Management Education for Professional Integrity: The Case of University Centre for Economic and Managerial Sciences, University of Guadalajara

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Aims/ objectives: This paper is aimed to analyze professional integrity as an improvement concept to the actual values and virtues and meaning managerial capabilities and attitudes to assume any professional task. This paper is aimed to analyze a case of management education for professional integrity at the University Centre for Economic and Managerial Sciences, University of Guadalajara.

Study design: Cross-sectional study.

Place and Duration of Study: University Center for Economic and Managerial Sciences, University of Guadalajara. The study was conducted for one academic year in 2010-2011.

Methodology: The research method employed is the ethnographic, documental and life’s histories, complemented with field work supported by in-depth interviews and analyzed using a comparative method.

Results: The outcomes of the research on the application in management education demonstrate that the drama of economic efficiency is centred on a dysfunctional professional integrity. This chapter provides a sound professional philosophy that empowers professionals to act with integrity, increases the probability for long-term success and professional fulfilment.

Conclusion: The results provide also the basis to develop a code of conduct and regulation policies to sustain management education for professional integrity which, can positively impact on business culture through influencing the behaviour of key actors.

Professional integrity as an improvement concept to the actual values and virtues as meaningful managerial capabilities and attitudes to assume any professional task. The objective of this paper is to analyze the importance of professional integrity as the improvement concept and ethics in the development of professionals in administration and management sciences. The paper also pretends to present some suggestions of ethical and integrity program based in professional integrity that can lead the manager to a more ethical and
humanistic practice based on a case at University Centre for Economic and Managerial Sciences, University of Guadalajara.

Economic and political conditions of the globalization processes carry with them the elements toward the multinational integration which implies a higher professional competitiveness. Professionals have to be prepared for a global market constrained by time and resources for their basic developments. Thus, there is a need for optimizing the resources applied to the development of the new professionals. The most important change facing the new demands of education is the task of personal and professional integrity formation for the performance of citizenship and productive capabilities. Llano (1997) makes reference to a divorce between professional formation and the real labor market as the product of nonexistent but necessary synchronization, between the graduated professionals from Universities and technological institutes and the requirements of employers that have resulted to be devastating for the social responsibility that the organizations must fulfill.

The manager’s success in the provision of services to individuals and society depends to a certain extent in the degree of knowledge, skills and experiences obtained in the classroom and the professional performance. Moreover, it depends of the achieved level of personal qualities development that distinguishes him/her as an individual, such as the professional integrity, independence, ethics, and so forth (AICPA, 1980: 16). There is a peremptory need to recover credibility, integrity and respect in the management profession through a truth reconstruction of the ethical and integrity fundamentals. Professional formation and development in management sciences conducted in Universities must specify the required behaviours for the professional integrity. The formation of professional integrity at University programs, more than the added value must be the inherent value expected to grant to the organizations and society as a whole.

**Notion of Integrity**

Integrity is important to build a good society, a reason that makes necessary to define with precision the origin and sense of the term. Srivastva and Associates (1988) describe integrity with an emphasis on congruence, consistency, morality, universality and concern for others. Kerr (1988: 126-127) lists the Ten Commandments of Executive Integrity. Covey (1992) describes integrity as honestly matching words and feelings with thoughts and actions for the good of others. A key component of integrity is the consistency between actions and words. Integrity is defined by the Webster’s New World Dictionary (1994) as: “1. the quality or state of being complete; unbroken condition; wholeness; entirety; 2. the quality or state of being unimpaired; perfect condition; soundness; and 3. the quality or state of being of sound moral principle; uprightness, honesty, and sincerity”. Integrity is a state or condition of being whole, complete, unbroken, unimpaired, sound, perfect condition.

The word integrity suggest the wholeness of the person in such a way that can be said that person with integrity are whole as human beings. The term integrity refers to honesty, playing by the rules and not necessarily following the rules, which means setting aside in situations where people may be victimized. Becker (1998) conceptually distinguishes integrity from honesty and fairness. However, the empirical research conducted by Hooijberg and Lane (2005) shows those managers and their direct reports, peers, and bosses do not distinguish integrity from honesty and fairness. Integrity in the context of other values that are in the eye of the beholder is an implicit model to evaluate the meaning of integrity. Becker (1998) found no standard definition of
integrity because it is treated as synonymous with other values such as honesty and fairness, which makes very difficult to measure it.

Integrity means honesty or stating what one really thinks even if the honest person runs the risk of hurting relationships and getting the organization in trouble. The condition of integrity must emerge at the heart of the person, people and organizations as the distinctive seal in all actions, decisions, determinations, etc. Simons (1999) defines Behavioural Integrity (BI) as the perceived degree of congruence between the values expressed by words and those expressed through action. Integrity is primarily a formal relation one has to oneself. Integrity refers to the wholeness, intactness or purity of a thing, meanings that are sometimes, applied to people (Cox, La Caze and Levine, 2005).

“What is it to be a person of integrity? Ordinary discourse about integrity involves two fundamental intuitions: first, that integrity is primarily a formal relation one has to oneself or between parts or aspects of one's self; and second, that integrity is connected in an important way to acting morally, in other words, there are some substantive or normative constraints on what it is to act with integrity. How these two intuitions can be incorporated into a consistent theory of integrity is not obvious, and most accounts of integrity tend to focus on one of these intuitions to the detriment of the other.” (Cox, La Caze, and Levine, 2005).

