



Business Economics and Management 2015 Conference, BEM2015

Humility and Self-esteem as Key Predictors of Ethical Attitude in Leadership

Pavel Žiaran^a *

^aMendel University in Brno, Faculty of Business and Economics, Department of Management, Zemědělská 1, 613 00 Brno

Abstract

The paper has for objective to analyze the capacity of personality traits "Sincerity-Modesty" and "Self-esteem", defined by the test Hexaco PI-R, to work as predictors of ethical orientations in leadership as "person-organization fit" in ethical and unethical situation. We tested the model on a group of undergraduate students (n = 156) in the form of an in-class experiment. The data were analyzed in a two-fold way: statistical correlation and a graphical analysis, using the method of the least square distances. The result show that the personality traits "Sincerity-Modesty" and "Self-esteem" work as good predictors of ethical attitude in leadership. Finding may have important implications for HR management, especially in the frame of the selection processes in the ethically conscious organizations.

© 2015 The Authors. Published by Elsevier B.V. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

Peer-review under responsibility of the Organizing Committee of BEM2015

Keywords: Hexaco, Ethics, Humility, Self-esteem, Predictors

1. Introduction

In business environment ethical decision-making and behavior is crucial to its sustainability. That's why it is important to develop tools and concepts that can help to identify potentially harmful unethical behavioral tendencies already at the level of recruitment of new candidates. The tool is based on the combination of two personality traits indicators "honesty-humility" and "self-esteem", as defined by the personality test Hexaco (Ashton-Lee, 2007,

* Corresponding author Tel.: +421.948.536.454.
E-mail address: pziaran@gmail.com

2008). The purpose of this article is to suggest such a tool that could be implied at the HR department during the selection of new personnel.

Another purpose of this article is to stimulate academic reflection on how to teach efficiently pro-ethical attitude, knowing that there is a strong growing tendency to include ethical courses or modules in the top business schools around the globe (Christensen et al., 2007). Educational institutions that prepare professionals who will have strong impact on the organizations, must make an emphasis on cultivation of critical thinking, implicit and highly professional knowledge, alongside with the meta-abilities that facilitate harmonious, stable and constructive organizational environment (Ullrich et al., 2014). Certain guidelines offers European reference framework of Key competences for life long learning, however a constant effort to identify new competencies demanded by the labor market and search for the ways to implement them in the educational process at the universities (Hrehová - Frenová, 2011).

1.1. Definition of honesty-humility

Humility is a very complex phenomenon, without a single and satisfactory definition. Its definition can be traced back to the ancient literature. Molyneux (2003) finds definition f.e. in the New Testament, where “meek” does not require withdrawal, unthinking compliance or lack of power - rather it instructs on the active exercise of the powers of ownership and leadership. Plato describes the citizens of Atlantis as a people of moral integrity, using the word “πραυτης” or “meekness” or eventually “gentleness”, where the alliance of “meekness” and “discernment” is critical. For Aristotle in *Nicomachean Ethics*, “meekness” was synonymous to a self-control, as a middle position between bad-temper and indifference. And specifically, there is no connection with timidity, withdrawal or disengagement from business or public affairs. Xenophon brought most impressive usage of “meekness”: Powerfulness and endurance was the warrior, and meekness was his battle horse. Combination of the two was preeminent for the success.

Modern definition of humility in the managerial context is provided f.e. as follows Dusey and Rodriguez-Lopez (2004) came up with their own model of six key concepts of humility in the learning organization: (a) openness to a new paradigm, (b) eagerness to learn from others, (c) acknowledgment of own limitations and ability to correct it, (d) pragmatic acceptance of failure, (e) ability to ask for advice, (f) development of others. Thanks to the application of the key humility concepts of a learning organization, the company should achieve a high performance based on instant innovations. Collins (2005) in his understanding of a good leader emphasizes a seemingly paradoxical combination of humility and fierce resolve.

