**Leadership ethics: Towards a moral framework for facilitating cooperation**

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**Abstract**

Leadership is a function in social systems that aims to reduce social complexity and contingency. Today, the once dominant hierarchical leadership model, with instructions cascading from top-down is no longer effectual. It is being superseded by a more egalitarian approach to leadership, as contemporary organizations increasingly need to access the full human potential of their members.

The associated power shift leads to new tasks for leadership and those taking on leadership roles. These involve facilitating and maintaining cooperation, which is characterized by deliberate action of autonomous individuals.

We argue that cooperation can take either a weak form (compliance) or a strong one (considering the interests of all). The theory of cooperation is discussed from an ethical perspective based on the moral philosophies of Morton Deutsch and James Tufts, from which are drawn major implications for leadership principles and practices. Finally, we offer suggestions for implementing a corresponding ethics of leadership ethics which can contribute to building sustainable work units on an ethical foundation.

1. Introduction

Leadership has long been studied predominantly from the perspective of the dyad, operating according to a clearly-designated difference between the leader and the follower, or with the leader as the power holder and the subordinate or follower as the “receiver” of influence or governance (Ko et al., 2018). “Traditional leadership theory is oriented toward dyadic processes that occur at low levels of the organization […] most researchers still define leadership as a micro-organizational phenomenon occurring between a leader and a follower, while ignoring multiple stakeholders and competing demands on leaders” (Gordon and Yukl, 2004, p. 361). As concluded by another study, “leadership and ethics research [is] too CEO-centric and focused on the top hierarchies,” and that “it is centered more on declarations than on results or on ideas rather than on real implementations” (Bachmann, 2017, p. 61).

More recently, the understanding of leadership has been expanding to include multiple models of leadership (see Chemers, 2000 for a historical review).

Today, the goal is for people to do *voluntarily* what is being asked and/or considered necessary for being successful at a given work process, rather than merely *complying* with a leader’s or manager’s instructions or orders, a model suggested by Taylor’s idea of separating the head and the hand (Taylor, 2012). More entrepreneurship is asked for, more self-leadership is expected, and more governance has its source in either the individual or in the group.

A shift from traditional hierarchical leadership models towards the greater autonomy of individuals and groups is evident in practice (Zirkler, M., *Power Shift: Transitions from Hierarchy to Holacracy*, oral conference contribution). Where previously hierarchy (ranked order) had been perceived as the single mechanism for reducing complexity and providing orientation, now lateral leadership and networks of leadership approaches areevolving and garnering greater importance. However, this shift towards a multiplicity of leadership forces is happening *despite* the hierarchy that is still operating, at least on formal and official levels. This results in a variety of leadership models operating in parallel in a given social system. Consequently, we posit that the kinds of processes leading to order and orientation in a social system, as well as their sources, are becoming more diverse.

The less that power and dominance force people into action, and the less hierarchy becomes the only way to align, the more “real” cooperation as a deliberate and voluntary act becomes necessary.

Cooperation can be conceptualized as manifesting in either a “weak” form (based on compliance, obedience, followership) or a “strong” one (implying equity, partnership, egalitarian mutuality). While many mixed forms are found on the continuum in between, for the sake of simplification, we discuss mainly these two extreme ends. Below we present findings on the shifts in leadership concepts and practices, discuss the theory of cooperation, and offer an ethical model of leadership as one that facilitates and maintains cooperation.

This analysis is carried out in the context of labor and work, and against the background of work-related productivity.

1. Shifts in leadership concepts and practices

*2.1 What is leadership?*

Leadership is first of all a *function* in a social system. Assuming the basic social orientation of humans, it is one of the forces that counterbalances social entropy, or the “natural” tendency of social systems to disintegrate over time (Aya, 1978; Deutsch, 2011, p. 253; Elias, 2000). This function’s main objective is to reduce the complexity originating from human contingency, i.e., the fact that people may take a wide range ofdifferingdecisions and engage in many diverse actions. In this way, leadership provides orientation, limits the scope of potential actions, and channels the latter toward intentional plans, thereby creating greater alignment. The plans towards which action is channeled may originate with individuals who need others to implement them, or be both developed collectively and pursued jointly. When leadership is exercised, psychological and social influence is used to endorse a limitation that directs focus toward the goal currently sought: “Leadership today is seen as an *extraordinary* influence that is found in a person or group” (Praszkier, 2018, p. 10).

Using a basic “distribution of influence” model, leadership research seeks to identify the characteristics of a) the leader, b) the follower, and c) the processes explaining their relationship, particularly the distribution of influence in it. Leadership research also investigates the outcomes of different forms or leadership for a) and b), as well as their effect on performance indicators, such as productivity, quality, innovation, and more. Another more theoretical stream of research has been exploring a variety of ideas, concepts, theories, practices, etc. on how leadership is being or could be exercised.

A well-known form of leadership is referred to as “hierarchical” (meaning ranked order, literally from the ancient Greek, “authority of the priests”). Rank has been attached to individuals and crystallized into symbolic forms for the sake of convention, e.g., as the chief, the boss, the king, etc. However, rank can succeed in ordering a social system only if all or most actors within that system accept rank as a governing principle. This principle of using rank as a form of leadership is rooted in the “rule of force,” which means that the stronger, i.e., the one wielding more resources, prevails. Thus, in such a system, the strongest could theoretically advance just his or her own agenda (Tufts, 1918, p. 29). However, we shall show that it is actually shortsighted to act according to this principle, at least under conditions that require the solution of complex tasks, as is often the case today.

The extreme forms of hierarchy are autocracy, where one person holds the ultimate power, and oligarchy, where a group of people rules without being accountable to the rest of the system.

Ironically though, these individuals necessarily need to be replaceable if the *principle* is to survive. While it is not critical whether Smith or Muller currently holds the leadership position, the actual person is not completely negligible, because personal qualities may have an impact on his or her actions in the leadership role (which is, incidentally, itself subject to contingency).

The framework of hierarchical leadership sets up a ranked order that situates power in a person (leader) who receives a “mandate” imparting the right to exercise it. Leadership is seen as imposing the leader’s will (which is itself often represented as an “idea” or the aims of an organization) upon “followers” using power as the main means. The leader’s function is to command people to do what the leader wants them to do, or to follow his or her understanding of what ought to be done, and thus to align them towards a common goal.

