

Leadership, Ethics and Responsibility to the Other

David Knights
Majella O'Leary

ABSTRACT. Of recent time, there has been a proliferation of concerns with ethical leadership within corporate business not least because of the numerous scandals at Enron, Worldcom, Parmalat, and two major Irish banks – Allied Irish Bank (AIB) and National Irish Bank (NIB). These have not only threatened the position of many senior corporate managers but also the financial survival of some of the companies over which they preside. Some authors have attributed these scandals to the pre-eminence of a focus on increasing shareholder value in Western business schools and/or to their failure to inculcate ethical standards. In this paper, we challenge these accounts and the aetiological view of knowledge from which they derive but are grateful for the consensus that they convey regarding the importance of business ethics. The paper focuses on different approaches to ethical leadership concluding with a view that some hybrid of MacIntyre's virtue ethics and Levinas's ethics of responsibility may serve as an inspiration for both educators and practitioners.

KEY WORDS: corporate scandals, ethical leadership, ethics of responsibility.

Introduction

Of recent time, business ethics has become rather more fashionable among both educators and practitioners. Why this is the case is difficult to discern except that concerns about risk (Beck, 1992a, b) relating to health and the environment have grown significantly as global warming, pollution, the depletion of energy resources, genetic modification, poverty, universal viruses, terrorism, war, and other human made disasters threaten our existence. Rarely is the corporation uninvolved or free of responsibility for these threats and hence perhaps the increasing interest in business ethics. While the popularity of business ethics seemingly pre-dated the corporate scandals such as Enron, Parmalat, Allied Irish Bank (AIB), National Irish Bank (NIB), and WorldCom, there is little question that they have further raised the profile of ethical concerns with academics, practitioners, the public, regulators and governments. They make it ever more legitimate to deliberate and debate business morality and in particular the issue of ethical leadership. We link ethics to leadership partly because, like ethics, it has been increasingly a topic of concern for both practising managers and academic researchers. Practitioner interest in leadership could have a number of sources some of which may simply relate to the historical cycle of fads and fashions (Abrahamson, 1991, 1996; Newell et al., 2001) and others that perhaps have more substance. One major reason, we suspect, is that other kinds of innovations whether organizational or technological (e.g. Quality Management, Business Process Reengineering, Internet trading or Knowledge Management) have often failed to deliver on their promises (Knights and McCabe, 2003). In this article, then, we seek to reflect on, and theorize, ethical leadership.

Dr. David Knights is a Professor of Organisational Analysis in the School of Economic and Management Studies at Keele University. He previously held chairs in Manchester, Nottingham and Exeter Universities. He is a founding and continuing editor of the journal Gender, Work and Organisation and his most recent books include: Management Lives, Sage, 1999 (with H. Willmott) and Organization and Innovation, McGraw-Hill, 2003 (with D. McCabe).

Majella O'Leary is a Lecturer in Management at the University of Exeter. Her research interests include corporate scandals, ethical leadership, disaster sensemaking, and organizational storytelling. Majella's most recent publications have appeared in Human Relations and European Journal of Business Ethics.

Prima facie, many of the recent corporate scandals would seem like a failure of ethical leadership, but we need to examine some of the alternative accounts before concluding that this is the case. Consequently the first section of this article turns to an examination of the current debate about the role of business-school education and the extent to which it might be seen as responsible for the failure of business ethics evidenced by the numerous recent corporate scandals. In this discussion, we challenge the tendency of the literature to follow a causal model of knowledge derived from positivist epistemologies (Beer, 2001; Clegg and Ross-Smith, 2003; Grey, 2004; Goshal, 2005). We suggest that a more plausible account of the corporate scandals is a failure of ethical leadership that derives from the pre-occupation with the self that drives individuals to seek wealth, fame and success regardless of moral considerations.

Assuming this to be so, it is necessary to examine the ethical leadership literature in the second section of the article but we first discuss and critique the main approaches to moral philosophy that informs this literature. The literature on ethical leadership tends to favour virtue ethics over deontology and consequentialism (see e.g. Arjoon, 2000; Molyneux, 2003; Morrison, 2001; Whetstone, 2001). But for the most part, these works involve an individualistic approach to morality and do not attempt to transcend the dualism between self and other.

In order to avoid this, in section three we turn to a discussion of the work of MacIntyre's reinterpretation of the Aristotelian version of virtue ethics, which challenges the autonomous self of the Enlightenment. Although we are sympathetic to this approach, in offering an alternative to liberal individualism we also wish to draw on the ethics of responsibility and in particular, on the work of Levinas (see e.g. Levinas, 1966, 1969, 1991/1998). For Levinas, the notion of the self is generated not by the self but rather through engagement with the Other, an engagement that is defined by a sense of responsibility. This responsibility facilitates a reflexive challenge to the philosophy of liberal individualism that not only reflects but also reproduces the pre-occupation with self that, we argue, renders ethical leadership unattainable. For then it is heavily constrained if not entirely deflected by subjects whose egotistic self-interests override any concern with ethics. We argue that the breakdown in ethics instanced by recent

corporate scandals can be attributed to the failure of business leaders to "actively promote ethical ideals and practices" (Brien, 1998, p. 391). In the conclusion, we offer an alternative direction for the discourse on ethical leadership, which focuses on Levinas' ethics of responsibility.

