The State of Moral Leadership in Business
As we prepared to publish the 2020 State of Moral Leadership in Business report, the global COVID-19 pandemic took hold, creating an unprecedented health, humanitarian, and economic crisis. The pandemic is also our first social media crisis, where visceral fear, panic and misinformation spreads instantly and widely. These global crises combusted to create a moral crisis, confronting us with vexing issues, profound dilemmas, and painful tradeoffs—even the seemingly ultimate tradeoff between saving lives and livelihood. The need for moral leadership could not be more urgent.

This year’s report is the third in this series and the first published by The HOW Institute for Society, an organization dedicated to building and nurturing a culture of moral leadership, principled decision-making, and values-based behavior across society. The report represents our ongoing effort to analyze how organizational governance, culture, and leadership influence behavior and performance. The results provide further evidence of the imperative for moral leadership. Leaders can no longer hope to scale shareholder value without scaling shared values. Mission and margin, profit and principle, success and significance are now inextricably linked.

This is largely because we’ve gone from a faster, flatter world to one that is fundamentally fused and morally activated. Our global interdependence—that we rise and fall together—has been even further revealed, illuminated, and amplified by the pandemic. At the same time the rise of intelligent machines is dramatically disrupting how work itself is defined and performed. Increasingly, machines are not just outproducing and outprocessing us; they are beginning to outthink us. We are being challenged to focus on and scale the unique ways in which humans contribute and create value. Together, these unprecedented forces are radically reshaping our world, often faster than we’ve yet been able to reshape ourselves, our institutions, and our leadership. The imperative for organizational leaders across all sectors, then, is no longer to just do the next things right—tasks that are easily transferred to machines—but rather to do the next right things.

In a top-down world, formal authority, armed with carrots and sticks, was sufficient to get people to do the next thing right—tasks that are easily transferred to machines—but rather to do the next right things. The imperative for moral leadership across all sectors, then, is no longer to just do the next things right—tasks that are easily transferred to machines—but rather to do the next right things. The imperative for moral leadership is to do the next right things.

Human systems can’t function without formal authority, whether it’s the Commander in Chief, a CEO, or a school principal. But what makes organizations really work is when leaders occupying those formal positions have moral authority, too. While formal authority can be seized, won, or bestowed, moral authority must be earned by who you are and how you lead.

Above all, moral leadership is about how leaders touch hearts, not just minds—how they enlist others in a shared and significant endeavor, and create the conditions where everyone can contribute their character and creativity. It is my sincere hope that this report will encourage leaders to take the deliberate and necessary steps to build their own moral authority, scale moral leadership across their organizations, and seize the opportunities of our reshaped world. Moral leadership is a precious resource, but it need not be a scarce one.

Dov Seidman
Founder and Chairman
The HOW Institute for Society
Author of HOW: Why HOW We Do Anything Means Everything
The research in the 2020 State of Moral Leadership in Business report confirms that the imperative of moral leadership is stronger than ever. Across sectors, employees express both a deep desire to work with moral leaders and a deep conviction that leading with moral authority helps individuals, teams, and organizations perform better. Data from 2,305 individuals, representing all levels of responsibility and all sectors of the U.S. economy, highlight the following important findings:

Moral leadership is in high demand but short supply.

CEO Activism does not equal moral leadership.

Moral leaders create conditions for others to excel.

Moral leadership filters down into team behavior.

Moral leadership increases individual and business performance.

Professional development opportunities are not doing enough to foster moral leadership.

The demand and value of moral leadership holds constant across sectors.

“Above all, moral leadership is about how leaders touch hearts, not just minds—how they enlist others in a shared and significant endeavor, and create the conditions where everyone can contribute their character and creativity.”

