ABSTRACT. This article explores the relational and motivational leadership behaviors that may promote stewardship in organizations. I conceptualize stewardship as an outcome of leadership behaviors that promote a sense of personal responsibility in followers for the long-term wellbeing of the organization and society. Building upon the themes presented in the stewardship literature, such as identification and intrinsic motivation, and drawing from other research streams to include factors such as interpersonal and institutional trust and moral courage, I posit that leaders foster stewardship in their followers through various relational, motivational, and contextually supportive leadership behaviors.

KEY WORDS: courage, intergenerational, intrinsic motivation, leadership, stewardship, trust

Historically, stewardship was a means to protect a kingdom while those rightfully in charge were away or more often, to govern for the sake of an underage king. The underage king for us is the next generation. We choose service over self-interest most powerfully when we build the capacity of the next generation to govern themselves (Block, 1993, p. xx).

Decisions made by organizational actors often have lasting effects on future generations. In evaluating alternatives, present generations must take into account the tradeoff between current gains and sacrifices and the potential for future benefits and burdens (e.g., Wade-Benzoni, 1999, 2002). The role of leaders is critical in this process as the consequences of such intergenerational decisions, positive and negative, are enduring throughout multiple generations of managers, stakeholders, and corporations.

Leaders have a tremendous amount of responsibility to act not only as caretakers, but also to act as role models for future generations. Their behavior has a strong influence on the development of future leaders. Fundamentally, because people cannot directly reciprocate the good or evil left to them by previous generations, they “reciprocate” by behaving similarly to the next generation (Wade-Benzoni, 1999, 2002). Even though individuals may think about how they would like to have been treated by the previous generation, they are more likely to respond to how they were actually treated by the previous generation (Wade-Benzoni, 2002). This intergenerational reciprocity is based on the moral argument that some obligations to future generations have their source in the good received from past generations (Becker, 1986); people cannot reciprocate directly to the people who have benefited them and instead pass on the benefits by reciprocating as a matter of retrospective obligation (Wade-Benzoni, 2002). Accordingly, leaders have a lasting influence and, thus, a great responsibility, not only because of the tangible outcomes that may be created as a result of their decisions, but also because of the way their behavior shapes the decision makers of future generations.

Leaders establish a positive cycle of intergenerational reciprocity by exhibiting stewardship behaviors that are in service of ensuring the wellbeing of future generations. Being a steward implies that the ultimate “purpose of one’s work is others and not self[,]…that leaders do what they do for something larger than themselves [, and] … that their life’s work may be the ability to lead but the final goal of this talent is other directed” (Senge, 1990, pp. 345–352). These leaders demonstrate a responsibility to future generations to place the long-term best interests of others ahead of their self-interests. In doing so, they
instill stewardship in their followers, an effect that is likely to be reciprocated as these followers become the future generation of leaders.

A focus on ‘others’ rather than self has been a steady theme in the stewardship literature. Generally, past work has proposed that stewardship involves the commitment of organizational actors to secure the welfare of all stakeholders (Donaldson and Preston, 1995) by modeling behaviors that place the long-term best interests of the organization and its stakeholders ahead of their self-interest (Davis et al., 1997). However, the underlying psychological mechanisms and behavioral leadership determinants of stewardship in organizations have remained largely unexplored. For example, some scholars have asserted that a social contract (Donaldson and Dunfee, 1999) built on a foundation of trust is an important mechanism in creating stewardship; however, what type of trust is generated (e.g., interpersonal and/or institutional), and how this trust is created and functions in stewardship outcomes is uncertain. Likewise, leadership behaviors that promote intrinsic motivation, identification with the company, and psychological ownership have been identified as important ingredients in creating stewardship (e.g., Wasserman, 2006); however, further study of how leaders create these psychological elements in followers is warranted. Moreover, the function of other potentially relevant components, such as moral courage, has not been subject to theoretical examination within a stewardship context. A more comprehensive understanding of the behavioral leadership determinants of stewardship in organizations is needed.