The failure of business-school education

A number of recent authors have sought to blame these corporate scandals on the general influence of business-school education on practicing managers through Master of Business Administration (MBA) programmes. 'We – as business school faculty – need to own up to our own role in creating Enrons', Goshal (2005, p. 75) wrote in one of his last pieces. 'It is our theories and ideas that have done much to strengthen the management practices we are all so loudly condemning'. Recent company excesses, Ghoshal argued, had 'their roots in ideas developed in business schools over the past 30 years' (ibid.).¹ The blame for managers seeking diverse and sometimes deviant ways of boosting share prices and paying themselves high salaries and bonuses is to be found in business-school courses on strategy, transaction cost economics and agency theory (Caulkin, 2005). The explanation for these scandals as reflecting the pre-occupation with shareholder value is also endorsed by Mintzberg et al. (2002, p. 69) but this is taken further when Mintzberg (2004) argues that 'MBAs haven't been trained to manage, and many don't have the will for it', partly because they have been fast-tracked from business schools without ever properly learning their own business from the inside. 'But they are determined to lead. So a trajectory has been developed to take them round management into leadership. The trouble ... is that many of these people make dreadful leaders, precisely because their hands are off the business' (Mintzberg, 2004, p. 1).

We are fairly sceptical of these explanations of corporate scandals since they elevate the power of business-school education well beyond its likely effects. Notwithstanding the absence, highly selective or inconclusive evidence provided by Mintzberg to support his case for the domination of shareholder value in corporate business, Tiratsoo (unpublished)² concludes that quite the opposite

view could be supported by a fairly limited survey of MBA education say through examining *The Portable MBA* series (e.g. Collins and Devanna, 1990), published since 1970 enjoying sales exceeding 600,000 copies to date and therefore bound to include a fair number of adoptions by MBA faculty.

As we see it, there is a problem with Mintzberg's thesis about the impact of the MBA in creating a corporate world in which ethics is either non-existent or sufficiently marginalized to prevent it acting as a constraint on corruption but also with Tiratsoo's critique in demonstrating the absence of much evidence to support it. Both leave unquestioned the view that it is possible to demonstrate the presence or absence of a direct causal relation between the content of MBA syllabi and the behaviour of managers; they differ only as to what form the content and hence the behaviour takes. That is to say, Mintzberg assumes that education results in a pre-occupation with shareholder value and thereby ethical paucity, whereas Tiratsoo argues that the evidence is not adequate to make this claim. While more sympathetic to Tiratsoo here, our difference relates to his failure to question the causal analysis itself. It is our view that knowledge rarely follows this causal form where the effects of education or knowledge can be directly identified or denied. Following Latour (1987), we reject diffusion models of dissemination that presume knowledge to be formed independently of practice and where a linear development from genesis and invention through to innovation and application is perceived to occur smoothly and without much dissent because the discoveries speak for themselves.

While business schools and their faculty may love to think that they make a difference in the world, significantly influencing their students in relation to the work they perform after the university experience, insofar as there are effects they are much more likely to be diffuse and not particularly amenable to traditional conceptions of causal analysis. There is another literature that questions the value of the MBA as a vehicle for career success or managerial performance (Pfeffer and Fong, 2002, 2004). Yet again, however, the assumption is that a direct causal relation between the educational achievements of MBA students and their career success is to be expected. Instead of challenging the causal model, these authors prefer to cast aspersions on the MBA

for not delivering what is expected of it. If these expectations were formalized as promises written into brochures, then business schools would need to challenge the research or admit to an ethical dilemma. However, while there may well be implicit assumptions about the career benefits of MBAs, business schools generally refrain from direct promises or causal claims. We would go further to challenge the causal model presumed by this research, suggesting that relationships between power, knowledge, subjectivity and behaviour are more elusive, mutually interdependent and complex than the simple causal model portrays (Grey, 2004, p. 178).

Challenging the causal accounts in this way, however, is not to deny entirely any relationship between MBA education and business practice. Indirectly, the effect of education in management and business may be more sustaining where the values in MBAs reflect and therefore reinforce those that the students held prior to their educational experience and that are then found in business practice. So, for example, many students see the MBA as a passport to career success and in a capitalist economy this means contributing to corporate success as measured by profit and returns on investments to shareholders. 'It is clear that most business and management students pursue their studies in order to facilitate self-advancement. Their approach, in other words, is instrumental' (Tiratsoo, unpublished).

