The relationship between previous leadership theories and ethical leadership in a South African context: a narrative review

Anrusha Bhana (a)* Sachin Suknunan (b)

(a) Senior Lecturer, Department of Financial Accounting, Durban University of Technology (DUT)  
(b) Doctor of Business Administration, Services Division, University of KwaZulu-Natal (UKZN), South Africa

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ABSTRACT

Leadership theories have underpinned significant leadership studies and practices which span decades. Despite the plethora of research on different leadership theories and styles, there is minimal research exploring the relationship between previous leadership theories and the ethical leadership style. Previous research has shown that the ethical leadership effect goes above and beyond other leadership styles and theories as the latter lack an exclusive ethical focus. Therefore, this paper aims to address the identified gap from a preliminary perspective of previous leadership theories as compared to the ethical leadership style. In addition, ethical leadership is the ‘only’ leadership style that is part of the King IV code and report on Corporate Governance in South Africa. The study is built on previous research conducted on leadership theories in relation to ethical leadership and corporate governance as per the King IV report. The method employed involved conducting a historical narrative review of research from more than 60 relevant sources obtained from different databases and search engines on this topic. The paper found that a relationship exists between historical and contemporary leadership theories, contemporary theories and ethical leadership style, and ethical leadership and corporate governance. Stemming from these results, a conceptual model of the relationship between leadership theories, ethical leadership style, and Ubuntu ethics is shown. It is hoped that different types of organizations in South Africa will benefit from this review paper since most need to comply with the King IV report and code. The focus should be on ethical leadership as it promotes better employee performance and positive organizational outcomes.

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Introduction

Despite a plethora of research on the tangible and intangible benefits of an ethical leadership style, which is a constituent of the King IV code and report, most organizations in South Africa (SA) need to pay more attention to its importance of it. The Ethical leadership style has an influence that goes above and beyond previous leadership styles since the other styles lack an exclusive ethical focus (Heres & Lasthuizen, 2013). Hence, this paper aims to explore previous literature and studies on leadership theories, ethical leadership and corporate governance, the King IV code and report on South Africa. Shokane, Stanz, and Slabbert (2004) state that a study of South African organizations against international equivalents highlighted that South African leaders need a sense of earnestness to move away from typical transactional leadership. Thus, different leadership styles are fast becoming the foundational driver for performance and success as they have the power to influence employees and the organizational ethos. Quintal (2012) asserts that colossal maladministration in South Africa is related to unethical leadership, which is an exploitation of authority and power in both the public and private sectors.

Today’s leaders must adjust their leadership style to the changing digital or technological environment as the world moves to the 4th Industrial Revolution (4IR). Therefore, when discussing ethical leadership and corporate governance, there is a need for legislation

* Corresponding author. ORCID ID: 0000-0001-5577-6728
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and compliance policies to adjust to the rapidly evolving technologies, which will help leaders prepare for the 4th Industrial Revolution (Malinga, 2021).

In addition, this paper is relevant as most previous studies on historical and contemporary leadership theories exclude 'ethics', and other leadership theories that were not part of the King IV code and reported that South African organizations adopt. Ethical leadership is an element of corporate governance and the King IV code and report, which is not merely about exemplifying ethical behaviour but about a dynamic type of leadership that will positively influence employee relationships. This is further supported by Grobler and Horne (2017:166), who claimed that an ethical leadership style was related to more positive organizational outcomes than other leadership theories. Therefore, as Agbato and Davies (2016) suggested, a successful leader should behave ethically. A leader should always conduct organizational duties and responsibilities in a way that does not compromise the organization's reputation, as one's reputation will be remembered by others as either ethical or unethical. This is further supported by Sakiru, Othman, Silong, DSilva and Kareem (2013), who aver that the success or failure of apt institutions, countries and other social sectors can be attributable to the nature of leadership style. When managers lead in an unethical manner, they will eventually clash with employees, which will ultimately have a negative ripple effect on the stakeholders at the institution. Therefore, when leaders lack credibility, their words and actions lack moral leadership power (Heres & Lasthuizen, 2013, p. 89).

Naidu-Hoffmeester (2014) claimed that the challenges facing South Africa's continued progress are complex and multi-faceted, and the resolution thereof will rely on sound, skilled and ethical leadership. Unfortunately, only a few South African organizations follow an ethical code/code of conduct or have tried to build an ethical culture (Van Zyl, 1999, p. 16).

There have been persistent allegations about corruption or poor governance. These influences are the principal cause of underdevelopment in Africa (Van Zyl & Dalglish, 2009, p. 50). Based on the findings of previous studies, this paper found a research gap that explored the relationship between historical and contemporary leadership theories and ethical leadership and ethical leadership to corporate governance as per the King IV report in SA.