In the sections that follow, I define stewardship, outline a framework for conceptualizing the motivational and relational determinants of stewardship, and discuss some implications of this model.

Defining stewardship

With a special focus on theorizing about the effects of leadership behavior, this research begins to address the challenges outlined above by exploring the various relational and motivational factors that affect stewardship behaviors in organizations. Building on the literature, stewardship is defined here as the attitudes and behaviors that place the long-term best interests of a group ahead of personal goals that serve an individual’s self-interests. It exists to the extent that organizational actors take personal responsibility for the effects of organizational actions on stakeholder welfare. The issue of balance is a key part of taking personal responsibility; in working toward communal welfare, organizational actors aim to balance their obligations to stakeholders inside and outside the organization while upholding a broader commitment to societal and universal moral norms.

Some inherent level of risk exists in the decision-making process when different interests are reconciled. Although organizational actors may be ethically responsible for upholding the moral obligations that apply to all members of the community, they cannot evenly balance the interests of stockholders and other stakeholders, as the dilemmas posed by divided loyalties could potentially push decision-making toward paralysis. Instead, organizational stewardship behaviors are an attempt to integrate an exclusive fiduciary relationship with stockholders with a non-fiduciary, but still moral relationship with other stakeholders. Organizational actors exhibit moral courage in accepting the consequences of their decisions on the social context in which they reside.

Crucially, stewardship is not created through formal rules but rather is facilitated through organizational structures that help leaders to generate interpersonal and institutional trust, clarity regarding organizational strategy, and intrinsic motivation in followers, which, in turn, encourages followers to act with moral courage in service to the organization or cause. Fundamentally, because of the iterative cycle of intergenerational decisions, and thus the dynamic process of creating stewardship outcomes, I propose that stewardship behavior is created through social exchanges between leader and follower(s) that extend across generations.

Theoretical framework

In the model presented here, I posit that three kinds of support created by leadership behaviors – relational, contextual, and motivational support – have an effect on the stewardship behavior of followers by encouraging them to act with moral courage in service of others. Moreover, through these types of support, leaders are able to motivate followers to
consider the broader implications of organizational decisions and accept the personal consequences of their actions.

Relational and contextual support: formulating the social contract

Two basic relationships shape relational and contextual support, the foundational components for stewardship behaviors. Relational support is grounded in the interpersonal relationship between the leader and follower, and contextual support is created through the institutional relationship between the leader and the followers embedded within the organizational network. These relationships involve a social contract that scholars have posited to be the underlying mechanism of stewardship (Donaldson and Dunfee, 1999). The social contract implies that at both the interpersonal and institutional levels, the leader will take personal responsibility to serve the interests and needs of followers. In the interpersonal relationship, the leader displays relationally supportive behaviors that form the basis for interpersonal trust between leader and follower. In the institutional relationship, the leader communicates a sense of contextual support to the broader follower base, which forms the basis for follower trust in the institution.

First, as it relates to the interpersonal relationship between the leader and follower, the social contract implies that the follower has something at risk, a degree of vulnerability, and the leader honors the obligation to avoid exposing the follower to undue harm or loss (Clarkson, 1995). By showing concern, respect, and fairness for the follower’s needs and interests, the leader creates relational support (Sitkin et al., 2007; Sitkin et al., 2006).1 In so doing, a mutual trust is built between leader and follower as the leader acknowledges that each follower “has a right not to be treated as a means to some end” (Freeman, 1984).

I posit that trust between the leader and follower within the current stewardship framework is the result of a dynamic process where ongoing experiences can escalate interdependence, attachments based on reciprocated interpersonal care and concern (McAllister, 1995), as well as potentially strengthen negative beliefs (Fox, 1974; Lewicki et al., 1998; Sitkin and Roth, 1993; Sitkin and Stickel, 1996). That is, trust develops over time. It is rooted in the follower’s reliability and dependability judgments of the leader that are derived through repeated interactions with the follower.