As indicated by evidence from both anthropology and history, hierarchy seems to be the leadership style to which human systems are most accustomed, and it provides the most elaborate ways to organize a social system and structure leadership. However, even without delving into the associated historical, anthropological, and sociological debates, many other ways of exercising leadership can be observed in recent, some of which have been termed “post-heroic” forms of leadership (Sobral and Furtado, 2019).

Heterarchy is an umbrella term including these other numerous, non-hierarchical forms of leadership (which may actually be better termed governance). Heterachical systems are network systems with a more or less equal distribution of power or “voice:” “The addition of the term heterarchy to the vocabulary of power relations reminds us that forms of order exist that are not exclusively hierarchical and that interactive elements in complex systems need not be permanently ranked relative to one another. In fact, it may be in attempts to maintain a permanent ranking that flexibility and adaptive fitness is lost” (Crumley, 1995, p. 3).

One line of argument regards hierarchy as working reasonably well as long as the environmental conditions around a social system are not changing too fast. According to Ashby’s law of requisite variety, the complexity of a social system needs to be sufficiently high to manage corresponding levels of external environmental complexity (Boisot and Mckelvey, 2011). Thus, hierarchy no longer works properly when processes need to be accelerated or more knowledge is required than the top-down approach can provide. Yet, another reason for a crisis of hierarchy is rooted in the cultural shift towards a “society of singularities” (Reckwitz, 2019). The emphasis on individuality leads to a pressure to “put the latter to work,” so that mere followership and subordination become less and less of an option.

This shift coincides with what Peter Drucker called the “next society” (Drucker, 2012) – namely, a knowledge society. Digitalization (Neufeind et al. 2018; Schwab, 2019) and its social consequences have accelerated the process of multiplying options for solving work-related challenges(Gross, 2002; Rosa, 2014). Hence, new conceptualizations of leadership have also been developed by researchers.

*2.2 The recent expansion of perspectives on leadership*

Laloux’s (2014) book *Reinventing Organizations* marks a milestone in management practice. The book proposes a series of evolutionary steps in organizational development leading towards a “teal organization.” A key feature of the latter is “self-management” (Laloux, 2014, p. 61 ff.): “Teal Organizations have found the key to operate effectively, even at large scale, with a system based on peer relationships, without the need for either hierarchy or consensus” (Laloux, 2014, p. 56).

An ever-expanding body of research and literature focuses on leadership concepts and theories transcending hierarchical models (cf. Praszkier, 2018 for an overview), such as “shared leadership” (Hoch, 2013; Hoch and Kozlowski, 2014), “distributed leadership” (Spillane, 2010), “servant leadership” (Greenleaf, 2002), or “relational leadership” (Uhl-Bien, 2006). Related organizational systems have been proposed and their characteristics discussed, such as “Holacracy” (Bauer et al. 2019; Heifetz, 1994; Robertson, 2016;), which sees leadership as “mobilizing people to tackle tough problems” (Heifetz, 1994, p. 15). Holacracy (from the Greek *holos* = whole, *kratein* = to govern) literally means a system in which everyone is included in decision making; the leader mobilizes the entire group in this joint process.

However, the actually practice is more confusing (Zirkler, 2019). Although formally, a significant amount of hierarchical leadership is still seen in organizations, leadership functions are increasingly becoming distributed over multiple actors in the social system (Zirkler et al. 2020; Zirkler, M., & Herzog, J., Inclusive Leadership: Die Gestaltung von Zusammengehörigkeit als zentrale Herausforderung in der digitalen Arbeitswelt, article submitted for publication). Currently, we more often observe a patchwork of methods than any one “pure” leadership philosophy or style within a given system.

The above situation often gives rise to a paradox: while at an official level, formal and hierarchical leadership still prevails, at the unofficial level, many other forms of leadership are present, and often work in a given social system *simultaneously*. While this sometimes leads to confusion or even tensions and conflicts, in other cases, these different forms of leadership coexist functionally. However, only a very few organizations have explicitly integrated different forms of leadership (Kotter, 2012, 2014).

Heifetz (1994) notes a related evolution of leadership concepts in business and the corporate world: “For decades, the term leadership referred to the people who hold the top management positions and the functions they serve. In our common usage, it still does. Recently, however, business people have drawn a distinction between leadership and management, and exercising leadership has also come to mean providing a vision and influencing others to realize it *through noncoercive means”* (Heifetz, 1994, p. 15, emphasis added).

Leadership is not just a juncture at which interests and wants are negotiated and managed; today, it also encompasses stimulating and maintaining “possibilities” and potentials, in the sense of human aspirations, ambitions, dreams, purposes, etc. People’s talents, capacities, and inspirations are waiting to be harnessed for their own self-fulfillment as well as for the benefit of the community to which they belong (Zirkler, M., & Herzog, J., Inclusive Leadership: Die Gestaltung von Zusammengehörigkeit als zentrale Herausforderung in der digitalen Arbeitswelt, article submitted for publication).

Two concepts in particular need to be addressed when discussing expanded forms of leadership: responsibility and accountability. The leader is an agent adopting a specific form of responsibility that includes “caretaking” in the sense of vitalizing, or transferring energy to persons or processes, which thus strongly associates leadership with the ability to work skillfully with emotions. At the same time, the leader is often held (legally) accountable. Unlike when blind obedience was socially and legally acceptable or even a virtue, today every member of an organization can be held accountable for his or her actions (or inaction). Since this applies also to the leader, it is in the leader’s own interest to act responsibly.

It remains an open question as to how theresponsibility and caretaking formerly assigned to the leader can be distributed or shared in a group. Accountability can be more easily attached to specific roles, but a perceived responsibility is not easily transferable. In this context, responsibility can be divided into its intrinsic and extrinsic aspects: while intrinsic responsibility, in the sense of “ethical caring” (Nicholson & Kurucz, 2019), is situated in the personal realm, extrinsic caretaking can be more easily attached to job descriptions and task lists.

*2.3 Leadership and ethics*

The intersection of leadership with ethics has attracted major research interest in the recent years ( Ahmad et al. 2017; Brown et al. 2005; Brown and Treviño, 2006; Pietersen, 2018). The field started out as “a research context looking at individual traits and virtues before becoming integrated into steward, authentic, and transformational leadership research. Later studies turned to looking at social context and collective leadership behaviour. The most recent focus is on how ethical leadership can change the organisational culture, or how it can be utilised for OD interventions” (Bachmann, 2017, p. 42).

A widely accepted definition of ethical leadership is given by Brown et al. (2005): “We define ethical leadership here 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” (Brown et al. 2005, p. 120).

