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Chapter 3

Ethical Leadership and Big Five Factors of Personality

Abstract

Most research on ethical leadership to date investigates the consequences of ethical leadership rather than its antecedents. Here, we aim to contribute to the field by studying leader personality as a potential antecedent of ethical leader behavior. In two multi-source studies, we investigated the relationships between personality traits and ethical leader behavior. Leader personality was measured through self-ratings using the five factor personality framework. Two subordinates rated their leaders' ethical behavior. Study 1 used a unidimensional ethical leadership scale. In Study 2 we used this scale as well as an instrument distinguishing three different ethical leader behaviors, namely fairness, role clarification and power sharing. Further, in study 2 we controlled for the influence of the relationship between leader and followers (LMX). As expected, conscientiousness and agreeableness were most consistently related to ethical leadership. In study 1, after controlling for the other personality traits, conscientiousness related positively with ethical leadership. In study 2, after controlling for other traits and LMX, conscientiousness related positively with ethical leadership and the behavior role clarification, and agreeableness with power sharing and fairness. Also, emotional stability related positively with ethical leadership and role clarification after controlling for LMX. As expected, openness to experience and extraversion were unrelated to ethical leader behaviors. [1]

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[1] This chapter is based on: Kalshoven, K., Den Hartog, D.N., & De Hoogh, A.H.B. (under review). Ethical Leader Behaviors and Big Five Factors of Personality.

Introduction

Leaders are highly important for organizations to meet their goals. Nowadays, in addition to financial targets, organizations also need to meet environmental and societal responsibilities and leaders are expected to have an important role in stimulating the ethical climate at work (Dickson, Smith, Grojean, & Ehrhart, 2001). Ethical leadership and its development and promotion at all management levels are high on the agenda of many organizations, because such leaders are expected to have positive effects (cf. Brown, Treviño, & Harrison, 2005; Kanungo, 2001). So far, research on the correlates and effects of ethical leader behavior demonstrates mainly positive relationships with a variety of followers' attitudes and behaviors, such as commitment, satisfaction with the leader, trust, perceived leader effectiveness, and organizational citizenship behavior (e.g., Brown et al., 2005; De Hoogh & Den Hartog, 2008; Den Hartog & De Hoogh, 2009; Kalshoven, & Den Hartog, 2009, Kalshoven, Den Hartog, & De Hoogh, in press; Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009; Piccolo, Greenbaum, Den Hartog, & Folger, 2010). Far less, however, is known about antecedents of ethical leadership. This study aims to explore leader personality traits as potential antecedents of perceived ethical leader behavior.

Research shows that personal characteristics affect leaders' influence (Anderson, Spataro, & Flynn, 2008). However, we do not yet sufficiently understand why some people in a leadership situation choose to influence others through ethical behaviors manner whilst others choose less ethical behaviors. Traits are likely to play a role in this. So far, however, research has mainly focused on consequences rather than the antecedents of ethical leader behavior, though theory does predict individual differences will play a role in ethical leadership (Brown & Treviño, 2006). Expanding our knowledge of the antecedents of ethical leadership is crucial, because only when such antecedents are known, organizations can purposefully influence the selection, training, and development of such leaders and in turn benefit from the positive outcomes of ethical leadership. For example, if ethical behavior is associated to stable traits, organizations may wish to more specifically aim to select leaders who are high on these traits to stimulate ethical behavior on the work place.

Previous literature has proposed that various individual differences are likely to be associated with ethical leadership, including level of cognitive moral development, concern

for people, reliability, and responsibility (cf. Bass & Steidlmeier, 1999; Brown et al., 2005; Brown & Treviño, 2006; De Hoogh & Den Hartog, 2008; Turner, Barling, Epitropaki, Butcher, & Milder, 2002). Although many of the proposed relationships have not yet been examined, preliminary research shows interesting results. For example, De Hoogh and Den Hartog (2008) found that highly socially responsible leaders are perceived as more ethical. Also, Mayer, Aquino, Greenbaum and Kuenzi (2008) found that leader moral identity is related to ethical leadership. In this study, we will focus on the "Big Five" personality traits. The "Big Five" are believed to be basic underlying trait dimensions of personality (e.g., Goldberg, 1990) and have been recognized as genetically based, relatively stable, and cross-culture generalizable (e.g., McCrae & Costa, 1997). Research demonstrates that stable individual differences in related (effective) leadership styles do exist (e.g., Judge, & Bono, 2000; Judge, Bono, Ilies, & Gerhardt, 2002a). Another argument to focus on the Big Five is that integrity tests are not clearly distinguishable from the Big Five dimensions measures (Becker, 1998; Sackett & Wanek, 1996). Integrity was found to correlate consistently with conscientiousness, agreeableness, and emotional stability (cf. Marcus, Höft, & Riediger, 2006; Ones, Viswesvaran, & Dilchert, 2005). These three traits are also suggested to be important for leaders to be perceived as ethical (Brown & Treviño, 2006).

Although three of the "Big Five" traits (conscientiousness, agreeableness & emotional stability) are mentioned as potentially important antecedents of ethical leadership (e.g., Brown & Treviño, 2006; De Hoogh & Den Hartog, 2009a), to our knowledge there is only one published article that has actually tested these relationships. Walumbwa and Schaubroeck (2009) found positive relationships of conscientiousness and agreeableness with ethical leadership. However, they did not find the proposed relationship with emotional stability and did not control for the other two Big Five traits (openness to experience & extraversion). As their findings are not completely in line with the propositions in the literature, additional research seems warranted. In addition, controlling for the influence of openness and extraversion is needed and replicating findings in another country and context will help determine whether findings are stable and generalizable. Finally, where Walumbwa and Schaubroeck take a unidimensional view of ethical leadership, we include multiple behavioral dimensions of ethical leadership and control for the quality of the relationship between leader and follower.

In sum, the main aim of our study is to further test the relationship between ethical leader behavior and the Big Five traits. In line with available theory, we expect that conscientiousness, agreeableness, and emotional stability relate positively to ethical leader behavior (e.g., Brown & Treviño, 2006; De Hoogh & Den Hartog, 2009a; Walumbwa & Schaubroeck, 2009). We test these relationships between leaders' self-ratings of personality and subordinate ratings of ethical leader behavior in two multi-source studies. In study 1, we investigate the relationship between the proposed traits and a uni-dimensional measure of ethical leadership, controlling for extraversion and openness to experience to confirm and extend the findings of Walumbwa and Schaubroeck (2009). Next, in study 2, we extend this research by also controlling for the relationship between leader and employees (LMX) and by including both a uni-dimensional and an available multi-dimensional measure of ethical leader behavior.

