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Approaches to Purposeful Leadership

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Joly Family Chair
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Purposeful leadership offers new managerial responses to contemporary social demands and technological developments by proposing to give a meaning to action taken in organisations. Several approaches to purposeful leadership, rooted in distinct philosophical traditions, have emerged in recent years. However, the approaches to purposeful leadership all share a conception of the place occupied by organisations in society and of their moral role that is increasingly taking root and being deployed in interactions between leaders and employees.

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The Joly Family Chair in Purposeful Leadership

On the 4th of July 2018, Hubert Joly, former CEO of Best Buy, and HEC Paris created the first Chair devoted to *Purposeful Leadership*. The Chair addresses the "raison d'être" and the mission of businesses, and how this relates to the search for meaning for individuals.

The Society & Organizations Institute

The Society & Organizations *Institute* is an interdisciplinary institute at HEC Paris which unites over 50 research professors. With its *Purposeful Leadership* chair, the Institute's mission is to contribute to reforming businesses to focus on the values of social and environmental sustainability, through responsible leadership hinged on a shared "raison d'être".

Approaches to purposeful leadership

Here we review the three main approaches to purposeful leadership, while taking to heart the social developments, the demands of new generations and the technological upheavals that all require giving a meaning to organised action, accepting delegation, promoting empowerment and building a framework of mutual trust between members of the organisation. These three perspectives draw on distinct philosophical traditions but share a common reasoning, an emancipatory relationship between the leaders and their employees and common results in terms of organisational efficiency and performance.

Three purposeful leaderships

Classical moral philosophy identifies three great traditions of thought that have inspired the three main and most enduring approaches to purposeful leadership today[1].

Ethical leadership

An intuitive approach to introducing ethical norms and principles into an organizational framework is to consider that, to be moral, one should behave morally, in accordance with ethical and cultural norms and by respecting the rules and standards in place. Thus, ethical leadership places emphasis on the morality of the people who endeavour to apply justice and honesty in their relations with their subordinates and to display and encourage behaviour considered desirable and appropriate[2]. The ethical dimension lies at the heart of this type of leadership and is no longer considered as secondary, personal and/or only applicable outside the professional environment. It relies both on the traits (of the ethical person) such as integrity and justice and on the exemplary behaviour of the ethical leader. Ethical leaders promote behaviours and a working environment that respect the ethical framework for the action and the people involved in the action. To this end, they can reward ethical behaviour and sanction deviance. This is the only type of purposeful leadership to recommend using such incentives to guide and correct behaviour.

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[1] G.J Lemoine, C.A. Hartnell, and H. Leroy (2019) Taking Stock of Moral Approaches to Leadership: An Integrative Review of Ethical, Authentic, and Servant Leadership, *Academy of Management Annals,* Vol. 13, No. 1

[2] M.E. Brown, L.K. Treviño, D.A. Harrison (2005) Ethical leadership: A social learning perspective for construct development and testing, *Organizational Behavior and Human Decision Processes*, 97, 117-134

Servant leadership

Ethical leadership obeys norms that create an ethical environment which allows employees to develop. Servant leadership inverses the approach and places the needs of employees and stakeholders at the heart of its ethos. It appears as an inversion of the influencing process. Servant leaders should not only respond to the needs of those around them, but also empower these people and help them to develop[3]. Servant leaders make a firm resolution to put the interests of their employees before their own. Counterintuitively, they surrender control rather than seeking it. The leaders' moral justification is entirely expressed in the goals they are pursuing and not in the morality of their actions as such. Particular emphasis is also placed on the plurality of the stakeholders, of which the employees are only one part. For example, the clients, investors, society in general and the environment should also be considered.