1.2. Definition of self-esteem

Self-esteem could be defined as a perception of self in the term of the feeling of worthiness and self-appreciation especially in the social environment or in the organizational environment respectively (McColl-Kennedy and Anderson, 2005). According to Pierce et al. (1989) self-esteem expresses an “attitude of approval or disapproval of self; it is a personal evaluation reflecting what people think of themselves as individuals; it is the extent to which individuals believe themselves to be capable, reflecting a personal judgment of worthiness”. Hui and Lee (2000) talk about organization-based self-esteem which is specific to contexts and perceptions of an organization as constructed from past experiences.

1.3. Research objectives and research questions

The objective of this article is to analyze if the combination of the personality traits humility and self-esteem can work as good predictors of ethical behavioral tendencies in the managerial concept.

Fig. 1. presents an interesting empirical concept of the combination of humility mind-set and self-esteem that creates a matrix of four possible combinations: 1st quadrant: high humility, high self-esteem, 2nd quadrant: high humility, low self-esteem, 3rd quadrant: low humility, low self-esteem and 4th quadrant: low humility, high self-esteem.

The purpose of this article is to analyze of the four quadrants can serve as a predictor of ethical behavior or attitudes in the managerial context. Notable, a question arises if a person in the 1st quadrant, with high level of humility and high self-esteem, in a position of a manager can deliver better results, in terms of ethical attitude than a person that is f.e. in quadrant 2 with a low level of humility and high self-esteem.

4. Low humility High self-esteem	1. High humility High self-esteem
3. Low humility Low self-esteem	2. High humility Low self-esteem

Fig. 1. Matrix of 4 quadrants of humility and self-esteem.

In line with the general objective of the article we formulate research questions as follows:

1. Does the combination of personality traits humility and self-esteem predict the *readiness to recommend to work* in the environment with an ethically issue?
2. Does the combination of personality traits humility and self-esteem predict the *person-organization fit* in the environment with an ethically issue?

2. Material and Methods

2.1. Variables and measures used in the research

To measure **humility**, we used a consistent and statistically valid measure of humility provided by the Hexaco/Honesty-Humility model (Ashton - Lee, 2007, 2008). Research shows that Honesty-Humility works as a good predictor in the people-oriented jobs as nursing (Johnson et al., 2011). Lee et al. (2005) showed that the Honesty-Humility works as a predictor of a work-place delinquency.

Personality trait Honesty-Humility consists of four sub-traits: Modesty, Sincerity, Fairness and Greed avoidance. For the needs of our research we focused on the combination of two sub-traits Sincerity and Modesty (we abbreviate as SIMO - Sincerity and Modesty, because this combination provides better results in the 3D graphical form, even both variables give relevant results. Ashton – Lee (2015) define **Modesty** as a *tendency to be modest and unassuming. Low scorers consider themselves as superior and as entitled to privileges that others do not have, whereas high scorers view themselves as ordinary people without any claim to special treatment. Sincerity* is defined as *tendency to be modest and unassuming. Low scorers consider themselves as superior and as entitled to privileges that others do not have, whereas high scorers view themselves as ordinary people without any claim to a tendency to be genuine in interpersonal relations. Low scorers will flatter others or pretend to like them in order to obtain favors, whereas high scorers are unwilling to manipulate others.*

To measure Self-esteem in the social context, we used again the statistically reliable Hexaco personality test (Ashton - Lee, 2007, 2008). **Social Self-Esteem** could be defined as *tendency to have positive self-regard, particularly in social contexts. High scorers are generally satisfied with themselves and consider themselves to have likable qualities, whereas low scorers tend to have a sense of personal worthlessness and to see themselves as unpopular* (Ashton – Lee, 2015).

Ethical orientations were measured in two terms were measured in two ways: 1. **Person organization-fit (POF)** as defined by Cable and Judge (1996), asking to what extent the member of organization identifies himself of herself with the values and practices of the organization. 2. **Behavioral intention measuring the loyalty** of a member of the organization, asking if he or she would recommend to a friend to work in the given organization.

2.2. Sample and methods

There were 156 participants in the experiment, undergraduate students of management (females 68.8 %, age 21 - 22). Participants filled the questionnaire of HEXACO-PI-R inventory, paper-based, 60-items version (Ashton – Lee, 2009).