**Literature Review**

The following section briefly discusses the research gap between leadership theories and ethical leadership in a South African organizational context. Research on ethical leadership is important as it will guide leaders and help them improve their leadership styles, which will also improve relationships with employees. Interestingly, whilst volumes have been written on governance, leadership and management at the working level, these boundaries are often unclear between different positions, which has led to serious problems requiring intervention by the Minister (De La Rey, 2015). Maseko (2014) emphasized that there is a need to go beyond the scholarly literature to see and practicing effective leadership. This paper aims to examine the relationship between historical leadership theories, contemporary leadership theories on the ethical leadership style, and ethical leadership in corporate governance in South Africa.

The paper commenced with a narrative review of the definition of the terms ‘leader’ and ‘leadership’ in research. The Anglo-Saxon origin of the word lead, leader or leadership is laed that correspondingly represents the pathway lane and eaden denotes to travel, thus a leader is a person who guides connote travelers and shows them the path by walking in front (Gal, 2012: 3–4). Leadership is as ancient as the mountains, but the real etymology of the word is new—the original known word ‘leadership’ dates back to 1821, when ‘leader’ was joined with the suffix “ship” meaning position (i.e. position of a leader) (Kelly, 2014). According to Helmrich (2016) the Webster dictionary terms leadership as having the capability to lead people or followers. It is noteworthy that leadership models and theories have been well-defined in so many diverse ways that an outline would be vast (Kanj and e’Sa, 2001). The word ‘leadership’ was used in several aspects of human industry such as political affairs, corporate, academics, social work, etcetera (Obiwuru, Okwu, Akpa and Nwankwere, 2011:100). Moreover, Leadership is about people and not about oneself (Despain and Converse, 2003:148).

**Historical and Contemporary Leadership Theories**

The narrative review focused on the historical and contemporary leadership theories from the 19th century to current leadership theories. Van Zyl et al. (2016:4) claimed that there are many leadership theories and models that can be divided into a historical view and new-genre leadership views. Thus, the time continuum (Figure 2) illustrates a theoretical advancement in the evolution of leadership theories from trait to behavioral, then contingency to transformational and transactional theories (Taylor and Machado, 2006:140). The Great Man theory developed around the mid-19th century (Leadership-central.com, 2017). Existing research examined personality, physical and mental characteristics on the basis that leaders were born. Hence, the key to being a successful leader was held by those individuals who were born to be great leaders (Horner, 1997:270). The Great Man theory was well known by historians as being a leadership role occupied by only males (Sethuraman and Jayshree, 2014:2). However, the theory was dismissed after a great deal of research was done on leadership (Maj, 2011). The theory focused on examining and understanding mental, physical and social characteristics, or the combination of characteristics that are mutual amongst leaders (Leadership-central.com, 2017). Scouller (2011) claimed that although the Trait theory contributed to the fact that leaders are born and not made, this concept goes well with selecting leaders rather than developing them. Behavioral models concentrated on the relationship between the leader’s behavior and the impact on employees’ mind-set and performance (Prudziencia et al., 2014:322). However, Scouller (2011) asserted that Behavioral theories may not be apt for all situations, a case in point being emergencies or turnarounds.
The Contingency theory focuses on leadership style, followers and circumstances linked to the surroundings. In addition, it determines the appropriate leadership style for a particular situation (Sethuraman and Jayshree, 2014:165 -172). Interestingly, the Contingency theory is a comparative extension of the Trait theory as the traits are linked to the situation in which the leader fulfills duties (Leadership-central.com, 2017). The Situational theory emphasizes that these leaders usually opt for the best leadership style while taking into consideration the situation and the individuals to win over (Sethuraman et al., 2014:165-172). Interestingly, Vroom (1983) asserted that if these theories were used to determine the kind of leader most suitable for heads of departments, each department would need different situational leadership styles. The Leadership-member Exchange theory also developed from earlier theories, comprising the vertical leader-follower (dyad/pair) linkage (Horner, 1997). Thus, the Leader-member Exchange (hereafter called LMX) theory focuses on the linkage between leaders and followers (Cogliser and Schriesheim, 2000). Martin, Thomas, Charles, Epitropaki, and McNamara (2005:141-147) reported that LMX either wholly or partly facilitated the relationship between locus of control, on-the-job well-being, and organizational commitment. LMX theory describes the dynamic age-old problem of cronyism, faithfulness to a leader and corruption, and offers a structure for solutions to problems (Leadership-central.com, 2017). In the new genre of leadership theories, emphasis is on the relational changing aspects within the leadership process and discovering what motivates followers to go further than expected (Van Zyl et al, 2016:4). According to Van Niekerk (2005:43), since leadership researchers have coupled transformational and transactional leadership, it is crucial to understand both.

