



Integrity: the lost art of leadership

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Abstract

In the midst of moral decay and a plethora of scandals throughout organizations, which include corporations, government, athletics and the Church, the American public is still desirous to have leadership they can trust. Today, we are in need of leaders who are full of integrity. This paper will argue that integrity is an essential ingredient for good leaders. Building integrity within organizations include: communication, accountability, doing the right thing, leaders modeling the way and a Human Resources department that fosters a culture of integrity. The benefits of leadership integrity are numerous, but they include: a clear conscience, trust and credibility, deeper employee commitment, lower turnover rates, superior customer service, substantial higher profitability, and organizational stability. Leadership without integrity fosters a lack of trust. Without trust, there are no followers. Without followers, one cannot be a leader. Therefore, integrity is the most crucial and essential characteristic for leaders.

Amid the overwhelming number of recent corporate and government scandals, integrity appears to be a missing character trait among leaders. There are those who would argue that integrity is not a necessary ingredient for successful leadership.¹ Others believe integrity and character are important in public life, but not necessary in their private lives.² James O'Toole contends that the search for leaders who possess sound virtue and character would end in despair.³ We all are human and make mistakes, however, as a society we cannot afford to lower our standards or requirements for leadership. Nor can we make excuses for our leaders who fail to uphold the ethical standards of leadership. This paper will define integrity, take a hard look at the integrity dilemma, discover what it is to foster integrity in the workplace, and observe the benefits of integrity. In the final analysis, the research will argue that integrity is not only an important character trait of leaders, but also essential.

Integrity Defined

Most leaders recognize the importance of having a reputation of integrity, even if their lives do not reflect it. Politicians work hard at making claims that their opponents are bereft of character. Sports icons spend thousands creating and protecting an image of honesty. They realize their "believability" translates into millions of dollars in endorsements. In 2005 *integrity* was the most common looked-up word on Merriam-Webster's dictionary website.⁴ This implies that people know integrity is important, but are not sure what it means, or how it translates into their lives. According to Merriam-Webster integrity is:

1. Firm adherence to a code of especially moral or artistic values: incorruptibility
2. An unimpaired condition: soundness
3. The quality or state of being complete or undivided: completeness.⁵

Simons would define behavioral integrity as “The perceived fit between espoused and enacted values.”⁶ It is all about congruence between words and deeds. Essentially, it is “walking the talk.” This is the kind of behavioral integrity described by Simons. However, his definition is not contingent upon morality, but rather congruence. Therefore, I believe Simons falls short of the true sense of the word integrity. Integrity is about honesty, morality, a person of strong character, and being above reproach. It is doing the right thing, for the right reasons, no matter the cost. It is right actions and motives. I agree with the definition of character as described by Guinness, “The biblical view of character set out in the Hebrew and Christian Scriptures, is unquestionably the oldest, highest, and most demanding in the world. According to this view, character matters supremely because God has character, and from His own character, He both says what we should be and sees clearly what we are. Our character is, therefore, who we are when no one sees – but God.”⁷

The Integrity Dilemma

A lack of trust is listed as the number one problem facing leaders today.⁸ Within every sector of life, there appears to be a moral collapse among leadership. For example, the corporate world has Enron, WorldCom, Arthur Anderson, Tyco, HealthSouth and even the American Red Cross. Recently, numerous politicians have had their adulterous relationships exposed. President Bill Clinton had several illicit relationships with women throughout his political career. Several scandals have caused Americans to not trust our politicians, notably Watergate, the Iran-Contra affair and Whitewater. Many of our sports heroes are falling short of integrity through the likes of spygate, performance enhancing drugs, criminal activity, dog fighting and other off the field antics. Even the Catholic Church cannot escape the assault on integrity. The Catholic Church has been exposed with worldwide sex abuse scandals of minors. According to several studies, the integrity dilemma is not only plaguing our leaders, but also our culture.

-74% of the respondents stated they would steal from someone who would

not miss it.