Conversely, few demonstrate the kind of 'subject loyalty' that traditionally exists in, for example, the humanities. Consequently, it can be seen that the values of personal success exhibited by MBA students are virtually a carbon copy of, or isomorphic with, corporate thinking and therefore it is to be expected that they will support and sustain the kinds of behaviour that lead to a pre-occupation with shareholder, at the expense of other, values. Interestingly, one of the authors recently had a discussion with Irish MBA students of the participation of NIB in assisting their clients to evade tax. Many students in the class felt that the bank had done nothing immoral, arguing that the tax evasion was customer driven and that the banks were simply providing a service. Moreover, taking a customer viewpoint, the students argued that the fraud was justified because for so many years in Ireland the government charged extremely high rates of tax. Here the values of MBA

students reflect those of an economically individualistic instrumental society that elevates private over public goods even to the point of breaking the law to ensure that individual accumulated wealth is protected against tax liabilities. These Irish MBA students were in the first week of their programme and it is hardly likely that their MBA programme directly inculcated them with the kind of values that sustained a justification of the NIB tax scandal.

In effect, then, our argument suggests a weak case of the thesis promulgated by Goshal (2005) and Mintzberg (2004), not the strong one that they present. That is to say, insofar as MBA education involves a concentration on shareholder value, this does not directly determine managerial behaviour; it simply reflects and reinforces what is already an overwhelming aspect of corporate consciousness and this is the end result or measure of individual career success – a pre-occupation of those students who decide on an MBA education. There is then a direct coincidence between the values of students, the content of MBA programmes, and corporate consciousness. We cannot thereby agree that the MBA is a major impetus for corporate corruption of the kind we have seen in recent scandals. But nor do we believe that the pluralistic content of MBA courses, particularly the inclusion of courses on corporate ethics or “Business and Society” modules, would militate massively against the corporate corruption that we have been witnessing.³ This is not an argument *against* introducing ethics courses in business schools but simply an acknowledgement that their effect is likely to be marginal, partly because of the countervailing power effects on managerial subjectivity of other discourses and practices prior to, within and post an MBA. In the debate on MBA education, both claim and counterclaim would seem to be premised on an exaggerated view of the power of the MBA to affect managerial behaviour and corporate life.

If this is the case, we need to direct our attention not particularly at Business Schools but to society in general and business corporations in particular. A starting point would be to examine conceptions of leadership and ethics in social and business life to assess whether it not only secures a sufficiently central focus but also whether it really challenges the individualistic pre-occupation with the self that we believe fuels ethical failures in the modern corporation.

So far, we have argued that the recent corporate scandals cannot be attributed only to the pre-eminence of a model of shareholder value and the marginality of ethics in MBA education. We suggest that an equally plausible account of the corporate scandals is the failure in ethical leadership more generally that can be traced to the dominance of individualism within post-enlightenment discourse and practice. This individualism manifests itself in a pre-occupation with the self – that is, an overwhelming yet often self-defeating concern to have one's self-image confirmed by others. This pre-occupation with the self is reflected and reinforced by traditional ethical discourses including those specific to business as well as most modern approaches to leadership. Arguing that ethical leadership is thwarted by pre-occupations with the self, we suggest that some hybrid of MacIntyre's virtue ethics and Levinas's ethics of responsibility may serve as an inspiration for both educators and practitioners who seek to respond to corporate scandals. We desist from proposing an ethical model or programme since that it is to impose ethical rules or principles, which is to return to the very deontological or utilitarian ethics that we criticize. In addition, on the basis that one size does not fit all, it is more appropriate for institutions to develop ethical policies that suit their own distinctive circumstances. It is our view that ethical discourse is not about providing models of correct behaviour or rules that are deemed to realize it. However, what it can do is provide alternative ways of thinking that may facilitate people or institutions to behave ethically in relation to their own circumstances and contexts. A good example of this is MacIntyre's own contribution to the ethical curriculum of the MBA at the University of Notre Dame (see <http://www.nd.edu/~cba/011221/index.html>).

In the following section, we examine the moral philosophies that inform studies of ethical leadership and subject them to some critical analysis.

Leadership, moral philosophy and ethics

Leadership

Before discussing the ethical leadership literature, it is helpful to examine briefly both the principal moral

philosophies and the leadership literature from which they draw their inspiration. It is beyond the scope of this paper to give an in-depth discussion of either of these extensive literatures. The most that can be attempted is to present a brief description and critique of the main schools of thought. In terms of our concerns in leadership studies, this has been made comparatively straightforward because Grint (2000) has performed the task for us by showing how the major theories of leadership – the trait, contingency and situational approaches – are constrained by some form of essentialism and determinism (see Figure 1) whereby leadership is seen to be determined by personality (trait), the environment (situational) or by matching the appropriate traits to different environments (contingency).

The problem with the *trait* approach is that it concentrates on the qualities of the individual as essential and universal aspects of leadership regardless of diverse contexts. Leadership is seen as almost equivalent to personality and cannot therefore be taught or improved. By contrast, the *situational* approach perceives the context as essential but the qualities of the individual leader less relevant. There are no universal styles of leadership for it will change depending on the circumstances, context or situation. Once the situation is defined, leaders can be taught the appropriate skills neces-

sary to lead in particular contexts that it is presumed are readily captured through their essential features. Particular leaders could grow into the job assuming a competent analysis that discloses the essence of the situation. The exact opposite of this is the *contingency* approach where you have to match the right leader for each circumstance or contingency rather than secure his or her adaptation to the environment.