Trust within the interpersonal relationship has been identified as a critical aspect of a high-commitment or involvement-oriented management philosophy (Lawler, 1996), which characterizes stewardship outcomes (Davis et al., 1997). Due to the relational behaviors exhibited by a leader within this management philosophy, the resultant leader–follower relationship is a highly participative one; it involves open communication, which demonstrates a leader’s care and respect for the follower, and leads to the establishment of trust (Walton, 1980, 1985). Trust between the leader and follower facilitates a follower’s ability to accept responsibility for their actions, as the risk involved in balancing alternatives and decision-making is mitigated by having managerial guidance, collaboration, and backing.

Second, as it relates to the institutional relationship between the leader and the followers embedded within the organizational network, the social contract implies that the leader will pursue the interests of many followers, based upon a morally established duty owed and a fiduciary obligation (Gibson, 2000). In this role, the leader understands the individual needs and motivations of followers within the organizational context (Caldwell et al., 2002). By communicating the broader organizational mission to followers and thus creating a sense of coherence, leaders convey clarity regarding the organizational context to their followers, thereby creating contextual support.2

The type of trust created through contextual support is “institutional” trust, which is based on characteristics of the social context that facilitate or enforce trust (Rousseau et al., 1998). Institution-based trust facilitates calculative and relational aspects of trust through institutional factors (i.e. legal forms, social networks, and societal norms regarding conflict management and cooperation) whose interactions create a context for interpersonal and interorganizational trust (Rousseau et al., 1998; Sitkin, 1995). Walking a fine line between control and a form of trust support (Shapiro, 1987), institutional trust moves away from the rational self-interested perspective toward the view that trust entails a sense of community with a common fate (Sabel, 1993). Moreover, trust in
the trustor is generalized to the broader group (i.e. the firm) and acts as a key factor in building long-term commitment to that group (Tyler, 1989).

Stewardship theorists underline the importance of organizational commitment, asserting that the leader’s role in creating stewardship outcomes is to provide clear and consistent role expectations in the service of the organizational mission (Donaldson and Davis, 1991). A “belief in and acceptance of the goals of the organization” is a critical factor in building follower commitment to the organization (Schoorman and Mayer, 1992). This commitment reinforces the followers’ feelings of community within the institutional environment. Moreover, in creating a sense of coherence between structures of governance, policies, and procedures, leaders instill a sense of organizational purpose in followers, facilitating their ability to influence internal processes and better understand the implications of organizational actions.

Motivational support: fostering intrinsic motivation

Relational and contextual support jointly facilitates motivational support, a third determinant of stewardship behavior. Motivational support generates an internal and active, rather than external and passive, orientation to an individual’s work role. It creates an intrinsic task motivation that reflects followers’ confidence in their effectiveness (Thomas and Velthouse, 1990). Leaders who create and nurture motivational support in followers do so by helping followers gain self-efficacy specific to work; that is, the follower’s belief in their capability to perform work activities with skill (e.g., Bandura, 1989; Gist and Mitchell, 1992). These leaders also instill self-determination, which creates in followers a sense of choice in initiating and regulating their own actions (Deci et al., 1989) and reflects autonomy over the initiation and continuation of work behavior and processes (Bell and Staw, 1989).

The social contract allows leaders to leverage both interpersonal and institutional relationships to create a motivational foundation that fosters in followers the belief in the ability to accomplish the task at hand and the desire to do so. While relationally supportive behaviors rely heavily on interpersonal trust to enable the self-control and self-management of the follower, contextually supportive behaviors rely on institutional trust and commitment to enable followers to appreciate the rationales for managerial and organizational decisions, making followers better informed to formulate and implement plans within the organizational context. In this way, mutual trust between leader and follower, together with follower trust in the institution jointly bolster a leader’s capacity to internally motivate followers toward action in service of the organizational cause.