Ethical Leadership

Nowadays, ethical aspects of leader behavior are taken into consideration within various leadership styles. For example, transformational leadership has been described as incorporating an ethical component. Some authors suggest that transformational leaders could behave either ethically or unethically and these different forms are distinguished as authentic (i.e., ethical) transformational and pseudo (i.e., unethical) transformational leadership (Barling, Christie, & Turner, 2008; Bass & Steidlmeier, 1999). Pseudo-transformational leaders have motives or intentions that are not legitimate and they aim for undesirable goals, whereas authentic transformational leaders have a strong moral compass and serve the organization (Bass & Steidlmeier, 1999). Dasborough and Ashkansy (2002) argue that followers may not be able to distinguish easily between authentic and pseudo transformational leadership as the behaviors shown by such leaders are similar. Another leadership style some describe as containing an ethical component is authentic leadership (e.g., Avolio, & Gardner, 2005; May, Chan, Hodges, & Avolio, 2003), however, others do not see ethics as a necessary component of authentic leadership (e.g., Shamir, & Eilam, 2005; Sparrowe, 2005). Thus, the leader's focus on ethics represents only one aspect of these broader leadership styles.

Recent research has started to consider ethical leadership as a set of behaviors or a separate leadership style, rather than focusing only on an ethical component within another leadership style (e.g., Brown et al., 2005; De Hoogh & Den Hartog, 2009a; Kalshoven et al., in press). Brown and colleagues (2005) were among the first to study ethical leadership as a separate style and define ethical leadership as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships and the promotion of such conduct to followers through two-way communication, reinforcement and decision-making." These authors take a social learning perspective (e.g., Brown & Treviño, 2006). Social learning theory highlights that leaders are role models of appropriate behaviors and emphasizes that people learn form reward and punishment (Bandura, 1986). In other words, ethical leaders use transactional efforts (i.e., communication, rewarding, punishing) as well as role modeling of desired behavior to stimulate subordinates ethical behavior (Brown et al., 2005; Treviño, Brown, & Hartman, 2003). Other authors conceptualize ethical leadership more in terms of a basic tension between altruistic and egoistic motives (e.g., Aronson, 2001; Turner et al., 2002). Kanungo and Menconca (2001) expect an ethical leader to be driven by a system of accepted beliefs and appropriate judgments instead of self-interest, which is beneficial for followers, organizations and society.

Brown and colleagues (2005) developed a ten item uni-dimensional measure of ethical leadership combining various ethical leader behaviors into an overall construct (e.g., acting fairly, allowing voice, and rewarding ethical conduct). Walumbwa and Schaubroeck (2009) also use this uni-dimensional measure in their study of ethical leadership and traits. Other authors see the ethical leader behaviors that are combined in this measure as theoretically different and argue that these behaviors may have different antecedents and consequences and should ideally be measured separately (e.g., De Hoogh & Den Hartog, 2008; Kalshoven et al., in press; Resick, Hanges, Dickson, & Mitchelson, 2006). As with other leadership styles (e.g., transactional or transformational), the identification of multiple dimensions increases the comprehension of the relationships with antecedents and consequences. De Hoogh and Den Hartog (2008) distinguish different behavioral components as part of the ethical leadership style. Based on the theoretical work of Brown et al. (2005) and Treviño et al. (2003), they identify and separately measure three related but

distinguishable ethical leader behaviors, namely fairness, power sharing, and role clarification (cf., Kalshoven & Den Hartog, 2009).

First, *fairness* is seen as an important element of ethical leader behavior (Brown et al., 2005; Treviño et al., 2003). Behaviors that are part of the fairness component are making fair choices, showing trustworthy and honest behavior, not practicing favoritism, and taking responsibility for one's own actions (De Hoogh & Den Hartog, 2008). Second, *power sharing* is labeled as a behavioral component of ethical leadership by De Hoogh and Den Hartog (2008). Several authors argue that ethical leadership has an empowering element (e.g., Resick et al., 2006). Ethical leaders provide subordinates with voice, ask for and listen to their input, and allow them to share in decision-making on issues that concern their tasks (e.g., Brown et al., 2005). Third, De Hoogh and Den Hartog (2008) distinguish *role clarification* as ethical leader behavior and suggest such leaders communicate transparently and respectfully, while clarifying responsibilities, expectations, and performance goals. Open communication and transparency towards subordinates helps them knowing what is expected from them and understand when their performance is up to par. Subordinates do not worry unnecessarily and know how they can meaningfully contribute to meeting unit goals. In Study 1 we use Brown et al's (2005) uni-dimensional scale and in Study 2 we include both Brown et al's (2005) uni-dimensional scale and the three ethical leader behaviors as measured by De Hoogh and Den Hartog (2008) to operationalize ethical leader behavior.

The Five Factor Model and Ethical Leadership

The Five Factor view of personality describes an emerging consensus on the structure of personality in five main factors, often labeled Extraversion, Agreeableness, Conscientiousness, Emotional Stability and Openness to Experience (e.g., Costa & McCrae, 1992; Digman, 1990; Goldberg, 1990). The Big Five traits are found consistently using different research methods and have been recognized as genetically based, stable and cross-culture generalizable (e.g., Costa & McCrae, 1988; Digman & Shmelyov, 1996; McCrae & Costa, 1997). The Five Factor model provides a comprehensive theoretical framework for comparing empirical findings among researchers. Here we aim to test how the "Big Five" relate to ethical leadership.

Many studies and several meta-analyses found significant relationships of the Big Five traits with different leader behaviors and with leader effectiveness (e.g., De Hoogh, Den Hartog, & Koopman, 2005; Judge & Bono, 2000; Judge, Bono, Ilies, & Gerhardt, 2002a; Lim & Ployhart, 2004). Although relationships between personality and leadership typically do not tend to be high, meta-analyses do show they are consistent and stable effects (e.g., Bono & Judge, 2004). In their theoretical review, Brown and Treviño (2006) suggest there is likely to be a link between ethical leadership and the Big Five traits conscientiousness, agreeableness and neuroticism. Similarly, De Hoogh and Den Hartog (2009a) suggest that agreeableness and conscientiousness are likely to be important for ethical leadership.