Erhard, Jensen and Zaffron (2010) combine the two intuitions of integrity developed by Cox, La Caze, and Levine (2005), the second becoming a logical implication of the first, in one consistent theory. Integrity is the integration of self, the maintenance of identity and standing for something. Personal integrity, defined as honouring one's word, becomes predictable with first-hand reliable and accurate information (Erhard, et al., 2007). Integrity is the base to trust to people because it guarantees the subject consistency in making decisions and in how he/she relates to others. Trust and ethics are terms related to the concept of integrity. Integrity is a guarantee of being ready to repair any threat to honesty. Integrity is defined as honouring one's word in a positive model developed by Erhard, Jensen and Zaffron (2008) revealing the causal link between integrity and performance. There is not a consistent and validated framework of integrity. Erhard, Jensen and Zaffron (2010) define integrity as: a state or condition of being whole, complete, unbroken, unimpaired, sound, perfect condition. Personal integrity has to do with the wholeness and completeness of that person’s word. Personal integrity is one of the personal qualities. The Oxford Dictionary (2011) defines integrity as “the quality of being honest and having strong moral principles”, “the state of being whole and undivided”.

Integrity has different meanings to different respondents. Integrity is for an individual, group, or organization as honouring one’s word.

At an individual level, integrity is the matter of that person’s word “being whole and complete”. Personal integrity has to do with the wholeness and completeness of that person’s word (Erhard, Jensen and Zaffron, 2010). A person’s word may consist of what is said, known, expected, is said is so, stands for, and the social moral, group ethical and governmental legal standards. Integrity is a matter of a human entity’s word being whole and complete. One’s word is not a matter of being obligated or not, being willing or not willing to fulfil the expectations of others. To be a person of integrity is honouring one’s word and not a matter of keeping one’s word. Simons (2002) defines integrity as keeping one’s word. Honouring one’s word is defined by Erhard, Jensen and Zaffron (2010) as keeping or not keeping the word on time when it is
impossible, saying to everyone impacted if the conditions are not met and cleaning up any consequences.

Keeping the word is doing what it is said will be done and on time. Keeping the word is doing what it is known to do and doing the way it was meant to be done, and on time, unless it has been said it would not do so doing what others expect to be done. It is congruent to define integrity to the capability to rationalize without interest’s influences or particular sensations. Even if it has been never said it would not be done, and doing it on time, unless it has been said it would not be done and it has been made expectations of others clear to them by making explicit requests being willing to held accountable when it is asserted something that others would accept the evidence on the issue as valid.

Considered as a positive phenomenon, independent of normative value judgments, integrity is defined as honouring one’s word. Honouring the one’s word to oneself provides a solid foundation for self discipline as a way to maintain one whole and complete as a person that empowers him/her to deal with the matter with integrity. One may create trust by others when honouring one’s word although fails to keep one’s word. Honouring the word maintains integrity when it is not possible or appropriate to keep the word or to choose not to keep the word. The concept of integrity as Honouring One’s Word includes a way to maintain integrity when one is for any reason not going to keep one’s word. Integrity is a guarantee of being ready to repair any threat to honesty. However, for Kaizer and Hogan (2010), integrity is a moral attribution that we place on the behaviour of another person, in such a way that integrity is in the eyes of the beholder rather than consistency of that person’s words and actions.

Argyris (1991) contends that people consistently act inconsistently; unaware of the contradiction between the way they think they are acting and the way they really act. Simons (1999) argues that behavioural integrity is the perceived degree of congruence between the values expressed by words and those expressed through action that he terms “wordaction”. However, while keeping the words is not always possible, honouring the word, and thus, to be a person of integrity, whole and complete, is always possible. Honouring one’s word when failing to keep it provides a behaviour that can generate substantial benefits. It is the interpretation of one’s body, emotions and thoughts in the own words that are said, which ultimately defines who is one is for self.

Authenticity means being and acting consistent with which you hold yourself out to be for others, and who you hold yourself to be for yourself. Being authentic is “being willing to discover, confront, and tell the truth about your in authenticites” (Erhard, W. and Jensen, M., 2009). Argyris (1991) argues that “people consistently act inconsistently; unaware of the contradiction between their espoused theory and their theory-in-use, between the way they think they are acting, and the way they really act.”

For a group or organizational entity, Erhard, Jensen and Zaffron (2010) define integrity as that group’s or organization’s word being whole and complete. Organizational integrity as any human system is an organization that honours whole and complete its word to its members and to outsiders. Respondents refuse to answer questions related to identify integrity issues and behaviours of managers lacking integrity besides the difficulties to observe and rate them.

Honouring one’s word to another creates a whole and complete relationship. One’s word is constituted by what literally one person says in words, in the “speaking” of his/her actions and in what these actions say to others. Being in-integrity leaves one person whole and complete outside or inside the relationship with other person who may be out-of integrity. Shakespeare
(1914) said, “This above all: to thine own self be true, it must follow, as the night the day, Thou cans’t not be false to any man.” When one is true to one’s word, which is being true to one’s self, one cannot be but true to any man. Being in-integrity allows one person to continue to be effective and workable in the relationship with other or others.

The terms integrity, morality, ethics, and legality are confused by the common usage. Morality, ethics and legality exist in a normative realm of virtues while integrity exists in a positive real. Erhard, Jensen and Zaffron (2010:1) distinguish the domain of integrity “as the objective state or condition of an object, system, person, group, or organizational entity.” Integrity is within the positive realm and its domain is one of the objective state or condition. The virtue phenomena of morality and ethics are related to integrity as a positive phenomenon.

