

Running head: MORAL ORIENTATION

Transformational leadership and leader moral orientation:

Contrasting an ethic of justice and an ethic of care

Sheldene K Simola

Julian Barling

Trent University

Queen's University

Nick Turner

University of Manitoba

*The Leadership Quarterly* (in press)

## Abstract

Previous research on the moral foundations of transformational leadership has focused on a Kohlbergian (1969, 1976) ethic of justice. However, proposed associations between level of justice reasoning and transformational leadership have received only partial support. We reasoned that an ethic of care would be more consistent with the nature of transformational leadership than would be an ethic of justice. Multilevel regression analyses on data obtained from a sample of leaders ( $N = 55$ ) and followers ( $N = 391$ ) at a Canadian university supported our predictions. Specifically, leader propensity toward using an ethic of care was significantly, positively related to follower perceptions of transformational (but not transactional) leadership. Leader propensity toward an ethic of justice was significantly, positively related to follower perceptions of transactional (but not transformational) leadership. Conceptual, research, and practical implications are discussed.

Keywords: ethics, ethic of care, ethic of justice, leadership, transformational leadership

## Transformational leadership and leader moral orientation:

### Contrasting an ethic of justice and an ethic of care

During the last decade, there has been a growing interest in the intersection of leadership and ethics (e.g., Banerji & Krishnan, 2000; Bass & Steidlmeier, 1999; Ciulla, 1998a, 1998b; Keeley, 1998; Krishnan, 2001; Wren, 1998). However, despite the supposed centrality of ethics in effective leadership, there remains with few exceptions (e.g., Brown, Treviño, & Harrison, 2005; Treviño, Brown, & Hartman, 2003) little empirical research in this area. Continued research could have important implications for leadership selection, development, and training.

The primary purpose of this study was to contrast two alternative accounts of the relationship between leadership behaviors and moral problem solving orientation. While previous research has focused almost exclusively on a Kohlbergian (1969, 1976) ethic of justice when assessing the moral foundations of transformational leadership (e.g., Sivanathan & Fekken, 2002; Turner, Barling, Epitropaki, Butcher, & Milner, 2002), we contrast two moral reasoning orientations, namely an ethic of care (Gilligan, 1982) and an ethic of justice. We argue that an ethic of care would be more consistent with the nature of transformational leadership than would an ethic of justice (Kohlberg, 1969, 1976), and that this distinction could explain inconsistencies in previous findings showing partial (Turner et al., 2002) or no (Sivanathan & Fekken, 2002) support for hypothesized relationships between transformational leadership and an ethic of justice.

### *Transformational Leadership, Transactional Leadership, and Moral Reasoning*

Burns (1978) initially differentiated between “transactional” and “transformational” leadership. Transactional leadership refers to exchanges that advance

the purposes of each party in economic, political, or psychological ways. In contrast, transformational leadership goes beyond benefits that accrue to each individual through social exchange, and reflects a relationship in which leaders and followers engage with each other through a shared purpose in ways that transform and elevate their motivation, conduct, and ethical aspirations. Transformational leadership comprises four behavioral dimensions (Bass, 1985; Bass & Riggio, 2006). These include “idealized influence,” in which leaders demonstrate vision and mission, and serve as role models to followers; “inspirational motivation,” characterized by the inspiration of a shared vision and team spirit directed toward achievement of group goals; “intellectual stimulation,” which reflects the processes through which leaders rouse followers toward creativity, innovation, and careful problem solving; and, “individualized consideration,” which is manifested when leaders establish a supportive environment in which they attend carefully to the individual and unique needs of followers. The four dimensions of transformational leadership can be differentiated from transactional leadership style, which itself comprises two components, namely “contingent reward” (an exchange in which rewards are contingent upon actions) and “management by exception” (which involves the use of constructive criticism and negative reinforcement).

Two previous studies have examined the relationship between transformational leadership and moral reasoning. Turner et al. (2002) assessed whether transformational and transactional leadership were associated with different levels of Kohlbergian (1969, 1976) cognitive moral reasoning. Within this framework, individuals are thought to develop through three levels of moral reasoning. In the preconventional stage, self-interest is dominant, and obedience to authority takes place to avoid punishment. The

conventional level emphasizes a shared understanding of societal norms and values in decision-making. Post-conventional moral reasoning is the third and highest level, in which moral decisions occur based on universal moral principles (e.g., life is more important than property).

Turner et al. (2002) argued that individuals with more complex forms of Kohlbergian moral reasoning will be able to draw on more cognitively sophisticated conceptualizations of interpersonal situations. Therefore, they will be more likely to draw on a larger repertoire of ways to respond to life dilemmas, and to identify benefits inhering in those choices that meet collective as opposed to individual needs. Turner et al. predicted that leaders with higher levels of Kohlbergian reasoning would exhibit more transformational leadership than leaders with lower levels of Kohlbergian reasoning. In addition, because transactional leadership relies on leader-follower exchange, it does not require an ability to identify a wider range of choices that would facilitate group (as opposed to individual) self-interest. Thus, level of moral reasoning was predicted to have no relationship to transactional behaviors. The data showed that leaders with pre-conventional (lowest) levels of moral reasoning demonstrated less transformational leadership behaviors than those with post-conventional (highest) levels of moral reasoning. However, no difference in transformational leadership was found between leaders at the conventional (moderate) level of moral reasoning relative to leaders at either the pre-conventional or post-conventional levels. Their second hypothesis, that no differences in moral reasoning would be found among transactional leaders, was supported.

Sivanathan and Fekken (2002) also considered the relationship between transformational leadership and level of Kohlbergian moral reasoning, but they found that transformational leadership was not related to Kohlbergian moral reasoning level. Thus, whereas Turner et al. (2002) found partial support for their hypotheses about the relationship between transformational leadership and Kohlbergian level of moral reasoning, Sivanathan and Fekken (2002) found no relationship between these two variables.

Although authors of both of these studies identified potential measurement issues that could account for these discrepancies between predicted and observed outcomes,<sup>1</sup> we suggest that specification of the nature of moral problem solving orientation might help account for the relationship between transformational leadership and moral reasoning. Specifically, the ethic of justice (Kohlberg, 1969, 1976), which was used in the two aforementioned studies, and an ethic of care (Gilligan, 1982) reflect two different approaches to understanding moral reasoning. In the current study, we develop and test different hypotheses concerning the relationships between transformational and transactional leadership and these two moral orientations of justice and care.

