

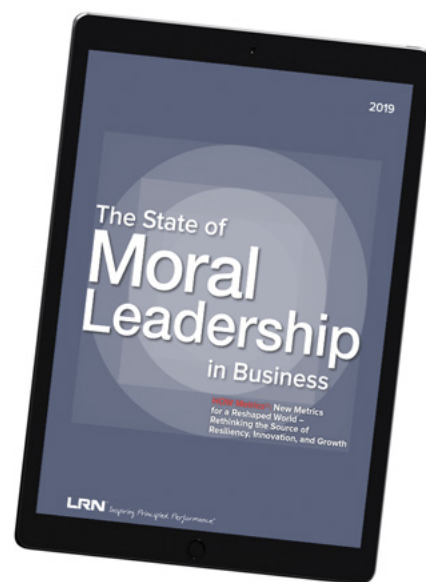
2019 STATE OF MORAL LEADERSHIP IN BUSINESS

THE CASE FOR MORAL LEADERSHIP GROWS STRONGER

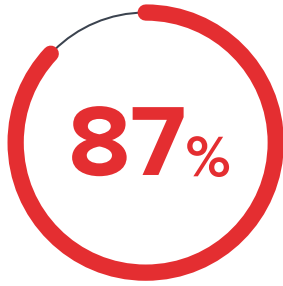
LRN's latest research on moral leadership finds that the need for moral leadership is more urgent than ever. Survey respondents say that leaders who exercise moral authority in addition to their formal authority are more effective at achieving business goals, fostering ethical workplaces, and encouraging creativity and innovation. Yet only a handful of companies are led by moral leaders. The report helps define moral leadership and shows how managers and executives can earn the moral authority that lifts individual and organizational performance.

In the second volume of this report, we share results from interviews with **more than 1,000 people** from all levels of the organization including executives, managers and employees across **17 different industries**. This report covers the following questions:

- What is moral leadership?
- What do moral leaders do?
- How does moral leadership drive better performance?
- What behaviors do employees expect more of from their managers?
- How can you scale these behaviors across an organization, so that all colleagues, regardless of role, can embrace and embody moral leadership?



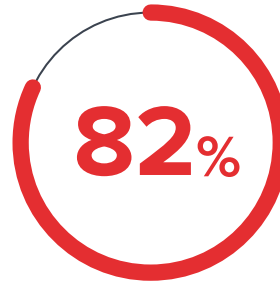
SOME KEY TAKEAWAYS:



of respondents say that the need for moral leadership in business is now greater than ever



of leaders who display moral leadership are seen as effective at achieving business goals



think their company is exposed to risk when they fail to consider the ethical or moral implications of what they do

Leaders who stand up for what is right are

20x

more likely to foster ethical workplaces

Yet, only

7%

of survey respondents said their managers and executives consistently demonstrate moral leadership

And only

50%

of employees say leaders at their companies receive training on complex moral issues in the workplace

WHY IS THIS IMPORTANT FOR ETHICS AND COMPLIANCE PROGRAMS?

Our research shows clearly that moral leadership is important to fostering ethical conduct, and how critical it is to scaling such behavior throughout the organization. The report also highlights the negative consequences that result in its absence – managers that fail to practice moral leadership account for 70% of the abuses of power and 67% of the unethical behavior that respondents observe in leadership, as well as other implications that expose organizations to risk. As organizations face increased scrutiny from regulators, consumers, and their own employees, E&C programs have an imperative to close the training gap and take action to protect their company's reputation and propel its growth.

LRN *Inspiring Principled Performance*

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