Experiment was carried out in the form of a Leaderless Group Discussion (Costigan – Donahue, 2009, Waldman et al., 2004). Participants in the class made couples, by a random attribution. Than they were given an opportunity to mark their preferences for a managerial position and for the position of an employee in two separate situations: 1. Ethically correct situation: “*Implement new information system in the department*” and 2. Ethically sensitive (unethical) situation is defined as a task to “*Dismiss women who had high rate of work absences due to the need to stay home with the children having disease*”. In both cases participants were given instructions that they have all the necessary qualification for both managerial positions. Participants marked their preferences for the managerial positions in both situations (ethical and unethical) on a standard 5-point Likert scale.

Afterwards students in couples had to negotiate who out of the two will be the manager and who an employee. Consequently, already in the positions of a manager and employee both students have to decide on several aspects of a working contract as bonuses and the share of responsibility. When the negotiations and decisions were finished, each participant had to fill the questions on Person-organization fit and the Readiness to recommend the organization to a friend. The same process repeated for both situations (ethical and unethical).

Data were processed by means of a correlation analysis (Table 1) and by means of a graphical analysis, using the least square method of weighted distances with the Statistica 12 software.

3. Results and Discussion

Table 1 shows correlations between several variables measuring the ethical orientations in the managerial context and the personality traits: integral trait Honesty-Humility (including Sincerity, Modesty, Fairness and Greed avoidance), combination of the two narrow traits Sincerity – Modesty (part of the integral trait Honesty-Humility) and the Self-esteem, all personality trait defined by the Hexaco test (Ashton – Lee, 2009).

A note: both, integral trait Honesty-Humility and the narrow trait Sincerity-Modesty generate the same sort of statistical correlations (in the same direction and with the similar intensity). However in the frame of graphical analysis we use only the Sincerity-Modesty as it brings more clear results from the graphical point of view. However, the use of integral trait Honesty-Humility or the use of particular traits as Sincerity, Fairness, Modesty, Greed Avoidance bring very interesting results and implications

Table 1. Correlations between personality traits and ethical orientations in the managerial context.

	Honesty-Humility (sincerity, modesty, fairness, greed avoidance)	SIMO (sincerity, modesty)	Self-esteem
I recommend the working position in the ethically sensitive situation	-.0021 p=.980	.0347 p=.668	-.0678 p=.402
Person-organization fit in the ethically sensitive situation	-,1870 p=,020 *	-,1481 p=,066*	-.0797 p=.324
Person-organization-fit in a situation without an ethical issue	-.0529 p=.514	-.0852 p=.292	.0174 p=.830
Preference of a managerial position in a situation without an ethical issue	-,2539 p=,001**	-,2217 p=,006**	,2322 p=,004**

* p < 0,10 ** p < 0,05

The results are analyzed in three sub-chapters. First two sub-chapters will provide answers to the two research questions. Third sub-chapter we will provide implications for the managerial practices and discussion on the validity and applicability of results.

3.1. Prediction of a behavioral tendency “readiness to recommend the working position under the unethical situation”

Fig. 2 represents statistical results in graphical way between three variables: Self-esteem, Sincerity-Modesty and the Readiness to recommend the working position, by means of the statistical method of the least square of weighted distances. The interpretation is very clear: Readiness to recommend the unethical working position reaches the maximal levels in the 3rd **quadrant** where the participants have both: low level of Sincerity-Modesty and low level of Self-esteem.

We can conclude that the behavioral intention “readiness to recommend the work in the unethical environment” is very well predicted by the two combination of Self-esteem and Sincerity-Modesty, what provides a positive answer to the research 1st question.