#### *Comparing Moral Orientations*

Kohlberg's (1969, 1976) model of moral reasoning reflects a justice orientation, and is characterized by a focus on adjudicating between individual interests or rights in solving moral dilemmas. This orientation is predicated on impartiality, fairness, reciprocity, and the application of universal moral principles to abstract features of ethical situations. In the pre-conventional level of moral reasoning, individuals are primarily egocentric in choosing the behaviors that will aid them in avoiding punishment and

maximizing self-interest (Kohlberg, 1969, 1976). However, as individuals develop cognitively, equality and fairness assume greater importance in moral decision making. In the conventional stage, fairness is evident in a shared understanding of societal norms and respect for conventions and laws, whereas in the final, post-conventional stage, fairness is related to equality of persons and reciprocity toward one another. Thus, the post-conventional stage is characterized by reliance on universal moral principles that transcend laws.

In contrast, Gilligan's (1982) focus on the ethic of care emerged in response to methodological concerns related to Kohlberg's (1969, 1976) research. Specifically, Kohlberg only studied males, and hypothetical dilemmas rather than actual ethical dilemmas experienced by the respondents themselves. Gilligan studied women confronted with actual moral dilemmas and in doing so, found evidence of an alternative moral orientation that was characterized by authentic relationships reflecting concern with understanding the subjective experiences and needs of others, and by being genuinely responsive to these. Within Gilligan's perspective, individuals demonstrating a care orientation would not focus on adjudicating between competing rights as would be the case in a Kohlbergian perspective. Instead, a care orientation would focus on identifying creative ways of simultaneously fulfilling competing responsibilities to others. Although Gilligan's research focused on the moral reasoning of women, subsequent meta-analysis has shown that use of an ethic of care is not strongly gender differentiated (Jaffee & Shibley Hyde, 2000).

In addressing the ethics of transformational and transactional leadership, Bass and Steidlmeier (1999) noted that although both forms of leadership have clear philosophical

foundations and components, the exact nature of these differs. Specifically, the ethical issues that have salience to the transformational leadership construct as a whole are those that reflect a concept of self that is "connected...(wherein) one's moral obligations...are grounded in a...conceptualization of individuals within community" (Bass & Steidlmeier, 1999, p. 186). This characteristic of interconnection, seen as ethically central to transformational leadership, is also central to an ethic of care, as opposed to an ethic of justice in which notions of separation and autonomy would be critical.

In terms of the four components comprising transformational leadership, "idealized influence" is associated with the notion of a "universal brotherhood" (Bass & Steidlemeier, 1999, p. 187), as opposed to a sense of community based on "we-they" value differences. This universal brotherhood also connotes the importance of interconnection central to a care approach, rather than the "we-they" distinctions reflecting the underlying justice characteristic of autonomy or separation from others. This sense of interconnection also involves being true to both self and others (Price, 2003) in a way that is consistent with a care approach. Similarly, the "inspirational motivation" component of transformational leadership implies the development of a shared vision, rather than pursuit of individual goals. The sense of community and connection implied by a shared vision is consistent with an ethic of care, whereas the primacy of individual rights and self-interest in pursuing individual goals is more reflective on an ethic of justice. Additionally, the third component of transformational leadership, individualized consideration, implies responsiveness to the unique, subjective needs of followers, which again is consistent with an ethic of care. Finally, the "intellectual stimulation" component of transformational leadership emphasizes creativity

in the search for ideals. The use of creative, win-win problem solving approaches is also consistent with Gilligan's (1982) ethic of care. Within a care perspective, creativity specifically refers to the tendency toward identifying ways to *simultaneously* fulfill competing responsibilities (Gilligan, 1982; Reiter, 1996), as opposed to choosing between the conflicting rights of different individuals. That is, care-based solutions are creative in that they rely on identifying and emphasizing the underlying interests of each party, in order to expand the array of options available, thereby facilitating non-zero sum solutions in which each party can win. Tendencies within a care approach toward simultaneously fulfilling competing responsibilities contrast with tendencies within a justice approach toward arbitrating between conflicting rights. As detailed by Reiter (1996), decision-making within the justice framework tends not to focus on elucidation of underlying interests to attain wins for each party. Rather, in emphasizing the adjudication of individual rights, the justice approach tends to support the rights of one party only. It is therefore less likely to demonstrate creativity in the search for ideals that would be more characteristic of the intellectual stimulation component of transformational leadership. Based on the nature of transformational leadership, and the characteristics of an ethic of care, we propose:

*Hypothesis 1:* Leaders with a higher propensity toward using an ethic of care will be perceived by their followers as being more transformational than those with a lower propensity toward using an ethic of care.

In contrast, Bass and Steidlmeier (1999) argued that the ethical values salient to transactional leadership as an overall construct are those that are associated with individualist philosophies, wherein the primacy of self-interest among autonomous

individuals leads to exchange-based transactions. Moreover, the moral legitimacy of these transactions requires fairness in all such transactions. As indicated in previous discussion, these characteristics are all consistent with Kohlberg's (1969, 1976) justice orientation. In terms of the components comprising transactional leadership, contingent reward implies that individual rewards given by the leader will be conditional upon the enactment of certain tasks or behaviors by the follower. Similarly, active management-by-exception implies that punishment will be implemented by the leader if followers fail to demonstrate required behaviors or complete certain tasks. Both of these dimensions reflect a form of exchange-based transaction consistent with the underlying assumptions of a justice approach, namely separation, autonomy, and principles of fairness in exchange. Thus,

*Hypothesis 2:* Leaders with a higher propensity toward using an ethic of justice will be perceived by their followers as being more transactional than those with a lower propensity toward using an ethic of justice.

## Method

### *Procedure and Participants*

The sample comprised 55 employees holding leadership positions in a Canadian university, along with 391 of their followers. All leaders were residence life staff with responsibilities in a number of areas, including identification and management of disciplinary issues; mediation of conflicts and disputes; crisis response and risk management; development and implementation of social and learning opportunities for followers; creation of a sense of community; and, leadership related to fundraising activities. Followers were students living in residence, each of whom reported to a given

leader, and had responsibilities in accordance with university policies and regulations. The response rate for leaders was 57%. Leaders (74.5% females) ranged in age from 18 to 23 years ( $M = 20.04$  years,  $SD = 1.14$  years). The response rate for followers was 21.7%. University policy precluded collection of follower age and gender information. Follower gender and age were not salient to the hypotheses of the current study. For the population of all residence members, the average age was 18.9 years, and 61.3% were women. The number of followers per leader ranged between 2 and 17 (median = 6).