So far, research on the Big Five personality traits and ethical leadership has been very limited. As mentioned, Walumbwa and Schaubroeck (2009) tested the relationships of three of the five traits with overall ethical leadership and found positive correlations for agreeableness and conscientiousness but not for emotional stability. Related research also suggests positive relationships between ethical leadership and conscientiousness, agreeableness and possibly emotional stability. For example, Sackett and Wanek (1996) report that integrity tests correlate with conscientiousness, agreeableness and emotional stability. Also, Mayer, Nishii, Schneider and Goldstein (2007) found that agreeableness, conscientiousness and neuroticism were the three most important leader traits for creating a justice climate. Below, we focus on the three traits for which strong theoretical linkages with ethical leader behaviors exist (conscientiousness, agreeableness and emotional stability) and in the two studies we also include and control for the two remaining Big Five traits (extraversion and openness).

Conscientiousness

The trait conscientiousness consists of two main facets, namely dependability reflecting being thorough, dutiful, responsible, and organized, and achievement representing the capacity to work hard and meet challenges (Digman, 1990; McCrae & Costa, 1987; Mount & Barrick, 1995). Highly conscientious individuals tend to think carefully before acting and adhere closely to their moral obligations and perceived responsibilities (Costa & McCrae, 1992). This is relevant for leaders to be perceived as ethical. Ethical leaders behave

consistently, set clear guidelines for appropriate behavior and clarify what is expected of employees and thus conscientiousness is expected to be positively related to ethical leadership (Brown et al., 2005; De Hoogh & Den Hartog, 2008). By acting dutifully themselves leaders high on conscientiousness are likely to be seen as role models of appropriate behavior. This is in line with the social learning framework Brown and colleagues (2005) apply to ethical leadership.

The duty element of conscientiousness (i.e., responsible, dependable, deliberate) may make individuals more likely to do the right thing, not only for themselves, but also for others (Moon, 2001). In line with this, we expect a positive relationship with the ethical leadership dimension fairness. In addition, leaders high on conscientiousness are expected to behave consistently and thus also treat subordinates in a consistent way (Mayer et al., 2007). Leaders high on fairness are less likely to show favoritism among employees.

Also, conscientiousness reflects the tendency to adhere to codes of conduct and follow protocols and policies (Costa, McCrae, & Dye, 1991). In doing so, leaders high on conscientiousness are likely to follow the rules and work transparently. In addition, highly conscientious individuals prefer personal responsibility (Witt, Burke, Barrick, & Mount, 2002). This combination of modeling responsibility and being transparent is likely to translate in leaders' careful attention to clarifying responsibilities and demands so that employees understand what goes on and know what is expected of them. Conscientiousness individuals see sharing relevant information with others as part of their duty (Mayer et al., 2007). In line with this, Sheppard and Lewicki (1987) found that leaders high on conscientiousness are more expected to communicate important information to their employees. Thus, conscientiousness is likely to be positively related to the dimension role clarification.

Power sharing is not expected to be related to conscientiousness. Highly conscientious individuals tend to be achievement oriented. House (1996) noted that achievement motivated individuals are focused on accomplishments through personal effort rather than delegation of power and responsibilities. In other words, the focus on personal accomplishment of achievement motivated leaders may cause them to try to retain strong control over all possible aspects of their position rather than delegate and to aim for maximizing their own rather than collective success (e.g., Spangler & House, 1991). We hypothesize:

Hypothesis 1: Conscientiousness will be positively related to ethical leadership and the ethical leader behaviors fairness and role clarification.

Agreeableness

Agreeableness reflects the tendencies to be kind, gentle, trusting, honest, altruistic, and warm (Goldberg, 1990; McCrae & Costa, 1987). Leaders high on agreeableness deal with maintenance of social relations (Jensen-Campbell & Graziano, 2001). Also, they are sensitive to the needs of subordinates. Ethical leaders are described as caring, altruistic and concerned about the welfare of employees, and therefore agreeableness is expected to relate positively to ethical leadership (Kanungo, 2001; Treviño et al., 2003). Agreeable individuals are described as caring and emphatic to others. This suggests leaders high on agreeableness are likely to treat employees in a fair and respectful manner and to attempt to not offend them. Additional support for the link between agreeableness and fairness relates to the straightforwardness element of agreeableness (McCrae & Costa, 1987). Straightforwardness reflects being honest, sincere and truthful in dealing with others (Costa et al., 1991), which implies behaving fairly. Also, being straightforward and trusting as a leader, makes it easier to delegate and share sensitive information, which means that agreeable individuals as leaders may be more likely to share their power. Also, leaders high on agreeableness are expected to provide justifications to subordinates about decision making, because of their sympathetic and sensitive characteristics (Mayer et al., 2007). This again suggests a link with power sharing.

We do not expect a relationship of agreeableness with role clarification. Role clarification is task related leader behavior. Agreeable individuals are more likely to focus on relational aspects (Costa et al., 1991). Agreeable individuals tend to be overly compliant and thus may adjust their behavior in trying to accommodate others (Graziano & Eisenberg, 1977) and therefore we do not expect agreeableness to be related to role clarification. We hypothesize:

Hypothesis 2: Agreeableness will be positively related to ethical leadership and the ethical leader behaviors fairness and power sharing.

Emotional Stability

Emotional Stability forms the opposite of Neuroticism, which is being anxious, unstable, stressed and impulsive. Generally, neurotic people are less likely to be perceived as leaders (Hogan, Curphy, & Hogan, 1994). In their meta-analysis, Judge et al. (2002a) found neuroticism to be negatively related to leadership emergence. Leaders high on neuroticism are anxious, depressed, stressed and moody (McCrae & Costa, 1987) and thus such leaders are less likely to be seen as role models (Bono & Judge, 2004). In addition, Judge, Erez, Bono and Thoresen (2002b) found that neuroticism is related to lower self-esteem and self-efficacy. Social learning theory (cf. Bandura, 1986) suggests that individuals with low self-esteem and self-efficacy have low confidence in their own abilities and therefore are less likely to be perceived as role models and less able to guide others. As role modeling of appropriate behaviors is an important element of ethical leadership (e.g., Brown et al., 2005; Treviño et al., 2003) a negative relationship with neuroticism is expected.