The Oxford Dictionary (2011) defines morals as “standards of behaviour or beliefs concerning what is and is not acceptable to do”. Morality exists in the social virtue domain in the normative realm. Morality is the generally accepted standards of what is desirable and undesirable; of right and wrong conduct, and what is considered by that society as good behaviour and what is considered bad behaviour of a person, group, or entity. Integrity cannot be falsified because it is, by its own nature, the truthiness, what avoids the fragmentation of persons and the cracking down of moral strengthens.

The Oxford Dictionary (2011) defines ethics as “moral principles that govern a person’s or group’s behavior” (Sic). Ethics refers to the set of values and behaviours defined by society as desirable in such a way that any action can be judged as “good or bad” (Pojman, 1995). Ethics exists in the group virtue domain in the normative realm. Ethics is defined as in a given group (the benefits of inclusion in which group a person, sub-group, or entity enjoys), ethics is the agreed on standards of what is desirable and undesirable; of right and wrong conduct; of what is considered by that group as good and bad behavior of a person, sub-group, or entity that is a member of the group, and may include defined bases for discipline, including exclusion.

Integrity as the condition of being whole and complete is a necessary condition for workability. Workability is defined as the state or condition that constitutes the available opportunity for something or somebody or a group or an organization to function, operate or behave to produce an intended outcome, i.e., to be effective; or the state or condition that determines the opportunity set from which someone or a group or an organization can choose outcomes, or design or construct for outcomes (Erhard, Jensen and Zaffron, 2010). The resultant level of workability determines the available opportunity set for superior performance. Integrity provides access for superior performance and competitive advantage for individuals, groups, organizations, and societies. Erhard, Jensen and Zaffron (2010) conclude that the way in which integrity is defined for individuals, groups and organizations reveals the impact of integrity on workability and trustworthiness, and consequently on performance.

Variations in personal behaviour depending on situations may be interpreted as lack of integrity. Lack of integrity is compatible with a multiplicity of interests that are in collision among each other. Lack of integrity implies a gap between what is said and what is thought, between what is considered a proper conduct and what is finally done, between what is morally fair and what it appears to result from pressure of circumstances. The lack of integrity goes beyond and has effects far away the sphere of the specific activity in each organization, even impact the society’s rules of the game. Personal as well as professional integrity in firms declines more and more in an environment of global economy, leading to a decrease in performance.
Moral and ethical values may guide human action and interactions shaping professional integrity and determining performance. Professional integrity derives its substance from the fundamental goals or mission of the profession (McDowell, D., 2010).

Legality exists in governmental virtue domain in the normative realm. Legality is defined as the system of laws and regulations of right and wrong behaviour that are enforceable by the state (federal, state, or local governmental body in the U.S.) through the exercise of its policing powers and judicial process, with the threat and use of penalties, including its monopoly on the right to use physical violence.

Honouring the standards of the three virtue phenomena of morality, ethics and legality and its relationships with performance, including being complete as a person and the quality of life, raises the likelihood to shape human behaviour.

**Professional Integrity**

One of the first documents that treat on professional integrity is the Hippocratic Oath. The thesis behind is that professionals have to aspire to excellence. Personal integrity is directly related to professional integrity. Personal integrity and professional integrity are generally interdependent and compatible. Professional integrity is related to, but different from personal integrity. Professional integrity is an attribute although philosophically the term integrity relates to general character. Professional integrity derives its substance from the fundamental goals or mission of the profession (McDowell D. 2010) Professional integrity is sustained on the principle of moral integrity and ethical principles centred in transparency, honesty, sincerity, moral consciousness, loyalty, truthiness and reality in the functions performed adhered to legality. Professional integrity is the set of principles and commitments to improve the results of the manager’s activities, to maximize autonomy, to create relationships characterized by integrity, the ethical practice, social justice and team work.

Different aspects of professional integrity are derived from the basic functions of each profession. The professional integrity includes the role-specific obligations and responsibilities of a particular profession. Well-established professions often spell out and stand on the role-specific principles of professional integrity. Professional integrity derives its substance from the mission and fundamental goals of the profession. Where the stakes for society are so high, professional integrity must be first over personal loyalties of friendships. Professional integrity is based on value integrity first, service before self, and excellence in all that we do. When a professional commits himself /herself to “integrity first” it is that he or she understands the importance of both personal integrity and professional integrity, and through his/her efforts to keep them compatible, he or she best provides the crucial professional functions and activities to the society.

A clash between personal integrity and professional integrity leads to integrity dilemmas which are present in some situations such as for example a professional refuse to participate on moral grounds because it is not morally obligatory even though it is legally permitted. In any professional role it may be possible to live up to high standards of competence and conduct but not to sustain professional integrity outside the professional realm and context by living entirely different, opposed, conflicting or contradictory moral values in private life. It reveals a direct conflict between personal integrity and professional integrity. Culpable incompetence is clearly violation of professional integrity.
At the times when professional integrity is most valuable, there is an excuse to avoid the obligation to be in integrity. To be in professional integrity when it is most valuable to others, means to bear the costs. Professional integrity may be sacrificed to avoid some costs imposed on others, such as to protect institutional reputation. Based on integrity, it is build the personal reputation, and also as an extension the institutional reputation, when these are liberated according to the integrity criteria. The value of good reputation has been manifested several times in management. With violations of the public trust by actions of authority are serious breaches of professional integrity. When the stakes are so high in a profession, the breach of professional integrity could be devastating to society. Mayor challenges to professional integrity are the misuse of science, research and evidence in policymaking (McDowell, D. 2010).