Each eligible leader and follower received an email invitation to participate. The invitation contained a confidential and individualized password that allowed access to the online survey, as well as the subsequent linkage of follower responses to their respective leaders. Leaders completed their survey as part of a larger group of questionnaires that were administered for other purposes, and were paid ten dollars per hour for completing the entire package. Followers also completed their survey as part of a larger group of questionnaires. They were offered the option of having their names entered into a draw for one of six \$300 cash prizes distributed across residence units, such that the probability of winning in any draw would be 3.33%.

### *Measures*

*Measure of Moral Orientation.* Leader propensities toward using ethics of justice and care were assessed using the nine moral dilemmas comprising the first component of the Measure of Moral Orientation [MMO] (Liddell & Davis, 1996; Liddell, Halpin, & Halpin, 1992).<sup>2</sup> Each of the nine dilemmas was accompanied by between six and nine statements representing possible responses to the dilemma, half of which were from a justice perspective (e.g., “I would treat the administrator like everyone else, regardless of

his personal circumstances”), and half of which were from a care perspective (e.g., “I would want to talk with her and find out more about her life before making a decision”). Following each dilemma, participants indicated on a 4-point Likert scale (1 = *strongly agree*, 4 = *strongly disagree*) the extent to which they agreed with each of the possible responses. The mean score across all dilemmas on responses reflecting a justice orientation yielded a propensity toward justice score, and the mean score across all dilemmas on responses reflecting a care orientation yielded a propensity toward care score.

The MMO has previously shown adequate internal consistency for both the justice (.73) and care (.84) components (Liddell et al., 1992). The justice and care components have also shown evidence of convergent and discriminant validity. For example, whereas the care component of the MMO was significantly, positively related ( $r = .27, p < .01$ ) to the World View Questionnaire [WVQ] (Strander & Jensen, 1993), which assesses the extent to which individuals prefer a worldview that encompasses care for others, the justice component of the MMO was not significantly related to WVQ care scores (Liddell & Davis, 1996; Liddell, 2006). Similarly, whereas MMO justice scores were significantly, positively related ( $r = .41, p < .001$ ) to conventional levels of justice reasoning as measured by Rest's (1986) Defining Issues Test, MMO care scores were unrelated to these scores (Liddell & Davis, 1996; Liddell, 2006). Internal consistencies from the current study were .64 and .77 for the justice and care scales, respectively.

*Multifactor Leadership Questionnaire.* Follower perceptions of transformational and transactional leadership were measured using the 45-item Multifactor Leadership Questionnaire Form 5x—Short Instrument [MLQ] (Bass & Avolio, 2000).<sup>3</sup> Followers

rated the frequency (0 = *not at all*, 4 = *always*) with which their leaders demonstrated behaviors associated with both leadership styles. Five subscales measure transformational leadership. They include attributed idealized influence (e.g., “Goes beyond his/her own self-interest for the good of the group”), behavioral idealized influence (e.g., “Specifies the importance of having a strong sense of purpose”), inspirational motivation (e.g., “Articulates a compelling vision of the future”), intellectual stimulation (e.g., “Seeks differing perspectives when solving problems”), and, individualized consideration (e.g., “Treats each of us as individuals with different needs, abilities, and aspirations”). An additional two subscales measure transactional leadership: contingent reward and active management by exception. We did not assess the passive-avoidant / laissez-faire leadership factor that was identified by Bass and Avolio (2000) as non-transformational and non-transactional, nor did we assess the leadership outcomes assessed by the MLQ such as leader effectiveness and satisfaction with leadership.

Within-group agreement with respect to follower perceptions of transformational leadership as indicated by the intraclass correlation, ICC(1), was .08, and the reliability of the group mean scores as reflected by the ICC(2) value was .38. Similarly, within-group agreement with respect to perception of transactional leadership as indicated by ICC(1) was .07, with the reliability of group mean scores as indicated by the ICC(2) being .34, supporting the use of multilevel analysis, as opposed to upward aggregation of data.

Some concern exists about the appropriate factor structure of the MLQ (Bass & Avolio, 2000). Although this might suggest the need for a confirmatory factor analysis, such analyses are problematic when follower groups are of unequal (unbalanced) sizes. This is because when using of a Full Information Maximum Likelihood estimator, a

different between-group model is specified for each group size. Although the Muthén Maximum Likelihood (Muthén, 1989, 1994) estimation algorithm provides a good maximum likelihood approximation, simulation studies show it to be effective only for group sample sizes of at least 100 (Hox & Mass, 2001); smaller group sample sizes have been associated with biased standard errors. Given these limitations, it was not possible to conduct a confirmatory factor analysis for the current sample. Rather, we relied on Bass and Avolio's (2000) factor model based on 3,786 respondents from fourteen separate samples.

*Use of Transformational and Transactional Full-Scales versus Constituent Dimensions.* When selecting predictor variables for the current study, we used the overall scores that leaders received for transformational and transactional leadership, rather than the scores leaders received on the components comprising transformational and transactional leadership for two reasons. First, our goal was to address previous findings of partial (Turner et al., 2002) or no (Sivanathan & Fekken, 2002) support for proposed relationships between level of Kohlbergian justice reasoning and transformational leadership. These previous studies used overall transformational and transactional leadership scores when assessing proposed relationships with level of Kohlbergian justice reasoning. To be consistent and facilitate comparison with previous research studies, we also opted to use full-scale leadership scores. Second, the constituent dimensions of transformational leadership tend to be very highly correlated with one another, making it difficult to isolate unique associations with other variables. For this reason researchers often combine the constituent dimensions into an overall scale (Judge & Piccolo, 2004; Judge, Woolf, Hurst, & Livingston, in press).

*Statistical controls.* First, because prior research (e.g., Bono & Judge, 2004) has shown consistent relations between transformational and transactional leadership, we controlled for transactional leadership when transformational leadership was the outcome, and vice versa. Second, previous research has demonstrated a relationship between gender and transformational leadership (Bass, Avolio, & Atwater, 1996; Eagly, Johannesen, Schmidt, & van Engen, 2003), as well as age and moral reasoning (Gilligan, Rogers, & Tolman, 1991; Rest, 1994). Consistent with Turner et al. (2002), therefore, we included both leader age and gender as control variables.