In addition to their essentialism and determinism, it is our view that these leadership theories tend to reflect and reproduce the autonomous subject of Enlightenment thinking since leadership is invariably seen to be the property of individuals not that of social groups or institutions. This results in individualistic and often psychologistic theories of leadership. This is less so for the constructionist approach, where the argument is that leadership is about neither an essential individual nor an essential context but an outcome of interpretation (Grint, 2000, p. 2). Within such a framework, leadership would simply be the embodied manifestation of collective and communal interpretations of appropriate behaviour in particular contexts. In this sense, leadership and the context in which it is practised are mutually constitutive of one another. If leaders fail to understand that leadership is about interpretation, there is a greater tendency for them to fall back on the conventional individualistic approaches to leadership, which is likely to make ethical leadership problematic because leaders become pre-occupied with their own image as leaders rather than with their ethical responsibility to others.

The constitutive approach eschews any sense of essential characteristics or contexts in favour of understanding interpretation to be at the centre of practical leadership. There is no ‘one best way’ as with the other approaches since both leaders and led are precisely those who interpret the appropriate forms of leadership and the contexts in which it is located and therefore are not independent of the power and knowledge relations in which they are embedded. Part of the activity of leadership is that of exercising power to enrol supporters or followers and to mobilize resources in pursuit of the objectives for which leadership is deemed necessary. Defining situations in ways that capture the imaginations, identities and interests of those that are to be led may then be seen as leadership.

Non-essentialist

	Situational	Constitutive
Individual	Contingent	Trait
	Essentialist	Non-essentialist

Figure 1. Essentialist and non-essentialist leadership (Source Grint, 2000, p. 2).

Moral philosophy

In moral philosophy, the literature variously emphasizes consequences, actions and character. *Consequentialist* theories involve two main strains – Egoism and Utilitarianism. Egoism attributes morality to action that is freely pursued for purposes of individual self-interest. Adam Smith (1759/1793) was a major exponent of this form of Consequentialism because he believed that in a market economy, the aggregate effect of individuals acting in their own self-interest was beneficial for all (Crane and Matten, 2004). A modification of this form of consequentialism is Utilitarianism that calls for the maximization of goodness in society by measuring the probable outcome or consequences (e.g. the communal utilitarian principle of the greatest balance of good over evil).

Two central principles underlie these consequentialist theories: first is that the rightness or wrongness of an act is determined by the results that flow from it, either for the interests of the individual (egoism) or for a majority in society (utilitarianism) and second, the hedonistic principle which argues that pleasure is the only good and pain the only evil, and that human beings are pleasure-seeking individuals. While the first results-based principle is problematic since it relies on a simple linear causal relationship between a moral act and its consequences, the hedonistic (behaviourist) theory is tautological in that the pleasurable or painful consequences (responses) are not independent of the ethical act (stimulus) that is deemed to be their cause (Chomsky, 1970). Moreover, there is the problem that de Tocqueville (1998) identified with respect to majority rule – of minorities being disenfranchised or suffering for the sake of the pleasure of the largest group.

The literature on ethical leadership draws more on the moral philosophies of deontology and virtue ethics than on consequentialist philosophies. *Deontology* focuses strongly on the ethical act and most deontologists have been rule deontologists who believe that there are universal rules that provide standards of right and wrong behaviour e.g., “we should never lie”. Deontology assumes universalisability and appeals to universal principles (e.g. promise-keeping and truth-telling). For example, Kant (1724–1804) emphasized the use of reason to

work out a consistent set of moral principles that cannot be overridden. Kant's Categorical Imperative suggests that we should “act only on that maxim whereby thou canst at the same time will that it would become a universal law.” This is, of course, consistent with the Christian principle that you should not do to others what you would not have done unto yourself. According to deontology, to be autonomous is to be a lawgiver to oneself, or self-governing. It perceives humans as rational beings and, in contrast to Utilitarianism, values rationality and reason over pleasure. Deontology, in contrast to consequentialism, protects the individual more than society. Deontology emphasizes universal rights such as freedom of speech, freedom of consent, the right to privacy or freedom of conscience.

However, conflicting rights such as freedom of speech and the right to privacy make rights-based ethics rather complex. There are further difficulties associated with deontology and in particular, it is difficult to see how rules and obligations can ever account for, or dispense with the need for continuous deliberations about, the complexity of moral life. In producing an un-reflexive compliance to rules, deontology removes the moral dilemma (Derrida, 1992) and results in de-sensitising us to our own moral judgment. In effect, the attempt through deontology to bureaucratize morality leads to its displacement. It may also be argued that deontology separates the ethics of the act from the ethics of the agent and focuses on the act to the neglect of the agent.

