

# Perspectives for Managers

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## Do you need integrity to be a successful leader?



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Many executives, managers, authors and people in the media argue that leaders need integrity to function effectively. Some researchers have described integrity as honestly matching words and feelings with thoughts and actions, with no desire other than for the good of others.<sup>1</sup> Others say that integrity means that a person's behavior is consistent with espoused values and that the person is honest and trustworthy.<sup>2</sup> Integrity is supposed to be good for the organization. The idea is that people high in integrity make excellent candidates for leadership positions because they will not steal organizational resources, treat others unfairly, or deceive themselves or others.

Although some earlier research<sup>3</sup> examined the relationship between integrity and leader effectiveness, none of the studies examined exactly what impact integrity has on leader effectiveness. Our ultimate objective, therefore, was to examine the impact of integrity on leader effectiveness. In order to provide an alternative to the value of integrity, we also included the values of conformity and flexibility. That is, perhaps those who conform to their bosses' wishes are seen as more effective than those high in integrity! We therefore wanted to know whether values such as integrity, flexibility and conformity helped us better predict leader effectiveness than just looking at leader behaviors.

The purpose of our research was not to define integrity. Rather, the purpose was twofold. Firstly, given the wide range of existing definitions, we simply wanted to find out how different people – a manager, his boss, peers and direct reports – interpret integrity. Secondly, to see how

these groups then associate integrity with leader effectiveness.

### Broad-based empirical survey

In order to fully understand if integrity matters for leader effectiveness we collected data on 175 bureau chiefs and directors of a state government agency in the northeastern United States. Most empirical studies on leadership analyze the relationship between behaviors and leader effectiveness. However, the data we collected was not only on their leadership behaviors, but also on their values and effectiveness. These bureau chiefs and directors formed an especially relevant sample for our study because they have to deal, almost daily, with federal regulations, state regulations, members of the state legislature, the commissioner and assistant commissioners, special interest groups, business representatives and the general public.

We collected data from the managers themselves as well as from their direct reports, peers and bosses. We did this because nobody wants to admit that they lack integrity. All respondents were asked to assess how frequently the managers that were being evaluated (focal managers) demonstrated innovative, broker, goal-oriented, monitoring, mentoring, and facilitating leadership behaviors; to what extent the focal managers were guided in their behavior by values such as integrity, flexibility, and conformity; and how effective they considered the focal managers to be.

We analyzed the responses by group – that is we analyzed how the focal managers responded to the behavior, values and

<sup>1</sup>Covey (1992, p. 108)

<sup>2</sup>Kerr (1988, pps. 126-127)

<sup>3</sup>Craig and Gustafson (1998), Parry and Proctor-Thompson (2002), Morgan (1989)

effectiveness questions, as well as how their bosses, peers and direct reports did – to see which leadership behaviors and values best predicted the different groups’ perceptions of the focal managers’ leader effectiveness.

### Results

Our research shows that the different groups mentioned above indeed do associate different values with integrity. Managers associate honesty, merit and fairness with integrity. Their direct reports associate honesty and fairness with integrity. Their peers and bosses both associate honesty and merit with integrity.

Furthermore, the different groups do not all associate their version of integrity with leader effectiveness. The managers and their peers both do; however neither bosses nor direct reports do.

To understand the predictive power of the values for effectiveness, we first analyzed the impact of the leadership behaviors on leader effectiveness.

### Behaviors more powerful than values

The results of our work show that leadership behaviors are by far the most powerful predictors of leader effectiveness, although which behaviors are most strongly related to leader effectiveness depend on the respondent group.

While differences exist across the respondent groups, goal-oriented and innovative behaviors are by far the most powerful predictors of perceptions of leader effectiveness.

The values, on the other hand, added little predictive power. Integrity had a small, yet significant impact on leader effectiveness for the managers themselves and their peers. Flexibility had a positive impact on leader effectiveness for their direct reports and their peers. Conformity had no impact on leader effectiveness whatsoever. Surprisingly, none of the values had an impact on how bosses perceive leader effectiveness.

### So, does integrity matter?

Integrity did not affect the bosses’ perceptions of the leaders’ effectiveness. In fact, none of the values we studied affected the bosses’ perceptions of effectiveness. So, the extent to which bosses thought that their managers were guided by integrity, flexibility and conformity, did not affect their perceptions of the leaders’ effectiveness.

For all the talk about the role of integrity in being an effective leader, our results present a sobering picture. While we recognize that egregious acts of unethical behavior will result in negative consequences for managers and consequently companies, it seems that the bosses in this study are primarily concerned about getting the job done.