We draw a clear distinction between “ethical leadership” and “moral leadership.” The former refers to leadership that is ethically reflective (involves ethics or moral philosophy in the decision-making process), the latter bases decision making on specific moral values and norms.

A recent empirical study (Bachmann, 2017) comes to the conclusion that “[i]n the broadest sense, the absence of unethical behaviour can already be seen as bearing positive leadership characteristics […]” (Bachmann, 2017, p. 141).

Wart (2014) presents a compilation of six “types of ethical leadership” and their respective concepts, concerns and emphases. However, he argues that the leadership perspectives he identifies are all expressions of the three classical approaches to moral philosophy: virtue ethics, deontology, and utilitarianism.

The view that leadership should be based on values and ethics blossomed in Burns’ (1978) [(Burns, 1978)] seminal book, *Leadership*, which is recognized by many as pivotal in the perceptual shift from leadership as vested in an individual to leadership as a process. Understanding leadership as Burns proposed called for transforming relationships among followers and leaders that would result in achieving greater purpose and developing followers into being leaders themselves. (Komives, 2016, p. 7)

The consequence for leadership ethics is a corresponding shift from virtue ethics, centered on the leader, to an ethics of cooperation. Nevertheless, we argue that a leader’s virtues remain important, and are especially needed when reaching the limits of compliance (Bachmann, 2017, p. 29 ff.). However, since leadership is expanding into networks and relationships, an ethical framework for cooperating in a system of changing leadership functions is required. Hierarchy as a means of reducing complexity and creating social order could then be seen as a special case of distributed leadership, namely, an extreme form in which leadership is concentrated in only one person (the leader).

In the following sections we introduce the theory and practice of cooperation and develop an ethics of leadership as a “service” (function) for the social system that aims to ensure that the interests of all are sufficiently considered (Rescher, 1989a).

1. The concept and theory of cooperation

Cooperation within a social system requires coordination; the elements of the system must be related to each other in a target-oriented manner. Thus, cooperation requires leadership.

Cooperation as co-operation (from the Latin *con* = with, *operare* = to work, from *opus* = work) is fundamentally linked to relations: it requires that at least two distinguishable units or systems operate according to their respective structures and processes (their respective auto-logic), and relate to each other at the same time. Focusing on human or social systems within this context, cooperation indicates a specific *quality of relations* between humans. This is in contrast to mechanical systems, which can be related purely structurally: “In a two-party relationship, while trust and cooperation can be broken down because of the actions of either party, they can be created or maintained only by the actions of *both* parties” (Bunker & Deutsch, 1995, p. 254).

Cooperation points towards surplus value (emergence of values, the metaphor that one and one equals more than two, non-zero sum games), whereas its opposite refers to zero sum games (the gain of one is the loss of the other). We propose that in the case of cooperation, the actors are also fundamentally free to make decisions and behave differently in any given situation.

On the basis of Martin Buber’s ideas on dialogue, Rothenberg favors a concept where the partners can exist side by side: “In the ‘I-Thou’ relationship, the ‘I’ and ‘Thou’ remain intact and are not swallowed up in a dialectical process that must and in ‘I *or* Thou’, that is, in a new entity that nullifies the previous one” (Rothenberg, 2015, p. 9).

Morton Deutsch’s “theory of cooperation and competition,” an early psychological theory of social interdependence (Bunker and Deutsch, 1995; Deutsch, 1985, 2011; Johnson and Johnson, 2011; Tjosvold and Johnson, 2000), which has been continuously expanded since its inception, is built on a fundamental distinction between positive and negative joint goal attainment:

I identify two basic types of goal interdependence: positive (where the goals are linked in such a way that the amount or probability of a person’s goal attainment is positively correlated with the amount or probability of another obtaining his goal) and negative (where the goals are linked in such a way that the amount or probability of goal attainment is negatively correlated with the amount or probability of the other’s goal attainment). To put it colloquially, if you’re positively linked with another, then you sink or swim together; with negative linkage, if the other sinks, you swim, and if the other swims, you sink (Deutsch, 2011, p. 24).

Group members may believe that their goals are either cooperatively or competitively related, or unrelated (Deutsch, 1949, 1962; Johnson and Johnson, 1989) in a number of ways:

1. In cooperation, individuals' goal achievements are positively correlated; individuals perceive that they can reach their goals if and only if the others in the group also reach their goals. Thus, individuals seek outcomes that are beneficial to all those with whom they are cooperatively linked.

2. In competition, individuals work against each other to achieve a goal that only one or a few can attain. Individuals' goal achievements are negatively correlated; each individual perceives that when one person achieves his or her goal, all others with whom he or she is competitively linked fail to achieve their goals. Thus, individuals seek an outcome that is personally beneficial but detrimental to all others in the situation.

3. In independence, there is no correlation among participants' goal attainments. Each individual perceives that he or she can reach his or her goal regardless of whether other individuals attain or do not attain their goals. Thus, individuals seek an outcome that is personally beneficial without concern for the outcomes of others. Of course, most situations are mixes of these pure forms. (Tjosvold and Johnson, 2000, pp. 133–134).

Interdependence involves three psychological processes: substitutability, attitude (cathexis) and inducibility (Johnson and Johnson, 2011, p. 42). Substitutability refers to the extent to which one individuals’ actions can substitute for those of another. Deutsch’s defines it as “how a person’s actions can satisfy another person’s intentions” (Deutsch, 2011, p. 25). For example, building a house requires the support of many people with specific expertise; without cooperation one might only build, if at all, a simple hut.

Attitude (cathexis) is defined by a natural tendency to react positively or negatively to helpful or harmfulenvironmental stimuli, respectively:

This inborn tendency to act positively toward the beneficial and negatively toward the harmful is the foundation on which the human potentials for cooperation and love as well as for competition and hate develop. The basic psychological orientation of cooperation implies the positive attitude that “we are for each other,” “we benefit one another”; competition, by contrast, implies the negative attitude that “we are against one another,” and in its extreme form, “you are out to harm me (Deutsch, 2011, p. 25).

Inducibility refers to the capacity to influence and be influenced by others. Deutsch talks about the “readiness to accept” influence from others (Deutsch, 2011, p. 25). In a cooperative setting, it is assumed that individuals are able to exert mutual influence by persuasion (argument) rather than by force. Openness should mitigate communication problems and create a positive atmosphere and constructive attitudes among the actors.