Self-efficacy, self-determination, and feelings of purpose, which characterize intrinsic motivation, drive stewardship outcomes (Davis et al., 1997). Leaders instill intrinsic motivation in followers by designing work and organizational processes that provide meaningfulness and responsibility for outcomes (Hackman and Oldham, 1975). In doing so, they enable and motivate followers to take personal responsibility for their actions, a defining element of morally courageous behavior.

Moral courage: the role of personal moral principles

The above discussion proposes that three types of leadership support build a foundation for stewardship behavior. Nevertheless, although leaders can foster in followers the confidence to make difficult decisions, a sense of greater purpose, and the motivation to act, followers are in control of the decisions they make, the risks they take in making those decisions, and the consequences they are willing to accept as a result. In the subsequent paragraphs, I propose that followers are guided by their own morals and principles in evaluating the risks involved in balancing alternatives, considering the moral implications of their decisions, and accepting personal responsibility for their actions. That is to say, I posit that moral courage not only influences stewardship directly and positively but that it is a central factor in creating stewardship behaviors.

Courage has been defined as “the disposition to voluntarily act, perhaps fearfully, in a dangerous circumstance, where the relevant risks are reasonably appraised, in an effort to obtain or preserve some perceived good for oneself or others” (Shelp, 1984; p. 354). The following four conditions are identified in this definition: (1) Free choice is involved in taking the action; (2) some sort of risk is present in the situation;
(3) the risk has been adequately appraised; and (4) the action serves worthy aims (Worline et al., 2002). Within the organizational context, courage means “daring to challenge the conventional models of working behaviors” (Dubin, 1982, p. 378). This organizational conceptualization of courage places an emphasis on undertaking potentially risky action within the context of everyday work activities in which people are engaged (Walton, 1986).

Ethicists have theorized that moral courage arises from dilemmas that question one’s moral sense, or moral values, which, in turn, impel an individual to act on such a mental challenge and sustain the risk of harm to the individual’s emotional wellbeing, self-esteem, and reputation, both personal and professional (Kidder and Bracy, 2001; Kidder, 2005). Accordingly, the term moral implies a consideration of an individual’s personal values; something that is moral is not simply a consideration of a good or bad choice, instead it is used as a normative term used to describe an action that is right and proper according to an individual’s moral standards.

Moral courage is defined as risky action in service of upholding individual moral principles and standards (Hernandez, 2007). Building on Shelp’s (1984) definition of courage, I assert five conditions for moral courage to exist: (1) The situation prompts a consideration of one’s individual values; (2) free choice is involved in taking action in response to the situation; (3) personal and/or professional risk is associated with taking action; (4) the risk to self and other stakeholders has been adequately appraised; and (5) the action is in line with the individual’s moral standards. Hence, moral courage involves a personal responsibility to take into account one’s personal values within a broader social context when considering risky behavior.

Leaders generate morally courageous behavior by fostering relational, contextual, and motivational support in followers. The interpersonal trust created through relational support facilitates moral courage by mitigating the inherent risk involved in balancing stakeholder interest while contextual support, which creates a sense of mission and purpose, engenders the sense of personal obligation posited to drive courageous action. Finally, the individual empowerment created through motivational support facilitates the capacity to make independent decisions and, therefore, the ability to take moral action. Moreover, moral courage in followers is exhibited to the extent that they demonstrate a moral awareness, propensity toward moral action, appropriately take risk by knowing what is at risk both personally and professionally, and authentically communicate their values through their actions.

Importantly, a consideration of one’s personal values in choosing to undertake risky action differentiates courage from moral courage. Indeed, if being moral means operating within the realm of concern for right and wrong, and being courageous implies taking action to protect something that is held dearly, such as one’s core values, then moral courage means the courage to invoke and practice those values (Kidder and Bracy, 2001). In this way, moral courage forms an especially close relationship with stewardship behavior, which by definition strives to uphold moral communal and universal norms. Moral judgment and courageous action are theorized to come together to form the morally courageous behavior that drives stewardship in organizations.