Finally, we have *virtue*-based ethics (sometimes called aretaic from the Greek *arête* translated as ‘excellence or virtue’) in which morality is internal and the key to good lies not in rules or rights, but in the classic notion of character (honesty, fairness, compassion, and generosity). According to Stephens (1882), the morality should be expressed in the form ‘be this’, not in the form ‘do this’. Virtue ethics⁴ extends to Aristotle and Plato and rather than viewing the heart of ethics to be in actions or duties, virtue-based ethical systems centre on the agent, the character and dispositions of persons. The central question here then is ‘what sort of person should I become?’ Many approaches to virtue ethics overly rely on a relatively arbitrary and almost inexhaustive list of character traits. Virtue-based ethics seeks to produce excellent persons who both act well (out of

spontaneous goodness) and serve as examples to inspire others. In contrast to deontology, virtue ethics focuses exclusively on the agent rather than the act and, in this sense, is highly or wholly decontextualized.

Now that the different approaches to moral philosophy have been demonstrated, the literature on ethical leadership will be examined in relation to its underlying moral philosophy. There is a growing body of research which positions leadership as having a central role and responsibility in constituting organizational or business ethics. For example, Arjoon (2000) argues that the crises that business and society face today are the crises of leadership and ethics, Minkes et al. (1999, p. 328) argue that conformity to ethical requirements is a responsibility of, and depends on, the leadership in the organization, and Maier (2002) proposes that leadership approaches should be more collaborative than controlling and more values-based than outcome-focused. Similarly, Sims and Brinkmann (2002, p. 327) explain unethical behaviour in organizations as resulting from the interaction between disputable leadership and ethical climate. Drawing on the case of the Salomon Brothers, they blame the leader John Gutfreund for moulding an organizational culture that resulted in unethical and illegal behaviour by its members. The focus of their research is on the character of Gutfreund, his absolute attention to a short-term business focus, his willingness to cover-up illegal behaviour and the ease with which he allegedly betrayed his mentor in his rise to power.

Ethical leadership

Given the individualistic and psychologistic approach taken in the study of leadership generally, it is not surprising that the literature on ethical leadership has a strong focus on character and therefore is driven by virtue ethics. Many researchers focus on the development of a specific virtue essential in leadership, for example Molyneaux (2003, p. 347) emphasizes “meekness” which he argues is an important personal quality for highest-level leadership: “meekness” is not about “powers foregone” but “powers controlled and exercised with discernment”. Similarly, Morrison (2001) focuses on “integrity”, which he argues forms the foundation of character and is

essential to sustainable global leadership since without integrity, leaders will never generate goodwill or trust. Drawing on Plato’s work, Takala (1998) emphasizes the virtues of “prudence, courage, temperance and justice”, in his investigation of ethical leadership. Whetstone (2001) offers a different perspective suggesting that virtue ethics can act as a complement to deontology and consequentialism in a tripartite ethic. He argues that one can have more than one reason for doing something: “moral reasons can include both the duty to act *and* the consequences expected from the act *as well as* the belief that so acting is characteristic of the kind of person one wants to be” (Whetstone, 2001, p. 102). Furthermore, he argues that a servant leader, who seeks to lead others toward a meaningful telos according to highly principled means, exercises this tripartite ethics (*ibid.*). In their empirical research of corporate ethics officers and senior executives, Trevino et al. (2003, p. 5) also adopt a combinative approach and suggest that ethical leadership entails more than traits and values and includes a transactional component that involves using communication and the reward system to guide ethical behaviour.

While virtue ethics can be seen to share similar essentialist tendencies that have been heavily criticized in all but constructionist approaches to leadership (see above), we see merits in some versions of virtue, which draw on the work of Aristotle and MacIntyre. Takala (1998) argues that the wider community influences our virtues and Arjoon (2000) stresses individual and collective responsibilities and character development. Arjoon dismisses deontology because it focuses on the minimalist or negative aspect of ethics, rights and duties and suggests that virtue ethics is more fundamental than the other moral philosophies: “the virtue of responsibility or justice ... allows us to recognize and respect the rights of others, which is the source of our obligation and a sense of duty for the welfare and happiness of others” (Arjoon, 2000, p. 162). This reflects the view of Thomas Aquinas who regarded virtue ethics as being more vital than other ethical theories and who suggested that every moral question could be reduced to an assessment of virtue. In the following section, we explore further the idea of virtue presented in the work of Aristotle and MacIntyre and consider how it can be complemented by a Levinasian ethic of responsibility.

