

EXAMINING THE INFLUENCE OF ETHICAL LEADERSHIP ON EMPLOYEE OUTCOMES: MEDIATING ROLE OF PSYCHOLOGICAL EMPOWERMENT

Noreen Sattar, University of the Punjab
Muhammad Ali, University of the Punjab
Muhammad Ali Hamza, UVAS
Hina Saleem, University of the Punjab
Hafiz Fawad Ali, University of Punjab
Basharat Raza, NCBA &E

ABSTRACT

This study aims to investigate the association of ethical leadership (EL) and employee outcomes, i.e., organizational citizenship behaviour (OCB) and innovative work behaviour (IWB). The study also examines the mediating role of psychological empowerment (PE) between EL and employee outcomes: OCB and IWB. Through convenience sampling, the data have been collected using a self-administered questionnaire from 382 employees working in different branches of various banks located in Lahore, Pakistan. Results reveal that ethical leadership has a significant and positive influence on psychological empowerment: organizational citizenship behaviour, and innovative work behaviour of employees. However, psychological empowerment partially mediates the association of EL with OCB and IWB. Thus, ethical leadership is a powerful tool that helps employees to improve themselves and consequently elevates the organizations. The practical implications, study limitations, and future directions have also been included.

Keywords: Ethical Leadership, Innovative Work Behaviour, Organizational Citizenship Behaviour, Psychological Empowerment.

INTRODUCTION

Due to ethical blunders by the top-level executives of the organizations, the topic of ethical leadership, has been investigated by the various scholars to analyze the impact on employees and organizations (Carson, 2003; Cappelli, 2009; Zona et al., 2013). Trevino et al. (2000) explain the term ethical leadership as “*the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct among followers through two-way communication, reinforcement, and decision-making*”. Ethical leadership signifies to become a moral and ethical person because ethical leaders are fair, self-disciplined, and trustworthy (Zhu et al., 2010). Ethical behaviours of leaders positively influence the workplace outcomes of the followers. Employees' work-related attitudes are affected through ethical leadership, just like well-being, creativity, and job satisfaction (Lindblom et al., 2015; Brown et al., 2005; Walumbwa et al., 2011; Ali et al., 2019). Offering

psychological empowerment is another goal of ethical leaders, that help to boost the energy of their followers (Spreitzer, 1995). It means ethical leaders delegate authority, instil self-efficacy, and extend work-autonomy to their followers, so followers develop a sense of confidence, render their services by applying their optimal competency and provide constructive feedback to achieve targeted goals (Tu & Lu, 2013; Piccolo et al., 2010; Zhu et al., 2010).

According to Chen & Chen (2012), to be successful, an organization's employees must have innovative competencies, because they serve as a source of innovation to increase organizational effectiveness. De Jong & Den Hartog (2010) states that "innovativeness provides new ideas or methods for the better solutions of newly created work-related requirements." Thus, innovative skills and capabilities are in great demand by the organizations to encounter the high velocity of change in a competitive environment. Moreover, innovative work behaviours of individuals are critical to achieve competitive advantage and long-term sustainability for the organizations (Martinez-Conesa et al., 2017; Shalley et al., 2004). Similarly, Harris et al. (2009) argues that organizations need to ensure independence and freedom at their workplace to increase organizational citizenship behaviour among employees. Organ (1988) describes OCB as "individual behaviour that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization" (p. 21).

According to the best of our knowledge, the mediating effect of PE in the association of ethical leadership with innovative work behaviour and OCB has not been tested yet. Hence, the purpose of this study is to investigate the direct influence of EL on IWB and OCB; and an indirect effect through PE as well. This research contributes to the existing literature in many ways. Firstly, this study investigates the influence of EL on employees' outcomes in the context of a developing economy. Secondly, the study develops and tests the underlying mediation mechanism among EL, IWB, and OCB through PE. Thirdly, this study adds to the generalizability of present findings on EL.

The next sections of this study includes a literature review and hypotheses development, methodology, results, discussion, theoretical and practical implications, and finally, limitations along with future research directions.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

ETHICAL LEADERSHIP

Social learning theory (SLT) explains the questions like what is the reason and by what means ethical leaders affect their followers. SLT also elaborates on individuals' learning process. People learn from sound, appealing, and attractive role models by focusing on and imitating their qualities, outlooks, practices, and behaviours (Bandura, 1986). Bandura (1986) further expanded the discussion and states that role models have two main features, i.e., status and power. These features make them attractive, and this attractive modeled behaviour entice the attention of others.

Consequently, in return, followers concentrate on the modeled behaviour of the role model. According to Bandura (1977), besides the role modelling approach, information and motivation also plays a vital role in persuading the followers toward ethical conduct. Therefore, action and exhibition of ethical activities along with stimulating behaviour of a leader such as rewarding, encouraging, and supporting in promotion, supplements the results. Moreover, for the suitable actions to be accepted, the leaders assist in providing instructive guidance.

Ethical leadership is considered to be a distinct type of leadership (Den Hartog, De Hoogh & Kalshoven, 2011; Brown et al., 2005). Ethical leaders carry distinctive features in their characteristics of personality, i.e., social responsibility and moral identity (De Hoogh & Den Hartog, 2008; Mayer et al., 2012). According to Eisenbeiss (2012), ethical leaders have four fundamental orientations in normative reference. First, justice orientation; that relates to the reliable and fair decision making. Second, human orientation; links to the treatment of other people with honour, nobility, and dignity. Third, moderation orientation; that concerns with modesty, and self-control. Fourth, sustainability and responsibility orientation; deals with the enthusiastic feelings of a leader for the well-being of society and the environment in the long run. As the response of followers is similar to the conduct of a leader; therefore, the conduct of followers is dependent on the quality of a leaders' behaviour and their orientation (Walumbwa et al., 2011; Brown & Treviño, 2006b). Thus, best ethical conduct and supportive behaviour of role models, instil ethics among the followers, and code of ethics (Mayer et al., 2012; Walumbwa et al., 2011).