Low self-efficacy is also related to the use of coercive power (Goodstadt & Kipnis, 1970), rather than allowing others input and voice. Allowing voice and power sharing are aspects of ethical leadership and we thus expect a negative relationship between power sharing and neuroticism. A negative relation between neuroticism and role clarification is also expected as neurotic individuals are less likely to provide relevant information to others. Neurotic individuals are expected to only share information that is easy to share or which is less emotionally stimulating (Mayer et al., 2007). This implies neurotic leaders are less likely to communicate openly and honestly about their expectations of subordinates (i.e., role clarification).

In their review, Brown and Treviño (2006) propose a negative relation between neuroticism and ethical leadership and as outlined above we also expect that neurotic individuals are less likely to be perceived as showing ethical behavior. However, research has also found that individuals high on neuroticism are less seen as leaders in general (Judge et al., 2002a; Hogan et al., 1994). This suggests a restriction of range may occur as highly neurotic individuals will likely less often be found in leadership positions. Also, Walumbwa and Schaubroeck (2009) did not find a relationship with ethical leadership. We thus expect that neuroticism is not strongly linked to ethical leadership. Overall, we expect that ethical

leaders are somewhat lower on neuroticism as such leaders are not expected to express negative emotions, behave impulsively or to have low self-confidence (Brown et al., 2005; McCrae & Costa, 1987). Rather, ethical leaders are likely to be relatively emotional stable as emotional stable individuals are confident, secure and steady (Judge & Bono, 2001). We hypothesize:

Hypothesis 3: Emotional stability will be positively related to ethical leadership and the ethical leader behaviors role clarification, fairness and power sharing.

Method Study 1

Although we offered hypotheses concerning only three of the Big Five traits (conscientiousness, agreeableness, and emotional stability), we included the remaining two traits in all the models. First, as the Big Five has not often been related to ethical leadership and the study of Walumbwa and Schaubroeck (2009) did not include these other two traits, we felt that the inclusion of these dimensions could provide valuable information to support the theoretical reasoning for not expecting any relationships. As other leadership styles such as transformational leadership do typically relate to extraversion, not finding a relationship with extraversion for ethical leadership can help further distinguish ethical leadership from other leadership styles. Second, to determine the independent contribution of conscientiousness, agreeableness and emotional stability, it is relevant to include the other dimensions as well, because the Big Five traits are not entirely orthogonal (Digman, 1997). The overall goal of this first study was to replicate and extend the findings of Walumbwa and Schaubroeck (2009) on conscientiousness, agreeableness and emotional stability in a different country while controlling for extraversion and openness to experience.

Participants and Procedures

The sample consisted of managers and two of their direct subordinates in various organizations in the Netherlands. For this sample, graduate students at the Work and Organizational Psychology department of a Dutch University voluntarily provided names and addresses of management contacts. These contacts were invited to participate in our study (a

total of 150 managers were contacted). Survey packets were sent to the 98 managers that agreed to participate. Packets contained one questionnaire to be completed by the manager and two questionnaires to be completed by subordinates. Subordinates were chosen by the managers. Packets also contained postage paid envelopes to directly return each questionnaire. A separate letter with each questionnaire explained the importance and procedure of the study as well as the voluntary nature of participation and encouraged participants to answer honestly and openly. Finally, we explained the codes on the questionnaires to link the leader and follower data and provided contact information of the researchers in case of questions. A total of 91 supervisor and 182 subordinate questionnaires were returned. A complete set of questionnaires per manager contained one supervisor and two subordinates' questionnaires. In total, 90 complete sets of questionnaires were obtained. The response rate among those who agreed to participate was 93 % (i.e., 90 out of 98 sets that were sent out to managers who agreed to participate were returned). Managers' average age was 39 (SD = 11) and for subordinates' it was 30 (SD = 10.5) and 68 % of the managers and 48 % of the subordinates were male. Participants worked in different sectors, including financial and business services, health care and construction. For 75 % of the respondents' supervisor-subordinates tenure was over six months.

Measures

Personality. Personality was assessed with items from the IPIP version of the NEO (Goldberg, 1999). The 10-items scales were used. A sample item of the *Extraversion* scale is "Feel comfortable around people". A sample item for *Agreeableness* is "Accept people as they are" and for *Conscientiousness* is "Pay attention to details". A sample item of the *Emotional Stability* scale is "Feel comfortable with myself" and of *Openness to Experience* is "Have a vivid imagination". The Cronbach's α's of the scales were .79 for Neuroticism, .73 for Extraversion, .68 for Agreeableness, .76 for Conscientiousness and .63 for Openness. The reliability value obtained for openness to experience was somewhat lower than reported in the manual (Goldberg, 1999). Although the reason for this difference was unclear, other research also reports low alphas for openness (cf., alpha of .69 and .62, NEO 12- items version in Thoresen, et al., 2004). The response scale ranged from 1 (*to no extent*) to 5 (*to a great extent*).

Ethical leadership. Ethical leadership was measured with the 10 items uni-dimensional Ethical Leadership Scale (ELS; Brown et al., 2005). A sample item is: "Listens to what employees have to say". The Cronbach's α was .86. The response scale ranged from 1 (*strongly disagree*) to 5 (*strongly agree*).

Method Study 2

In Study 2 we operationalized the Big Five personality traits with a different measure using more items per trait to test whether the relationships are stable. Also, both uni- and multi-dimensional measures of ethical leader behavior were used. We also added additional control variables. First, we control for context as the leaders in this study were working in various organizations. We also control for managerial level and number of direct reports. Finally, trying to account for potential halo ratings based on the relationship between leader and follower seems appropriate (cf., Murphy, 1982; Cooper, 1981). Typically a measure of Leader-Member-Exchange (LMX) can accomplish this as controlling for LMX can extract variance due to high quality or low quality relationships. As noted by Engle and Lord (1997), discrepancy between leader and employee implicit leadership theories may be important since discrepancies may influence perceived similarity and identification with the dyadic partner, which provide a basis for common understanding, and permit more automatic, intuitive social interactions. The behavior of both members of the dyad (i.e., leader and employee) is likely to align with expectations and both members are likely to interpret behavior similarly. In combination these processes should produce greater liking and higher quality relationships as assessed by LMX. Therefore we decided to control for LMX.