![Figure 1: Transformational (authentic) and transactional leadership theories; Source: Bass and Avolio (1990) (adaptation)](image)

**Transformational and Transactional Leadership Theories**

The transformational (relationship–oriented) leadership theory (Figure 1) is defined by a work-based exchange connection (Cardona, 2000:203). The principle of transformational theories is that leaders transform followers through encouraging character and magnetic personalities (Leadership-central.com, 2017), thus making this leadership style an agent of change (Gal, 2012:96). Transformational leadership means a high-order type of leadership that motivates employees to obtain both short-term and long-term goals (Shokane et al., 2004:2). It can be noted that a transformational leader should inspire and offer opportunities for employees’ personal development (Chipunza and Gwarinda, 2010:33). Transformational leaders concentrate on the big picture within an organization and delegate smaller responsibilities to the team to complete the goals (Johnson, 2017:2). However, the theory is idealistic and may not be appropriate for those who just want to be able to live day to day, sustaining or continuing in the current situation (Leadership-central.com, 2017: 2). Interestingly, as stated by Chipunza and Gwarinda (2010:9), research on mergers in the educational environment has presented transformational leadership as an important feature in the success of a merger. Shokane et al. (2004:3) claimed that non-leadership is also a form of unethical leadership as it excludes any positive transactional and/or transformational leadership elements.

The Transactional (task–oriented) leadership theory in Figure 1 is defined as an ordinary exchange relationship (Cardona, 2000:203). Transactional leadership is the skill of a leader to simply manage the employees’ behaviour and resources of the organisation in order to attain short-term goals (Shokane et al., 2004:2). According to Ali, Sidow and Guleid (2013:3), transactional leadership is an exchange-based connection where self-centeredness is a central characteristic. Clearly, transactional leadership depends on more exchanges between leaders and followers whereby followers are remunerated for meeting specific goals or performance standards (Trottier, Van Wart and Wang, 2008: 319-333). Howell and Avolio (1993:891-902) asserted that there are three dimensions of transactional leadership, namely reward-contingency, management by exception-energetic, and management by exception-submissive. Johnson (2017:1) maintained that employee rewards such as bonuses are obtained when goals are accomplished. However, transactional leadership comprises an exchange process that results in followers’ agreement with the leader, but will not fulfill task objectives with eagerness and commitment (Obiwuru et al., 2011:104). Good transactional leaders are generally good negotiators, authoritarian or even hostile in order to achieve maximum benefit from the economic powerful relationship that is created (Cardona, 2000:204).
Ethics and The Ethical Leadership Style

Based on the above leadership theories, the paper further reviews the various definitions of ethics, then the leadership theories linked to ethical leadership, and finally ethical leadership linked to corporate governance in the King IV report. Ethical science guides how human beings ought to behave with respect to one another, in addition to other creatures (Sivananda, 2007:1). Despite the real-world importance of ethical or unethical leadership, systematic research across cultures/sectors is rare (Eisenbeiss and Brodbeck, 2014:343-344). According to Gini and Ciullia (1998), although numerous discussions on the significance of ethical leadership have taken place, the discipline has gathered regular yet inadequate scholarly consideration. As stated by Sims (2000:65-78), leadership is important to establishing an ethically-oriented culture within any organization. Moreover, Van Zyl et al. (2016:170) assert that both the terminologies of morals and ethics are comparable in meaning. The primeval English-Latin-Latin dictionary ‘ethikos is itself derived from another Greek term, the noun ethos, denoting “character, nature” (Wikipedia.org, 2017a). The Indian ancient philosophy (Vedas) advocate how people should live and is perceived as the first philosophical ethics (DictionaryMW, 2016:13). According to the Oxford English Dictionary (2015), ethics is defined as moral philosophies that direct an individual’s behaviour or leading of an activity. Interestingly, Kidder’s (2003:63) typical definitions of ethics includes idioms like “the science of the model human character” or “the science of moral sense of duty”.