Bateson’s concept of “schismogenesis” (Bateson, 1936) is consistent with Deutsch’s ideas on the dynamics of cooperation and competition. Bateson posits two forms of schismogenesis based on symmetrical and asymmetrical relationships. A symmetrical schismogenesis is a pattern of behavior which can be called competitive and which takes the form of an “arms race:” by reacting to an opponent’s move, one escalates the rivalry further (the more A reacts, the more B reacts, which in turn causes A to react even more).

Complementary schismogenesis is defined by a behavioral pattern in which one side exercises dominance and the other proffers submission: the more assertive A becomes, the more submissively B acts. If B is in the role of the leader, his or her submissiveness may have unwanted consequences. If A is the leader, the result is the traditional hierarchical form of leadership. Shared decision making across the different roles (leader, team) prevents schismogenesis.

The basic dynamics of positive and negative relationships are clearly linked to the prisoner’s dilemma paradigm, particularly inthe form of zero

sum games. Those are characterized as situations in which each “rational” “player” aims to realize the best individual outcome defined as the maximum pay-off (utility maximization) (Rescher, 1989b). However, players are limited in their behavioral options: no direct communication is allowed and no coercive power can be exerted over the other; the only valid actions are reasoning, anticipation and decision making. At the same time, the “players” are interdependent, in that what one decides has an impact on the other, and vice versa. The voluminous research on the subject clearly shows that as a “rational” actor, one has to consider the possibility that the other “player” might choose a move which causes great loss to oneself (Pies et al. 2009). In this situation, it seems rational to choose a “solution” that is less than optimal for both actors, but avoids the risk of great loss for oneself. The research also shows that trust can be quickly broken if one of the actors decides to defect (Bunker and Deutsch, 1995, p. 133). Thus the prisoner’s dilemma paradigm leads us into a thicket of moral issues. One could argue that from the point of view of virtue ethics, an individual does not necessarily need to follow the strategy presented as “rational” according to traditional economic theory, because the latter is not a natural law. Instead, an actor could decide to assume trust. Cooperative leadership should aim to prevent prisoner dilemma-type situations from arising for the team in the first place.

Cooperation and competition both require a relationship of interdependence. Hence, we need to focus on the quality of this relationship, which is crucial for assessing whether it is beneficial for both sides (cooperation) or just for one (competition).

Based on the theory presented, we posit two forms of cooperation: a weak and a strong one. The weak form enforces a joint mutualoperation in which the relationship stays asymmetric, in the sense of Bateson, or competitive, in the sense of Deutsch. A prerequisite for the strong form of cooperation is the participation of fundamentally free, sovereign individuals who have the choice to either engage in or refrain from joint operations. One of the main prerequisites of cooperation as interdependence is independence, with cooperation being driven by the insight that joint goal attainment is an effective way of meeting one’s own needs and wants. At the same time, the individual acknowledges that the other side has the same legitimate intentions and that, consequently, a fair process of considering all interests is required. In this latter case, the individual deliberately chooses to participate and is a full-fledged partner. The less that formal or factual power systems enforce cooperation in its weak form, the more possible – and needed – strong forms of cooperation become. We can also conceptualize weak forms of cooperation as compliance, where individuals to some extent follow pre-given rules, and strong forms of cooperation as partnership, where two or more actors make sovereign decisions (Ulrich, 1988).

Cooperation has a conceptual connection to trust. Lewicki and Bunker (Bunker and Deutsch, 1995, p. 133 ff.) distinguish three forms of trust in professional relationships: deterrence-based trust, knowledge-based trust, and identification-based trust. Deterrence-based trust is present in a situation in which people do what they ought to because of their fear of negative consequences if they don’t behave according to the rules. Knowledge-based trust is rooted in the predictability of another person’s behavior. Identification-based trust is characterized by fully internalizing the other’s desires and intentions: “At this level, trust exists because each party effectively understands, agrees with, emphasizes with, and endorses what the other wants, and can act for the other. Identification-based trust permits one to act as an agent for the other, substituting for the other in interpersonal transactions” (Bunker and Deutsch, 1995, p. 143 f.).

In the following section we aim to clarify the ethical foundations of cooperation as well as the role of leadership in cooperative relationships.

1. The ethics of cooperation and the role of leadership in a cooperative system

*4.1. The ethics of cooperation*

Cooperation as “co-operation,” as we have defined it above, is a relationship of (at least) two independent (sovereign) humans who operate jointly (Ulrich, 1988). Joint operation means making things (ideas, services, resources, etc.) available to each other which can be disposed of (knowledge, goods, etc.). Cooperation manifests in different forms:

Early in this great process of social organization three divergent types emerged, which still contend for supremacy in the worlds of action and of valuation: dominance, competition, and cooperation.[[1]](#endnote-2) All mean a meeting of human forces. They rest respectively on power, rivalry, and sympathetic interchange. Each may contribute to human welfare. On the other hand, each may be taken so abstractly as to threaten human values. I hope to point out that the greatest of these is coöperation, and that it is largely the touchstone for the others (Tufts, 1918, p. 4 f.).

According to Tufts, dominance requires inequality, whereas cooperation “implies some sort of equality, some mutual relation” (Tufts, 1918, p. 5 f.). Tufts distinguishes two forms of competition: a social form and an unsocial form. The best example of a social form of competition is sports as a form of rivalry in which the participants agree to play according to the established rules (see also Caillois, 1979). Tufts sees a common social purpose in sports, which is “the zest of contest” (Tufts, 1918, p. 8 f.): “The contending rivals are in reality uniting to stimulate each other. Without the cooperation there would be no competition, and the competition is so conducted as to continue the relation” (Tufts, 1918, p. 9). On the other hand, unsocial forms of competition are characterized by the participants not sharing a common purpose, such as in “[…] contests in which there is no intention to continue or repeat the match, and in which no rules control” (Tufts, 1918, p. 10). An example is sports, in which the participants turn to the illegal use of doping substances and the associated “competition” of finding loopholes in the anti-doping rules.Competition in those cases is, according to Tufts, wasteful and rather destructive.

What are the ethical aspects of Tuft’s concept of cooperation? Unlike competition, where one needs the others to play one’s own games, cooperation builds on mutuality and common ends for “playing together.” Mutuality implies more than a mere transaction (exchange of things), but rather involves partly or temporarily becoming a unit, even though the actors remain fundamentally sovereign and independent.

The purpose in cooperation is joint. Whether originally suggested by some leader of thought or action, or whether a composite of many suggestions in the give and take of discussion or in experiences of common need, it is weighed and adopted as a common end. It is not the work or possession of leaders alone, but embodies in varying degrees the work and active interest of all (Tufts, 1918, p. 7).