Dov Seidman
A narrow view of moral leadership emphasizes ethics and compliance. From this perspective, moral leadership is essentially about good behavior. In this report we adopt a more expansive and ambitious idea of moral leadership, one that stresses the importance of fellowship, inspiration, and a deep sense of purpose. Moral leaders are not simply well-behaved; they catalyze action by anchoring their daily work—and the work of those around them—in a principled vision of what is good for the world. This vision inspires everything that moral leaders do, including during challenging times.

We base our view of moral leadership on four pillars: Let Purpose Lead; Inspire and Elevate Others; Be Animated by Values and Virtues; and Build Moral Muscle. How do these four fundamental attributes of moral leadership manifest in the day-to-day routines of the corporate world? To develop a clearer understanding of what moral authority looks like in action, we asked survey respondents to evaluate their manager according to 24 moral leadership behaviors. We clustered these behaviors into seven key moral leadership practices, shown in the following section. Respondents were asked to evaluate their organizational leader likewise according to a similar list of behaviors, slightly edited to reflect the unique vantage point of an organizational leader.

Figure 1. Four pillars of moral leadership

What is moral leadership?

"Human systems can’t function without formal authority, whether it’s the Commander in Chief, a CEO, or a school principal. But what makes organizations really work is when leaders occupying those formal positions have moral authority, too. While formal authority can be seized, won, or bestowed, moral authority must be earned by who you are and how you lead."

Dov Seidman
Moral leadership practices

Start with a pause
When we hit the pause button on a machine, it stops. Yet when humans pause, we begin. Moral leaders reflect on the current situation, reconnect with their moral commitments, rethink current approaches, and reimagine what is possible.

See the humanity in everyone
Moral leaders see other people not as means but ends in themselves. They build unique and deep relationships. They take the time to discover other people’s hopes and aspirations, struggles and dreams. And because they see humanity in others, they are more inclusive, and they listen and learn from those they lead.

Foster freedom
Moral leaders cultivate a culture of interdependence and responsibility, where people extend trust, are guided by shared values, and are supported in taking the informed risks necessary for achieving aspirations and scaling collective impact.

Act with courage
Moral leaders do not sacrifice their principles for short-term gain. They take on the risk of stating the truth and standing up for what they think is right, for they know that the risk of indifference is the greatest of all.

Seek the truth
Doing what is right requires a sincere, rigorous, and concerted effort to find the truth in every situation. When moral leaders have the curiosity and patience to wrestle with nuance and consider multiple perspectives, they forge trust and demonstrate commitment to the values they espouse.

Uphold ethical standards
Moral leaders celebrate and model the highest standards of integrity and ethical behavior, especially when it is difficult or unpopular. Ethical standards and the situations that test them are not constraints but rather opportunities to reveal to others and ourselves what we most value.

Demonstrate humility
Moral leaders are confident when confidence is warranted, but they also acknowledge the limits of their knowledge and make meaningful amends for their mistakes. They make themselves smaller than the moment, creating the space for others to join them and to rise to do big things—together.
The world faces significant challenges, challenges often as extreme as the level of disagreement we have over them. We may think our workplaces are insulated from this turbulence, but a substantial portion of our survey respondents—44%—say that the social and political divides in our country are impacting relationships in their workplace. This figure rises dramatically to 72% for respondents in senior management, meaning that those best positioned to role model ethical standards and values-based decision-making are also most in need of the moral equipment to contend with today’s social and political unrest.

To navigate these increasingly complex workplace dynamics, businesses need to show moral vision. At the organizational level, a simple but difficult first step is to abide by the golden rule: treat others as you would have them treat you. This principle clearly resonates with our respondents, as 79% agree that their organizations would make better business decisions if they followed it. These organizations, however, need moral leaders at the helm. Indeed, 86% of our respondents agree that the need for real moral leadership in business is more urgent than ever today.