Participants and Procedure

The sample consisted of managers and their subordinates from diverse hierarchical levels of different organizations in the Netherlands. We aimed to get a broad sample somewhat similar to the first study and thus for this study asked students at the Business School of the same Dutch university to voluntarily provide personal management contacts, who were then invited to participate in our study. Survey packets were sent to all 287 managers that agreed to participate. Packets contained one questionnaire to be completed by

the manager and two questionnaires to be completed by subordinates who were chosen by the managers. Packets also contained postage paid envelopes to directly return each questionnaire and letters with each questionnaire that explained the importance and proce-dure of the study and the voluntary nature of participation, assured confidential treatment of the data, provided contact information of the researchers, and promised all interested participants that they could receive a research report after the study. After two weeks, all managers received a reminder.

In total, 195 supervisor and 360 subordinate questionnaires were returned. A complete set of questionnaires per manager contained one supervisor and two subordinates' questionnaires. Incomplete sets of questionnaires were eliminated from the sample, 150 complete sets remained. The response rate for complete sets of questionnaires was 52 %. Managers' and subordinates' average age was 43 ($SD = 10$) and 35 ($SD = 11$) respectively and 77 % of the managers and 54 % of the subordinates were male. Participants worked in different sectors, including financial and business services, health care, government, educa-tion, construction, trade, and catering. For 85 % of the respondents' supervisor-subordi-nates tenure was more than six months.

Measures

Personality. In study 2, we used a different operationalization of personality char-acteristics with more items per factor, because the alphas were somewhat low in study 1. At study 2, personality was assessed with items from a Dutch version of the IPIP (Goldberg, 1999; see e.g., Giberson, Resick, & Dickson, 2005). The measure is labeled the Five Factor Personality Inventory (FFPI; Hendriks, Hofstee, & De Raad, 1999). A 70-item version with 14 items for each of the five personality traits was used (cf. Judge, Van Vianen, & De Pater, 2004). In previous studies, the FFPI personality traits showed strong internal consistencies and good convergent validities with the Revised NEO Personality Inventory (see Hendriks, 1997). A sample item of the *Extraversion scale* is "Avoids contacts with others" (reverse coded), for *Agreeableness* is "Respect others' feelings" and for *Conscientiousness* is "Does things according to a plan". A sample item of *Emotional Stability* is "readily overcomes set-backs" and of *Openness to Experienc*e is "Can easily link facts together". The Cronbach's α's

ranged from .83 to .86. The response scale ranged from 1 (*to no extent*) to 5 (*to a great extent*).

Ethical leadership. As in study 1, ethical leadership was measured with the 10 items uni-dimensional Ethical Leadership Scale (ELS; Brown et al., 2005). The Cronbach's α in study 2 was .81. In addition, ethical leadership was also assessed with a multi-dimensional measure that included fairness, power sharing and role clarification, developed by De Hoogh and Den Hartog (2008) (also used in other research, e.g., Kalshoven & Den Hartog, 2009; Kalshoven et al. in press). *Fairness* (6 items) includes leaders' honesty, taking responsibilities, fair treatment and being dependable. A sample item is: "Manipulates subordinates (reverse coded)". Cronbach's α was .84. *Power sharing* (6 items) focuses on providing voice and opportunities for input. A sample item is: "Allows subordinates to influence critical decisions". Cronbach's α was .74. *Role clarification* (5 items) refers to clarification of expectations and responsibilities and engaging in open communication. An example is: "Clarifies priorities". Cronbach's α was .82. All leadership items had a 5-point response scale, ranging from 1 (*strongly disagree*) to 5 (*strongly agree*).

Control variables. As noted above, we controlled for Leader-Member-Exchange (LMX) to control for the potentially biasing impact of the quality of the relationship between leader and follower. LMX was assessed using 7 items from Graen and Uhl-Bien (1995). Cronbach's α was .82. A sample item is "How would you characterize your working relationship with your leader?" In addition, we controlled for the number of direct reports, managerial level and gender of the leader. As noted above our sample included 77 % male leaders and 50 % of the leaders indicated to work at higher management levels. For 30 % of the leaders, the number of direct reports was 5 or less, another 30 % had between 6-10 and 40 % had more than 10 direct reports.

Results

Descriptives, Measures and Aggregation

Table 1 shows the means, standard deviations and intercorrelations for all variables in both studies. For study 1, we performed a Confirmatory Factor Analysis (CFA) to show that the 10 items measuring ethical leadership are adequate indicators of their underlying

Table 1 - *Means, standard deviations and correlations among variables study 1 and 2*

Variables	Study 1		Study 2		1	2	3	4	5	6	7	8	9
	M	SD	M	SD									
1 Openness to experience	3.14	.50	3.96	.40		.01	.38**	-.08	.11	.16			
2 Extraversion	3.77	.50	3.97	.43	.26**		.46**	.37**	.40**	.17			
3 Agreeableness	3.53	.47	3.79	.43	-.09	.23**		.12	.25**	.24*			
4 Conscientiousness	3.93	.48	3.51	.45	.04	.13	.35**		.54**	.26**			
5 Emotional stability	3.80	.60	4.22	.42	.32**	.23**	.25**	.16*		.11			
6 ELS	3.76	.46	3.77	.37	.01	.02	.15*	.23**	.08				
7 Fairness	-	-	3.91	.53	-.02	.09	.18*	.06	.01	.60**			
8 Power sharing	-	-	3.63	.45	-.02	-.02	.22**	.08	.02	.56**	.47**		
9 Role clarification	-	-	3.80	.45	.12	.05	-.05	.23**	.14*	.53**	.17**	.19**	
10 LMX	-	-	3.61	.44	.02	.05	.08	.13	-.06	.76**	.59**	.52**	.42**

Note. Values in the top half of the table represent correlations among variables in study 1; *N* = 89 (due to missing values of one leader).
Correlations on the bottom half of the table represent correlations among variables in study 2; *N* = 150.
*) *p* < 05; **) *p* < 01. All tests are one-tailed.

construct. CFA showed a good fit for the one factor-structure with the ELS items loading on one factors, χ^2 one-factor model (35, N = 168) = 82.96, p < .01, CFI =.96; NNFI = .95; RMSEA = .090; SRMR = .059 (cf. Hu & Bentler, 1999).