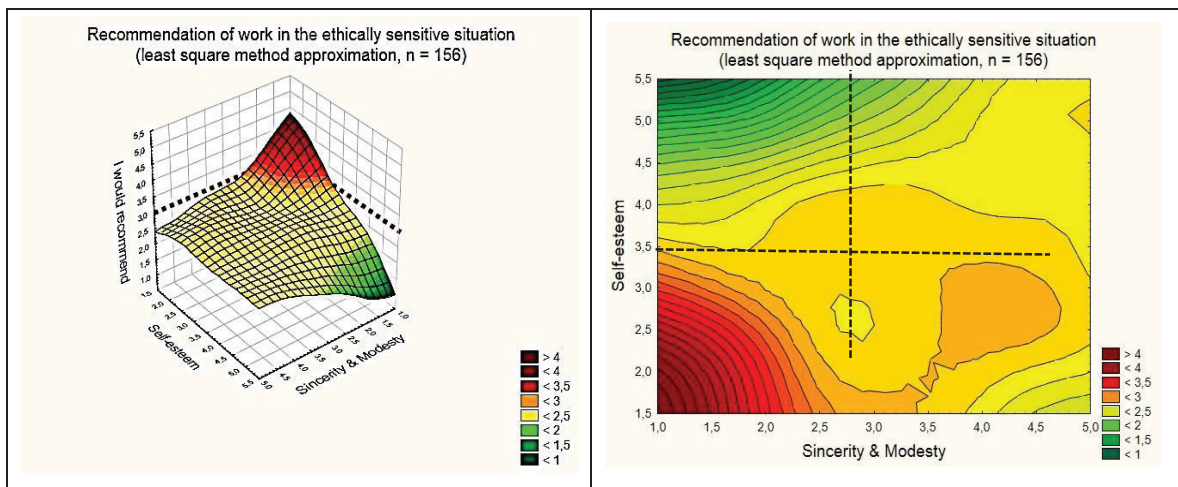


Fig. 2. Tendency to recommend the work to a friend in the ethically problematic situation, 3D and 2D view, least square method.

A note: The behavioral tendency clearly visible from the graphical representation is not supported by the correlation analysis (Tab. 1). This can be explained by the fact (partly evident from the 3-D image) that the relation between both personality traits and the third variable is not linear. Instead, the participants with the high “readiness to recommend the work in unethical conditions” are those with the extreme low values of both personality traits (3rd quadrant).

3.2. Prediction of the person-organization fit

Correlation analysis (Tab. 1) shows that Honesty-Humility and Sincerity-Modesty creates strong negative correlation with the variable Person-organization fit under the unethical situation, on the other hand, in the ethical situation there is not a significant correlation. In other words, the higher level of humility the participant has, the less he identifies himself with the values and practices of the organization. In the ethical organization we do not find a statistically significant correlation between the humility and person-organization fit. This interpretation strongly corresponds to the empirical expectations.

When we analyze **graphical version of results** (Fig. 3), we see that in the **unethical situation** (Fig. 3 - left), the maximal level of Person-organization fit is in the **3rd quadrant**, i.e. at minimal level of Sincerity-Modesty and minimal level of Self-esteem. In the **ethical situation** (Fig.3 - right) the maximum Person-organization fit is generated in the **4th quadrant**, at the maximal level of Self-esteem and minimal level of Sincerity-Modesty. We also remind that in the ethical situation there is not a statistically significant correlation between the Sincerity-Modesty and Person-organization fit and in the unethical situation there is a strong negative correlation.

It implies that the personality trait of **Self-esteem** clearly discerns well between the ethical and unethical situations. And the combination of Self-esteem and Sincerity-Modesty works as a good predictor of the behavioral variable “person-organization fit” in the ethical and unethical situation, what is the answer for the 2nd research question.