Authentic leadership

As the name suggests, authentic leadership concentrates on the authenticity of the leaders, both in their relationship with themselves - thus advocating self-knowledge, self-control and personal identity - and in their relationship with others. Authentic leadership is thus part of a process of development, rather than a fixed character trait. Authentic leaders are fed by all the major events of their life, which can include illness or a turning point in their career. The current theories notably propose four foundations for this type of leadership[4]: self-knowledge (so that the leaders are rooted in their core values, identity, emotions and personal aspirations), the moral point of view adopted by the individual (considered as a process of self-regulation that the leaders allow to unfold in order to return to themselves), measurement (the capacity to objectively and fairly analyse the points of view presented to them) and relational transparency (being open and honest with others).

In contrast to ethical leaders who conform to external norms, authentic leaders find their moral compass and the justification for their actions within themselves. They determine their own identity and modus operandi. Their motivation becomes autonomous and intrinsic when the goals they set themselves are consistent with their values and personal beliefs. Authentic leaders naturally seek such an alignment.

Despite the obvious differences, the three types of purposeful leadership also share much common ground. In particular, they share a common approach to their relationship with morality and a common approach to the moral leader's audience.

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[3] R.C. Liden, S.J. Wayne, H. Zhao, D. Henderson (2008) Servant leadership: Development of a multidimensional measure and multi-level assessment, *The Leadership Quarterly*, 19, 161-177
[4] Walumba, F.O., Avolio, B.J., Garner, W.L., Wernsins, T.S. & Peterson, S.J. (2008). Authentic leadership: Development and validation of a theory-based measure. *Journal of Management*, 34(1), 89-126

Similarities and differences between types of purposeful leadership

The three moral forms share strong similarities which we will detail below, but they differ however in terms of the different aspects of the leaders' role and action levers.

Above all, the three moral approaches to leadership share the same question: what meaning should be attributed to my actions? What is the right and fair thing to do? Although their answers may be different, putting this into practice still consists in applying a moral or ethical assessment criterion, which varies depending on the approach, and in considering whether or not the goal or decision assessed is meaningful.

These three types of leadership can be clearly distinguished from theories defending the amorality of business and maintaining that business has no particular a priori link to morality. This position is also supported by some scientists who believe that they do not have to worry about the meaning or consequences of their actions, for example. Some managers only take into consideration performance goals set by third parties and accept these as they are, believing that those that propose or impose the goals should be responsible for defining their meaning. If they seek to act in line with the three approaches discussed above, purposeful leaders should thus not only know the relevant ethical norms and principles, but they should also know themselves.

These three approaches to purposeful leadership also share common modi operandi, notably from the point of view of those the leaders are addressing. For example, they consider that leadership should be based on a social exchange between leaders and their employees, and that the two parties should be able to contribute mutually to this exchange. Moreover, a social learning effect can come into play, in that the interactions between these parties are modified when they come into contact with each other. In the three approaches, the leaders transmit a form of morality to those they are leading, who can themselves in turn become purposeful leaders.

Their conception of social relations is identical, particularly the relationship between leader and employee. This proximity may explain why the empirical studies into their efficacy link all three to the same benefits for the organisations to which they are applied, whether in terms of work satisfaction

and commitment[5], well-being[6], individual[7] and team performance[8] or creativity[9] and customer care[10]. Although they concentrate on the figure of the leader, these three types of moral leadership do not forget that the leaders are never alone.

The table below demonstrates these three common elements: common reasoning, foundation on social exchange and fostering leadership in others, and similar benefits. It then highlights some of the nuances between the approaches centred on three elements: use of rewards and sanctions; degree of introspection; and emphasis on the coherence of actions over time.

In short, we have seen that ethical leadership is the only approach to explicitly cite the use of rewards and sanctions to influence employee behaviour. Additionally, ethical and servant leaders focus on external needs, particularly those of the individuals they are leading. Authentic leaders promote a much more introspective focus. Finally, ethical and authentic leaders are assessed in particular by the degree of consistency and coherence of their actions over time. Servant leadership is more tolerant to changes in direction which are considered as simply the result of the various arbitrations between the stakeholders' injunctions.