-76% of honor students state that they have cheated academically.
-75% of employees have observed unethical workplace conduct within the last year. -85% stated that honest and ethical management was important to the health of the organization and yet only 40% believed those character qualities were present in their organization.⁹

A MoodysEconomy.com survey published in January 2009, discovered that business confidence had reached record lows.¹⁰ According to a survey by the American Management Association (AMA) in 2002, 76% of managers listed ethics and integrity among their company’s corporate values, and yet 32% admitted that their company’s “actual practices did not match their public ethics statements.”¹¹ A New York Times/CBS News poll revealed that 55% of the American public believes the vast majority of corporate executives are dishonest. A Wall Street Journal article noted that 25% of 671 executives surveyed believed that ethics could impede a successful career. Only 25% of all employees surveyed felt like they gave their “best effort” at work.¹²

Despite these staggering statistics, Americans still value integrity and honesty as a key component for leadership. According to the research, followers desire for their leaders to be people they can trust – full of integrity. One survey named integrity the most important characteristic for CEO’s of energy companies.¹³ According to the research done by Kouzes and Posner which spanned twenty years, a variety of countries around the world and over 75,000 respondents - the number one desired leadership characteristic was honesty.¹⁴ This is important research because it is constant over time and consistent across countries, cultures, and organizations. Followers not only desire, but also want to know that their leaders are truthful, moral and full of integrity. Kouzes and Posner state, “No matter the setting, everyone wants to be fully confident in their leaders, and to be fully confident they have to believe that their leaders are individuals of strong character and solid integrity.”¹⁵

Building Integrity in the Workplace

There are several components that leaders can implement in the work environment to foster and develop integrity in their organizations. They include the following:

- Communication, communication, communication
- Accountability
- Doing the right thing, no matter the cost
- Model the way
- Involve HR in the process of developing a culture of integrity

It is important for leaders to communicate clearly and effectively with their followers. Open and honest communication builds trust with employees. This includes an open door policy for employees to come to their leaders and the opportunity for honest feedback regarding management, policies or initiatives. People want to know what is going on in an organization and by keeping the channels of communication open it allows a deeper relationship to develop with followers. Collins advocates leaders to “confront the brutal facts” of the condition of the company. He states, “Yes, leadership is about vision. But leadership is equally about creating a climate where truth is heard and the brutal facts confronted.”¹⁶ Leaders need to treat employees with dignity and respect, which includes the truth about hiring, firing, change initiatives, and downsizing. In the process, if the leader can look for solutions without casting blame or even accept the blame, then trust and credibility in the leader will be built.

Second, moral accountability is essential in the process of building integrity. Howard Hendricks said, “A man without accountability is a disaster waiting to happen.”¹⁷ Today, technology has allowed us to have more avenues of communication than ever before through social networking (Facebook and MySpace), instant messaging, cell phones, Skype, blogs, emails, Twitter, the internet and texting. Yet relationships seem to be more and more superficial. Guinness states, “America is experiencing a rise in anonymity and a decline in accountability – a major cause of the erosion

of character. In a mobile, modern society like that of the United States, more people at more times and in more places are more anonymous than at any previous time in human history. The resulting pressures on character are obvious.”¹⁸ Systems of accountability for leaders and followers are necessary to ensure integrity. Accountability is not an infringement, but rather it allows others to enter into your life and to enjoy the intimacy of relationships. In fact, it brings freedom, not bondage. No matter what stage in life we are enjoying or level of maturity and responsibility we have, we are never beyond the need for ongoing correction and moral accountability.¹⁹

Third, doing the right thing, no matter the cost, helps build character and integrity in the organization. Doing the right thing is being faithful in the small tasks and responsibilities, which allows moral decisions to follow when in charge of greater responsibilities. Integrity compels the leader to do the right thing even when you may not receive any personal gain. It is about putting your agenda aside for the greater good of the company. This is transformational leadership. Several years ago, I was working with the president of the organization on a difficult situation during one of the bleakest financial days of the company. I asked if he really believed in the core values, because it would cost the company financially in order to do the right thing. He paused for a moment, looked out the window, then returned my gaze and said, “Absolutely because it is the right thing to do.” Those decisions did cost him financially, but it was a defining moment in his young presidency – was he going to do the right thing, even when it was costly. Integrity always does the right thing, with pure motives, and a good attitude.