Fully half of our survey participants go as far as saying that they would consider leaving their organization if their CEO did not act on a moral issue they care about, and 46% say they would take a pay cut to work for a moral leader. Notably, the willingness to leave an organization or take a pay cut rises with the rank of respondents. Perhaps the reason is that senior employees have more of the stability and/or resources required to make these types of sacrifices, or perhaps those closer to the top have a deeper sense of accountability for the actions of the company. Whatever the explanation, our data suggest that one’s sense of investment in moral systems rises with organizational rank, indicating that engagement with moral leadership is truly a journey over one’s career.

These findings point to a deep desire to be led and inspired by individuals who take purpose and values seriously, not simply as a way to recognize what is out of bounds in business, but rather as a method to define the rules of the game in the first place. Especially during a time of social and political uncertainty and upheaval, moral leadership offers the sense of mission and human connection that people of all industries and ranks desire.
Moral leadership is in short supply

Our data underscore not only the high demand for moral leadership, but also its low supply. To determine the presence of moral leadership in managers and executives, we applied a tiered framework. Managers and executives were assigned to a tier depending on how many times respondents reported that the leader demonstrates a specific moral behavior very frequently. Leaders were assigned to the top tier if they very frequently exhibit more than 75% of behaviors. They were assigned to the second tier if they received this highest rating for 51-75% of the behaviors, to the third tier for 1-25%, and to the bottom tier for 0%. Based on this framework, we find that consistent moral leadership remains elusive, in alignment with findings from last year’s study. Over a third of managers do not consistently demonstrate any moral leadership behaviors, while only 7% consistently demonstrate a high level. Meanwhile, nearly half of CEOs do not consistently demonstrate any moral leadership behaviors, while only 8% consistently demonstrate a high level. Looking across the behaviors on which we asked respondents to evaluate their managers and CEOs, we find that it is relatively rare to achieve a top rating in any given item. However, the data do suggest that specific moral leadership behaviors vary significantly in prevalence. On page 12 we present the three most common and three least common behaviors on which managers received a top rating. For example, some 40% of managers were said to treat everyone with dignity and respect, while only 19% pause to reflect on whether they are living their purpose and value.

“"When you hit the pause button on a machine, it stops. But when you press the pause button on a human, they start. They start to reflect, to rethink their assumptions, to reconnect with their most deeply held beliefs, and to reimagine a better path.""

Dov Seidman
An increasing number of top leaders are taking strong moral stands on social and political issues, including immigration, climate change, and income inequality. We believe this development signifies a blurring boundary between public and private spheres in an interconnected and interdependent world. The trend also reflects a recognition that customers, employees, and other stakeholders expect corporations to stand for something beyond shareholder value. Corporations are viewed increasingly as public institutions with strong connections to the broader society.

Activism alone, however, does not make a CEO a moral leader. While taking a stand on a social or political issue may require moral leadership, it might also reflect ulterior, self-interested motives. The conviction behind one's activism is the key ingredient in moral leadership, not the act itself. Indeed, while 43% of respondents say they have seen their CEOs take a public stand on an important issue, far fewer (as seen to the right) describe their CEO as consistently exhibiting key behaviors of moral leadership.

CEO activism does not equal moral leadership

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Figure 5. Most common behaviors shown consistently by managers

- Treat everyone with dignity and respect: 40%
- Encourage others to contribute their own ideas or suggestions: 30%
- Extend trust to their colleagues: 20%

Figure 6. Least common behaviors shown consistently by managers

- Pause to reflect on whether they are living their purpose and values: 20%
- Ask difficult questions about right, wrong, justice, and fairness: 10%
- Ask for help in a way that exposes their vulnerability: 10%
What does the shortage of moral leadership imply for how businesses run? According to our data, potentially quite a lot, as moral leadership is a valuable resource for creating the conditions for others to excel. Our respondents with managers in the top tier of moral leadership are far more likely to trust their manager and to feel respected and inspired by their manager. These results demonstrate that employees want more than competence and cordiality from their supervisors; they are looking for moral authority, vision, and commitment. These qualities translate to higher regard for managers and, in turn, a greater sense of investment in the organization’s collective mission. In fact, given these findings, it is not surprising that respondents with bottom-tier managers are 12 times more likely to report that they plan to leave their organization within 12 months, compared to respondents with top-tier managers. Consistent with our findings on the demand for moral leadership, employees clearly want meaningful working relationships with those to whom they report, and one of the consequences of failing to meet that demand is higher turnover. The business implication is clear: Professional advancement should be contingent not only on boosting sales or other economic criteria, but also on demonstrating moral leadership in one’s work.