## Results

Table 1 presents the means, standard deviations, and intercorrelations among variables. Note, however, that the current study was multilevel in nature, with each cluster of followers being unique to and nested within a particular leader. We therefore used hierarchical linear modeling (Raudenbush & Bryk, 2002) to address dependencies within such clusters that might otherwise bias tests of significance (Muthén & Satorra, 1989).

### *Multilevel Regression Analyses*

Two multilevel regression analyses were computed using HLM6 (Raudenbush, Bryk, & Congdon, 2000). First, follower perceptions of transformational leadership (level-1) were regressed onto follower perception of transactional leadership (level-1), leader gender and age (both level-2), and leader propensities toward using ethics of care and justice (both level-2). Second, follower perceptions of transactional leadership (level-1) were regressed onto transformational leadership (level-1), leader gender and age (both level-2), and leader propensities toward using ethics of justice and care (both level-2).

For each of the two regressions, we fitted three sequential models. The first of these was a one-way random effects analysis of variance (ANOVA) model to test whether there was significant variance in leadership styles between groups. The second of these was a random-coefficient regression (i.e., one-way random effects ANCOVA) used to test both our assumption of significant variation in intercepts across groups, and our assumption that the mean slope between level-1 variables was significantly different from zero. The third model fitted for each regression was an “intercepts-as-outcome” model used to assess the actual hypotheses for the current study, as opposed to the assumptions underlying them. This model therefore assessed whether differences in moral problem solving orientation among leaders were related to follower perceptions of leadership style. We had no a priori conceptual grounds on which to expect differences among the slopes relating level-1 variables, and ultimately were predicting and including variables with which to explain variation across groups only with respect to intercepts. Therefore, we held the slopes constant across groups for the analyses.<sup>4</sup> Based on the conceptual models posed, grand-mean centering was used in all analyses (Hofmann & Gavin, 1998; Kreft, De Leeuw, & Aiken, 1995). The results of the three models used for each of the two regressions are summarized in Table 2.

#### *Relationship between Transformational Leadership and an Ethic of Care*

The chi-square test associated with the one-way random effects ANOVA model indicated that the between-leader variance was significantly different from zero, [ $\chi^2(54) = 87.40, p < .01$ ]. Therefore, we proceeded to fit the second model.

Results of the random-coefficient regression model demonstrated that the mean across groups for the slopes relating follower perceptions of transformational leadership

to follower perceptions of transactional leadership was statistically significant [slope = .79;  $t(389) = 18.85, p < .001$ ]. The  $R^2$  value for the level-1 model was 54%. As indicated by Hofmann, Griffin, and Gavin (2000), this value reflects the proportion of variance accounted for by transactional leadership to the total within-group variance in transformational leadership. The chi-square test for the level-1 intercepts indicated that the between-group variance was significantly different from zero [ $\chi^2(54) = 76.54, p < .05$ ]. Therefore, we proceeded to fit the third model.

With respect to transformational leadership, results of the intercepts-as-outcome model demonstrated that the coefficients for care [ $\gamma_{03} = .01; t(50) = 2.92, p < .01$ ] and gender [ $\gamma_{01} = .13; t(50) = 2.33, p < .05$ ] were significant. In contrast, the coefficients for justice [ $\gamma_{04} = -.01; t(50) = -1.70, p = .10$ ] and age [ $\gamma_{02} = .03; t(50) = 0.99, p = .33$ ] were not significant. The  $R^2$  value for this model was 50%. This value represents the proportion of variance accounted for relative to the between-groups variance in the intercepts, rather than the total variance in transformational leadership (Hofmann et al., 2000). Thus although the  $R^2$  appears to be relatively large, when understood as between-groups versus total variance accounted for, it is small.

#### *Relationship between Transactional Leadership and an Ethic of Justice*

The chi-square test associated with the one-way random effects ANOVA model indicated that the between-group variance was significantly different from zero [ $\chi^2(54) = 81.96, p < .01$ ]. Therefore, we proceeded to fit the second model.

Within the random-coefficient regression model, perceptions of transactional leadership were positively and significantly related to follower perceptions of transformational leadership [slope = .70;  $t(389) = 17.91, p < .001$ ]. The  $R^2$  value

representing the proportion of variance accounted for by the predictor of transformational leadership relative to the within-group variance in transactional leadership was 55.4%. The chi-square test indicated that the between-group variance was not significantly different from zero at conventional levels [ $\chi^2(54) = 71.03, p = .06$ ]. However, Raudenbush and Bryk (2002) indicated that this  $p$  value can be considered “marginal” (p. 123), and a sufficient basis on which to fit the third model.

In predicting transactional leadership, the intercepts-as-outcome model indicated that the coefficient for justice [ $\gamma_{04} = .01; t(50) = 2.24, p < .05$ ] was significant. In contrast, the coefficients for care [ $\gamma_{03} = -.005; t(50) = -1.35, p = .18$ ]; gender [ $\gamma_{01} = -.004; t(50) = -.06, p = .95$ ]; and age [ $\gamma_{02} = -.006; t(50) = -0.23, p = .82$ ] were not significant. The  $R^2$  value for the intercepts-as-outcomes model was 16.08%. This value represents the proportion of variance accounted for relative to the between-groups variance in the intercepts, rather than the total variance in transactional leadership. Thus although the  $R^2$  appears to be relatively large, when understood as between-groups versus total variance accounted for, it is small.

### Discussion

The purpose of this study was to contrast whether two different propensities to moral orientation, namely an ethic of care and an ethic of justice, differentially predict transformational and transactional leadership, respectively. We hypothesized that an ethic of care (Gilligan, 1982) would significantly predict transformational (but not transactional) leadership, but that an ethic of justice (Kohlberg, 1969, 1976) would significantly predict transactional (but not transformational) leadership. Multilevel regression analyses supported these hypotheses. Although the proportions of variance

accounted for are small, confidence in these findings is enhanced because threats resulting from mono-method bias are excluded: data on moral orientation were obtained from leader self-reports, with followers providing data on transformational and transactional leadership. This is an important consideration as leaders' traits correlate differently with self and other reports of transformational leadership (Judge, LePine, & Rich, 2006).