Fourth, leaders set an example of integrity for others to follow. As a leader, people are watching you to see if you “walk the talk, and talk the walk.” They so desperately desire to follow a leader who “practices what they preach.” It is letting your “yes” be “yes” and your “no” be “no.”²⁰ It is following through on your promises. Howard Hendricks aptly said, “You cannot impart what you do not possess.”²¹ If you want your employees to act with integrity, you must be a person they can follow. What

you do speaks louder than what you say. Kouzes and Posner believe leaders who keep promises and walk the talk, are much more effective than leaders who do not.²² The following are some questions to answer in order to evaluate your effectiveness of setting an example for others to follow:

1. On an integrity scale of 1 (low) to 10 (high), how would you rate yourself when it comes to the following workplace behaviors:
 - a. Gossiping
 - b. Bullying
 - c. Viewing or downloading porn
 - d. Stealing physical materials
 - e. Stealing intellectual property
 - f. Stealing time
 - g. Telling the truth
 - h. Taking responsibility for your piece of your team's projects
 - i. Making excuses
 - j. Being direct, open and honest in communications
 - k. Respecting others
 - l. Living your values
 - m. Keeping an honest set of books and following appropriate accounting principles
2. Who or what stops you from acting with integrity?
3. When you are not acting with integrity, what kind of self-talk do you engage in?
4. Do your needs for control, recognition and security stop you from acting with integrity?
5. Do you lie to yourself about acting with integrity? If so, why?
6. Does it matter to you that you are not acting with integrity?
7. Do you use the same definition to define integrity for yourself as for others? If not, why not?
8. Do you respond if others act without integrity and their actions directly affect you?
9. Do you respond if others act without integrity and their actions affect your team, your unit, your department or your organization?
10. Do you ever excuse, justify or rationalize acting without integrity? If so, when and

why?²³

Defining the organization's core values, getting input and buy in from employees is a part of setting the example. A clarity of values guide the organization's actions, strategies, and beliefs. It is one thing to have personal values, it is altogether different to have agreement on shared values that all will commit to upholding. The core values statements should be woven into the fabric of strategy. By doing this, an organization is defining values and behaviors that are acceptable.²⁴ According to research by Kouzes and Posner, shared values "make a significant difference in work attitudes and performance:"

- They foster strong feelings of personal effectiveness.
- They promote high levels of company loyalty.
- They facilitate consensus about key organizational goals and stakeholders.
- They encourage ethical behavior.
- They promote strong norms about working hard and caring.
- They reduce levels of job stress and tension.
- They foster pride in the company.
- They facilitate understanding about job expectations.
- They foster teamwork and esprit de corps.
- They outperform other firms by large margins
 - Their revenue grew more than four times faster.
 - Their rate of job creation was seven times higher.
 - Their stock price grew twelve times faster.
 - Their profit performance was 750 percent higher.²⁵

Core values help develop a culture that supports, expects and requires integrity in all actions. An organization's culture sets the tone for the day-to-day operations of the company. Daft believes, "Values-based leaders engender a high level of trust and respect from employees based not only on their stated values, but also on the courage, determination, and self-sacrifice they demonstrate in

upholding them.”²⁶ Do the core values of your company promote ethical behavior? Do values and behavior align? Integrity is not just about telling the truth about yourselves and others, it is about living this truth.

Setting an example of integrity is also about not abusing privileges and power. Many leaders feel they are “above the law” and do not conform to company policies. This will only break down trust and allows employees to follow the bad example. There is an old saying, “What one generation does in moderation, the next will do in excess.” Keep this in mind the next time you are tempted to go outside the lines. Transformational leaders not only inspire their followers with their example, but they also treat employees with dignity and respect.²⁷ Leaders who act morally are fair and just to their followers. I have a friend who is the HR manager at a Fortune 500 company who is quickly losing respect for his leader, the CEO. The CEO is a classic transactional leader who operates based on contracts and does not have the best interest of the employees in mind. This particular CEO collected his 5 million dollar bonus check the same week the company laid off thousands of employees worldwide. Contrast this with leaders with integrity who are voluntarily foregoing annual bonuses during these tough economic times and some are even taking pay cuts in order to save the jobs of many of their employees. Some CEOs who make one dollar or less are: John Mackey of Whole Foods Market, Steve Jobs of Apple, Richard Fairbanks of Capital One Finance, and Eric Schmidt of Google.²⁸ Who do you think is building trust and rapport with their employees?

