what one considers as "Pay". In a very broad sense pay

refers to that aspect of business which we normally call "Profit". Philip Holder proposes a model of 5C Network wherein 5C's denote Conscience, Culture, Customer relations, Commitment and Corporate reputation -which in fact contributes to the profit. (15) It can be conveniently argued that all the above 5C's are the constituents of work ethics also. For example commitment being intangible to measure, the long hours (than generally expected) that an employee spends in achieving the business goal, should contribute to production and thereby profit also. Hence work ethics is not something that one should adopt for non business purposes. It can be applied to all types of business, including the organization, community and society.

Organizational leadership while influencing work ethic not only appeals to emotive aspects of employees, but also to the intellectual aspects of employees." Intellectually stimulating leaders are willing and able to show their employees new ways of looking at problems to be resolved and emphasize rational solutions. Such a leader was Lorenz Iverson, former president of the Mesten Machine company, who said to his employees –We got this job because you are the best mechanics in the World"(16).It is implied that organization leadership while aiming necessarily at business ethics, in general would be aiming at work ethic also.

What are the sources of such ethical power for the organizational leadership? "Purpose, Pride, Patience, Persistence and Perspective" (17) - They are in fact the means and ends of work ethics also. For example, persistence is a trait, which ensures the productivity - an important contributor to the profit objective of business organization.

One important issue that is debated in the context of globalization is "work force reduction". A good fit between individual and organization, benefits both; human beings find meaningful and satisfying work and organizations get the human talent and energy they need(18).The good fit at the tangible level depends on economic returns that the organization expects out of its operation. Any fall in the returns is to be understood as the misfit and hence a possible employee force reduction. Employee force reduction seems anathema to the loyalty factor of organization culture. Any organization practising pluralistic values will necessarily resist such changes. A study by Thomas Weil on hospital work.force downsizing states that American pluralistic values have serious repercussions for health executives and often present serious barriers (19).

The 'work value' which is an important determinant of work ethics can be examined with respect to Grave's model of Psychological existence[1970].Of the eight levels of psychological existence proposed ,in the socio centric level "Cooperation" stands are more valued than" competition"; "Social acceptance" gains importance than narrow views of "self interest". The individual at this level shows preference for sensitivity as against objectivity; taste as against wealth; respectability as against power; consumer good as against organizational profit; and participation as against authoritarianism. The organizational leadership has the challenge to move the individuals from lower levels of psychological existence to these socio-centric levels.

Conclusion

Thus it can be argued that leaders first create culture when groups or organizations are formed. Culture being a cluster of beliefs and values is a different manifestation of ethics also. Irrespective of the components of ethics as also the components of culture they are both cause and effect simultaneously. It is the ethical leadership which can not only create but sustain the organizational culture, covering many intrinsic properties. The frame work provided in this article takes the perspectives of society and also the organization of its operation

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