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[5] J-B. Avey, T.S. Wernsing, M.E. Palanski (2012) Exploring the process of ethical leadership, *Journal of Business Ethics*

[6] S. Mo & J. Shi (2017) Linking ethical leadership to employees' organizational citizenship behavior, *Journal of Business Ethics*

[7] J.M. Schaubroeck, S.S.K. Lam, A.C. Peng (2016) Can peers' ethical and transformational leadership improve coworkers' service quality? *Organizational Behavior and Human Decision Processes*
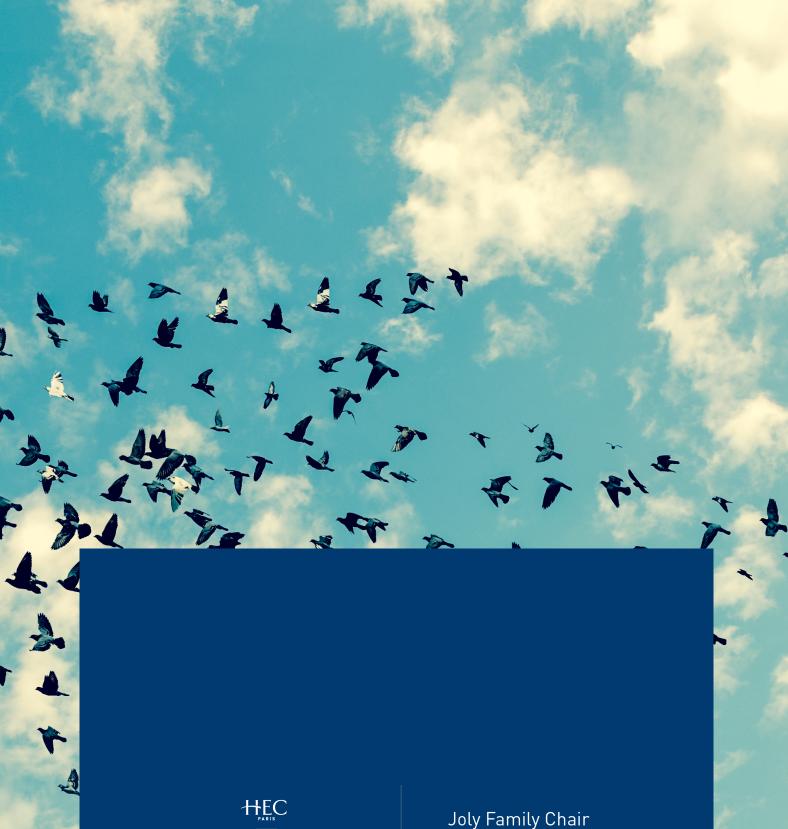
[8] C. Song, K.R. Park, S.W. Kang (2015) Servant leadership and team performance: the mediating role of knowledge-sharing climate, *Social Behavior and Personality*

[9] R.C. Liden, S.J. Wayne, C. Lia, J.D. Meuser (2014) Servant Leadership and Serving Culture: Influence on Individual and Unit Performance, *Academy of Management Journal*

[10] Z. Chen, J. Zhu, M. Zhou (2015) How does a servant leader fuel the service fire? *Journal of Applied Psychology*

Comparison of the different types of purposeful leadership

	Ethical leadership	Servant leadership	Authentic leadership
Common features			
Common reasoning	Application of a moral or ethical assessment criteria		
Social exchange	Leadership is a social exchange where the leaders help their employees to grow so that they, in turn, can become leaders in their own way.		
Common benefits	Retention, innovation, commitment, well-being, performance		
Nuances			
Marked use of rewards and sanctions	strong	weak	weak
Degree of introspection	weak	weak	strong
Emphasis on coherence over time	strong	weak	strong
Philosophical traditions			
School of thought	Ethics	Utilitarianism	Virtue ethics
Key authors	Kant, Ross	Bentham, Mill, Sidgwick	Aristotle, Anscombe, McIntyre

To conclude, at the heart of purposeful leadership are the leaders who know their own strengths and weaknesses and who seek to radiate the leadership capacities of their employees through their own positive example.

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