Preface

Ethics, social responsibility, leadership, governance: these are terms that are heard increasingly often in the classroom and in the boardroom, and viewed on the front page of newspapers and magazines. Yet serious attention to the relationships among these important concepts is lacking. This volume was born from a recognition of the need to bring together varying perspectives on leadership, corporate responsibility, professional ethics and governance so as to integrate them in a way that would be of use to managers, educators and researchers.

Paradoxically many companies that have had serious ethical breaches also had leaders who were lauded by the popular press and management consultants, and many had well-developed ethical codes and programs. During their reign, Bernie Ebbers of Worldcom and Kenneth Lay of Enron were among the top-ranked corporate leaders. Enron was frequently cited for its ‘innovative’ financial practices. During Dennis Kozlowski's tenure as Tyco chairman and chief executive officer (CEO), Tyco was an active member of the Ethics Forum, a group devoted to advancing strong ethical commitments in business. Enron had a strong commitment to philanthropy, having contributed to education, health and other charities. Arthur Andersen provided ethics training for its own employees as well as marketing an ethics practice to other organizations, including business schools. Clearly there was something missing between these commitments and the practices of many individuals within these organizations.

In our view, the missing element was a broad-based and integrated approach to responsible leadership and governance. Although individual commitments to leadership, ethics and social responsibility are evident in most corporations, many companies appear to fall short in combining these duties into an integrated set of policies and culture that guides behavior and decisions. Similarly management research streams in ethics, leadership, social responsibility and governance have examined these issues from many theoretical and practical vantages, but absent in the literature is an integrated contribution that links these disparate perspectives into one, unified approach.

This volume is intended to provide a state-of-the-art presentation of leading thinking on these important issues and include both a review of what we know and a discussion of emerging areas that will require future attention. In assembling these contributions, we sought to provide
theoretically grounded insights from the leading scholars in ethics, social responsibility, leadership and governance, and to offer guidance for what constructs and frameworks might help executives and managers to put these perspectives to work. Although authors have drawn on their past research and scholarship, each contribution is fresh, original and prepared exclusively for this outlet. Contributors have sought to integrate one or more of these concepts in order to respond to the overall theme. They all contribute to our emerging understanding of what constitutes responsible leadership and governance, and how it can be made to work in modern organizations.

Many of the contributions summarize the 'state of the literature' within those fields, identify complementary insights and perspectives, discuss areas of conflict and disagreement and include a provocative and stimulating agenda for future investigation. They also point up practical consequences or applications of these perspectives, especially in light of recent developments that have exposed the shortcomings in leadership and governance as it is currently practiced. Several contributions focus specifically on the challenges faced by global companies in developing and maintaining leadership and governance practices that are responsive to different national, institutional and cultural settings.

Effective responsible leadership and governance is essential to the success of any global business. Clearly organizations, their officers and boards, have come under criticism for focusing on a narrow set of financial goals that involve a limited number of stakeholder groups, and for featuring governance structures that are dominated by insider members, lack independence and neglect vital fiduciary and ethical responsibilities. This volume explores the concepts of responsible leadership and governance and their application in the modern global business environment. We hope that it provides a valuable contribution to scholars, researchers and managers around the world.

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