For study 2, we performed a Confirmatory Factor Analysis (CFA) to show that the multiple scales of ethical leadership are distinguishable. CFA showed a good fit for the four factor-structure with the fairness, role clarification, power sharing and the ELS items loading on separate factors, χ^2 four-factor model (293, N = 288) = 656.11, p < .01, CFI =.95; NNFI = .94 RMSEA = .070; SRMR = .068 (cf. Hu & Bentler, 1999). This four-factor model provided a better fit to the data than the one-factor model (119, N = 288) = 1245.76, p < .01, CFI =.86; NNFI = .85 RMSEA = .13; SRMR = .10.

To investigate whether aggregating subordinates' responses to characterize ethical leader behaviors of their managers was justified, we completed one way-analyses of variance with leaders as the independent variable and the mean scores of two subordinates for the leadership variables as dependent variables (see Bliese, 2000). We calculated the intra-class correlation coefficient ICC(1), which forms an estimate of the degree to which subordinates of the same leader answer similarly (cf. Shrout & Fleiss, 1979). ICC(1)'s values for the ELS was .47 in study 1 and .27 in study 2. In study 2, ICC(1) values were .32 for fairness, .32 for power sharing, .24 for role clarification, and .28 for LMX. These ICC(1) values are all above the median of perceptual agreement of .12 reported in previous literature (ranging from .00 to .50; James, 1982). We also calculated a within-leader correlation (rwg) to assess the amount of agreement across subordinates (James, Demaree, & Wolf, 1984). The rwg ranged from .84 to .93, indicating good agreement. Combined, these statistics support aggregating these variables to the leader level.

Hypothesis Tests

To test the hypotheses linking three of the Big Five traits to ethical leader behavior, we looked at both correlations and regression analyses (cf. Judge & Bono, 2000). In addition to the correlates, we report a series of regression analyses in which the effect of each Big Five trait is adjusted for the influence of the other traits (cf. Judge & Bono, 2000). Table 2 provides the regression results for study 1 and Table 3 for study 2. Taking the results of

both studies together, in line with expectations, conscientiousness was most consistently significantly positively related with ethical leader behaviors. Also, as expected, openness to experience and extraversion were not related to any of the ethical leader behaviors in either studies.

Study 1. In line with hypothesis 1, results show that conscientiousness was positively and significantly correlated with the uni-dimensional ELS (r = .26, p < .01). Also, supporting hypothesis 1, the regression results show that after controlling for the other traits, conscientiousness was related to ethical leadership measured with the ELS (β = .30, p < .01). In line with hypothesis 2, agreeableness was also positively and significantly correlated with the ELS (r = .24, p < .05). However, the regression results show that after controlling for the other traits, agreeableness did not show the expected unique significant positive relationship (β = .17, *ns*). Thus, in study 1 hypothesis 2 was not supported. Finally, in line with the findings of Walumbwa and Schaubroeck (2009), we found no relationship between emotional stability and ethical leadership (ELS) (r = .11; β = .12, *ns*). Thus, hypothesis 3 is not supported in study 1. In study 1, conscientiousness is the only leader personality trait that is significantly and positively related to ethical leadership after controlling for the other personality traits.

Table 2 - *Results of regression analyses for Five Factor personality explaining overall ethical leadership, study 1*

Variable			
Openness to experience	.13	Adj. R^2	.78*
Extraversion	.03	R^2	.13*
Agreeableness	.17	F	2.49*
Conscientiousness	.30**		
Emotional stability	.12		

Note: N = 89 (due to missing values of one leader)

*p <.05; **p <.01. All tests are one-tailed.

Study 2. In line with hypothesis 1, results of study 2 show that conscientiousness was positively and significantly correlated with the uni-dimensional ELS (r = .23, p < .01) as well as with role clarification (r = .23, p < .01). As expected, power sharing and conscientiousness were not related. However, unexpectedly, conscientiousness and fairness were not related either (r = .06, *ns*). The regression results show that after controlling for the other traits as well as for managerial level, gender, number of direct reports and LMX, conscientiousness was related to role clarification (β = .24, p < .01). Also, results revealed significant positive relationships between conscientiousness and the ELS (β = .12, p < .05). Again, fairness (β = -.07, *ns*) was not related to conscientiousness. Thus, hypothesis 1 was partially

Table 3 - *Results of regression analyses for Five Factor personality explaining overall ethical leadership and its behavioral dimensions, study 2*

Variable	ELS	Fairness	Power sharing	Role clarification
Gender	-.01	-.06	-.08	-.03
Direct reports	-.05	-.06	-.03	.00
Managerial level	.05	.05	.23**	-.16*
LMX	.76**	.60**	.54**	.42**
Openness	-.04	-.03	.00	.06
Extraversion	-.06	.03	-.08	.00
Agreeableness	.03	.16*	.28**	-.22**
Conscientiousness	.12*	-.07	-.09	.24**
Emotional stability	.13*	.00	.00	.16*
ΔR^2	.04*	.02	.06*	.09**
Adj. R^2	.59**	.34**	.33**	.25**
F	24.78**	9.34**	9.18**	6.29**

Note: N = 150

*p <.05; **p <.01. All tests are one-tailed.

supported, conscientiousness is found positively related to ethical leadership overall (ELS) and the specific dimension of role clarification, but not fairness.

Supporting hypothesis 2, agreeableness was positively correlated with the ELS (r = .15, p < .05) in study 2. For the distinct ethical leader behaviors we found that agreeableness was also positively and significantly correlated with fairness (r = .18, p < .05) and with power sharing (r = .22, p < .01), but, as expected, not with role clarification. The regression results show that after controlling for the other traits, gender, management level, number of direct reports and LMX, agreeableness showed positive and significant regression coefficients with power sharing (β = .28, p < .01) and fairness (β = .16, p < .05). We should note that the change of the R^2 was not significant for the regression model of fairness (see Table 3). The relatively high correlations between the Big Five traits and the relatively low correlations between leader personality and the ethical leadership measure may explain why the change in R^2 is not significant, which is seen more often in research studying leadership combined with personality (cf. De Hoogh et al., 2005; Judge, & Bono, 2000; Mayer et al., 2007). Finally, although significant correlation of agreeableness with the ELS was found, regression did not show the expected significant positive relationship when the effects of the other Big Five traits and LMX were controlled for (β = .03, ns). Thus, hypothesis 2 is partially supported; agreeableness was positively related to power sharing, and fairness. Unexpectedly, when the other traits are controlled for, role clarification was significantly negatively related to agreeableness (β = -.22, p < .01). Thus, when the other traits and LMX are controlled for, subordinates rated more agreeable leaders as lower on role clarification behaviors.