Science of Ethics

Ethics is the science of demeanor, hence ethics is the study of right or respectable behavior (Sivananda, 2007:1). There are several explanations and synonyms of the word ‘ethical’, such as humane, honest, principled, moralistic, kosher, good, fair and equitable (Thesaurus.com, 2016:1). Most people confuse ethics with acting in harmony with social bonds, religious principles and the law, and do not treat ethics as a separate idea (Paul and Elder, 2006). Personal ethics are imperative when policy, procedures and codes of conduct are not specific, always under different conditions (Clapper, 1999:139). Bello (2012:229) postulated that ethics must undeniably start at the top of an organization. Ethics and integrity are non-negotiable, hence it is vital that focus is on doing the right thing rather than selecting an easier or faster shortcut, particularly in the absence of supervision or rule (SAIPA, 2017:10). As stated by Oates (2013:38), ethics concerns itself with the moral philosophies that direct the leader’s behaviour. The values and ethics of the society and government organizations must form a vital introductory element so that ethics play a critical part in moral leadership (Green, 2010:1). SAIPA (2017:11) maintains that conducting oneself ethically and with integrity may take time as it takes longer to do things the right way. Furthermore, an individual of character and ethics is revered, trusted and idolized everywhere (Sivananda, 2007:10).

In the African context, it is wise to declare that the Ubuntu way of life highlights good governance because Ubuntu emphasizes values such as involvement, unity, compassion, shared personhood and collective ethics (Sindane, 2011:757). Ubuntu is defined as humanness: the value of being human is reflected in the way people are treated - with respect and human dignity (Bhengu, 1996:5). Ubuntu refers to personhood and ethics. Ubuntu principles incorporate group solidarity, compassion, respect, human dignity and joint dignity (Mbigi and Maree, 1995:2). As asserted by Sindane (2011:758), like a water feature from which true actions and positive attitudes drift, the Ubuntu ethics of compassion, empathy, morality, impartiality, trust, respect and openness should be incorporated and expanded in public leadership and governance. However, Ubuntu is disparate to self-indulgence, stealing, inequitableness, prejudice, dishonesty, laziness, infighting, concealment, looking down on others and any form of insolence (Saule, 1998:4). It would involve the characteristics of rationality and fairness (ethical dimensions) in public leadership and governance (Sindane, 2011:763).

Social Theories on Ethical Leadership

A Social Learning theory on ethical leadership style suggested that leaders impact the ethical behaviour of others through role modelling (Brown et al., 2005:117-134). The Social Learning Theory (SLT) comprises three variables, namely behaviour, internal characteristics (cognition and feelings) and environmental factors (within or outside of the organization) (Bandura, 1986). As mentioned by Brown et al. (2005:117-134), Social Learning Theory can be appropriate for the conceptual development of ethical leadership. Additionally, Brown and Mitchell (2010) claimed that SLT can also be used to advance the unethical leadership concept. In addition, Kalshoven and Den Hartog (2009:103) asserted that Social Exchange Theory supports ethical leadership behaviour, which is expected to improve trust between employees, and thus ethical leaders would be more effective in any organisation.

Ethical leadership and corporate governance

Good governance will be worthy if the South African government achieves its goal of “a good life for all” through creating conditions that enable individuals and groups to have a good quality of life through teamwork (Sindane, 2011:756). Interestingly, Barac, Marx and Moloi (2011:319) assert that there has been very little research on corporate governance in organizations. In addition, Van Zyl et al. (2014:180) state that governance can be described as a combination of standards, rules and institutions and used by society to govern fiscal, political, and social practices at various levels. Therefore, corporate governance refers to the internal procedures and processes through which leaders run an organization (Agbato and Davies, 2016). There is a need for organizations to have sound management, ethical leadership and strong governance structures for effective and adept management (Barac et al., 2011:317). Consequently, it is essential for organizations to run efficiently and at no point should there be a void in governance and management (Chipunza and Gwarinda, 2010:12). As stated by Motlanthe (2010:1), when the lines between corporate governance and ethical
leadership become distorted, it is imperative to return to the basics. The lack of a collective vision, passion, direction and emphasis leads to public leadership and governance struggling, and subsequent moral and ethical degeneration (Kwaku, 2007).