With the COVID-19 outbreak, leadership during times of crisis is particularly salient in people’s minds. Each of us wants guidance and advice from our leaders, whether they be medical professionals, politicians, or the CEO of our company. By placing leaders under extraordinary stress, crises often provide the true test of moral timber. What we are seeing is that moral leaders are rising as they tell us the unvarnished truth, create an urgency around mutual interests, and demonstrate humility while they help us navigate this unprecedented moment. Even before this crisis, The HOW Institute recognized the importance of understanding how moral leadership operates in times of crisis. Accordingly, we included several questions in the survey about this now timely and always critical topic. Our most essential finding is that, even when facing a crisis, morally top-performing managers more frequently exhibit behaviors conducive to strong relationships with colleagues. As the graph below shows, managers who consistently receive top ratings for general moral leadership are more likely to receive such ratings for moral behavior during periods of crisis.

We also found that particular moral leadership behaviors shown during times of crisis appear to be especially strongly associated with being recognized as an effective leader during crisis. Specifically, the following three practices, when performed during crisis, are especially predictive of whether a manager is seen as effective during challenging times: (1) cultivating a sense of hope for the future, (2) explaining decisions in the context of the organization’s purpose, (3) listening and learning from perspectives that challenge assumptions.
Managers who lead through moral leadership behaviors not only create conditions for others to excel, they shape cultures which inspire their teams to behave likewise. Our data demonstrate that moral leadership is not merely an individual property but rather a feature of interpersonal networks in organizations. The energy that moral leaders exude is truly contagious, inspiring colleagues to act in accordance with the same passion for principles, values, and profit-transcending purpose. The spread of moral leadership behaviors in team environments is evident in our survey findings. For example, these teams are more likely to behave in a way that demonstrates equity, moral courage, purpose, and responsibility. Compared to those who report to bottom-tier managers, respondents who report to managers in the top tier of moral leaders enjoy the following advantages in their teams:

- **11x MORE LIKELY THAT TEAMMATES ARE HELD TO THE SAME BEHAVIORAL EXPECTATIONS**
- **9x MORE LIKELY THAT TEAMMATES DON’T COMPROMISE THEIR ORGANIZATION’S PURPOSE FOR SHORT-TERM RESULTS**
- **8x MORE LIKELY TO SHARE INFORMATION THAT IS VALUABLE TO OTHERS WITHIN THE TEAM**
- **9x MORE LIKELY TO INCORPORATE LESSONS LEARNED FROM PAST MISTAKES INTO HOW THEY OPERATE**
- **11x MORE LIKELY TO EXPERIMENT AND TRY NEW IDEAS**

Additionally, teams headed by moral leaders appear to be more collaborative, innovative, and learning-oriented. In other words, the influence of moral leadership extends well beyond the realm of ethical behavior; it also boosts the general performance of teams as productive units. Employees who are inspired to infuse their daily activities with values and human connection are also inspired to enhance their work with greater levels of dynamism, curiosity, and out-of-the-box thinking. As a result, these teams are markedly distinct in a variety of positive ways.

Information flows more freely in these teams, and team members use that information more creatively and effectively. Compared to those led by bottom-tier managers, teams led by top moral leaders are...
Similar findings surface for CEOs. When respondents classify their CEOs as top-tier moral leaders, they are...