The concept of professional integrity is separated from normative concepts to understand it as a “purely positive phenomenon that plays a foundational role” in economic performance. The issue of competence is directly relevant to professional integrity. The duties of competent professionals can be carried out by professional practices, functions and actions constrained by moral, ethical and legal restraints on professional integrity. “Ethical implies conformity with an elaborated, ideal code of moral principles, sometimes, specifically, with the code of a particular profession” (Webster’s New World Dictionary).

The codes of conduct support the profession’s conception of professional integrity. A code of professional ethics allows to norm a more ethical and humanistic professional practice and the commitment with individuals and society, the actions that must be guided not only by the speculation but for the necessity to act with justice, responsibility, discretion, honesty, etc. A myopic vision of professional integrity and ethic is reduced to a catalogue of things that are good and that are bad, and that there are not considered under a wider vision as the set of principles that serve to the human beings to achieve perfection and plenitude which is an arduous task. Changes on environment and the actual life can originate the loss of a clear vision of the limits between the honest and what is not, where it finishes the dignity and where begins the non dignity and what are the moral principles that must rule professional behaviour.

Professional integrity is formed by social responsibility and some other social elements that professionals inherit to maintain high standards of competence and conduct in the entire full range of professional activities and not just for themselves. Professional integrity has as an effect a major consistency of one person on himself/herself and produces greater social cohesion. Honest members of society strengthen the links of the structure and make advancements toward the own end, the common good. Professional integrity involves competences shared by all members of the profession and joint responsibilities for conduct. Integrity in communication is the pillar in trusting interpersonal networks building as a condition for the cooperation among human beings.

**Professionalism**

Professionalism has integrity as the essential and defining element. Professionalism is an ethical movement defined by essential elements of professional good will and good doing and reflects on values, actions and curricular implications. Professionalism as an aspect of a person's life is an attribute of integrity.
Managerial Integrity

Organizational activities include regular issues of professional managerial integrity (Thompson et al., 2008) Professional management integrity is defined as a “leadership competency and measures it using co-worker ratings of observed ethical behavior” (Sic). Professional managers displaying integrity are more concerned about the welfare of others (Brown & Trevino, 2006). Managerial integrity acknowledges responsiveness among one another, receptivity and creative efforts to understand other’s perspectives while at the same time articulating their own (Levinson, 1988: 318).

Perceived managerial integrity is central to managers – stakeholder’s relations as it is for leaders in the role of leader-follower relations, although it is questionable as to what extent integrity is important for various stakeholders. A manager would like to be able to look at themselves as someone who has integrity, is fair and honest. Kerr (1988) argues about the difference between the conceptual work on integrity and the realities faced by management practitioners. Kerr truly explored the meaning of integrity for real managers. As Kerr (1988: 138) states that the author’s prescriptions about how to behave with ethics and integrity, were far away from the managerial practice in everyday organizational life. When the mistakes and incompetency of managers are buried instead of being exposed and removed from their practice, the managerial authorities fall short of their responsibilities to the mission and goals of the profession. Managers act with integrity to stay true to themselves (Levinson, 1988: 268).

The environment under which the role of management takes place include managerial integrity, honesty and in safeguarding the integrity of the management system. Trust may create a “transformation in relational logic” which produces differential interaction effects for personal and professional integrity trust and capability trust (Bigley and McAllister, 2002) in professionals. Professional managers must have high integrity in order to be trusted by other stakeholders, as leaders by followers. There are negative as well as the positive effects on public managerial integrity caused by the introduction of businesslike methods in the public service Kolthoff, Huberts, and Heuvel (2003). However, global perceptions of supervisor integrity are a function of discrete, and primarily destructive, supervisor behaviours (Craig and Gustafson 1998, p.134).

Moral philosophers agreed that integrity is linked to personality psychology and also Allport (1937) recognized this connection which can be measured directly through integrity testing. In organizational life, managerial integrity and other related competencies can be measured and evaluated through structured interviews, background checks, assessment centres, and other methods such as high-fidelity simulations and strategically designed assessment exercises that are other more valid and reliable methods for measuring integrity. Little effort has been made to link ethical theory to management behaviour (Fritzche and Becker (1984: 166). Becker (1998: 159) suggests obtaining assessments of integrity from supervisors or peers because integrity tests invoke social desirability responses with an emphasis on action. One important instrument to assess managerial integrity is the Diamond of Managerial Integrity model was developed by Kaptein (2003) to assess and improve the integrity of managers.

Leslie & Fleenor (1998) reported 24 popular assessment instruments that are similar in content to other competency instruments used by organizations that were compared and analyzed by Kaiser and Hogan (2010) who found several weaknesses centred on the lack of clarification of the integrity domain. Moreover, the instruments define low integrity by the absence of high integrity
rather than by the presence of devious behaviours, and were found used for rating the integrity of managers only focusing on the positive desirable integrity construct but not on a lack of integrity or unethical behaviour. Minor breaches of integrity are not rated as violations against serious violations of integrity that are usually covert.

However, Kaiser and Hogan (2010) measure managerial integrity framed by personality theory to identify the integrity of managers, drawing on the concepts of reputation and the influence of “weak” situations on the expression of dark-side tendencies. According to Kaiser and Hogan (2010) self assessments of managerial integrity are dubious sources of information because the manipulation and deceit of persons lacking integrity. Managers who lack integrity hardly recognize themselves as that and observers may identify questionable integrity behaviours of managers. Thus, subordinates are likely to be a prime and the best source of information about the personal and professional integrity of managers (Brown & Trevino, 2006). Kaiser and Hogan (2010) found that competency ratings do not identify managers with integrity issues. Ratings of an integrity competency are heavily skewed favouring managers who receive high ratings for integrity and are unlikely to identify managerial misconduct. Respondents refuse to answer questions related to identify integrity issues and behaviours of managers lacking integrity besides the difficulties to observe and rate them.