Table 1: Abridged King IV Code with Part 5.1. Principles

<table>
<thead>
<tr>
<th>Principles</th>
<th>Recommended practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership: The institution should lead ethically and effectively</td>
<td>- Colleagues of the institution should avoid conflicts of interest.</td>
</tr>
<tr>
<td></td>
<td>- Ought to act ethically beyond mere legal compliance.</td>
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<td></td>
<td>- Colleagues should continuously improve their competency to lead effectively.</td>
</tr>
<tr>
<td>Organisational ethics: Need to govern organizational ethics to support the</td>
<td>- Focus on the key perils of the institution.</td>
</tr>
<tr>
<td>establishment of an ethical culture</td>
<td>- Arrangements to ensure that employees and other stakeholders are acquainted with the</td>
</tr>
<tr>
<td></td>
<td>code of conduct and ethics policies and standards.</td>
</tr>
<tr>
<td></td>
<td>- Incorporating the code of conduct and ethics policies in employee induction and</td>
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<td></td>
<td>training programmes.</td>
</tr>
<tr>
<td></td>
<td>- Application of institutional ethical standards for recruitment, performance evaluation</td>
</tr>
<tr>
<td></td>
<td>and reward of employees, in addition to sourcing of suppliers.</td>
</tr>
<tr>
<td></td>
<td>- Important to have resolutions and measures in the event that institutional ethical</td>
</tr>
<tr>
<td></td>
<td>standards are breached.</td>
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<tr>
<td></td>
<td>- Utilization of whistle-blowing mechanisms to identify breaches of ethical standards</td>
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<td></td>
<td>and dealing with such disclosure.</td>
</tr>
<tr>
<td>Responsible corporate citizenship:</td>
<td>- On a continuous basis, the institution’s governing body should oversee and monitor the</td>
</tr>
<tr>
<td>Ensure that the institution is and is viewed to be a responsible corporate</td>
<td>outcome of activities and outputs that affect corporate citizenship in the following</td>
</tr>
<tr>
<td>citizen</td>
<td>areas:</td>
</tr>
<tr>
<td></td>
<td>* Workplace (employment equity (EE); fair remuneration, safety, health, dignity and</td>
</tr>
<tr>
<td></td>
<td>employee training and development)</td>
</tr>
<tr>
<td></td>
<td>* Economy (economic transformation; prevention, detection and response to fraud and</td>
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<td></td>
<td>corruption, etc.</td>
</tr>
</tbody>
</table>

Source: Africa (2016) (adapted)

According to Africa (2016), the King IV code of conduct and practice on leadership, ethics and corporate citizenship in Table 1 focuses on principles and governance desired outcomes at the level of leading practice. The King Report and King Code defines corporate governance as “the exercise of ethical and effective leadership by the governing body”. This is the significance of the King Report and King Code, as it outlines what ethical and effective leadership is (Michalsons, 2022).

Dorasamy (2012:512) claimed that institutions ought to “eat, drink and sleep” ethical governance. Clearly, good governance is about effective leadership centered on an ethical foundation that is categorized by responsibility, accountability, impartiality and transparency (Dicey, 2016:12). Corporate governance should be presented not with merely structure and procedure, but also with ethical cognizance and behaviour (Padoa, 2016). Sound corporate governance practices and ethical leadership in organizations are crucial to ensure effective operations (Barac and Marx, 2012:353). Grobler and Horne (2017:155) claimed that the concept of sustaining good corporate governance to assure organizations’ credibility is of vital importance. In addition, ethical leadership has a major influence on employee engagement from employees with the work experience. Previous researchers support the notion that ethical leadership has many positive outcomes from better employee performance, trust in leaders, organizational commitment, added effort, job fulfillment and emotional commitment (Cheng et al., 2014: 817).

Table 2 below provides a brief explanation of previous studies in relation to leadership theories and styles.
Table 2: Summary of Previous Reviewed Studies

<table>
<thead>
<tr>
<th>Research</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Naidoo et al. (2017)</td>
<td>This study examined the recommendations of King Report IV, paying particular attention to ethics in leadership. The study discussed whether the King IV report will be effective in promoting ethical leadership in South Africa. The study emphasized the need to establish a Social and Ethics committee which will address ethical behaviour and ethical management. The study has shown that the King IV report is purely a recommended practice for all organizations in South Africa, not a prescriptive rule, as organizations are free to choose the pace at which they embrace these provisions. Therefore, these changes may possibly end up being more incremental than transformative for organizations in South Africa.</td>
</tr>
<tr>
<td>Sindane (2011)</td>
<td>This study was conducted in South Africa and was based on challenges in leadership in the public sector. Different levels of scandals in the form of corruption, mismanagement and dishonesty in the public service, whether it is national or international, were highlighted. These challenges are an indication of the ineffectiveness of the control mechanisms currently being used in the public sector. The study discussed public leadership styles from collaborative to collective leadership styles, and the importance of good governance and Ubuntu. The need for values and ethics practices in public leadership was emphasized in the study as a possible way to address the current scandals in the public sector.</td>
</tr>
<tr>
<td>Obiwuru et al. (2011)</td>
<td>This research examined the effects of leadership style on organizational performance in SMEs in Nigeria. The study focused on transformational and transactional leadership styles in relation to organizational performance. The study concluded that a transactional leadership style is more appropriate in inducing performance than a transformational leadership style. Therefore, the study recommends that SMEs should adopt a transactional leadership style but also move towards a transformational leadership style which will support development and growth in SMEs. The limitation of the study was that its primary focus was on only two contemporary leadership theories.</td>
</tr>
<tr>
<td>Sethuraman and Jayshree (2014)</td>
<td>This study was conducted on different leadership theories, from the Great Man theory to Participative theory. The research focused on different leadership theories with a conceptual model which would be appropriate for situational leaders. The results concluded that leadership is not only inborn, but can be developed. In addition, the study claimed that there was no relationship between leadership styles and the personal traits of managers or leaders.</td>
</tr>
<tr>
<td>Lloyd and Mey (2010)</td>
<td>The research analyzed the impact of business ethics in the Eastern Cape Motor Industry Cluster (ECMIC) in South Africa. The study focused on the development of an ethics intervention proposed model to assist in creating an ethical organisation. It is evident that the ethical conduct of all employees is of paramount importance to the successful operations and performance of an organisation as this also supports global competitiveness. The research recommended that an evaluation of the ethics process utilizing the principles of King report should be incorporated in the future. The limitation of the study was that it was confined to one sector in the Eastern Cape, South Africa.</td>
</tr>
</tbody>
</table>

