
4 The new wave of leadership studies

Chapter aims

- Introduce and critically examine the concepts of moral leadership and the role of the 'new heroes'
- Critically discuss the behaviours of an ethical leader, and the benefits of ethical leadership for service encounters
- Examine the concept of authentic leadership, and what it means to be a just and honest leader
- Introduce and critically discuss servant leadership, and its potential to improve service encounters in the event industry
- Focus on leadership in action: learning how to be a leader by Melissa Noakes.

The new wave of moral leadership studies

In their comprehensive review of leadership research, Dionne et al. (2014) identify 29 different thematic categories of leadership theories, developed over 100 years; 17 are 'classic' leadership categories, and 12 are classified as emerging. Dinh et al. (2014) note seven emerging theories in their review and in their examination of recent theoretical and empirical developments, while Avolio, Walumbwa and Weber (2009) note 13 significant areas of new inquiry into leadership. These studies indicate that there has been a focus shift in leadership studies, which represents a diversification of thinking around how leadership occurs, and what leadership actually is. In particular, scholars have begun to focus on the moral nature of leaders, suggesting that leaders now need to be concerned with issues of ethics and morality (Lemoine, Hartnell & Leroy, 2019).

This shift in leadership studies can be partially attributed to a number of very public corporate and government scandals, financial crises and economic downturns. Cases such as the 2001 Enron scandal, in which the company executives fraudulently concealed large financial losses in certain projects and the 2008 Lehmann Brothers and Northern Rock collapses have created an interest in how leaders can enhance employee loyalty and commitment to their organisations, and how to foster cooperative aptitudes among employees (Hassan et al., 2013). Scholars have therefore started to focus on the ethical and moral behaviours of leaders. This has resulted in three emerging forms of ‘positive’ leadership studies – authentic leadership, ethical leadership and servant leadership. These are sometimes described as responsible or moral leadership – or, as Yammarino (2013) puts it, theories of the ‘new hero’. These ‘moral’ forms of leadership focus on leader behaviours that are ethical, moral, professional and socially responsible. They suggest that the leader’s interpersonal dynamics will increase the followers’ confidence and motivate them to perform better than is expected.

Authentic, ethical and servant leadership perspectives are conceptually closely related both to each other, and to the field of transformational leadership, with a recent meta-analysis suggested that authentic and ethical leadership, and to some degree servant leadership, were all in fact incremental variances of transformational leadership (Hoch et al., 2018). However, these new theories have been developed beyond transformational leadership in that they now acknowledge that transformational leaders can also be unethical, abusive or self-serving.

Ethical leadership

Ethical leadership is leadership that emphasises the leader’s ethical standards. Ethical leaders do the right thing.

Business practice has shifted over the last few years, and for many organisations in the event industry, existing purely for profit has been replaced with a triple bottom line approach that seeks to meet commercial objectives whilst also trying to do social good and reduce environmental harm. Responsible business practice in the industry is therefore becoming increasingly important, as consumers select their leisure time activities based on the organisation’s ethical stance on things like contributing to society and sustainability. As consumers have become more

conscientious about the events they attend, and the potential damage they can do, they have started to demand greater transparency from event organisations on how they operate. We can see this most clearly in areas such as environmental management – due to consumer demand, most event organisations now ensure they have an environmental policy, and that they are transparent in how they manage things like waste and plastic. This then has led to organisations thinking about their ethical stance, and has created a new brand of leadership, that of ethical leadership.

Ethical leaders seek to do the right thing, and conduct both their lives and their leadership roles in an ethical manner. They are guided by ethical beliefs and values, and they engage in acts and behaviours that benefit others, whilst refraining from behaviours that can cause any harm to others. They combine their own ethical beliefs and values with the organisational or cultural norms and they focus on complying with the external expectation created by these norms.

Ethical leaders are perceived to be moral people, setting ethical examples – they have desirable characteristics such as being trustworthy and honest and they are seen as being charismatic and fair (Brown et al., 2005). In particular they show respect for all members of their team; they listen carefully, they value all contributions and are compassionate and consider all viewpoints. They are principled decision-makers who care about the wellbeing of both their employees and the broader society. In short, ethical leadership is a combination of integrity, ethical standards and fair treatment of employees (Yukl et al., 2013).

The behaviour of an ethical leader is likely to be associated with high-quality leader-member exchange (LMX) relationships – that's because these high-quality exchange relationships are more likely to occur when leaders are honest, trustworthy and genuinely concerned about the well-being of their followers. As such, ethical leaders are also seen to be moral managers – they proactively try to transform followers by encouraging ethical behaviour within their subordinates (Mayer et al., 2012). They influence followers to engage in ethical behaviours through behavioural modelling and transactional leadership behaviours such as rewarding, communicating and punishing (Hoch et al., 2018). We would expect ethical leaders to be very supportive and helpful when