Ethics, subjectivity and responsibility

In the previous section, we outlined the way in which the ethical leadership literature draws primarily on the concept of virtue and, most recently, the post-Enlightenment virtue ethics of MacIntyre (1991). In an earlier paper, we explore the contribution of MacIntyre to the debate on business ethics (see Knights and O'Leary, 2005). However, in this present contribution, we want to further this interest in MacIntyre in order to develop its implications for our Levinasian analysis of ethical leadership. In a similar fashion to Nietzsche, MacIntyre rejects the enlightenment view of ethics as rational action based on duty or rules (deontological), or the greatest happiness for the largest number (utilitarianism or consequentialism). Drawing on Nietzsche's demystification of enlightenment morality on the basis that its rational foundation is no more than a mask for the expression or assertion of subjective will (the will to power), MacIntyre (1991, p. 114) argues that 'there can be no place for such fictions as natural rights, utility, the greatest happiness of the greatest number'. We have then to abandon reason in favour of the will – a will that relentlessly seeks to reinvent itself in pursuit of a morality that is wholly original to the self and not simply compliance to some tradition. It is much less concerned with what rules an individual ought to obey and why s (he) should obey them than with what kind of a person should I become, and how I should live my life – an inescapably practical question, which Enlightenment morality fails to address directly (MacIntyre, 1991, p. 118).

Acknowledging that Nietzsche's genius has been to identify the problem rather than the solution (e.g. the *Übermensch* (Superman)), MacIntyre returns to Aristotelian ethics and its concern with the virtues and telos. He supports the Nietzschean claim that the Enlightenment philosophers were unable to contest his thesis that morality was little more than a disguise of the will to power, but MacIntyre (*ibid.*) is sure that this failure was an inevitable consequence of their rejecting the 'Aristotelian tradition'. This has meant that rules have displaced moral character or the good life to the extent that 'qualities of character then generally come to be prized only because they lead us to follow the right set of rules' (*ibid.* 119). In a post-Nietzschean world, all rational groundings of morality fail but MacIntyre (*ibid.* 117) believes that

the one escape from this moral nihilism is a return to Aristotle's virtues.

The virtues of concern here are those that promote community values and solidarity rather than those that express heroism in the liberal individualistic sense of the term. For Aristotle, a hero is not one who merely gains the approval of others because of her or his achievements; heroism and the honour associated with it is attributed to those who exercise virtues that sustain a social role or excellence in some social practice. These virtues return us to a pre-modern mode of civilization where possessive or competitive individualism and a pre-occupation with the self that is the legacy of the Enlightenment are unknown. There is no sense of a separation of individual and society since human behaviour is never simply an individual acting in his or her own self-interests but rather a reflection of what it means to be a member of that society. Of course, contemporary economic self-interest and the pursuit of fame and glory are equally reflections of what it is to be a member of our society. It is just that this society has become amoral because the competitive pursuit of individual success transcends any moral obligation to live the good life, and seek excellence for its own sake rather than for personal material and symbolic reward. Our concern here is to challenge the identity that is imposed upon us through the exercise of power in contemporary society. For this encourages the pre-occupation with a self that secures itself principally through social confirmations that, rely on the acquisition of material and symbolic images (Knights and O'Leary, 2005, p. 365). This acquisitiveness can easily transfer to internal non-material images when identity is secured through an attachment to some spiritual faith – a state of ego that Trungpa (2002) described as spiritual materialism.

Despite the danger that virtue ethics can slip into an essentialist trap, MacIntyre's (1991, p. 223) version appeals as it involves not so much a list of character traits but rather a capacity for judgement. In his view, it is the virtues that enable people to move towards their goals (*telos*) and is an essential part of the attainment of these goals. This *telos* is an important dimension of Aristotelian ethics and, according to MacIntyre, life requires a *telos* toward which that life is driving. It is teleology that lends life intelligibility; a quest or project is required in order to make life meaningful. *Telos* is socially embedded

and excellence is not fixed and determined for all time. For MacIntyre, ethics is not only choosing what to do as individuals, but also and essentially discovering who we are in relation to others – in short, our membership of organizations, communities and societies.

According to MacIntyre (1991, p. 219) “the good life for man [sic] is the life spent in seeking for the good life for man, and the virtues necessary for the seeking are those which will enable us to understand what more and what else the good life for man is”. Virtue therefore is integral to telos but pursuit of the project is always educative and therefore provides the opportunity for the development of the virtues. The ethics of MacIntyre raises a number of interesting issues that we seek to explore further. In particular, it is interesting to explore the nature of this moral project. In doing this, we draw on Levinas’ ethics of responsibility for it is possible that responsibility to the Other is precisely the teleological project that could reconcile the Aristotelian virtues and Nietzsche’s concern for individuals to remake or re-create themselves. Ethics can only serve as a guide, as MacIntyre would suggest, on how to behave in particular localized contexts. However, since the self is not the autonomous entity that is valorized in enlightenment thinking but simply the medium and outcome of social relations, there is no incompatibility between a continual reformation of the self in pursuit of an ethical life and the responsibility to the Other demanded by Levinas’ ethics. We argue that ethical leadership cannot exist without some attempt to overcome the pre-occupation with self that is the legacy of the Enlightenment thinking on autonomy. Through his emphasis on responsibility, Levinas provides a means to overcome this pre-occupation.