Firms may be concerned with effectively preventing declines in managerial integrity. Erhard, Jensen, and Zaffron (2007) assume that the decision of a firm to appoint a previous CEO, relies to a greater extent on firm-specific information on personal and professional integrity. In the case of the integrity of the previous CEO, firms promote an insider and hire an outsider in the case of a former dishonest CEO. However, it is not enough to be trusted in terms of managerial integrity to predict OCB.

Ratings of managerial integrity always favour managers and rarely identify the ones who may lack integrity. Kaiser and Hogan (2010) contend that competency ratings are unlikely to identify managerial integrity issues. They propose an alternative method, referred as the dubious reputation approach, to identify managers with potential integrity problems focusing on the lower level of the integrity, not relying on ratings of observed behaviour but estimating the likelihood those managerial engagements in unethical behaviours. Ratings focused on the undesirable behaviours of the integrity domain of managers may identify their integrity problems. The dubious reputation approach involves personal integrity evaluations of the dark side of managers’ personalities. This method proves to identify and assess levels of managerial integrity and effective competency.

The epitome of the dubious reputation method developed by Kaiser and Hogan (2010) is the Perceived Leader Integrity Scale (PLIS) developed by Craig and Gustafson (1998) which identifies low integrity of managers. An empirical research conducted by Kaiser and Hogan (2011) found that the PLIS yielded variability and higher incidence of low scores of managerial integrity than the integrity competency scale. Perceived integrity as a variable is more highly correlated with Consideration than Initiating Structure. Also the research concluded that as the strongest predictor, Perceived Integrity as a variable is more highly correlated to Perceived Effectiveness. This result is consistent with the notion that integrity is concerned with the needs and rights of other people.
Integrity and Performance

The ontological law of integrity states that “To the degree that integrity is diminished, the opportunity for performance (the opportunity set) is diminished” (Erhard, Jensen and Zaffron, 2010). There is a relationship between integrity and performance, where integrity is a necessary condition for performance. Integrity not only exists as a virtue but rather as a necessary condition for performance. Performance is defined as “the manner in which something or somebody functions, operates, or behaves; the effectiveness of the way somebody does his or her job” (Encarta Dictionary, 2004). To maintain management performance centred in the human and ethical values is always an issue that requires being subject to pressures and tensions for the same nature of the management profession. Perceptions of the manager’s integrity determine how much to trust the manager which, in turn, influences attitudes and performance.

Competency models that include integrity as a dimension are used by organizations to identify managerial performance capabilities (Boyatzis, 1982) use subordinate ratings focusing on behaviours to evaluate the integrity of managers. Perceptions of manager’s behavioural integrity created collective trust and were related to customer satisfaction and profitability which translated into higher performance (McLean Parks, 1997). Behavioural ratings of observed ethical behaviour by co-workers measures integrity defined as a leadership competency suggests that only a small proportion of managers may have integrity issues without distinguishing high-from low-performing managers (Kaiser and Hogan, 2010).

When nobody has an incentive to invest in firm-specific knowledge, the managerial integrity drops and consequently the performance of the firm, such as the case of external hires who step up the regression of integrity in firms (Rost et al., 2008). Regression of integrity in firms may result in the prevalence of outside hires. When followers believe their leader cannot be trusted because the leader is perceived not to have integrity, they divert energy diminishing work performance (Mayer and Gavin, 1999). Assuming that the integrity of the previous CEO has no effects on performance, Erhard, Jensen and Zaffron, (2007) found that the managerial integrity of a former CEO pays off improving the performance of a firm at the time when the leadership change is stable.

Kaiser and Hogan (2010) conducted an empirical study of ratings on a competency-based integrity scale with psychometric properties to test the expectation that few managers are rated as lacking integrity, to prove that ratings of integrity fail to identify individuals at the low level and not predict managerial performance. The integrity competency analysis use subordinate ratings of integrity to predict overall performance. Subordinate ratings of a professional managerial integrity competency are consistent with performance ratings in organizations. Results of a research conducted by Kaiser and Hogan (2010) show that ratings on the integrity competency are unrelated to managerial performance. The proposed method by Kaiser and Hogan (2010) based on subordinate expectations about the likelihood that professional managers would misbehave and have unethically behaviours suggests that a larger proportion of managers may have professional integrity issues without distinctions performance.

Kaiser and Hogan (2010) found in their empirical research that manager’s competency integrity is highly correlated with building talent showing concern for subordinates, although does not distinguish the level of management performance concluding that integrity competency does not predict performance. This finding is consistent with the definition of integrity as sensitivity for the needs and rights of other people. The empirical research conducted by Kaiser and Hogan...
(2010) found that the levels of manager’s integrity is not correlated with the level of performance. This finding contradicts the research showing that personal integrity is a prerequisite for effective leadership.

**Integrity and Leadership Effectiveness**

Regarding integrity, most leaders follow a more Machiavellian view who wrote that a prince should appear a man of integrity (Machiavelli, 1981: 101). Integrity as other values has an impact on effectiveness. The argument that leaders need integrity to function effectively is supported by Covey (1992:61 and 108), who contends that followers become guarded of leaders with low level of integrity.