As we’ve already shown, moral leadership can boost organizational performance by improving employee relations and team interactions, which make for smoother workflow and less turnover. It is also important to recognize that we view long-termism as integral to moral leadership. We believe that moral leaders are more inclined to see the big picture and to focus on long-term goals rather than short-term productivity benchmarks. Indeed, we find that 70% of respondents with managers in the top tier of moral leadership say that their organizations are oriented to long-term rather than short-term performance metrics.

The figure for respondents with managers in the bottom tier is only 11%. The overall finding appears to be that organizations with a culture of moral leadership are more likely to take a holistic and sustainable view of success. It is no surprise that these organizations are also more competitive.

It is natural to assume that moral leadership is about how people who hold the highest positions of formal authority behave. In reality, moral authority can and should be exercised by everyone in an organization. But creating the conditions in which all employees can behave as moral leaders requires deliberate action and specific choices. It may start with role modeling at the top, but it must ultimately be designed into the systems and processes that govern how an organization operates. One of the greatest determinants of whether or not moral authority takes root and scales across an organization is the degree to which people at the top model it. When moral authority is absent at the top, it will be absent throughout an organization. To illustrate, our data show that 85% of respondents with bottom-tier managers also rank their CEO in the bottom tier of moral leadership.

Unfortunately, only 60% of them report knowing about professional development opportunities at their organization that help employees expand their capacity for moral leadership. We also found significant variance in the extent to which training opportunities cover various critical aspects of moral leadership.
Moral leadership across sector

This report has focused on the presence and benefits of moral leadership in for-profit businesses. However, the imperative of moral leadership spans across all sectors of our economy. The major challenges of our age require focused dedication from leaders in nonprofit and governmental organizations as well, and cross-sector collaboration has become increasingly necessary and expected. In recognition of these facts, we supplemented our main analysis of individuals from the for-profit sector by administering our survey to some 400 individuals working in nonprofit organizations as well as a roughly equal number of government sector employees. Perhaps surprisingly, the overall story that emerges is one of similarity across sectors. Like their counterparts in the for-profit sector, nonprofit and government sector respondents largely agree that there is a great need for moral leadership today, with 87% saying that the need is more urgent than ever (compared to 86% of for-profit respondents) and 53% saying that they would consider leaving their organization if their executive director did not act on a moral issue that they care about (compared to 50% among for-profit respondents).

Also surprisingly, the percentage of nonprofit and government sector respondents that said they would take a pay cut to work for a moral leader is the same as the percentage of for-profit respondents—46%. We often associate the business sector with the pursuit of personal profit, but according to our data, the willingness to take a pay cut for working with a moral leader is essentially the same across sectors. While the high demand for moral leadership is similar across sectors, so is the disappointingly low supply. While there are some minor variations across sectors in the supply of managers by the various tiers of moral leadership, the major takeaway is that all sectors of our economy show a striking shortage of moral leaders.

Where high-level moral leadership is present, however, we find the myriad positive benefits observed in the for-profit sector. Like their business counterparts, moral leaders in the nonprofit and government sectors build stronger relationships, foster more equitable organizational performance. Overall, then, our data point to a holistic and cross-sectoral view of moral leadership and its benefits. Business corporations, government agencies, and nonprofit organizations would all benefit from more moral leadership.

Figure 10. Coverage of moral leadership topics in professional development

Building an environment of trust
Role modeling ethical standards
Speaking up and out
Showing humility

77% of our respondents believe that people can be developed into moral leaders.
Moving toward a human operating system

We believe companies should actively move to incorporate moral leadership mindsets, skills, and behaviors into their formal development programs and their business practices. And because of the dramatic changes to society and business occasioned by the COVID-19 pandemic, we also call for less formal initiatives to create and bolster moral leadership.

To create a truly human operating system within an organization requires an extension of trust. Anyone in an organization must be able to challenge and hold leaders accountable when they fail to live up to the organization’s values. Otherwise, all the systems and processes that govern an organization cannot be evaluated. Fundamentally, a more human operating system cannot be shaped without the help of the people who must live within it.