Levinas (1969, 1998) avoids some of the difficulties associated with traditional approaches to moral philosophy by concentrating instead on an ethic of responsibility. In a similar fashion to MacIntyre, Levinas (1969) rejects the autonomous self of the Enlightenment and suggests that self-interestedness has no part to play in ethics. The problem with Enlightenment thinking is that it encourages a responsibility to the self in advance of a responsibility to the Other. When a pre-occupation with the self is pre-eminent, morality is reduced to an exercise of power where the *image* of what it is to be ethical

transcends any sense of responsibility. Levinas seeks to challenge philosophies of liberal individualism with an alternative ethic of responsibility. He suggests that moral thinking involves addressing ontology as well as ethics for it is the moral act, which brings about existence. Ethics therefore is prior to being:

“Responsibility for another is not an accident that happens to a subject, but precedes essence in it, it has not awaited freedom, in which a commitment to another would have been made”. (Levinas, 1981, p. 114, quoted in Chalier, 1993)

The self is not autonomous for it is constituted through face-to-face relationships and always in line with the expectations of the Other. Our encounter with the Other is an interruption “a risky uncovering of oneself, in sincerity, the breaking up of inwardness and the abandonment of all shelters, exposure to traumas, vulnerability” (Levinas, 1981, p. 48). Through this interruption, subjectivity is constituted – that is, through the passivity of an exposed self rather than the activity of an autonomous self. The Other is a source of both our freedom and responsibility, as Bauman (1993, p. 86) puts it “It is this creation of meaning of the Other, and thus also of myself, that my freedom, my *ethical* freedom, comes to be”.

The moral project is one of responsibility and the heart of ethics rests in the face-to-face interaction with the Other. The Other may call upon us through words or actions but it is sufficient for the Other merely to come in contact with us in order for us to be compelled to respond: “The face opens the primordial discourse whose first word is obligation” (Plato, Republic 1993, p. 17). The needs of the Other cannot be denied, not because of any rights, but simply because the Other exists. This very existence makes us morally responsible, a responsibility which is limitless and undeniable. We never completely understand the demands of the Other for the Other who is “higher than me and yet poorer than me” is unique, different from all other persons and objects. Importantly responsibility does not demand reciprocity; it is a non-symmetrical relation. The Relationship with the Other is non-instrumental and not based on an imperative outside the self; it is about an inexhaustive care for the Other. The unchosen responsibility to the Other cannot be passed on (there is no substitution in the ethic of

responsibility). It must be noted that we are not only responsible to the Other, we are also responsible for ourselves to the Other, and we must defend ourselves to the Other. The Other challenges the self's right to exist.

Thus far we have considered the ethical relationship between the self and the Other but it is also necessary to consider what happens when there are multiple and competing others. We can only be fully responsible in relationships of intimacy, since in everyday social relations the form of responsibility is ordinarily limited to social and legal conventions. From the moment the third party enters, according to Levinas (1998, p. 202), we must compare. In the face-to-face with the Other, there is no judgement but from the moment the Third Party makes an entrance, judgement and justice are required and rationality takes the place of passion. Levinas acknowledges the unavoidability of falling into law once there is an encounter with the multiplicity. Consequently, whilst Levinas is critical of deontology, he nonetheless accepts its necessity. According to Bauman (1993, p. 113), this is the point where we leave the realm of morality proper and enter the realm of the Social Order.⁵ Obviously rules and constraints are necessary in order to maintain social order (Durkheim, 1887 quoted in Giddens, 1971, p. 70) and, in particular, to expose or make an example of those that violate the ethical code. In this sense, perhaps the law is more efficient in exposing rather than preventing unethical behaviour if only because a manifestation of evil can serve the purpose of revealing an enemy that must be expunged (Knights et al., 2002). An example of this occurred recently when large financial corporations in the UK were named and shamed by the regulator for failing to comply with new regulations. Of course, the exposure serves as an example to others and thereby indirectly prevents unethical practices but since such compliance is purely instrumental to avoiding sanctions, it is questionably ethical.

Our critique of deontology, therefore, is not an attempt to displace it entirely for third party conflict requires judgement and such judgement involves an assessment of both conduct and character. However, our sympathy towards virtue ethics resides in a view of the telos or moral project outlined by MacIntyre as a perfect accompaniment to Levinas's responsibility to the Other. An ethic of responsibility moves

us away from a pre-occupation with the self towards an indeclinable and unlimited responsibility to the Other, experienced in the face-to-face interaction and driven by an inexhaustive care. In-keeping with the constructionist approach, which we endorse, leadership here is interpretation of the Other and the self in the face-to-face interaction.