In line with hypothesis 3, emotional stability was correlated with role clarification (r = .14, p < .01) in study 2. However, emotional stability was not correlated with fairness (r = .01, ns) or power sharing (r = .02, ns). Also, emotional stability was not correlated with ethical leadership measured with the ELS (r = .08, ns). However, after controlling for the influence of the other traits, gender, management level, number of direct reports and LMX, regression results revealed that leader emotional stability was related to ethical leadership (ELS; β = .13, p < .05) and role clarification (β = .16, p < .05). Thus, hypothesis 3 was partially supported.

Discussion

The aim of this study was to contribute to the currently still underdeveloped literature on antecedents of ethical leadership. Although suggested in the literature, tests of the role of the Big Five traits, and most notably conscientiousness, agreeableness, and emotional stability in overall ethical leadership as well as its different ethical leadership behaviors are scarce. The results from our two independent studies that used somewhat different measures are consistent and are also mostly in line with those of Walumbwa and Schaubroeck (2009). They reveal low but significant relationships between the Big Five traits and ethical leadership. Although the correlations were not high, they are similar in magnitude to those found in previous research linking other leadership styles to leader personality (e.g., Lim & Ployhart; 2004; Tepper, Duffy, & Shaw, 2001). Thus, similar to other styles of leadership, personality does seem to play a role in ethical leadership albeit a limited one. In line with expectations and previous findings of Walumbwa and Schaubroeck (2009), conscientiousness and agreeableness seem most relevant for ethical leadership. For the specific ethical leader behaviors, conscientiousness appears most important for role clarification, whereas agreeableness seems most important for fairness and power sharing. After controlling for the influence of LMX, emotional stability also seems relevant for ethical leadership and role clarification, which extends previous findings.

As predicted, conscientiousness emerged as one of the two strongest correlates of ethical leadership. Conscientious individuals are dependable, responsible and act dutifully, and this trait is relevant for the ethical behaviors of leaders. In addition, our results show that conscientiousness is not only related to overall ethical leader behavior, but also to the task-focused specific behavior of role clarification. Such leaders communicate transparently and clarify roles, expectations and performance goals so that subordinates know what they will be judged on and understand what they need to do to be successful at work. Conscientiousness explained significant variance in role clarification even when other Big Five traits and LMX were controlled for.

In contrast with expectations, conscientiousness and fairness were not correlated. Perhaps the strict adherence to rules and the focus on accomplishment of tasks and duties implies leaders high on conscientiousness focus less on relational aspects of the role and

on the differential needs of followers. The dual nature of conscientiousness may be relevant here. Moon (2001) argues that highly conscientious individuals are not always other-oriented and may at times act based on egoistic motives, because of their strong focus on their own achievements, well-being and goals. He argues that the achievement component of conscientiousness is self-oriented and only the duty component is other-oriented. The fairness dimension of ethical leadership includes altruistic and responsible leader behavior, which seems to reflect the duty but not the achievement element of conscientiousness. Thus, the duty rather than the achievement component of conscientiousness may be important in relation to fairness. Explicitly taking these different components of conscientiousness into account in future research may help further understanding of the relationships between conscientiousness and specific ethical leader behaviors such as fairness.

Agreeableness was the other most important predictor of ethical leadership. As expected, agreeableness correlated positively with ethical leadership, fairness, and power sharing. In line with this, when adjusted for the other Big Five traits and LMX the relationship of agreeableness with fairness and power sharing remained significant. The results are in line with suggestions by Brown and Treviño (2006). However, agreeableness was not related to overall ethical leadership as measured with the Brown et al. (2005) measure after controlling for the effects of the other traits. This is not in line with the findings of Walumbwa and Schaubroek (2009), however they did not control for the effects of the personality traits extraversion and openness to experience.

An explanation for the less strong relations between agreeableness and ethical leadership could be that perhaps agreeable individuals may at times be seen as less ethical or principled in decision making as their desire to please others may mean that they are at times overly compliant or make too many exceptions to the rules (Granziano & Eisenberg, 1977). In trying to accommodate others, agreeable leaders may thus come across as inconsistent and may be less likely to be perceived as role models. In addition, authors have stared to discuss the relative validity of broad versus narrow traits (cf. Thoresen et al., 2004). It is possible that specific facets are more important and other facets minimize or negatively affect a relationship. For example, the facets altruism, trust and morality could be important for leaders to be perceived as ethical, whereas others (e.g., modesty) are perhaps

less relevant. If this were the case, measuring agreeableness by combining items of these different facets could cause these competing influences to cancel out the effect for agreeableness. Thus, future research could assess more specific facets as well as the overall traits to assess whether this plays a role here.

As predicted, we did not find a relation between agreeableness and the task focused behavior role clarification as the relationship with ethical leadership was expected based on the people oriented component of agreeableness. The literature suggests that agreeableness is important for ethical leadership as agreeable individuals tend to be kind, concerned for others and warm and ethical leaders are supposed to be caring, altruistic and concerned about the welfare of employees (Brown & Treviño, 2006). The change in the regression model was not significant in explaining fairness. According to Judge and Bono (2000) the moderate intercorrelations among the Big Five traits explain why the unique effect of one trait on leader behavior drops once the others are controlled for. Including highly correlated variables in the regression increases the error terms and the error terms could get so large that none of the coefficients are significant even if effects do exist (Berry, 1993). This may play a role here.