Typically, systems designers working alone fail to think through what moral leadership can evoke and the risks its absence creates. They seek to manage tensions rather than to find ways to transcend them. They prioritize a control mindset as opposed to encouraging freedom, and they perpetuate limiting beliefs about what people can and should do. To overcome these bad habits, senior management must co-create and embed new systems that encourage moral authority at all levels of the organization.

In our experience, we have found that three systems influence individual and organizational behavior. Senior management must take the initiative to catalyze and embed moral authority through organizational governance (formal structures, rules, and policies), culture (norms, traditions, habits, and mindsets), and leadership (how managers obtain and exercise their authority).

We draw on important work in The HOW Report, which marshaled data from 16,000 employees in 17 countries to analyze how governance, culture, and leadership manifest in different contexts. This analysis yielded three dominant organizational archetypes: blind obedience, informed acquiescence, and self-governance. The journey to moral leadership at the organizational level is the journey from blind obedience to informed acquiescence, and finally to self-governance. The pandemic and its aftermath have made it critical to accelerate this journey.

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**BLIND OBEDIENCE**
Power-based, task-driven organizations that operate through command-and-control-based principles and policing, and that place little emphasis on building enduring relationships among colleagues, with customers, or within society. Employees are coerced to do as they are told under the threat of punishment or adverse consequences. Such organizations focus on short-term goals.

**INFORMED ACQUIESCENCE**
Rules-based, process-driven organizations that operate through hierarchy, policy, and 20th-century “good management” practices. Employees are motivated by performance-based rewards and expected to fulfill the expectations of their roles. Long-term goals are identified, but are often set aside in favor of short-term success.

**SELF-GOVERNANCE**
Purpose-inspired, values-based organizations that are led with moral authority and operate with a set of core principles and social imperatives. Employees are inspired by a desire for significance and encouraged to act as leaders regardless of role. Such organizations are focused on long-term legacy and sustainable performance.
What you can do today to build moral muscle

How do you grow as a moral leader and build your own moral authority, especially in a time of immense crisis? The first step in this process is to look inward and reflect on your own beliefs and values. The next step is a deliberate effort to develop and utilize the habits and practices of moral leaders. Below are suggestions for getting started.

Start with a pause to consider the profound and worthy mission that truly energizes you—the type of mission that requires enduring and steadfast dedication. Imagine the opportunities for inspiration that are available to you and draw on these insights to catalyze action among your colleagues.

Act with courage by taking a stand on a moral issue, even if it’s unrelated to your direct business objectives or might entail personal risk. Others may not know how much courage it takes, but you will develop confidence in your ability to act from moral conviction.

Uphold ethical standards by explaining the moral considerations embedded in your actions. When you do, you help others to understand how you’ve upheld ethical standards and to learn how to elevate their own behavior. To encourage others, remember to use effective praise to acknowledge ethical behavior when you see it.

Seek the truth by gracefully challenging assumptions. Use respectful questions to probe whether a decision or action is the most fair and just thing to do, and ask colleagues to join you in reflecting on different paths and their implications.

See employees as people who deserve honest, thoughtful communication. Every communication is an opportunity to truly connect. Even if you are conveying detailed technical information, how you communicate makes a difference. Moral leaders connect with hearts as well as with minds.

Foster freedom by inviting new voices and participants into the conversation, and shine the spotlight of recognition on those who step in. Diversity of perspective is good in its own right, but when used to provide opportunities for others to shine, it multiplies the benefits.

Demonstrate humility by asking for—and listening to—tough feedback. It can be hard to receive feedback but do so with curiosity about the impact of your actions, which may not be at all what you intended. Never leave a feedback conversation without aligning on what will be different in the future.
The goal of our research is to show the current state of moral leadership. With the coronavirus crisis, the imperative of moral leadership has been dramatically illuminated and amplified. Even before the COVID-19 pandemic, the data converged on the immediate need to infuse formal authority with moral authority.