This study contributes to our understanding of leadership in two ways. First, it adds to a small body of empirical research investigating the intersection of leadership and moral problem solving (Fekken & Sivanathan, 2002; Turner et al., 2002). In doing so, it is the first study to clarify the theoretical foundations for both ethics of justice and care relative to different leadership styles. Second, the inclusion of measures of both justice and care provides data that might help clarify important questions raised by previous research. Specifically, is the partial support for proposed associations between Kohlbergian (1969, 1976) levels of moral reasoning and transformational leadership found in previous research (Turner et al., 2002) more likely to be a function of statistical limitations related to measurement, to the need for additional and alternate conceptual moral orientation variables, or to both? Current findings suggest some role for a care orientation in transformational leadership.

It is important to note that we used follower perceptions of transactional leadership as a control variable when regressing transformational leadership onto both types of leader moral orientation. Similarly, we used follower perceptions of transformational leadership as a control variable when regressing transactional leadership onto both types of leader moral orientation. In this way, we were able to isolate the

unique associations between moral orientation and each leadership style. By identifying these unique associations, this research has, as indicated above, extended our conceptual understanding of the moral foundations of transformational and transactional leadership. However, we note that given the strong, positive association between the two forms of leadership identified both here and across previous research (Judge et al., in press), there may well be, in practical terms, a role for ethics of both justice and care among those who demonstrate either leadership style. Therefore, when considering the practical implications of this work for leadership development and coaching, it is likely important to attend to both ethics of justice and care.

It is also important to note differences between our study and past research. Previous studies have focused on the relationship between *level* of Kohlbergian moral problem solving and transformational leadership, whereas the current study focused on *propensity* toward certain moral orientations and leadership styles. Therefore, the relationship between transformational leadership and moral reasoning may be complex. It may require not only a propensity toward particular forms of moral problem solving, but also a certain cognitive-developmental level of moral reasoning as was suggested in research by Turner et al. (2002).

With regard to transactional leadership, we predicted that leaders with a high propensity for using justice would demonstrate significantly higher levels of transactional behaviors, and this was also supported. This result may also be considered in light of earlier findings. Specifically, Turner et al. (2002) found support for their argument that because transactional leadership relies on leader-follower exchange, it does not require an ability to identify a wider range of choices that would facilitate group (as opposed to

individual) self interest, and should therefore be unrelated to *level* of justice reasoning. Therefore, the relationship between transactional leadership and an ethic of justice may also be complex. Although transactional leadership may not require the most complex forms of cognitive developmental reasoning, it may require a certain propensity toward the use of the justice reasoning.

Another finding in the current research was the significant association between leader gender (after controlling for age and propensities toward justice and care) and transformational leadership. In particular, women were perceived by followers to have higher levels of transformational leadership. This finding is consistent with previous meta-analysis, which demonstrated small differences in transformational leadership favoring women (Eagly et al., 2003). As discussed by Eagly and colleagues, although small differences repeated over multiple individuals or occasions may have large effects in organizations (e.g., Martell, Lane, & Emrich, 1996), gender per se is not a reliable predictor of leadership style.

It is important to note that our inclusion of a moral orientation characterized by care arose from theoretical analysis, and we intend to imply neither the superiority of either moral orientation considered, nor that care should be specifically identified with women. Specifically, despite a range of philosophical perspectives on the relationship between ethics of justice and care, both justice and care remain critical to morality, and neither is dispensable (Held, 1998, Porter, 1999). Similarly, although care is often demonstrated by women, neither previous meta-analysis (Jaffe & Shibley Hyde, 2000) nor results from the current study [ $t(53) = 1.30, p = .198$ ] identify a strong gender

differentiation in the propensity to use care. Similarly, the current study provides no evidence of gender differentiation in the use of justice [ $t(53) = 1.77, p = .083$ ].

#### *Limitations and Recommendations for Future Research*

Like all research, several potential limitations in the current project point to important avenues for future research. The first potential limitation of this study is shared by many empirical studies on transformational leadership. Specifically, debate remains not only about whether the components of transformational leadership are distinct (Bass & Avolio, 2000; Judge & Piccolo, 2004), but also about whether transformational and transactional leadership are distinct (Judge et al., in press). Therefore, although the strong, positive correlation between transformational and transactional leadership in the current study is consistent with large numbers of existing studies, further refinement of these constructs and their measures is important. As this occurs, it should be noted that the Multifactor Leadership Questionnaire (MLQ) used in the current study is "the most extensively validated and commonly used measure of transformational and transactional leadership, so much so that one is hard-pressed to point out a viable alternative" (Judge et al., in press, p. 9).

Second, although ethics of care have traditionally been seen as relevant primarily to the private (i.e., family) sphere (Clement, 1996), they have also begun to receive increasing philosophical attention relative to matters in the public (i.e., non-family) sphere, along with calls not just for additional conceptual work, but also for empirical research (Derry, 2006). However, one predicament for empirical research is the paucity of available measures. The Measure of Moral Orientation (Liddell et al., 1992; Liddell, 2006) used in the current study is advantageous not only because of its ability to assess

propensity toward ethics of both justice and care, but also because it has shown convergent and discriminant validity. Nonetheless, this measure continues to be refined psychometrically (Liddell, 2006). If researchers are to respond to calls for greater empirical research on moral orientations characterized by care, then continued development of psychometrically sound measures is crucial.

The third limitation of the current study has to do with what were significant, albeit relatively small proportions of variance in follower perception of leadership style that were accounted for by moral orientation. This is likely related in part to the modest reliability of the measure of moral orientation. Additionally, it might be related to the relatively low ICC(1) value, indicating low within-group agreement with respect to follower perceptions of leadership. This could reflect several factors such as a potential inability of followers in the current study to make valid observations of leadership behaviors, or a lack of commitment to or interest in completing the study on the part of at least a proportion of followers. Given the extensive contact between leaders and followers, we suspect that the latter explanation is more likely. The followers completed their surveys as part of a larger group of questionnaires being administered for other purposes, and might have grown bored or felt hurried. In future studies, it would be useful to have the surveys of interest be completed separately from other tasks.

A fourth potential limitation of this study is the question of whether the nature of the sample might limit external validity. Our sample of leaders comprised undergraduate students who were employed in paid positions as residence life staff. Although the leaders had responsibilities in a number of areas related to risk management, program development, student development, and management of disciplinary issues, they would

not have the same breadth of leadership responsibilities as would normally be assumed by those in business settings. The relative youth of leaders in this study also differs from that which would be encountered in most organizations. Similarly, although our sample of followers also had specific responsibilities and behavioral requirements in accordance with university policies and regulations, they would have fewer stressors and performance requirements than those in business settings. These factors potentially limit the generalizability of the model to other demographic groups. Nonetheless, external validity is an empirical issue, and it remains for future research to explore further.