There are few empirical studies conducted to explore the role that integrity plays in leadership effectiveness. There is a lack of empirical research to analyze the relationship between integrity, leadership behaviours and effectiveness. The study of the impact that integrity has for effectiveness has not been clarified because integrity is to a greater or lesser extent being perceived as more effective when having honesty and fairness. Few empirical studies examine the relationship between integrity and leader effectiveness but not the impact integrity has on leader effectiveness. What may be good for the sense of integrity may not improve effectiveness. Direct reports have association between integrity and leadership effectiveness and are concerned about indicators of integrity of managers because of the need for consistent behaviour (Staw, et al., 1980).

The assumption that integrity has a positive effect on leader and organizational effectiveness is questionable when research on leadership emphasizes behavioural approaches rather than integrity and actions that lack integrity can lead to success (Jackall, 1988). Morgan (1989) developed a leadership assessment scales on integrity to analyze the relationship to leader effectiveness and found that integrity as a variable is related to trust. Trust reflects the integrity or capability of another party, thus trust in a leader’s integrity may inspire followers because of the leader’s adherence to certain values (McAllister, 1995). Research on integrity and leadership effectiveness suggests a positive relationship. Badaracco and Ellsworth (1990) and Covey (1992) argue integrity has an impact for leadership effectiveness. Followers believing in the integrity of their leaders are more comfortable engaging in risky behaviours (Mayer, Davis, & Schoorman, 1995). Hooijberg, Hunt and Dodge (1997) call for the role of integrity as a value in leadership research.

Craig and Gustafson (1998) developed the Perceived Leader Integrity Scale (PLIS) to measure employee’s perceptions of their leader’s integrity and job satisfaction and found positive correlation. Craig and Gustafson (1998) provide a large pool of items. The global indicators of integrity (Craig and Gustafson, 1998: 134) account for 81% of the variance in perceptions of integrity. Becker (1998: 160) argues high personal integrity make excellent candidates for leadership positions. Simons (1999) used the concept of behavioural integrity and leader effectiveness and found that there is a significant positive correlation between perceived integrity and leader effectiveness. Morrison (2001: 65) states that integrity is necessary for managers to engender the goodwill and trust required for an effective leadership. Parry and Proctor-Thomson (2002) revised the PLIS to analyze the relationship.

Integrity is a cognitive form operating via different processes on outcomes such as the organizational citizenship behaviour (OCB). Thus, Dirks and Skarlicki (2004) argue that integrity may be a predictor of OCB and the leader may be seen as being with high integrity.
This idea, according to the authors implies that integrity predicts employee OCB although the main effects for benevolence and integrity on OCB were not significant at low and moderate levels, however the authors found that when benevolence is high the relationship between integrity and OCB is positive. Mayer and Davis’ (1999) trustworthiness scales assess trust in managers in terms of integrity and benevolence. Behavioral integrity and competence impact trust, although Salam (2000) argues that integrity and competence are not sufficient to increase trust for other parties.

Hooijberg and Lane (2005) examine the impact integrity has on people’s perceptions of effectiveness and found that integrity has a small relevance for leadership effectiveness. To test the relationship between leadership behaviours, integrity, and managerial effectiveness, Hooijberg and Lane, N (2005) included in his research values associated with integrity and values in conflict with integrity. Hooijberg and Lane (2005) reported that is partially confirmed for all evaluators that integrity has a positive association with effectiveness for managers and their peers.

However, between integrity and direct reports or bosses’ perceptions of effectiveness, they did not find a significant association between integrity and effectiveness. The results show a statistically significant association for the managers themselves and their peers, but there is not statistically significant association between Integrity and effectiveness for the direct reports and bosses. Their results also confirm that bosses associate goal-oriented behaviours had the strongest association, but not integrity with leadership effectiveness. These values have a stronger association with effectiveness than integrity, honesty, and fairness do. Integrity affects perceptions of managerial effectiveness when managers strongly associate being goal-oriented, monitoring and facilitation. Perceived competence and integrity are character-based factors make individuals willing to take the risk toward a common goal. Goal-oriented behaviours of managers are associated with effectiveness, but not integrity. Integrity as a key ingredient for effectiveness may be hard to maintain.

Competency ratings of integrity are not capable to identify managers who may lack integrity because there is an assumption that managers are at risk for misbehaving. Competency rating methods assume integrity in terms of desirable observed ethical behaviours in such a way that to identify managerial integrity underestimates the number of managers with integrity issues. Definitively, when an organization is lead by managerial integrity, interior life develops with integrity and generates an exemplar effect for all involved in the activities.

Kaiser and Hogan (2010) suggest that organizations conducting character and integrity audits consider other alternative approaches for detecting integrity such as simulations, assessment centres, enhanced background checks, specially designed interviews and rely on more than just competency ratings of integrity. There is the possibility to replace competency ratings with ratings based on the dubious reputation methods, the PLIS scale is in the public domain, by focusing on subordinates’ expectations or create hybrid scales. The PLIS scale, a measure of the dubious reputation method identifies managers’ integrity at the unethical end of the continuum. The dubious reputation analysis use subordinate ratings of integrity to predict ratings of job satisfaction and perceived effectiveness. Kaiser and Hogan (2010) propose the dubious reputation method to evaluate the integrity of managers based on expectations that managers behave unethically. The dubious reputation method is intended to replace the competency ratings to identify and evaluate the integrity of managers. Results of using PLIS are consistent with prior findings that leader integrity is determinant of leadership perceptions.
Integrity and ethics concern one’s relationships with other people. The absence of ethics and integrity precluded leadership. Hooijberg, and Lane, (2005) examine the impact of some values including integrity on leadership behaviours and effectiveness finding that the value of integrity has a significant impact on effectiveness. The findings of Hooijberg, R. and Lane, N (2005) do not support the notion that integrity is essential for leadership. They did not find a statistically significant association between integrity and effectiveness.