Source: Authors

Methodology

A historical narrative review was adopted as an analysis method for the study. This entailed listing and scrutinizing more than 60 online sources from the different and applicable old and new leadership theories from many previous studies. In order to get the relevant research papers, the study searched the online databases using the key words “leadership”, “ethics”, “ethical leadership”, “Corporate governance”, and “King IV report”. The search results offered a lot of previous studies which was more than two hundred and fifty. From this list, approximately 60 sources were finally selected which contain the five aforementioned key words. The paper was chosen depending on the criteria of (i) empirical studies, (ii) employees as a dependent variable, (iii) ethical leadership, ethics, corporate governance related to King IV report as independent variables and (iv) theoretical studies. A careful analysis was done across all selected leadership theories in relation to ethical leadership, which this informed the goal of the study. The discussion thereof follows in the results section, which was reviewed in detail. A compelling case was provided by a comprehensive review of previous studies to show the importance of ethical leadership in relation to historical and contemporary leadership theories.

Key Results

Much research discusses leadership theories and respectively ethics, values and ethical leadership, but there were no studies showing the relationship between these theories and ethical leadership and corporate governance as per the King IV report. The significance
of this retrospective review of literature comparing real-world leadership theories has shown that ethical leadership has the ability to positively influence employee performance and organizational outcomes in South Africa. This is consistent with Mayer, Kuenzi and Greenbaum’s (2010:7) assertion that ethical leadership research is essential as it offers knowledge into what ethical leaders basically do to positively influence employee performance.

In general, the paper highlights the link between historical and contemporary leadership theories and ethical leadership. In addition, the review emphasized the many benefits that were observed when ethical leadership and sound corporate governance are put into practice. Therefore, there is a need for greater support and emphasis by all levels of management to ensure that ethical leadership and corporate governance are at the core or crux of organizations in South Africa. Kulati, Brown and Harrison (2005) asserted that continuous research on ethical leadership is needed. In addition, ethical leadership seems to offer greater benefits to organizations comparatively as it also supports employee engagement. This study also highlights the important constituents of ethical leadership, i.e. corporate governance, Ubuntu and Ubuntu ethics in South Africa. The results of this review prompt the authors to emphasize that despite most organizations having complied with the King IV report and code, there is still a need to develop and promote ethical leadership in South Africa.

Theoretical Findings

The paper proposed three things. Firstly, there is a relationship between historical and contemporary leadership theories. Secondly, contemporary leadership theories are linked to an ethical leadership style. Lastly, ethical leadership is an important part of corporate governance in the King IV report.

Historical and Contemporary Leadership Theories

Burke (2006:91) claimed that leadership has been a comprehensively explored subject for over 50 years. The origin of leadership continue to be studied and written about in hundreds of texts, journal articles and business and financial magazines (Van Zyl et al. 2016:7). Leadership is the most researched and least understood subject of any in the Social Sciences (Van Niekerk, 2005:38). As stated by Bass (1990:19-31), there are three elementary leadership theories, namely the Trait leadership theory, the Great (man) Event theory and the Process (situational and contingency) leadership theory:

i. Like the Great Man theory, the Trait theory approach states that leaders are born with these characteristics and the qualities remain constant over a long period of time (Sethuraman and Jayshree, 2014:2).
ii. As opposed to the Trait leadership theory of mental, physical or social characteristics, the Behavioral theories presented a new outlook that concentrated on the actions of leaders (Leadership-central.com, 2017).
iii. The Contingency theory is heterogeneous and is developed from trait and behavioral theories. Thus, the best way to lead comes from the leader and the situation.
iv. Fiedler’s concept of situational favorability was defined by a fusion of leader-member links, job structure, and place of power (Horner, 1997:271). It is noteworthy that new theories have developed from replicated older ones; basically, like pouring old wine into new bottles (Bass, 1990; Bass and Avolio, 1994).