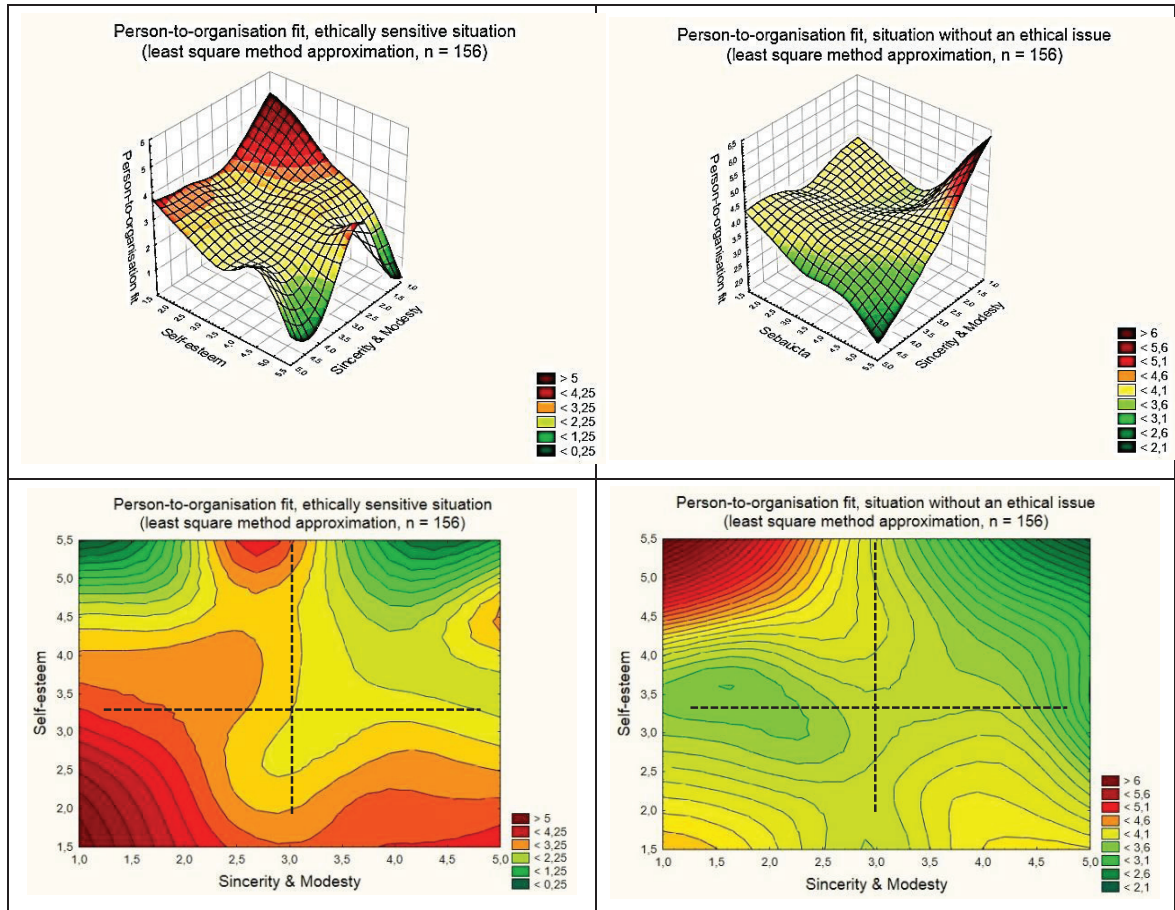


Fig. 3. Person-organization fit in the ethically problematic (left) and ethically correct (right) situation, 3D and 2D view, least square method.

A note: We assume that in the ethically correct situation the maximum level of Person-organization fit is generated due to the fact that the participants with low modesty and high self-esteem became the managers in the frame of the Leaderless Group discussion exercise. Hence they imposed their conditions and preferences on the employee what made them feel better about the situation, what consequently increased a person-organization fit of this narrow segment. However, the relation between the Sincerity-Modesty and the Person-organization fit does not generate a statistically significant correlation, hence there is not a general behavioral tendency.

3.3. Implication for the managerial practice – a discussion

This chapter has for objective to discuss if the findings mentioned in the two previous sub-chapter can have implications for the managerial practice. **Correlation analysis** (Tab. 1) shows that Preference of the managerial position correlates negatively with the Sincerity-Modesty and Self-esteem correlates positively, what corresponds to the empirical expectations.

Graphical analysis (Fig. 4) shows that the Preference of a managerial position corresponds to the high level of Self-esteem and spreads along the whole range of the Sincerity-Modesty scale. **In other words**, people with strong ambitions to be managers have in general a high self-esteem but can significantly differ as regards their level of humility. This implies that if an organization wants to hire managers with high ethical standards it would be advisable to select the applicants with the high level of Sincerity-Modesty and Self-esteem.