Personal integrity also plays a central role in transformational as well as charismatic leadership highlighted by research. Thus, Personal integrity is a prerequisite for leadership (Cohen, 2009). Followers’ perceptions of a leader’s integrity are related to transformational leadership (Parry & Proctor-Thomson, 2002). However, competency ratings do not measure low level of personal and managerial integrity because leadership research focuses on positive qualities (Padilla, Hogan & Kaiser, 2007).

Material and Methods / Experimental Details / Methodology
The hypothesis of this research considers that there are some economic, social and cultural factors which appear to pressure management education to far outweigh to maintain professional integrity. This hypothesis is proved empirically confirmed by the finding that significant importance is placed on the professional’s reputation for integrity, economic efficiency strength, organizational social capital, and a compliance ethical culture. This paper outlines an approach in which professional integrity in management education is understood in the context of honesty, as having an ethical background, building trust and maintaining credibility. The chapter concludes by presenting a model of management education for professional integrity that can used to prescribe a more sensitive and dynamic human-ethical environment.

The research method employed is the ethnographic, documental and life’s histories, complemented with field work supported by in-depth interviews and analyzed using a comparative method. Participants described several dimensions of professional integrity in management education. Discussion focuses on integrity as the basic principle of professionalism in management education to guide complex ethical reasoning, as well as the need for creating and sustaining professional integrity environments through ethical modelling and relational behaviours promoted by integrity as the essential element. This methodology puts in evidence that there is an urgent need to develop a model to approach professional integrity in economic and managerial careers.

In our own research conducted with information units involving teachers and students to determine the existence of program content oriented toward teaching ethics and professional integrity in the administration major at the university level as well as the existence of behaviour codes as a frame of reference. Results indicated that all the teachers coincide in affirming the need to incorporate a transversal program axis that would permeate the curriculum, oriented toward teaching ethics and professional integrity in the administration schools. Therefore, the study recommended setting up cooperation networks to implement common axes for teaching ethics at the national universities.

The outcomes of the research on the application in management education demonstrate that the drama of economic efficiency is centred on a dysfunctional professional integrity. This chapter provides a sound professional philosophy that empowers professionals to act with integrity, increases the probability for long-term success and professional fulfilment. The chapter offers practitioners, managers, leaders, etc., skills and moral frameworks of professional integrity that
can be shared across and within professions, and used to compare and evaluate their professional practice. The results provide also the basis to develop a code of conduct and regulation policies to sustain management education for professional integrity which, can positively impact on business culture through influencing the behavior of key actors.

Results and Discussion

In general, there is a consensus that nowadays it is required professionals with the capacity to live and share in harmony with others, sociability, self-control, professional integrity and adaptability in cultural diversity. To develop this type of professional, it is necessary to institute, teach and share with an example the values of the organization to the personnel on the basis of congruence between the word and the action of executives. The teaching of ethical professional based on the integrity must consider teaching at the university as an educative responsibility to satisfy the professional development programs. The ultimate end of any educative process is that human being achieve its plenitude to be capable to build everyday a more fair and equalitarian society where justice, tolerance and participation and of course, respect to others must prevail over any other interest. Being that, the economic progress will be possible on the behalf of human being integrity.

Personal sustainable development and success requires getting, restoring and maintaining professional integrity. To have, restore and maintain professional integrity behaviour for individuals, groups and organizations where it doesn’t exist or it has been diminished requires a development program of professional integrity. As it has been signalled by Bateman y Snell (2001) ethics programs must be based on integrity and to go beyond to avoid illegality, to worry for the law, but also to inculcate on the people a personal responsibility for ethical behaviour. Ethical problems based on personal integrity, besides the legal aspects consider necessary to inculcate in the student personal responsibility for his/her ethical behaviour. Behaviours are manifestations and expressions of a value scale. As Humboldt had said: If we want to have professionals with ethics, we have to teach to be and how to be.

Professional development must inculcate the habits of professional integrity, in such a way to create confidence that those habits of professional integrity will be practiced by these same individuals when they become licensed professionals. However, determination to work in an ethical way and to be an integrity person is an individual process. The teaching of professional ethics and integrity is a factor contributed to an elemental human development in the global realm (Kliksberg, 2002 and Etkin, 1993). Professional ethics determine the essential bases of behaviours, to make decisions on the grounds of moral values and professional acts and keep on the relationship with vocation. The business ethics has an incidence in professional integrity. In this way, institutions of higher education must attend the specific needs of professional formation and development that society merits to the aim to guarantee the positioning of professionals in labor markets.

Learning models must integrate a holistic vision of professional managerial integrity formation and development, the institutions of higher education must foster formation and development of professional integrity of organizational administration according to the existent needs, achieving the requests by why they were created. The characteristics of professional integrity as part of the graduate profile of universities must be screened by the mechanisms of personnel selection of organizations and vice versa, according to the environment needs. It is required the existence of a major coordination between business organizations and the university to have an incidence in the
formation and development of the managerial cadres in educative institutions as a product of this synchronization.