Contemporary Theories to An Ethical Leadership Style

Covey (1992) claimed that theory builds on a man’s need for meaning and IS immersed in purpose, values, morals and ethics. Furthermore, Brown, Trevino and Harrison (2005:118) state that Social Learning or the Social Cognitive theory of Bandura in 1978 and 1986 have been used as a robust theoretical foundation to understand the ethical leadership style. Al-Omari (2005:21) claimed that transformational theory proposes that effective leaders build and promote a desirable vision or image of the organization. Hence, there is a need for authentic transformational leaders to ensure that ethical policies and procedures are promoted within organizations (Howell and Avolio, 1993: 43-54). Hoover and Hazler (1991) maintained that there is no difference in Transformational leadership, whether it is used within an educational or a corporate environment. Transactional leadership has an ethical element if the leader speaks the truth, inhibits promises, allows for open-minded discussions and welcomes diversity. The Ethical leadership style uses Transactional theory, for example standard setting, operation evaluation, incentives and punishments, to ensure ethical conduct by followers, along with Transactional theory (Trevino, Brown, and Hartman, 2003:5-37). Yukl (2002) believes that ethical leadership can be related to unique leadership such as Burns’ concept of transformational leadership of 1978. Brown et al. (2005:118) stated that ethical leaders are possibly using both transformational and transactional leadership styles to influence employees’ performance. Transformational leaders who integrate ethical leadership standards would form an interpersonal leadership style that would build meaning for employees, implying that it is essential for engagement (Kahn, 1990). Men (2014) asserted that Transformational leadership is inspiring, encouraging, visionary and empowerment that has an ethical leadership aspect. According to Brown, Treviño and Harrison (2005:117-118), ethical leaders settle on distinct principles and hold employees responsible, which are the fundamental characteristics of Transactional leadership. Lowe, Kroeck and Sivasubramanian (1996;385-425) state that leadership effectiveness (morality and truth) can be connected to Authentic Transformational leadership. Brown and Trevino’s (2003:3-32) recent literature on ethical leadership concentrated on transactional leadership aspects.

Ethical Leadership and Corporate Governance

The importance of sound governance in organizations as a means of achieving institutional goals by standardizing internal matters accordingly (Salter and Tapper, 2002) has grown over the years (Barac et al., 2011:320). Importantly, the internal governance systems
of organizations should emphasize key principles, namely commitment and the promotion of democracy, the value systems of research and teaching, a pledge to good corporate governance, responsibility and effective management (Gumede, 2015:171). The fundamental concepts of the King IV code are Ubuntu or Botho, which is an idea of interdependency between institutions and society (Africa I., 2016). Corporate governance in the King IV code and report is defined as the implementation of ethical and effective leadership by institutions with respect to the attainment of ethical culture, good performance, effective control and legitimacy (Africa, 2016). Naidoo et al. (2017:40) mention that the King IV code and report has further re-emphasized the importance of conversant leadership in governance, which pays particular attention to ethics in leadership. Dicey (2016:10) suggested that corporate governance is entirely about leadership. The responsibility of organizations to sustain ethical leadership, ethical values and to nurture an ethical culture has never been more important than it is now (Grobler and Horne, 2017:154).

Leaders ought to contribute and initiate the ethical procedure preparation and in addition, communicate the ethical code of conduct and lead by example (Lloyd and Mey, 2010:3). It should be noted that several researchers denoted religious and/or spiritual scriptures (Bible, Bhagavad Gita, or the Sutras of Patanjali), from a traditional perspective when discussing moral values related to an ethical leadership style (Eisenbeiss and Brodbeck, 2014:353). The Ethical leadership of the King IV code and report emphasises corporate governance as being epitomized by honesty, competency, responsibility, accountability, impartiality and transparency (Africa, 2016). Good governance is about effective leadership centered on an ethical foundation (Dicey, 2016:12). As stated by Chipunza and Gwarinda (2010:29), good governance should be assisted by vast kinship on the part of Higher Education institutional leadership to incorporate and motivate all relevant stakeholders. Furthermore, the presented conceptual model (Figure 2) shows the relationship between leadership theories and ethical leadership, which was not found in previous studies. Previous leadership studies employed transformational leadership which has many components like encouraging, visionary, empower and inspiring, but these are only an aspect of ethical leadership. Moreover, transformational leadership can either be authentic (ethical) or pseudo (unethical)-transformational leadership. Thus, pseudo-transformational leaders are usually corrupt and cunning, which is similar to unethical leaders who are known as oppressors of history. Furthermore, transactional leaders are generally good negotiators, but can be hostile or autocratic as their focus is on achieving short-term goals when compared to ethical leadership, which is holistic, focuses on ethics and is inclusive of all stakeholders concerned. The concepts of leadership can be highly praised where the foundation of transactional leadership supports transformational leadership, which is also enhanced and guided by an inner ethical core (Van Niekerk, 2005:48). The basis for these results was due to adopting a narrative and comprehensive review of literature on historical to contemporary leadership theories up to the ethical leadership style. This is supported by Bass and Steidlmeier (1999:184), who claimed that each element of transactional or transformational leadership encompasses an ethical component. Although there are several studies on leadership research, the results of this paper have shown that ethical leadership is