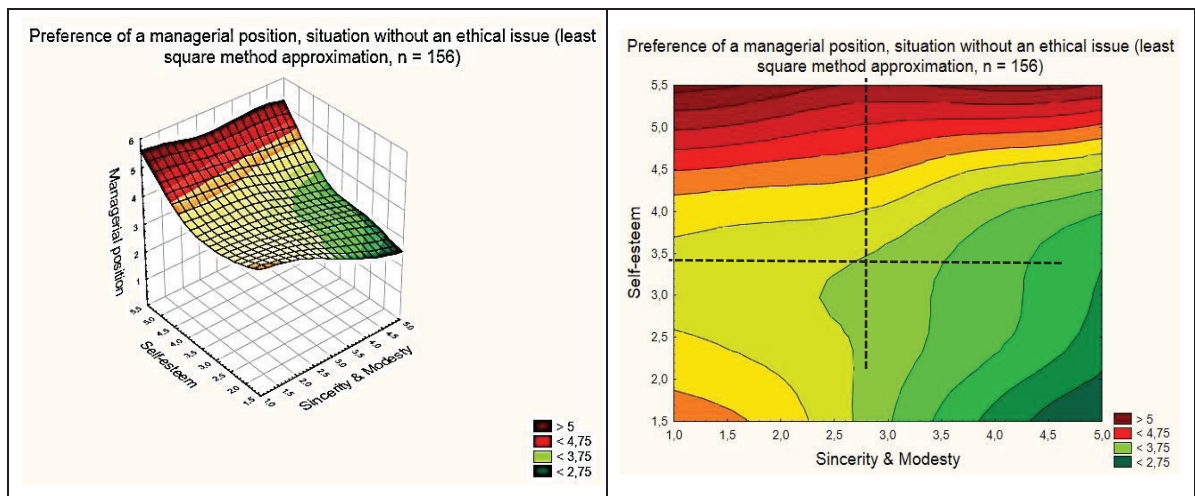


Fig. 4. Preference of a managerial position, 3D and 2D view, least square method.

Limitation of this study can be seen in the fact that the sample of participants is based on the undergraduate students in a one single region. On the other hand this fact eliminates the source of potential variability that might be caused by different demographic or socio-economic situation of participants, different level of their professional experiences, etc. This approach, based on a demographically homogenous group, helps to focus on the differences caused by a one single variable which are presumably differences in the personality traits.

Another **limitation** of this study represents the fact that we used behavioral experiment in the class (in the form of a Leaderless Group Discussion) and not the real business environment. On the other hand, approach based on the in-class experiment provides much better control over the processes that generate more consistent research data.

4. Conclusion

In the study we analyzed the predictability of ethical orientations in the managerial context by means of the personality traits Sincerity-Modesty and Self-esteem (measured by the Hexaco personality inventory). Study shows that the behavioral intention “Readiness to recommend the work in the organization with ethical issues” and “Person-organization fit in the ethical/unethical situation” can be predicted by the combination of the two personality traits.

This study can be considered as innovative in a three-fold way: (1) Academic research in the field of business and management has so far widely ignored the theme of humility in leadership. In the global academic databases there is less 40 research articles devoted to the importance of the personality trait of humility (Žiaran, Pokorná, Kučerová, 2015). This article helps to overcome that gap. (2) This article shows that the in-class experiments can produce

research data with interesting theoretical findings. (3) As a most important contribution of this study we consider implications for the management of human resources, especially in the process of personnel selection where the organization wants to hire ethically conscious managers.

This article is also a part of an effort to create an empirical model based on the assumption that the high level of humility and high level of self-esteem helps to improve interpersonal relations and working atmosphere in the organization (Žiaran, Hrehová, Melasová, 2015). The model implies that the combination of high self-esteem and humility should be considered and trained as an important leadership skill. However more research is needed in all the above mentioned aspects.

Acknowledgements

This contribution was done within the project of Internal grant agency of Faculty of Business Economics and Management at the Mendel University in Brno for year 2015 (ID of project IGA PEF_TP_2015_010).