It has been under the study the need to achieve some changes centred on the formation and development of professional integrity in the professional practice (Rodríguez Ordoñez, 2004). The components of the professional’s moral integrity and their influence in the development of activities such as the academic formation and how it complements with learned values in the family nucleus which will generate in the professional an indisputable added value. Professional integrity of the manager’s action in the development of competencies and capabilities are related to corporate social responsibility (CSR) that has a fundamental part in corporative governance.

An analysis of professional integrity and values across cultures and their interrelationships to increase or reduce human welfare is a new field of research. In this sense, Managers constantly associated integrity with honesty, merit and fairness but differ with other values. In some training situations penalties for tolerating lapses of integrity may be ameliorated, the same which may be fully enforced in the professional context. However, professional integrity must be so crucial in training situations where the stakes are not too high and some failures may be tolerated.

Some proposals can be implemented in the management teaching programs development addressed to the application of integrity and ethical values at the same level of knowledge, searching for coherent professional behaviours in order to avoid the forced interpretation of normative. Otherwise, when the occasion comes, it allows to treason without scrupulous the spirit of the norm, looking for meeting only the personal interests that nothing have to do with the pretended public interest that is equivalent to collective welfare of a community of persons and institutions served by the professional manager. The point to make here is that trust in his/her objectivity and integrity is vital to sustain the adequate functioning of the organizational activity.

Management’s curriculum must be oriented towards the future and to must be enriched to include student’s development in a systematic and ordered way of attitudes, attributes and personal qualities, such as professional integrity and independence, among others. All of these must be aligned with the concept of integral development, moreover because they are consubstantial to the successful practice of the profession (AICPA, 1980: 16).

Implications for Management Education

Professions exist to serve society’s needs through professionals using morally decent means to provide values and services. Professionals in administration and management must be able to effectively cultivate an image of personal integrity. When integrity-based trust in management professionals is high, organizations that espouse ethical and moral values are more willing to trust more important and crucial responsibilities and activities. The professional ethical principles give substance to different forms of professional behaviour included in the actions, such as how to focus justice to human beings, responsibility in performance of professional activities, discretion in information management and honesty in each one of his/her actions.

An individual maintains its professional integrity as long as it remains uncorrupted. Professionals that distort their essential service functions to society toward unreasonable profits, power, or greed, they may lose the trust and respect of their communities. The character-based perspective focusing on concerns about the managerial integrity, suggests that the referent trusted predicts the response or concern toward a specific individual integrity. The negligent professional
manager in his/her actions despite that having necessary information to execute his/her functions, expose his/her professional integrity. In the case of conflicting duties, professional integrity tells us that the highest duty is to avoid harming others. Simons (1999) “. . . proposes that the divergence between words and deeds has profound costs as it renders managers untrustworthy and undermines their credibility and their ability to use their words to influence the actions of their subordinates.” The manager must have and show absolute mental independence and criteria regarding to any interest, which can be considered incompatible with integrity and objectivity principles that can be affected without an application of autonomous and neutral criteria.

Management’s professional must act with integrity which is achieved taking into account that must be immerse in each one of his/her functions, tasks and components of personal activities. The most important and significant aspects of management’s professional services towards clients, customers and general public, cannot be defined as knowledge and experiences but in less precise terms, such as professional integrity, sense, wise, perception, imagination, circumspection, service to others, professional stability, personal benefits, professional honesty, respect to personal dignity, vocation, and so forth. Beyond the technological financial and of any other type aspects, the management’s professional must have as a central axis his action and behaviour toward other human beings.

A reconstruction of professional ethics and integrity is necessary to recover credibility and respect of management’s profession. According to the competencies of knowing to be and knowing to share, the attitudes, values, qualities, habits and dispositions imprinted in the citizens and professionals’ character, make managers builders of a better society. Being capable of make sense on managerial knowledge and practices it is expected from personal integrity.

Society provides the necessary resources and opportunities for carrying out the professional integrity functions, the authority to act on its behalf and the autonomy required to provide social trust. Failures of social trust are related to breaches of professional integrity. Violations of the trust based on the relationship and on the authority to act on behalf of the entire society, are serious breaches of professional integrity. To refuse a professional assignment in such a way that breaks faith with all other members of the profession and the social interest, it may be considered a first-order violation of professional integrity. It is the equivalent of a manager to manage or abandoning managerial assignments that can be devastating to and organization and society. Manager’s professional reputation and integrity in his/her relationships to other persons and stakeholder groups are important. The commitment to social welfare and preservation of environment is getting anchored in all managerial and economic fields’ professions.

In conclusion to value integrity as a relevant aspect to individuals, is possible to work effectively for personal goodness and for the common good.

Recommendations for assessing professional managerial integrity in practice must urge the professional managers to consider the prevalence and impact of managerial misconduct. All the professions and management is not the exception, are ruled under social principles of honesty, integrity and collective responsibility that must be developed at the workplace. Integrity and responsibility must be part of the manager’s professional life. This means that a good professional must know his / her legal, labour and entrepreneurial limitations which are aligned with the ethical values that generate a higher level of transparency. The management’s professional is committed to carry on his/her functions with transparency and integrity generating a better quality of life.
It is necessary to promote a managerial culture to rescue the values and the attention to human being as a key factor to have organizations that every day achieve higher levels of development and productivity.

It is necessary to strengthen and consolidate plans and programs on management study with the ethical and human formation either in the teaching of specific courses strengthen them with the action of academic and administrative authorities.

Future research on professional and managerial integrity could conduct a more anthropological study and collect not only quantitative assessments but also qualitative assessments.

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