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**Figure 2: Relationship between Leadership Theories and An Ethical Leadership Style; Source: Authors**

**Discussion**

The above model presents a new approach to understanding the ethical leadership style from a comprehensive review of the relationships between leadership theories, ethical leadership and corporate governance in South Africa. Furthermore, the presented conceptual model (Figure 2) shows the relationship between leadership theories and ethical leadership, which was not found in previous studies. Previous leadership studies employed transformational leadership which has many components like encouraging, visionary, empowerment and inspiring, but these are only an aspect of ethical leadership. Moreover, transformational leadership can either be authentic (ethical) or pseudo (unethical)-transformational leadership. Thus, pseudo-transformational leaders are usually corrupt and cunning, which is similar to unethical leaders who are known as oppressors of history. Furthermore, transactional leaders are generally good negotiators, but can be hostile or autocratic as their focus is on achieving short-term goals when compared to ethical leadership, which is holistic, focuses on ethics and is inclusive of all stakeholders concerned. The concepts of leadership can be highly praised where the foundation of transactional leadership supports transformational leadership, which is also enhanced and guided by an inner ethical core (Van Niekerk, 2005:48). The basis for these results was due to adopting a narrative and comprehensive review of literature on historical to contemporary leadership theories up to the ethical leadership style. This is supported by Bass and Steidlmeier (1999:184), who claimed that each element of transactional or transformational leadership encompasses an ethical component. Although there are several studies on leadership research, the results of this paper have shown that ethical leadership is
the only leadership style that is a component of the King IV code and report in South Africa. In addition, the review of literature revealed that ethical leadership is also an important constituent for corporate governance in the King IV code and report.

Ethical leadership in the King IV code and report supports principles of ethical environment, good work and employee performance, effective control, and legitimacy. Furthermore, ethical leadership is centered on an ethical foundation which is important for good corporate governance. The King IV code and report illustrates the importance of ethical leadership as the basis of good corporate governance, and the ethical characteristics of responsibility, accountability, equality and clearness (ErnestYoung.com, 2016:3). This paper can support an understanding of ethical leadership from a multi-disciplinary perspective of leadership theories, and corporate governance in the King IV code and report. Therefore, these results can be helpful for ethical and effective management at all levels of an organisation. Although many organizations in South Africa have complied with King IV code and report, there is still a need to highlight the importance of ethical leadership and corporate governance, since it is increasingly the topic of attention and discussion amongst researchers and practitioners for its value in the development of effective organizational strategies and performance. The King standard of corporate governance is formed based on the principle that governance is not only an ethical necessity, but ethics need to be governed (Van Zyl, 2014:5). There is a need to re-align the moral compass of organizations, which will support efforts to build ethical leadership with the key focus on ethical integrity and ethical culture. This will create positive organizational outcomes.

Conclusion

The study was conducted using several review papers from different sectors, nationally and internationally. Previous studies above focused on historical or contemporary leadership theories, and few discussed ethics or ethical leadership. Thus, based on the theoretical analysis mentioned above, this paper’s purpose was to identify the relationship between previous leadership theories and ethical leadership style. Thus, a narrative historical review method was followed, detailing an in-depth review of related literature. The results have shown a link between historical and contemporary leadership theories, contemporary theories and an ethical leadership style, and an ethical leadership style and corporate governance in the King IV report. Based on these findings, a conceptual model presented the relationship between leadership theories, ethical leadership, corporate governance, and Ubuntu ethics. It can be concluded from the above findings that even though this paper’s aim has been achieved, ethical leadership research in the future is continuously required since ethical leadership is an essential constituent of the King IV code of conduct and report. Hence, this subject has certainly not been exhausted.

Furthermore, this paper discussed a novel approach to a relationship between leadership theories and an ethical leadership style and corporate governance in the King IV report. Thus, this paper may be relevant to stakeholders who design leadership models or concepts or deliver seminars on leadership. Last but not least, this paper can contribute relevant leadership and corporate governance literature for scholars to refer to.

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