Other areas for future research emerging indirectly from our findings include the relationship among moral orientation, leadership style, and effectiveness. For example, one question is whether there is a role for *follower* moral orientation in moderating the relationship between leadership style and perceived value or effectiveness (e.g., Kuhnert & Lewis, 1987). Also, because some research supports the idea that transformational leadership can be taught (Barling, Weber, & Kelloway, 1996; Dvir, Eden, Avolio, & Shamir, 2002), the current findings raise questions as to whether education or coaching on moral problem solving perspectives, including not only an ethic of justice, but also an ethic of care, can enhance the benefits of training in transformational leadership, or vice versa (Turner et al., 2002).

Additionally, it would be helpful to consider the moral foundations of other forms of effective leadership. Although the current study considered the relationship between moral orientation and transformational leadership, it would be useful to consider the role of moral orientation in relation to alternate leadership styles. For example, a promising body of literature has begun to emerge in the area of spiritual leadership (Fry, 2003; Fry,

Vitucci, & Cedillo, 2005). Spiritual leadership theory is noted not only for averting the difficulties associated with measurement model misspecification that can occur within other leadership approaches, but also, it is a perspective for which moral orientation, including a care perspective, seems particularly relevant. For example, part of spiritual leadership involves ensuring a culture which provides followers with, among other things, "genuine *care*, concern, and appreciation for *both self and others*" (Fry, 2003, p. 711, italics added). This raises an interesting question about whether the moral foundations of spiritual leadership involve a care orientation, and if so, whether coaching or training on an ethic of care could enhance the benefits of spiritual leadership (or vice versa).

## References

- Banerji, P., & Krishnan, V. R. (2000). Ethical preferences of transformational leaders: An empirical investigation. *Leadership & Organization Development Journal*, 21(8), 405-413.
- Barling, J., Weber, T., & Kelloway, E. K. (1996). Effects of transformational leadership training on attitudinal and financial outcomes: A field experiment. *Journal of Applied Psychology*, 81(6), 827-832.
- Bass, B. M. (1985). *Leadership and performance beyond expectations*. New York: Free Press.
- Bass, B. M., & Avolio, B. J. (2000). *MLQ Multifactor Leadership Questionnaire for Research: Permission set (2<sup>nd</sup> Ed.)*. Redwood City, CA: Mind Garden.
- Bass, B. M., Avolio, B. J., & Atwater, L. E. (1996). The transformational and transactional leadership of men and women. *Applied Psychology: An International Review*, 45, 5-34.
- Bass, B.M., & Riggio, R. E. (2006). *Transformational Leadership (2<sup>nd</sup> ed.)*. Mahwah, NJ: Lawrence Erlbaum Associates Publishers.
- Bass, B. M., & Steidlmeier, P. (1999). Ethics, character, and authentic transformational leadership behavior. *The Leadership Quarterly*, 10(2), 181-217.
- Bono, J.E., & Judge, T. (2004). Personality and transformational leadership and transactional leadership: A meta-analysis. *Journal of Applied Psychology*, 89, 901-910.

- Brown, M., Treviño, L., & Harrison, D.A. (2005). Ethical leadership: A social learning perspective for construct development and testing. *Organizational Behavior and Human Decision Processes*, 97, 117-134.
- Ciulla, J. B. (1998a). Leadership ethics: Mapping the territory. In J. B. Ciulla (Ed.), *Ethics, the heart of leadership* (pp. 3-26). London: Quorum Books.
- Ciulla, J. B. (1998b). Introduction. In J. B. Ciulla (Ed.), *Ethics, the heart of leadership* (pp. xv-xix). London: Quorum Books.
- Clement, G. (1996). Care, autonomy, and justice. Boulder, CO: Westview Press, A Division of HarperCollins Press, Inc.
- Derry, R. (2006). Care, ethics of. In C. Cooper (Series Ed.), C. Argyris & W. H. Starbuck (Advisory Eds.), & P. H. Werhane & R. E. Freeman (Vol. Eds.), *The Blackwell Encyclopedia of Management*, 2nd Ed. (pp. 65-68). Malden, MA: Blackwell Publishing Ltd.
- Dvir, T., Eden, D., Avolio, B.J., & Shamir, B. (2002). Impact of transformational leadership on follower development and performance: A field experiment. *Academy of Management Journal*, 45(4), 735-744.
- Eagly, A. H., Johannesen, Schmidt, M. C., & van Engen, M. L. (2003). Transformational, transactional, and laissez-fair leadership styles: A meta-analysis comparing women and men. *Psychological Bulletin*, 29(4), 569-591.
- Fry, L. W. (2003). Toward a theory of spiritual leadership. *The Leadership Quarterly*, 14, 693-727.
- Fry, L., Vitucci, S., & Cedillo, M. (2005). Transforming the army through spiritual

- leadership: Theory, measurement, and establishing a baseline. *The Leadership Quarterly*, 16, 835-862.
- Gilligan, C. (1982). *In a different voice*. Cambridge, MA: Harvard University Press.
- Gilligan, C. (1991). Women's psychological development: Implications for psychotherapy. In C. Gilligan, A. G. Rogers, & D. L. Tolman (Eds.), *Women, Girls, & Psychotherapy: Reframing Resistance* (pp. 5-22). New York: Harrington Park Press.
- Held, V. (1995). *Justice and care*. Boulder, CO: Westview Press (A Division of HarperCollins Publishers).
- Hofmann, D. A., & Gavin, M. B. (1998). Centering decisions in hierarchical linear models: Implications for research in organizations. *Journal of Management*, 24(5), 623-641.
- Hofmann, D. A., Griffin, M. A., & Gavin, M. B. (2000). The application of hierarchical linear modeling to organizational research. In S. Zedeck (Series Ed.), K. J. Klein & S. W. J. Kozlowski (Vol. Eds.), *Multilevel Theory, Research, and Methods in Organizations: Foundations, extensions, and new directions* (pp. 467-511). San Francisco: Jossey-Bass.
- Hox, J. J., & Mass C. J. M. (2001). The accuracy of multilevel structural equation modeling with pseudobalanced groups and small samples. *Structural Equation Modeling*, 8, 157-174.
- Jaffee, S. & Shibley-Hyde J. (2000). Gender differences in moral orientation: A meta-analysis. *Psychological Bulletin*, 126, 703-726.
- Judge, T.A., LePine, J.A., & Rich, B.L. (2006). Loving yourself abundantly: Relationship