Acknowledging this interdependence leads to acceptance of and respect for each individual’s basic freedom and independence, as well as to seeing each person’s interests as equally significant:

A cooperating group has two working principles: first, common purpose and common good; second, that men can achieve by common effort what they cannot accomplish singly. The first, reinforced by the actual interchange of ideas and services, tends to favor equality. It implies mutual respect, confidence, and good-will. The second favors a constructive and progressive attitude, which will find standards neither in nature nor in humanity's past, since it conceives man able to change conditions to a considerable extent and thus to realize new goods. These principles tend toward a type of liberty different from those just mentioned. As contrasted with the liberty of a dominant group, cooperation favors a liberty for all, a liberty of live and let live, a tolerance and welcome for variation in type, provided only this is willing to make its contribution to the common weal. Instead of imitation or passive acceptance of patterns on the part of the majority, it stimulates active construction. As contrasted with the liberty favored in competing groups, cooperation would emphasize positive control over natural forces, over health conditions, over poverty and fear. It would make each person share as fully as possible in the knowledge and strength due to combined effort, and thus liberate him from many of the limitations which have hitherto hampered him (Tufts, 1918, p. 19–21).

It should be noted that the last sentence of the above quote is reminiscent of Seligman and Csikszentmihalyi’s central pillar of positive psychology: to make people stronger and to include the perspective of what could be, rather than only of what currently is (Seligman and Csikszentmihalyi, 2000), thereby referring to potential that is not yet fully tapped.

Mutuality, communality, and reciprocity are important terms which are at the center of Tufts’ ethical concept of cooperation. Cooperation is the basis for innovation and progress within a group of people:

Similarily with justice. Cooperation's ethics of distribution is not rigidly set by the actual interest and rights of the past on the one hand, nor by hitherto available resources on the other. Neither natural rights nor present ability and present service form a complete measure. Since cooperation evokes new interests and new capacities, it is hospitable to new claims and new rights; since it makes new sources of supply available, it has in view the possibility at least of doing better for all than can an abstract insistence upon old claims. It may often avoid the deadlock of a rigid system. It is better to grow two blades of grass than to dispute who shall have the larger fraction of the one which has previously been the yield. It is better, not merely because there is more grass, but also because men's attitude becomes forward-looking and constructive, not pugnacious and rigid. (Tufts, 1918, p. 21 f.)

Tufts continues:

Power is likewise a value in a cooperating group, but it must be power not merely used for the good of all, but to some extent controlled by all and thus actually shared. Only as so controlled and so shared is power attended by the responsibility which makes it safe for its possessors. Only on this basis does power over other men permit the free choices on their part which are essential to full moral life. (Tufts, 1918, p. 22 f.)

Elaborating on this line of discussion, Tufts writes:

As regards the actual efficiency of a cooperating group, it may be granted that its powers are not so rapidly mobilized. In small, homogeneous groups, the loss of time is small; in large groups the formation of public opinion and the conversion of this into action is still largely a problem rather than an achievement. New techniques have to be developed, and it may be that for certain military tasks the military technique will always be more efficient. To the cooperative group, however, this test will not be the ultimate ethical test. It will rather consider the possibilities of substituting for war other activities in which cooperation is superior. And if the advocate of war insists that war as such is the most glorious and desirable type of life, cooperation may perhaps fail to convert him. But it may hope to create a new order whose excellence shall be justified of her children (Tufts, 1918, p. 23 f.).

Tufts is fully aware of the fact that system size can give rise to problems. His remark points towards seeing this as a practical challenge that can be handled productively without too many corrosive effects; we discuss this issue below in the section on pragmatics (Section 5) (see also Ulrich, 1991).

An ethics of cooperation must illuminate the question of why and how human actors decide to solve problems jointly. We address it by expanding our proposal of seeing cooperation on a continuum from “weak” to “strong:” a weak form of cooperation is present when actors are coaxed to act according to another person’s intentions, whereas a strong form is characterized by each actor’s deliberate act of decision making, coming to an agreement with the others, and eventually working on joint problem solving.

Between these two extremes lies a form of cooperation in which the leader listens to the groups’ suggestions, but still makes the final decision. The group has only a so-called *votum consultativum* (it must be consulted), not a *votum deliberativum* (it has no right to decide by majority or other established rules).

Since a strong form of cooperation can be in the rational interest of both actors, we do not need an additional driving force, such as altruism, to explain it. Rather, we conceptually require a sufficient overlap of the perception that the process and outcome of the joint action is considering the interests of both actors. This is usually expressed by the term “trust,” which refers to the assumption that the means and results of doing things jointly will be (sufficiently) beneficial to all actors involved. “Cooperative action [...] unlocks options through trust by reducing complexity for actions that would have remained unlikely and unattractive without trust, i.e., would not have found favor” (Luhmann, 1979, authors' translation of the German edition, p. 30).

If weak and strong forms of cooperation are situated on a continuum, many intermediate “blends” of cooperative styles are conceivable. There might be settings in which we find weak forms of cooperation within the traditional hierarchical setup of an organization and, at the same time, strong forms within a team. However, mixed forms of cooperation have their own problems, such as the need for specific boundaries to protect the system against pressure from the outside (Vanderslice, 1995).

Nicholas Rescher’s “hierarchy of moral norms” is a useful model for the further study of cooperation because it combines fundamental ethical aspects with a very pragmatic perspective (Kellerwessel, 2014).

Rescher starts with the basic proposition that “at the heart of morality lies *benevolence* – a due care for the interests of people-in-general” (Rescher, 1989a, p. 6). He thereby clearly expresses his conviction that moral relativism is false and that the variability of behavior (minor or major, sometimes violating moral norms) does not undermine moral absolutism (see also Gabriel, 2020).

Rescher’s model posits five levels of abstraction, descending from a universal and “absolute moral principle” (Rescher, 1989a, p. 48) down to the “individual resolutions with respect to the specific issues arising in concrete cases” (Rescher, 1989a, p. 52).



**Figure 1** Rescher’s hierarchy of moral norms (Rescher, 1989a, p. 50)

His theory allows for a variety of ways of being moral without questioning the higher-level norms: “Different ‘moralities’ are simply diverse implementations of uniform moral principles” (Rescher, 1989a, p. 48).