Fifth, involving Human Resources in a variety of initiatives can help build integrity. By using Human Resources as an integrated business support system, the HR staff can be a key resource to reinforce integrity and ethical behaviors throughout the organization.²⁹ Recruiting, hiring and training are important components to the overall culture of the organization and ensuring alignment between values and behaviors. Collins believes it is vitally important to “get the right people on the bus and in the right seats.”³⁰ By recruiting and hiring employees who can immediately embrace the

core values and who possess moral behavior in their private and public lives, this only helps build an organization of integrity. Hire for character and integrity, because you can always teach skills. Pfeffer notes, “A great deal of research evidence shows that the degree of cultural fit and value congruence between job applicants and their organizations significantly predicts both subsequent turnover and job performance.”³¹ Training new employees should be a priority for the company who values integrity. Through the training process, job expectations can be outlined, technical skills can be obtained, and education of core values can be reviewed.

Another way HR can be used to help build integrity is through performance management, compensation and rewards.³² Once you have people in place you need to reinforce behaviors of integrity by measuring them. If compensation is based not just on performance, but also on their contribution to values and behavior it sends a message that the organization is serious about integrity. For example, what do you do with a sales representative who exceeds target goals each year, but is ruthless with people within the organization? This system allows the sales representative to not be compensated for inappropriate behaviors and sets measures for termination if behavior does not improve. By doing so, you are protecting the integrity of the company and rewarding employees whose behavior is morally sound. Promotions can also become a tool to reinforce integrity by promoting individuals based on behavior assessments, performance, and those who “walk the talk.”³³ A bad hire costs the company money to terminate, interview, hire and train a new employee, therefore, this entire process by HR is vitally important to protect and ensure the core values of the organization.

The Benefits of Integrity

The benefits of integrity are numerous. First, leaders who live their lives with integrity have a clear conscience – they can sleep at night. It does not mean there are not difficulties, trials, problems or tough decisions, but it does mean the leader has done all that they can to look after the well being of their followers and the

organization. According to Winston, this is transformational leadership.³⁴ They can look at each employee in the eye, knowing they have “done right by them.” Second, according to Ciulla, a good leader must be both technically good or effective and morally good.³⁵ A person who leads with integrity is on their way to becoming a good leader. Third, people want to follow leaders who are trustworthy and credible. Kouzes and Posner believe this is the greatest benefit for leaders. In their research, they discovered that when people perceive their immediate supervisor to have credibility they are significantly more likely to:

- Be proud to tell others they are part of the organization
- Feel a strong sense of team spirit
- See their own personal values as consistent with those of the organization
- Feel attached and committed to the organization
- Have a sense of ownership of the organization³⁶

Conversely, when they perceive their supervisor to have low credibility they are significantly more likely to:

- Produce only if they are watched closely
- Be motivated primarily by money
- Say good things about the organization publicly but criticize it privately
- Consider looking for another job if the organization experiences problems
- Feel unsupported and unappreciated.³⁷

Fourth, Simons' claims that businesses led by managers of integrity enjoy deeper employee commitment, lower turnover, superior customer service and substantially higher profitability. This improved performance he calls the “integrity dividend.”³⁸ The result is employees and customers have a deep loyalty to the organization. They enjoy working with people of integrity. They can trust the operations and products, and this translates into a harder working, more efficient employee. Fifth, integrity fosters stability. They know their boss will not be shaken during tough times and they will stick up for and back their employees.³⁹ They will be treated with dignity and respect. This is refreshing and reassuring in the workplace.

Conclusion

Former President Dwight D. Eisenhower said, “The supreme quality for a leader is unquestionably integrity. Without it, no real success is possible...if a man's associates find that he lacks forthright integrity, he will fail. His teachings and action must square with each other. The first great need, therefore, is integrity and high purpose.”⁴⁰ Leadership and integrity must go hand and hand. Without integrity, leadership theories become nothing more than theories. Integrity is the glue that holds organizations together and is the foundation for any great corporation. General H. Norman Schwarzkopf put it this way, “Leadership is a potent combination of strategy and character. But if you must be without one, be without strategy.”⁴¹ Without integrity, you have no trust. Without trust, you have no followers. Without followers, you are not really a leader. Thus, integrity is the most crucial and essential character trait of leadership.

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