Although emotional stability was not related to ethical leadership in study 1, it was related to both overall ethical leadership and role clarification in study 2 after controlling for LMX. These findings contradict the findings of Walumbwa and Schaubroeck (2009), who did not find a relationship (but also did not control for LMX), however they are in line with the predictions of Brown and Treviño (2006). Neurotic individuals are less likely to be seen as role models and role modeling is an important element of how ethical leaders have an influence on employees (e.g., Kalshoven & Den Hartog, 2009). Controlling for the quality of the relationship between leader and follower seems important for the relationship between emotional stability and ethical leadership. Only when the quality of the relationship is controlled for we find the predicted impact of emotional stability. A high quality relationship is characterized by mutual support, informal influence and trust. Perhaps relationship quality affects followers' attribution of reasons for anxious, unstable, stressed or impulsive actions of their leader. When the relationship quality is higher, such actions may not be perceived as an expression of unethical behavior. When relationship quality is high, from the LMX perspective, one can argue that the high quality relationship creates a common understanding

and therefore the behavioral expectations and interpretations are similarly. Close contact and consistent behavior is important for ethical leadership behavior (Kalshoven et al., in press). Our results do suggest it is important to take the relationship between leader and follower into account in future research. Investigating more specific traits is also of interest as perhaps being low specifically on self-confidence might be more important as this might make it less easy to lead others in an ethical manner. Judge et al. (2002b) showed a strong link between neuroticism, low self-esteem and low self-efficacy. Future research could use measures for self-esteem and self-efficacy rather than neuroticism to assess whether insecurity is negatively related to ethical leadership.

As expected, openness to experience and extraversion were not related to any of the ethical leader behaviors. In their meta-analysis, Bono and Judge (2004) found that of the five personality traits, extraversion was most consistently related to transformational leadership. In these studies of the Big Five traits, conscientiousness and agreeableness are most relevant in relation to ethical leader behavior. Taken these findings together, it seems that different personality characteristics are important for these different leadership styles and these differential relationships with core traits further bolster the argument that ethical and transformational styles do significantly differ.

Also, our second study adds to the discussion on uni- versus multi-dimensional approach of ethical leadership. Some researchers suggest measuring related but different ethical leader behaviors separately will help further our understanding, whereas others prefer a uni-dimensional approach. The different ethical leader behaviors we included were already shown to have partially different outcomes (cf., De Hoogh & Den Hartog, 2008; Den Hartog, & De Hoogh, 2009; Kalshoven et al., in press). Here, we also found different results for personality traits as antecedents of these behavioral components of ethical leadership. This supports multidimensionality of ethical leadership and suggests separating measurement of these behaviors has both empirical and theoretical advantages.

Strength and Limitations

The present research has a number of strengths. We did two separate studies and collected data from multiple sources and from different organizations in various industries.

In both studies, leaders rated their own personality and for each leader two subordinates rated leader behavior. Aggregating the data from two subordinates per leader implies that we do not rely only on a single perception of each leader's behavior. We address a gap in the ethical leadership literature by investigating antecedents of such leadership. We measured the broad personality Big Five dimensions used in many leadership studies (e.g., Bono & Judge, 2004), which allows comparisons to other studies linking personality and leadership and used multiple operationalizations of ethical leader behavior. Results with the two different trait measures we used are consistent. Finally, ethical leadership was measured both as a uni-dimensional and multi-dimensional construct allowing for comparison of results with both these approaches.

Despite its strengths, the study also has a number of limitations. One limitation is that managers chose the subordinates who participated in the study. This procedure is commonly used in leadership research (e.g., Judge & Bono, 2000), yet might lead to a positive bias or restriction of variance. In study 2 we controlled for LMX. We also asked respondents to answer honestly and openly and assured them of the confidentiality of responses. All questionnaires were directly sent to the researchers and respondents knew only the researchers had insight in them. These studies were introduced as an independent university research project and participants were aware that the organizations they worked for were not involved and that neither they nor their leader would see any individual level or personal results (only an overall report was promised as an incentive in study 2). Thus, the context was not performance oriented, which should help keep possible positive bias limited. Another limitation is that the data for both studies is cross-sectional. Thus, we cannot infer the direction of causality from results, although theoretically, the proposed impact of personality on leader behavior is more plausible than vice versa.

Future Directions

Future research could use a longitudinal design to study the role of traits in the development of ethical leadership over time. Research can also investigate the role of the more specific underlying facets, especially of conscientiousness and agreeableness. There is a long tradition of discussion about the relative validity of broad versus specific traits. For

example, Judge and Bono (2000) found that the specific facets of the Big Five predicted transformational leadership less well than the general traits. This may or may not hold also for ethical leadership. Further research on the antecedents of ethical leadership could also focus specifically on ethics related traits, such as altruism and responsibility. For example, De Hoogh and Den Hartog (2008) found that leaders' personal concern for social responsibility was positively related with ethical leader behaviors fairness and role clarification. Also, the honesty-humility trait proposed as a sixth dimension of personality (see Ashton et al., 2004) may be of interest. This dimension includes an integrity facet, which may form an antecedent of ethical leadership.

Finally, future research could focus on potential moderators. It is important to recognize that behavioral phenomena are functions of personality and situations (Tett & Burnett, 2000). For example, research could aim to investigate under which circumstances agreeable individuals are more seen as ethical. The small effect sizes in this study are suggesting potentially role of contextual factors play in the relationship between leader personality and ethical leader behaviors. Applying the work context to the ethical leadership field would suggest that the context can trigger traits relevant to ethical behavior. Work contexts where ethical issues are part of daily work or ethical climates may form such triggers. Studies including the context will be valuable for understanding why some people chose to behave ethically and others do not.

Conclusion

To conclude, this study contributes to the field by testing the relationships between the Big Five personality traits and ethical leadership. Our study suggests an especially important role for both conscientiousness and agreeableness in this realm. It has potential practical implications for selection by identifying leader personality traits that are related to ethical leader behaviors. Organizations can select leaders that are likely to behave somewhat more fairly, share power and clarify roles based on their personality profiles. Selecting and developing managers who behave ethically at work is important as ethical misconduct can be costly and damage the reputation of both leaders and organizations. Instruments measuring the Big Five are often used in selection. Current measures of

integrity are sensitive to faking (Rieke & Guestello, 1995) and organizations are afraid that applicants will react negatively to integrity tests resulting in a damaged organization reputation (Sackett & Wanek, 1996). Moreover, integrity tests are not clearly distinguishable from the Big Five dimensions measures (Sackett & Wanek, 1996). Becker (1998) argues that integrity tests actually measure conscientiousness. In all, our results point to the importance of the role of individual differences and especially conscientiousness, agreeableness and emotional stability in ethical leadership.