At the top level of Rescher’s model we find the proposed moral aim, relevant to cooperation, to “act with a view to safeguarding the valid interests of others” (Rescher, 1989a, p. 50). Basic principles and values (Level 2) must be defined in such a way that “such values define the salient norms that link the abstract characterizing aims to an operating morality of specific rules” (Rescher, 1989a, p. 51). It is important for Rescher to make clear that on the two highest levels, “there is simply no room for any ‘disagreement about morality’” (Rescher, 1989a, p. 51).

Level 3 contains “controlling do’s and don’ts of the moral practice of a community, providing us with general guidance in moral conduct” (Rescher, 1989a, p. 51). However, this guidance sometimes remains abstract and too far removed from current circumstances. On Level 4, context becomes relevant and exceptions from the norm are possible under certain conditions (e.g., killing is legitimate in cases of self-defense). Level 5 incorporates action plans for all the concrete cases one could encounter.

More examples are presented in Figure 2:



**Figure 2** Example application of Rescher's hierarchy of norms (Rescher, 1989a, p. 53)

Since the concept of “interest” is pivotal to Rescher’s model, we will next briefly discuss the question of what is a “real” or “best” interest.

People certainly have different understandings of their respective best interests, and these may additionally vary across time and culture. “Morality is concerned with furthering (…) particular interests only insofar as they reflect the universal interest that all people have” (Rescher, 1989a, p. 17). This condition would be met by earning “one’s livelihood in an way that suits one’s abilities and enables one to derive some personal satisfaction” (Rescher, 1989a, p. 17).[[2]](#endnote-3)

What is at issue with *real* interests are those things that are *worthy* of being wanted, preferred, pursued because their attainment would be better for us – would enable us actually to improve our condition and circumstances. It is on the things we should want and prize that our best (or real) interests turn – and it is these that determine morality (Rescher, 1989a, p. 17).

Hence, acting heedfully (today, we may say “in a reflective way”) and with an awareness of mutual interests is essential for acting morally.

*4.2 The role of leadership in a cooperative system*

Returning to our definition of leadership as a social system function that aims to reduce complexity and provide orientation, we can restate the role of leadership that of asking (and answering) the significant question of “What shall we do?” From a moral point of view, we need to add: What would be good to do? And how can we do what ought to be done well? Hence, “[a]nalysing ethical leadership involves the interpretation of values and various assumptions about how influence is exercised” (Bachmann, 2017, p. 31).

Leadership in a cooperative system is a joint task with shared responsibilities. The sources of leadership are manifold and stem from rank (hierarchy), team (distributed, shared leadership), and also from within the individual (self-leadership) (Zirkler et al., 2020). Leadership can be exercised in the field of norms (deontic leadership) or in that of expertise (epistemic leadership) (see Bocheński, 1974). Pure hierarchy is one extreme and special form of leadership (as in the epistemic leadership of a schoolteacher), but by no means the only one. However, it might be the form with which we are most familiar and which seems to have proven functional for quite some time.

An ethics of leadership must embrace a threefold responsibility: economic, ecological and social sustainability (Knoepffler and Albrecht, 2009). “The principle of sustainability should be regarded as a fundamental ethical principle also guiding ethical leadership behavior” (Knoepffler and Albrecht, 2009, p. 468, authors' translation).

Based on the work of Peter Ulrich (Ulrich, 1988, 1998, 2016, 2017), an ethics of leadership needs to discuss issues of leadership in a normative-reflexive way, covering the relationship between the leader and the followers, the legitimization of leadership (what a leader may and/or should do) and its limits (what a leader must not do). All this must be discussed against the backdrop of inalienable human and personal rights (Knoepffler, 2006, p. 65 ff.).

Leadership ethics as applied ethics must be placed in a superordinate framework that is "not an incorrigible system of rules" (Knoepffler, 2006, p. 15, authors’ translation). "This framework of a good world must then be concretized for the different ranges of the ethics. (...) Each concretion of the ethics for a specific sector of options of human action must, so to speak, orient itself by the ‘rules of the game’ that apply in it" (Knoepffler, 2006, p. 15 f., authors’ translation).

While leadership in settings of weak cooperation represents a one-sided exercise of power, in contexts of strong cooperation, it implements the expanded function of moderating the moral norm of caring for the interests of all. It raises the questions of Levels 3 to 5 of Rescher’s (1989a) model and ensures that a given moral norm becomes feasible in practice. While doing so, leadership is fully aware of the fact that “feasibility” could be misused. Taking the context into account when implementing a norm does not mean that the context justifies anyconceivable behavior. Feasibility, rather, means doing one’s best to honor the norm, while taking into account that in certain context, factors may act as hindrances and obstacles to fully doing so, and acknowledging that there may be various ways of achieving this goal (equifinality).

The role of leadership can be illustrated by Drucker’s idea of “social ecology” (Drucker, 1992). The social ecologist cares for his or her system and provides conditions in which the system can flourish. However, this needs to be done without promoting one’s own comfort at the cost of others’ rights. This suggests a moral understanding in which fair relationships are significant.

A leadership ethics that seeks to meet the demand for strong cooperation must express a moral leadership that is responsible for creating a specific environment: “The major challenge for leaders of cooperatives is to provide strong leadership for the organization while at the same time encouraging the development of leadership and responsibility throughout the organization. Leaders must provide a clear vision of cooperation at the framework for organizational functioning and yet nurture the development of an evolving organizational vision that is shared by all organizational members” (Bunker and Deutsch, 1995, p. 195).

Therefore, a leadership ethic aims to accomplish the following:

1. Establishing a purpose quest in the organization; expressing the organization’s purpose explicitly; periodically reflecting on and adjusting this purpose; and keeping a joint and mutual vision vivid and attractive for all people involved.
2. Achieving transparency: providing and stimulating the exchange of information; providing access to information; and preventing information asymmetry as best as possible.
3. Maintaining a culture of “non-coercive discourse” (Habermas, 2009); this requires psychological safe spaces and error friendliness.
4. Inquiring how the interests of all can best be furthered within the group or system; differentiating recurrent from occasional interests; since recurrent interest have to be met more urgently; and documenting and (internally) publishing the commitments made.
5. Finding optimal solutions when individual interests are in conflict with joint interests.
6. Providing prophylactic conflict management, and noticing the early signs of a difference evolving into a conflict (Deutsch, 1985; Zirkler, 2014).
7. Engaging in frequent reflections on the principles of the “game;” adapting the rules if required; reflecting on the processes which lead to specific rules; adapting the rule-making process; and, if required, inviting outside observers to help mitigate blind spots.
8. Accepting the fact that not every difference or conflict can be solved to the satisfaction of all; giving comfort if required; preventing people from falling into a pattern of “learned helplessness” (Peterson, 1993).