- of the narcissistic personality to self- and other perceptions of workplace deviance, leadership and task and contextual performance. *Journal of Applied Psychology*, *91*, 762-776.
- Judge, T.A., & Piccolo, R. F. (2004). Transformational and transactional leadership: A Meta-analytic test of their relative validity. *Journal of Applied Psychology*, *89*, 755-768.
- Judge, T. A., Woolf, E. F., Hurst, Cl, & Livingston, B. (in press). Leadership. In C. L. Cooper & J. Barling (Eds.), *Handbook of Organizational Behavior*. New York: Sage Publications.
- Keeley, M. (1998). The trouble with transformational leadership: Toward a federalist ethic for organizations. In J. B. Ciulla (Ed.), *Ethics, the heart of leadership* (pp. 111-144). London: Quorum Books.
- Kohlberg, L. (1969). *Stages in the development of moral thought and action*. New York: Holt, Rinehart & Winston.
- Kohlberg, L. (1976). Moral stages and moralization: The cognitive-developmental approach. In T. Lickona (Ed.), *Moral development and behavior* (pp. 31-53). New York: Hold, Rinehart & Winston.
- Kreft, I. G. G., De Leeuw, J., & Aiken, L. S. (1995). The effect of different forms of centering in Hierarchical Linear Models. *Multivariate Behavioral Research*, *30*, 1-21.
- Krishnan, V. R. (2001). Value systems of transformational leaders. *Leadership & Organization Development Journal*, *22*(3), 126-131.
- Kuhnert, K. W., & Lewis, P. L. (1987). Transactional and transformational leadership:

- A constructive/developmental analysis. *Academy of Management Journal*, 12, 648-657.
- Liddell, D. L. (2006). *The measure of moral orientation: A testing manual*. Iowa: University of Iowa.
- Liddell, D. L., Halpin, G., & Halpin, W. G. (1992). The measure of moral orientation: Measuring the ethics of care and justice. *Journal of College Student Development*, 33, 325-330.
- Liddell, D. L., & Davis, T. L. (1996). The measure of moral orientation: Reliability and validity evidence. *Journal of College Student Development*, 37(5), 485-493.
- Lowe, K. B., Kroeck, K. G., & Sivasubramaniam, N. (1996). Effectiveness correlates of transformational and transactional leadership: A meta-analytic review of the MLQ literature. *The Leadership Quarterly*, 7(3), 385-425.
- Martell, R. F., Lane, D. M., & Emrich, C. (1996). Male-female differences: A computer simulation. *American Psychologist*, 51, 157-158.
- Muthén, B. O. (1989). Latent variable modeling in heterogeneous populations. *Psychometrika*, 54, 557-585.
- Muthén, B. O. (1994). Multilevel covariance structure analysis. *Sociological Methods and Research*, 22, 376-398.
- Muthén, B. O., & Satorra, A. (1989). Multilevel aspects of varying parameters in structural models. In R. D. Bock (Ed.), *Multilevel analysis of educational data* (pp. 87-99). San Diego, CA: Academic Press.
- Porter, E. (1999). *Feminist perspectives on ethics*. New York: Longman.
- Price, T. L. (2003). The ethics of transformational leadership. *The Leadership Quarterly*,

- 14, 67-81.
- Raudenbush, S.W. & Bryk, A. S. (2002). *Hierarchical linear models* (2<sup>nd</sup> ed.) (J. De Leeuw, Series Ed.). Thousand Oaks, CA: Sage Publications, Inc.
- Raudenbush, S. W., Bryk. A. S., & Congdon, R. (2000). HLM6 Hierarchical linear and nonlinear modeling. Scientific Software International. [www.ssicentral.com](http://www.ssicentral.com)
- Reiter, S. (1996). The Kohlberg-Gilligan controversy: Lessons for accounting ethics education. *Critical Perspectives on Accounting*, 7, 33-54.
- Rest, J. R. (1994). Background: Theory and research. In J. R. Rest & D. Narvaez (Eds.). *Moral development in the professions: Psychology and applied ethics* (pp. 1-25). Hillsdale, NJ: Erlbaum.
- Sivanathan, N, & Fekken, G. C. (2002). Emotional intelligence, moral reasoning and transformational leadership. *Leadership & Organization Development Journal*, 23(4), 290-204.
- Strander, V. & Jensen, L. (1993). The relationship of value orientation to moral cognition: Gender and cultural difference in the U.S. and China explored. *Journal of Cross-Cultural psychology*, 24(1), 42-52.
- Treviño, L. Brown, M., & Hartman, L. P. (2003). A qualitative investigation of perceived executive ethical leadership; Perceptions from inside and outside the executive suite. *Human Relations*, 55, 5-37.
- Turner, N., Barling, J., Epitropaki, O., Butcher, V., & Milner, C. (2002). Transformational leadership and moral reasoning. *Journal of Applied Psychology*, 87(2), 304-311.
- Wren, J. T. (1998). James Madison and the ethics of transformational leadership. In J. B.

Ciulla (Ed.), *Ethics, the heart of leadership* (pp. 145-168). London: Quorum Books.

Author Notes

Sheldene K Simola, Trent Business Administration Program; Julian Barling, Queen's School of Business; Nick Turner, Asper School of Business.

We thank Julie West for her exceptional work in developing and managing the online data collection process. This research was supported by Social Sciences and Humanities Research Council of Canada grants awarded to the three authors.

Correspondence concerning this article should be addressed to Sheldene K Simola, Business Administration Program, Trent University, 1600 West Bank Drive, Peterborough, ON, K9J 7B8, Canada. Email: [ssimola@trentu.ca](mailto:ssimola@trentu.ca)

## Notes

<sup>1</sup> Turner et al. (2002) identified that normative cut-off points dividing scores on their measure of moral reasoning might have been inadequate to differentiate levels of reasoning. Sivanathan and Fekken (2002) hypothesized that weak internal consistency of their measure of Kohlbergian reasoning combined with a restriction in range associated with use of a homogenous sample may have resulted in an attenuated correlation.

<sup>2</sup> MMO items are reproduced here by special permission of Deborah Liddell.