References

- Ashton, M. C., & Lee, K. 2007. Empirical, Theoretical, and Practical Advantages of the HEXACO Model of Personality Structure. *Personality & Social Psychology Review* (Sage Publications Inc.), 11(2), 150-166.
- Ashton, M. C., & Lee, K. 2008. The prediction of Honesty–Humility-related criteria by the HEXACO and Five-Factor Models of personality. *Journal Of Research In Personality*, 42(5), 1216-1228.
- Ashton, M. C., & Lee, K. 2009. The HEXACO-60: A Short Measure of the Major Dimensions of Personality. *Journal of Personality Assessment*, 91(4), 340-345.
- Ashton, M. C., & Lee, K. 2015. A measure of the six major personality traits. [online] Hexaco Personality Inventory. 2014 [cit. 3.1.2014]. Available at: <<http://hexaco.org/references.html>>.
- Cable, D. M. & Judge, T. A. 1996. Person–organization fit, job choice decisions, and organizational entry. *Organizational Behavior and Human Decision Processes*, 67, 294–311
- Collins, J. (2006). Level 5 leadership: The triumph of humility and fierce resolve. *Managing Innovation and Change*, 234.
- Costigan, R. D., & Donahue, L. 2009. Developing the Great Eight Competencies with Leaderless Group Discussion. *Journal of Management Education*, 33(5), 596-616.
- Christensen, L. J., Peirce, E., Hartman, L. P., Hoffman, W. M., & Carrier, J. 2007. Ethics, CSR, and sustainability education in the Financial Times top 50 global business schools: Baseline data and future research directions. *Journal of Business Ethics*, 73(4), 347-368.
- Hui, C., & Lee, C. 2000. Moderating effects of organization-based self-esteem on organizational uncertainty: Employee response relationships. *Journal of Management*, 26(2), 215-232.
- Hrehová, D., & Frenová, J. 2011. To Have The Competence Means Having Comprehensive Facilities Of Personality. *Journal of International Scientific Publications: Language, Individual & Society*, Volume 5, Part 1, ISSN 1313 - 2547.
- Johnson, M. K. et al. 2011. A new trait on the market: Honesty–Humility as a unique predictor of job performance ratings. *Personality & Individual Differences*, 50(6), 857-862.
- Lee, K. et al. 2005. Predicting Workplace Delinquency and Integrity with the HEXACO and Five-Factor Models of Personality Structure. *Human Performance*, 18(2), 179-197.
- McCull-Kennedy, J. R., & Anderson, R. D. 2005. Subordinate–manager gender combination and perceived leadership style influence on emotions, self-esteem and organizational commitment. *Journal of Business Research*, 58(2), 115-125.
- Molyneaux, D. 2003. "Blessed Are the Meek, for They Shall Inherit the Earth"—An Aspiration Applicable to Business?. *Journal of Business Ethics*, 48(4), 347-363.
- Pierce, J. L., Gardner, D. G., Cummings, L. L., & Dunham, R. B. 1989. Organization-based self-esteem: Construct definition, measurement, and validation. *Academy of Management journal*, 32(3), 622-648.
- Vera, D., & Rodríguez-Lopez, A. 2004. Strategic Virtues: Humility as a Source of Competitive Advantage. *Organizational Dynamics*, 33(4), 393-408.
- Ullrich, D., Ambrozová, E., Koleňák, J., & Sieger, L. 2014. Preparation and training of people to the profession in challenging conditions. *Recent Advances In Telecommunications, Informatics And Educational Technologies, Proceedings of the 10th International Conference on Educational Technologies*, Istanbul - Turkey, ISBN: 978-1-61804-262-0
- Waldman, D. A., Atwater, L. E., & Davidson, R. A. 2004. The Role of Individualism and the Five-Factor Model in the Prediction of Performance in a Leaderless Group Discussion. *Journal of Personality*, 72(1), 1-28.
- Žiaran, P., Hrehová, D. & Melasová, K. 2015. Humility as a new trend in leadership: suggestion for an empirical model. *Hradecké ekonomické dny 2015: Ekonomický rozvoj a management regionů. Hradec Králové: Univerzita Hradec Králové*, ISBN 978-80-7435-546-2.
- Žiaran, P., Pokorná, H. & Kučerová, R. 2015. Humility and modesty in leadership, a bibliometric perspective. *Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis*. ISSN 1211-8516.