It is certainly helpful if the person in the leadership role (for however long and at whatever intensity) is virtuous, i.e., has developed a set of habits that are a “prescription for action in accordance with a good plan of life. The actions which express moral virtue will, Aristotle tells us, avoid excess and defect” (Kenny, 2010, p. 213; Nass, 2018, p. 33 f.). Virtue ethics is particularly relevant to strong forms of cooperation, as a leader acts as a representative of the way in which the actors agreed to jointly operate (if they cooperate strongly); role models should “walk the talk” to support the idea and signal integrity. Virtues are particularly important where a person in a leadership role cannot invoke rules and regulations to enforce compliance, i.e., where someone is asked to act according to the idea behind a rule rather than following it literally. Moreover, a leadership position can corrupt – which is why the person holding it needs a honorable inner compass to refrain from exploiting it for personal interests. While one may gain some personal profit from serving as a leader, one must by no means take excessive advantage of the position.

The realm beyond compliance is also the space for organizing processes which allow a social system to reach agreements and develop feasible solutions concerning how the participants can and wish to be productive together.

1. Pragmatics of an ethics of leadership that facilitates cooperation

It is one task to postulate an ethics of leadership that facilitates (strong) cooperation, as well as conceive of reasons why this is good and beneficial. However, it is quite another challenge to implement such an approach in reality. According to modern thinkers in business ethics, such as Ulrich (1988), Homann and Suchanek (2005), and Lütge and Uhl (2018), it would be naïve and quixotic to try to implement an ethics of leadership and cooperation in the context of the predominant logic of “modern” organizations, particularly given their prioritization of efficiency and effectiveness.

However, we can fundamentally distinguish between a logic of maximization versus one of optimization. The former aims for maximum effectiveness and efficiency achieved by any means (Tufts call this “cut-throat competition,” 1918, passim), whereby only the well-being of the respective organization is maximized, disregarding any external effects. Optimization, on the other hand, gives importance to external values as well, such as ecological and social sustainability, which may be under consideration for other good reasons (e.g., human rights). This distinction ties in to the ethical discussion about what a “good” life consists of, and about whether business is restricted to being merely a means of “productivity” according to capitalist ideas, or rather exists for improving our common well-being.

Rescher’s level model itself provides a methodology on how to move from abstract norms to everyday activities. A group or other social system does not necessarily need to develop the required processes on its own, although it may, and some actually do. However, many ethically functional practices that can serve as templates or blueprints are already available. Leadership should ensure that the discourse on the practical level is maintained continuously, although this does not mean all the time. Templates are also available on the management level in the form of “operating systems,” such as holacracy (Robertson, 2016), and as documented experience (Bauer et al. 2019). From holacracy, we adopt the distinction between settings meant to clarify operative issues and those concerned with reflecting about the cooperative processes on a meta-level.

Those templates, blueprints and experiences need to be customized and adapted to the respective conditions, which can take placethrough discourse, decision making, and the implementation of whatever has been decided. Facilitating and maintaining a non-coercive discourse (as much as possible) is one of the most important tasks for leadership functions if strong cooperation is desired. Skill in this area constitutes a prerequisite for leadership and is also a personal virtue of the respective leader. Some degree of moral and personal development is also certainly required of every member in the group. It is the leaders’ task to support and foster continuing individual maturation as a joint task.

For managing the discourse and mutual sense-making processes (Weick, 2009), some methods and tools have been found to be helpful, such as “nonviolent communication” (Rosenberg, 2015), “sociocracy” (Buck and Villines, 2017), “warm data labs”(N. Bateson, n.d.), and “appreciative inquiry” (Cooperrider, 2005). Schein’s concept of the levels of relationship (Schein, 2018) helps to better understand the consequences of carefully listening to and being interested in the other, rather than just utilizing the other to meet one’s own needs because one may have the power to do so. We must not forget that “one’s own needs” are often representations of the interests of others (the superior at work, the organization, the nation, etc., acting here as so-called “introjects” in psychoanalytic terms) to which people feel obliged.

Another pivotal aspect of the pragmatics of an ethics of leadership is conflict management. Leadership in cooperative social systems has to carefully observe and “manage” differences before they escalate into serious conflicts. We regard the various differences present within social groups as an inevitable aspect of social life and the basis of progress and development. However, if differences are expressed as conflicts, there is an increased risk of acceleration and “widening the gap” by amplifying potential negative aspects within the relationship. Thus, prophylactic conflict management is an important skill for those who function as caretakers, i.e., leaders in a social system. Since differences are inevitable and productive within a range of quantity and quality, leadership should be sensitive to induct differences into a discourse before they become “hot” (Pastoors and Ebert, 2019, p. 25 ff.).

In some cases, “hot” conflicts cannot be prevented from evolving. The way those serving in leadership functions manage the process of conflict resolution is a crucial signal for all actors on how much trust, justice, and equity is present in the system (see also Deutsch, 1985, p. 72 ff.).

For conflict management, too, many pre-existing tools, methods, and frameworks are available: for example, “principled negotiation” (Harvard Negotiation Project) (Fisher, 1983).

The inclusive leadership model (Zirkler, M., & Herzog, J., Inclusive Leadership: Die Gestaltung von Zusammengehörigkeit als zentrale Herausforderung in der digitalen Arbeitswelt, article submitted for publication) with its continuum between uniqueness and belonging seems to be a useful framework for creating social spaces that allow the expression of individuality while concurrently addressing the need for social affiliation.

However, most of the tools mentioned above can be abused to fuel self-interest, unfair exercises of power, etc., if they are not utilized in a spirit of and based on an ethics of cooperation. Therefore, all persons involved should agree to adhere to the principles of an ethics of cooperation while being fully aware of the risk that these principles may be abused under some circumstances. However, thus misusing the principles does not necessarily undermine their essential validity, as the misuse can be understood as a form of “violating” the principles at their margins and limits. The way a social system and its leaders handle “violations” is crucial.

Insight into the benefit of cooperation is rooted in both rationality and the emotions. The more encounters people have that they experience as emotionally positive, the more trust is built, and the more cooperation that can be expected. Leadership can stimulate positive emotions by “really” engaging with the individuals involved (see “level-2 relationships” in Schein, 2018) in accordance with Deutsch’s “crude law of social relations,” which states that “the characteristic processes and effects elicited by a given type of social relationship also tend to elicit that type of social relationship” (Deutsch, 1985, p. 69).