If the reasons to embrace moral leadership are so compelling, why have so few managers, executives, and CEOs chosen this path to date? Decades of institutional devotion to pure cost/benefit analysis is partly to blame. Our culture has shaped us to think of business as a selfish exercise. For example, as our data show, it’s outside the comfort zone of most leaders to regularly pause and reflect deeply on their most fundamental values and hopes for the future, then to align their business practices with them. Having the humility to ask for advice and help—and possibly exposing vulnerability—feels like weakness that should be concealed from colleagues.

We argue, by contrast, that behaviors such as the willingness to pause and to ask for help in a way that exposes vulnerability are key ways to build moral wisdom, interpersonal trust, and fulfillment.

Leaders who adopt the behaviors we outline and elaborate in this report often quickly discover that truly connecting with colleagues and sharing a commitment to a meaningful purpose is energizing and exciting.

We do not want to minimize the effort involved in the personal and organizational journey to moral leadership. It is certainly a challenge. Like the top performers in any field, true moral leaders go to the gym and practice their skills every day. They tone, strengthen, and stretch their moral muscles by wrestling with questions of right and wrong, fairness and justice, sustainability, and long-term benefit for all stakeholders.

The project of building moral leadership across an organization is an even greater undertaking. It requires muscle building on a large scale, detailed planning, investment, and time. It also involves enlistment and coordination within teams and across departments. This journey should be recognized as a significant culture change.

Despite these challenges, this is no longer a journey that can be delayed. The pandemic has accelerated already sweeping societal changes, creating a fundamental moral crisis that is inextricably intertwined with business. There is no cure for a moral crisis other than moral leadership.

The main takeaway from this research is simple and clear: The time for moral leadership is now. This is true not only because the challenges and opportunities of our reshaped world make the case for moral leadership today, but also because moral leadership is so well-adapted to the future, whatever the reshaped world, post-pandemic, may turn out to be. Moral leadership will help companies make whatever transition is required and unleash the uniquely human traits and capabilities that will differentiate them from competitors, especially in our dawning age of intelligent machines. Companies that embrace moral leadership and move toward a human operating system will reap the largest rewards, in trust, morale, and performance.

Conclusion: Now is the time
This report is based on a survey of 2,305 individuals representing a broad cross section of sector, industry, and level of responsibility. To determine the presence of moral leadership in managers and executives, we applied a tiered framework. Managers and executives were assigned to a tier depending on how many times respondents reported that the leader demonstrates a specific moral behavior very frequently. Leaders were assigned to the top tier if they very frequently exhibit more than 75% of behaviors. They were assigned to the second tier if they received this highest rating for 51-75% of the behaviors, to the third tier for 26-50%, to the fourth tier for 1-25%, and to the bottom tier for 0%. In addition, the survey asked a variety of questions about moral behavior among teammates, organizational culture and performance, and attitudes on moral principles and societal trends.

Because the bulk of the analysis focuses on the for-profit sector, we present our participant demographics for for-profit respondents (1,500 individuals) and the total sample separately.

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<td>50 to 64</td>
<td>33.9%</td>
<td>33.7%</td>
</tr>
<tr>
<td>65 and over</td>
<td>1.1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Percentages may not sum to 100 because of rounding.
The HOW Institute for Society builds and nurtures a culture of moral leadership, principled decision-making, and values-based behavior that enables individuals and institutions to meet the profound social, economic, and technological changes of the 21st Century to elevate humanity.

Working within and across all sectors, The HOW Institute conducts and participates in a variety of educational, research, and convening activities to collectively strengthen and scale norms, practices, and behaviors so that truth, trust, and shared responsibility guide our actions and interactions. We are on a journey to a world where capitalism is dynamic, communities and society are healthy, and democracy is vibrant – a world where HOW we do anything means everything.

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