<sup>3</sup> MLQ items are reproduced here by special permission of the Distributor, Mind Garden, Inc., 855 Oak Grove Ave., Suite 215, Menlo Park, CA 94025, USA [www.mindgarden.com](http://www.mindgarden.com) from the Multifactor Leadership Questionnaire by Bernard M. Bass and Bruce J. Avolio. Copyright 1995 by Bernard M. Bass and Bruce J. Avolio. All rights reserved. Further reproduction is prohibited without the Distributor's written consent.

<sup>4</sup> Because we used an “intercepts-as-outcomes” model in which we neither predicted nor included variables to account for variability in slopes across groups, we made an a priori conceptual decision to constrain slopes across groups. When transformational leadership was the criterion, results indicated no significant variation in slopes [ $\chi^2(54) = 68.02, p = .10$ ]. When transactional leadership was the criterion, there was some variation in slopes across groups [ $\chi^2(54) = 73.25, p < .05$ ]. Therefore, we investigated what would happen if the constraint holding slopes constant for the second regression was removed. The key result is degraded slightly, now at  $p = .06$ . With a significance level of .06, the result did not change significantly. Therefore, the result can be considered sufficiently robust.

Table 1

*Means, Standard Deviations, and Intercorrelations Among Variables*

Variable	<i>M</i>	<i>SD</i>	1	2	3	4
1. Care	3.05	.21	(.77)			
2. Justice	2.88	.19	.08	(.64)		
3. TRF	2.57	.82	.08	-.06	(.94)	
4. TRA	2.10	.77	.01	.04	.75**	(.77)

*Note.*  $N = 391$ . Internal consistency reliabilities appear in parentheses along the diagonal.

The correlations among care, justice and all other variables were computed using  $N = 391$ . Therefore, care and justice scores for each group were assigned down to individual followers within those groups. Thus, the effective  $N$  for justice and care is 55. TRF = transformational leadership. TRA = transactional leadership.

\*\*  $p \leq .01$ .

Table 2. *Results of the Estimated Models.*<sup>1</sup>

Models for TRF <sup>2</sup> as L1 Dependent Variable	Parameter Estimates <sup>3</sup>						
	$\gamma_{00}$	$\gamma_{01 \text{ to } 04}$	$\gamma_{10}$	$\gamma_{11}$	$\sigma^2$	$\pi_{00}$	$\pi_{11}$
One-way ANOVA							
L1: Transformational Leadership <sub>ij</sub> = $\beta_{0j} + r_{ij}$	2.55	---	---	---	.63	.06	---
L2: $\beta_{0j} = \gamma_{00} + U_{0j}$							
Random-Coefficient							
L1: TRF Ldrshp <sub>ij</sub> = $\beta_{0j} + \beta_{1j}(\text{TRA Ldrshp}_{ij}) + r_{ij}$							
L2: $\beta_{0j} = \gamma_{00} + U_{0j}$ $\beta_{1j} = \gamma_{10}$	2.56	---	.79	---	.29	.02	---
Intercepts-as-Outcome							
L1: TRF Ldrshp <sub>ij</sub> = $\beta_{0j} + \beta_{1j}(\text{TRA Ldrshp}_{ij}) + r_{ij}$							
L2: $\beta_{0j} = \gamma_{00} + \gamma_{01}(\text{Gender}_j) + \gamma_{02}(\text{Age}_j) +$ $\gamma_{03}(\text{Care}_j) + \gamma_{04}(\text{Justice}_j) + U_{0j}$ $\beta_{1j} = \gamma_{10}$	2.56	$\gamma_{01} = 0.13$ $\gamma_{02} = 0.03$ $\gamma_{03} = 0.01$ $\gamma_{04} = -0.01$	.79	---	.29	.01	---

Models for TRA <sup>2</sup> as L1 Dependent Variable	$\gamma_{00}$	$\gamma_{01 \text{ to } 04}$	$\gamma_{10}$	$\gamma_{11}$	$\sigma^2$	$\pi_{00}$	$\pi_{11}$
<b>One-way ANOVA</b>							
L1: Transactional Leadership <sub>ij</sub> = $\beta_{0j} + r_{ij}$	2.09	---	---	---	.56	.04	---
L2: $\beta_{0j} = \gamma_{00} + U_{0j}$							
<b>Random-Coefficient</b>							
L1: TRA Ldrshp <sub>ij</sub> = $\beta_{0j} + \beta_{1j}(\text{TRF Ldrshp}_{ij}) + r_{ij}$							
L2: $\beta_{0j} = \gamma_{00} + U_{0j}$ $\beta_{1j} = \gamma_{10}$	2.10	---	.70	---	.25	.01	---
<b>Intercepts-as-Outcomes</b>							
L1: TRF Ldrshp <sub>ij</sub> = $\beta_{0j} + \beta_{1j}(\text{TRA Ldrshp}_{ij}) + r_{ij}$		$\gamma_{01} = -.02$ $\gamma_{02} = .01$					
L2: $\beta_{0j} = \gamma_{00} + \gamma_{01}(\text{Gender}_j) + \gamma_{02}(\text{Age}_j) +$ $\gamma_{03}(\text{Care}_j) + \gamma_{04}(\text{Justice}_j) + U_{0j}$ $\beta_{1j} = \gamma_{10}$	2.10	$\gamma_{03} = -.01$ $\gamma_{04} = .01$	.71	---	.25	.01	---

<sup>1</sup> Organization of Table 2 based on Hofmann, Griffin and Gavin (2000)

<sup>2</sup> TRF Ldrshp = Transformational Leadership

TRA Ldrshp = Transactional Leadership

<sup>3</sup>  $\gamma_{00}$  = Intercept of level-2 regression predicting  $\beta_{0j}$

$\gamma_{01 \text{ to } 04}$  = Slopes of level-2 regression predicting  $\beta_{0j}$

$\gamma_{10}$  = Intercept of level-2 regression predicting  $\beta_{1j}$

$\gamma_{11}$  = Intercept of level-2 regression predicting  $\beta_{1j}$

$\sigma^2$  = Variance in level-1 residual (variance in  $r_{ij}$ )

$\pi_{00}$  = Variance in level-2 residual for models predicting  $\beta_{0j}$

$\pi_{11}$  = Variance in level-2 residual for models predicting  $\beta_{1j}$

$U_{0j}$  = Variance in intercepts