For shared leadership responsibilities, commitment and obligation are needed, i.e., a system for clearly defining and describing roles as well as their associated accountabilities. It must be unambiguous who is taking care of what and whom, and the person adopting a role must self-clarify.Once tensions around a misalignment or a vagueness of roles are observed, whoever has adopted the relevant leadership function should pick up the “weak signals” and induct them into the social system in an appropriate way (i.e., not under all circumstances and not at any time). Clarity, in turn, is an ongoing process of clarification that is never complete or finished.

Since people are unique by virtue of having diverse competencies and capabilities, aspirations, hopes, desires, etc., it might be useful to consider the question of which individual characteristics are more or less useful in a leadership position. An evaluation of the deep-rooted traits of a person (Knoepffler, 2009, p. 147 ff.) could address the question with whom it is best to engage in cooperation and who is best qualified for leadership positions. The ethical principle that applies here is the request for self-clarification; leadership can and should help to improve and professionalize the associated social processes.

On the basis of this theory of cooperation and competition, cooperative groups are expected to show certain positive characteristics that can serve as operationalizations and measures for the extent to which a social system is cooperative. We summarize and order these as follows:

1. More communication is taking place (in terms of *quantity*), and its *quality* is better (listening, trying to understand what others mean). More ideas are expressed.
2. More kindness and support, but less destructive expression is found in the communicative exchange of ideas. Group members are more satisfied with the group and feel better (safer) in it. They are also more attentive to each other. See the concepts and methods of “positive psychology” for practical usage (Seligman, 2011).
3. More feelings of (psychological) safety, meaning more confidence, a higher degree of similarity in beliefs, values, etc., are experienced by group members.
4. More division of labor, coordination in problem-solving, orientation to task achievement, and discipline in discussions is shown. Overall, higher productivity is observed in such groups.
5. Differences and conflicts in highly cooperative groups are perceived as shared problems that require joint effort to be resolved. The interests of all actors are considered as important and equally legitimate; thus, solutions need to address these interests as best as possible.

If a social system aims to increase its capacity for cooperation, the topic of justice is central to achieving success. Deutsch (1985) raises the central question: “Under what conditions are people with conflicting interests able to work out an agreement (that is, a system of justice defining what each shall give and receive in the transaction between them) that is stable and mutually satisfying?” (Deutsch, 1985, p. 6). He broadly understands the associated values as those “that foster effective social cooperation to promote individual well-being” (Deutsch, 1985, p. 37). Deutsch proposes several more detailed principles, such as the following:

1. In cooperative relations in which economic productivity is a primary goal, equity rather than equality or need will be the dominant principle of distributive justice.
2. In cooperative relations in which the fostering or maintenance of enjoyable social relations is the common goal, equality will be the dominant principle of distributive justice.
3. In cooperative relations in which the fostering of personal development and personal welfare is the common goal, need will be the dominant principle of distributive justice (Deutsch, 1985, p. 38).

From Deutsch (1985) can be derived a typology of social relations that is admittedly an oversimplification of real-life processes, but, which constitutes a good starting point in our view. In his section on cooperation, in contrast to the competitive part of his overview, a variety of productive relations can be found. Interestingly, hierarchy is also subsumed under the cooperative category. However, Deutsch states that being in a superordinate-subordinate relationship is often a cause of conflict and competition if hierarchy is not fully legitimized by those in the subordinate position: “[T]his type of relation is rarely free of strong competitive elements. It follows then that some superordinate-subordinate relations in hierarchically organized systems will have the character of power struggles, and these would be more appropriately classified as belonging to cell 16 [*i.e., ‘regulated power struggle’*]” (Deutsch, 1985, p. 78).

For cooperation, whether formal or informal, we find a range of ways to create productive relationships that can be alternatives to top-down relationships, such as “problem solving,” “organized cooperation,” “caring,” “protecting,” and even “education.” All those approaches would fit into an understanding of leadership as establishing, fostering and maintaining cooperation (see also Schein, 2018). They can be outlined as distributed leadership roles within a social system and strongly support cooperation as caring for the interest of all as a joint challenge.

**Figure 3** Sixteen types of social relations according to Deutsch (1985, p. 78).

1. Does cooperation pay off?

Weak forms of cooperation (operating transactionally according to set rules and principles, compliance) are inevitable in today’s world, which is characterized by high specialization and complex division of labor.

The more we aspire to harnesscreativity, the capacity for innovation, and communication skills (presenting ideas, speaking up freely, listening to others, contributing responses,etc.), the more we need strong forms of cooperation. If a social system as a whole wants to benefit from the innovative power of its “human resources,” it needs to create conditions in which creativity, innovation, productivity, etc., are more likely to flourish. However, strong forms of cooperation have some social prerequisites.

The strong form of cooperation is a way of life that builds on the conviction that ethics matter. Paradise is hard to reach, and it is not even clear whether it should actually be aspired to, but with cooperation, we can get a little closer to a life which can be deemed humane, such as, for example, the vision set forth in the U.S. Declaration of Independence: “We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness” (*Declaration of Independence*, 2015).

However, we can also identify both more rigorous and practical reasons for why cooperation yields results.

A study by Espedal et al. (2012) shows that cooperation is successful in terms of organizational performance, i.e., invested capital. Ehnert (2009) connects cooperation to sustainability as follows: “Sustainable HRM is the pattern of planned or emerging human resource strategies and practices intended to enable organizational goal achievement while simultaneously reproducing the HR base over a long-lasting calendar time” (Ehnert, 2009, p. 74). Bachmann ( 2017) in turn finds a positive impact of ethical leadership on motivation and climate: “It is noticeable, at least in the plant researched here, how much the absence of criteria like normative conduct, integrity, trust or fair treatment of employees, which are typically associated with ethical leadership, can contribute to a low employee motivation and a bad climate” (Bachmann, 2017, p. 142).

Ultimately, the answer to the question of pay off depends largely on the value system in which it is raised. Still, cooperation of the type outlined here benefits society in the long run not only ethically, but also economically.

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1. Notes

1. Please excuse the outdated spelling: the diaeresis indicates that the second vowel forms a separate syllable. [↑](#endnote-ref-2)
2. See also the debate on individual merit and achievement versus advantageous conditions, initiated in Michael Sandel’s latest book (Sandel, 2020). [↑](#endnote-ref-3)