### Significant Leaders Behaviors and Values by Respondent Group

Respondent Category	Leadership Behavior	Values
Manager	Goal Orientation Facilitator Monitor	Integrity
Boss	Goal Orientation Broker	
Peer	Facilitator Innovator	Integrity Flexibility
Direct Report	Innovator Goal Orientation	Flexibility

### What can we learn from the research?

As we said earlier, despite the increased attention given to integrity and its stated importance for leadership, our research indicates that its relevance for leadership effectiveness is, at best, small. Furthermore, the results from the direct reports also support some of Kerr's (1988) examples about the difference between the conceptual work on integrity and the realities managers face in daily life. That is, if integrity means always stating what one really thinks (i.e. honesty) or applying certain (un)written rules without exception (i.e. fairness), then one runs the risk of hurting feelings and relationships and even getting the company in trouble. As Kerr states so eloquently, the more confident were the prescriptions about how to behave with ethics and integrity, the further removed was the author from the life of the everyday manager.<sup>4</sup>

Adler and Bird (1988), for instance, state that executives who "provide workers in one country<sup>5</sup> with generous wages and pension programs while providing neither in a neighboring country" might be seen as lacking in integrity. Maximizing shareholder value is, however, also part of having integrity for an executive. This example shows how difficult it is to define integrity and especially how complicated it is in the international realm.

How, then, can we follow Levinson's (1988) dictum: To thine own self be true?<sup>6</sup> His answer seems to come close to what our results show empirically when he says that executive integrity is promoted when members feel acknowledged for their responsiveness to one another, their receptivity and creative efforts to understand others' perspectives as well as articulating their own<sup>7</sup>. In a sense he says that showing flexibility is part of having integrity.

### Integrity for Managers and their Peers

Although integrity does not appear to affect perceptions of effectiveness of direct reports and bosses, it does affect those of the managers themselves and their peers.

As the direct reports and bosses see no association between integrity and effectiveness, do these results mean that managers are unnecessarily concerned with integrity? We would still say "no." In terms of being seen as effective by direct reports and bosses, executing one's leadership roles – delivering stated goals, influencing ideas and generating new ideas – is clearly most important. However, the reason one acts with integrity is not only to be seen as effective by other parties: Acting with integrity is a way for managers to stay true to themselves.

While some managers may do anything to reap ever greater financial rewards and/or power, we would still like to believe that the majority of managers want to be able to look at themselves in the mirror and know they see someone who has integrity, and is fair and honest.

### Implications for the practicing manager

Our results do not support the notion, expressed by many authors, that integrity is essential for leadership. If integrity is, to a greater or lesser extent, about honesty, fairness and merit then why would having these qualities result in your being perceived as more effective than someone who does not have them?

Telling your boss honestly that her plan for the introduction of a new product X in market Y is a terrible idea, especially when you know how proud she is of this plan, may be good for your sense of integrity, but perhaps not for improving her view of your effectiveness. Emphasizing merit over length of service to the firm may sit well with the up-and-coming young men and women, but not so well with the men and women who have invested 15 years or more of their lives in the company.

In other words, while you may have – and may indeed act according to – clear guiding principles, this does not automatically mean that those with whom you interact will appreciate it when you exercise those guiding principles. We find the results of the direct reports especially interesting in this regard.

*“Despite the increased attention given to integrity and its stated importance for leadership, our research indicates that its relevance for leadership effectiveness is, at best, small.”*

<sup>4</sup>Kerr (1988 p. 138)

<sup>5</sup>Adler and Bird (1988 p. 248)

<sup>6</sup>Levinson (1988 p. 268)

<sup>7</sup>Levinson (1988, p. 318)



*“We did not find a relationship between integrity and effectiveness, but we did find a positive relationship between flexibility and effectiveness. Thus, being flexible and adaptable reflect not only positive values to the direct reports but also values that make managers more effective.”*

Contrary to our expectations for direct reports, we did not find a relationship between integrity and effectiveness, but we did find a positive relationship between flexibility and effectiveness. Thus, being flexible and adaptable reflect not only positive values to the direct reports but also values that make managers more effective. As such, these values have a stronger association with effectiveness in the eyes of direct reports than integrity, honesty and fairness do.

The peer results for the values factors also have an interesting message for managers. Peers want their colleagues to show both integrity and flexibility. Paradoxically, these results represent both the toughest challenge and a solution for practicing managers. To us these results say, “Yes, show us that you have integrity, that you are honest and that you value merit but do not become rigid in the application of these values.”

### **The solution - Achieve a balance between integrity and flexibility**

We believe that if you can balance integrity and flexibility, you can achieve great results. Your integrity will keep you at peace with yourself and give your peers trust in you. Your flexibility will make your direct reports and peers see that you are open to new ideas and are willing to change your behavior when necessary. Expressing these values in your interactions with your direct reports and peers will lead them to work harder and smarter for and with you. This then should result in you being someone who delivers results

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### **What Does Integrity Mean To You?**

One of the problems with the research on integrity is that we need to gain a better understanding of what it means in organizations for real managers. We therefore invite you to share with us your experiences where your integrity was at stake and how you resolved it.

Please send your experiences to [robert.hooijberg@imd.ch](mailto:robert.hooijberg@imd.ch)

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