Summary and conclusion

We began this paper with a reflection on some of the recent corporate scandals, examining various explanations for their occurrence. We concluded that none of these explanations were very illuminating: they either exaggerated the extent of the so-called crisis and/or inappropriately attributed business-school influence on corporate behaviour. Although we cannot subscribe to a view that corporate scandals are more pervasive now than in the past, nonetheless the existence of these scandals provides us with a platform to re-energize discourses on ethical leadership. In examining the leadership literature, we reached the conclusion that there were dominant individualistic, psychologistic and deterministic strains that reflect and reproduce the autonomous subject of Enlightenment thinking. Not surprisingly, the ethical leadership literature is concerned with character and draws mostly on virtue ethics rather than the traditional moral philosophies of consequentialism and deontology. We discussed some of the difficulties associated with virtue ethics (as well as deontology and consequentialism) but were supportive of the particular approach to virtue ethics present in the work of MacIntyre, which challenges the autonomous self. We argued that the recent corporate scandals could be seen as resulting from ethical failures arising from contemporary concerns with material and symbolic success, which reside in an ultimate pre-occupation with the self. We have been concerned to challenge this pre-occupation with the self through focusing on an alternative ethics of responsibility presented in the work of Levinas. The advantage of an ethic of responsibility is that it confronts the pre-occupation with self that is a legacy of the enlightenment of autonomy thus offering an alternative to the traditional moral philosophies of consequentialism, deontology and virtue ethics while not seeking entirely to displace them.

We believe this makes a contribution to the literature on ethical leadership that is potentially of value to corporate business if it is to establish a culture that is inimical to the kind of management behaviour that has been associated with corporate scandal. In order to ensure maximum impact for our analysis, we have been uncritical of Levinas preferring simply to complement the existing literature with insights drawn from his work. However, by way of conclusion we wish to raise some limitations or at least points of tension that appear to reside in his ethics of responsibility. At least two points of tension may be detected and these were skirted around in the last section when we discussed first, his conviction that ethics precedes being, the self or freedom and second, the problem of the third party in relationships that extend beyond the intimacy of the face-to-face.

Levinas' insistence that ethics and the Other precede being is understandable given that he seeks to undermine the pre-occupation with self that is the legacy of enlightenment autonomy. The question is whether it is dangerously close to the philosophy it seeks to challenge except just from the opposite side. That is to say, while enlightenment philosophies make ethics conditional upon an autonomous and rational self, Levinas makes the self and subjectivity conditional upon ethics. Insofar as this is a rhetorical device designed to undermine the pre-occupation with self that so dominates our post-enlightenment culture, we fully endorse the strategy. However, we are more comfortable with a view of their mutual interdependence and co-constitution since the self has no existence outside of the Other and yet the Other cannot be recognized outside of a condition of self-consciousness. Given that we have already endorsed a constructionist theory of leadership, a co-constitutive understanding of self and other or ethics and being are more compatible with our concern to develop a theory of ethical leadership.

This leads us to the second tension concerning the dilemma that occurs when there is a conflict of responsibility to different others. In order to distinguish between more and less deserving others, Levinas sees a requirement to return to law and a deontological approach to morality where, in effect, rules intervene in place of face-to-face responsibility. Despite Levinas prioritising ethics over the self, he is quick to resort to the law or moral rules wherever

there is some tension or conflict between different others. Is this ready reliance on the law a function of his refusal to see the constitution of the self and other as simultaneous events? For if this is the case, it is so for every other and every self such that responsibility to another will reach its limit at the point where it contradicts the responsibility to an equally deserving other. The self can make a judgement and would not therefore have to resort to the law. It is our view that the law or deontological ethics operates best as a means of dealing with the exceptional breakdown of morality and, as we have argued, exposing rather than preventing unethical behaviour. Obviously the threat of sanctions or punishment that are associated with the law may deter breaches but this is not what can be called ethical behaviour since it is motivated by mere instrumental compliance. In the end, perhaps we have to be more strictly Levinasian such that each engagement is approached as if there is only one Other; in each engagement, the Other is given complete attention and in this way the pre-occupation with the self is transcended and truly moral relationships can develop.

Notes

¹ Interestingly while condemning academic pre-occupations with science based, causal theories of business behaviour, Goshal does not seemingly recognize how he is indeed subscribing to such an epistemology in his analysis of the effects of business-school education (See Alferoff and Knights, 2005).

² Mintzberg's thesis relies on evidence from the Business Roundtable, a "group of chief executives of America's largest corporations" who have changed their emphasis in recent time. Whereas in 1981, statements were made that suggested some 'balance' of the legitimate interests of different 'stakeholders' by 1997, "the paramount duty of management and of boards is to the corporation's stockholders" (Mintzberg quoted in Tiratsoo, unpublished). Yet in the 1997 statement, Mintzberg chooses to ignore a paragraph that reflects precisely the same concern that the 1981 statement had in a more pluralistic stakeholder view of corporate interests as necessary to the long term interests of shareholders (The Business Roundtable, 1997, p. 3 quoted in *ibid.* 2).

³ After all, while there is more clamour now for business ethics courses, they have been taught in some form or other for over 20 years (see ABS, 2004).

⁴ This is the natural extension of the Greek definition of 'ethos' which is defined as character.

⁵ One of our anonymous reviewers pointed out to us that Karl-Otto Apel in his lectures at Leuven had argued that morality still holds when we leave our focus on the other. While we cannot be responsible to all of society for our actions, we are responsible to those affected by our actions.

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David Knights
 School of Economic and Management Studies,
 University of Keele,
 Newcastle-under-Lyme,
 ST5 5BG,
 U.K.
 E-mail: d.knights@mngt.keele.ac.uk