**Implications**

An assumption underlying the theorized role of moral courage in creating stewardship behavior is that there is a degree of alignment between personal moral principles and organizational values. However, a complicated relationship is likely to exist between the motivation to work, the values espoused by that work, and the organizational actor’s value system. On one hand, there is evidence (e.g., Mael and Ashforth, 1992; Davis et al., 1997) to believe that it is beneficial for leaders to encourage alignment between personal, professional, and organizational aspirations and behaviors, whenever appropriate, by maintaining a balance among competing aspirations and behaviors. Individual actors that identify with organizational values are more likely to act in protection of those values; thus, identification with the company, serves to align the interests of individuals with organizational goals, fostering stewardship (Davis et al., 1997; Hambrick and Jackson, 2000). On the other hand, if there is complete alignment, and the organizational goals do not include a consideration of stakeholders beyond the institution, there could be no individual motivation for employees to uphold ethical principles pertinent to the commu-
nity outside of the organization. Accordingly, the optimal level of congruency between personal and organizational values for creating stewardship behavior is unclear.

Stewardship scholars theorize that stewardship behaviors are grounded in a sense of psychological ownership (Wasserman, 2006), which is a state of mind in which an individual feels psychologically tied to the target of ownership (i.e. the organization) or that a piece of it is ‘theirs’ (Pierce et al., 2002). That which is psychologically owned becomes part of the owner’s identity; that is, individuals define who they are in part because of their membership to their organization. I argue that psychological ownership of the company, and thus an internalization of its values, may be at once instrumental in creating stewardship behaviors in organizations and detrimental to fostering individual responsibility in organizational actors to behave ethically.

If psychological ownership fosters perfect alignment between organizational and individual values, individuals may become moral social loafers. In the traditional sense, social loafing is the tendency for people in work groups to exert less effort than if they worked individually (Latane et al., 1979). Within the current stewardship framework, contextually supportive leadership behaviors, which build a strong sense of community, may bolster collective efficacy and a sense of obligation to the organization but, at the same time, may inhibit the individual’s responsibility to consider their own moral principles. In particular, the institutional trust created through contextual support may lead to an over-emphasis on the network of followers within the organization and an under-emphasis on each organizational actor’s role within that network. Such a situation would manufacture a type of moral social loafing where individuals feel included as part of the larger group (i.e. the organization) and thus accept its values but lack a sense of personal responsibility to consider broader ethical implications in facing moral dilemmas within the organizational context.

Conclusions

This article begins to outline the role of leadership behaviors in promoting stewardship in organizations. In particular, I propose that relationally supportive leadership behaviors that foster mutual trust between leader and follower, and contextually supportive leadership behaviors that create a sense of belonging within followers form the foundation for creating stewardship behaviors in followers. I posit that leaders build on this foundation to intrinsically motivate followers to act as morally courageous stewards in the organization. Nevertheless, I argue that the psychological underpinnings characterized by value congruence, organizational identification, and commitment may have conflicting effects in creating stewardship behaviors in organizations. Future work should seek to further explore this particular dynamic, and more broadly, empirically test the effects of relational, contextual, and motivational support on stewardship behavior. In sum, by integrating and extending the literatures on leadership, trust, efficacy, and courage to the area of stewardship, and exploring some of the psychological complexities involved in creating socially responsible behaviors within the organization, the current work begins to build toward a theoretically grounded framework for future research to continue the study of stewardship.

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Notes

1 Relational support is based on Sitkin et al.’s (2006) construct of “relational leadership.” The three sub-categories of relational leadership behavior are respect for others, concern for others, and fairness. These leadership behaviors demonstrate a positive relationship between the leader and the follower, which allow the leader to build a reputation for trustworthiness.
Stewardship

References


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