Ethical Leadership and IWB

Brown et al. (2005) and Yidong & Xinxin (2013) argue that employees' behaviour corresponds to the behaviour of their leaders. Therefore, leaders have to showcase an urge to work positively, encouragement for endeavours, and support for innovative work behaviour (IWB). When leaders highlight the work of others, members would be ready to go for IWB to achieve their objectives. So, at its primary phase, paying attention to followers by encouraging, listening and passing on information mutually to express thoughts for enlightening work procedures and practices, infuse IWB (Martins & Terblanche, 2003).

H₁ Ethical Leadership is positively related to IWB.

Ethical Leadership and OCB

It has been revealed that two traits are linked with the status of a leader, i.e., high morality being a person or a supervisor (Trevino et al., 2000). Respecting and obeying the right code of conduct that is aligned with norms and dealing with others through nondiscriminatory and virtuous manners is a critical and influential power of an ethical leader. Exertions from leaders, motivate subordinates to act in the same way (Brown et al., 2005), and involve them in extra-role behaviours: organizational citizenship behaviour (OCB), to enhance the organizational effectiveness.

H₂ Ethical Leadership is positively related to OCB.

ETHICAL LEADERSHIP AND PE

In the present study, it has been indicated that ethical leaders cause psychological empowerment (PE) in workers. It has been postulated that mental condition described in PE having four dimensions and scholars are convinced to regard it as positive due to ethical leadership (Zhu et al., 2010; Tu & Lu, 2013; Brown & Treviño, 2006a; Ali et al., 2019). Feng et al. (2016) stated that ethical leadership (EL) promotes the feeling of significance and meaning

regarding the tasks of their followers through instructing and establishing moral principles of the corporate world and giving emphasize on the consequence of endeavours, activities, and responsibilities of followers upon their accomplishment of set objectives even though they are related to organizational or group level (Zhu et al., 2010; Piccolo et al., 2010).

H₃ Ethical Leadership is positively related to PE.

Psychological Empowerment and OCB

Workers with required abilities and competencies, realize having psychological empowerment (PE) when they see their employment significant, self-determination in themselves to settle their work to accomplish objectives (Conger & Kanungo, 1988; Avolio et al., 2004). It has been described that the PE of workers impacts OCB (Wat & Shaffer, 2005). Therefore, it has been argued that ethically clinched employees with their work, perform their role by solving issues and supporting their organizations and continue IWB (Frazier & Fainshmidt, 2012; Seibert et al., 2011). Conger & Kanungo (1988) note that PE is an intrinsic stimulation that is useful for the development of OCB. Chiang & Hsieh (2012) explains that PE influences the OCB of individuals. As an outcome, we anticipate that PE has an impact on OCB.

H₄ Psychological empowerment is positively related to OCB.

Psychological Empowerment and IWB

Leaders develop an interaction beyond direct supervision, which is favourable to IWB (Houghton & Yoho, 2005). Similarly, Jha (2014) notes that mentally empowered employees like their job tasks, which they do in daily routine, and consider those tasks as thought-provoking and significant. In this manner, employees who are empowered mentally exhibit innovative practices by adjusting individual aims to the objectives of their organization. It is a phase when workers feel that they have personal control of necessary leadership, adaptability, capacity to impact others, motivation to attain the future. Consequently, they will elevate their performance regarding work execution and come up with more innovative activities and practices (Kendall et al., 1999). It has been proposed by Conger & Kanungo (1988), that IWB classification is concerned with change, and PE strengthen the change through enhancing inspiration, making people less forced about standard bound viewpoints and enable them to improve practices that ultimately lead to IWB (Ryan & Deci, 2000). Therefore, workers investigate new ways and become fun-loving with upcoming thoughts (Amabile et al., 1996). In perspective on the above arguments, we proposed that PE has an impact on IWB.

H₅ PE is positively influencing the IWB of employees.

Mediating Role of PE

According to Baron & Kenny (1986), a mediator between variables is a productive instrument that helps to figure out if so ever there is any intervening role of any variable It has been noted by Kanter (1983), that executives who are mentally enabled consider themselves to be an essential person who hires or decentralizes in the setting of the workplace. Such executives supported by the leaders who offer provision for free communication with them boosts the power and influence of followers as well as nurtures a sense of autonomy in them, which assists in

enhancing their firmness to do the work (Scandura et al., 1986). Similarly, for the enhancement of inspiration, ethical leaders provide more freedom and self-direction to plan responsibilities related to the work that benefit the followers, and urge them to extend their efforts and practice toward IWB (Yidong & Xinxin, 2013; Piccolo et al., 2010; Brown et al., 2005). In addition to this, PE includes that followers take their designated obligations, responsibilities, and duties, and it is not just about the delegation of responsibilities and assigning commands by the predominant persons. EL with the characteristics of reliability, making decisions involving followers, demonstrating their concern for others, and guiding them through their example can empower IWB in them by the mediation of PE (Brown et al., 2005). Therefore, we argue that PE mediates the positive association among EL, IWB, and OCB (Figure 1).

H₆ EL influences the IWB through PE.

H₇ EL influence the OCB through PE.

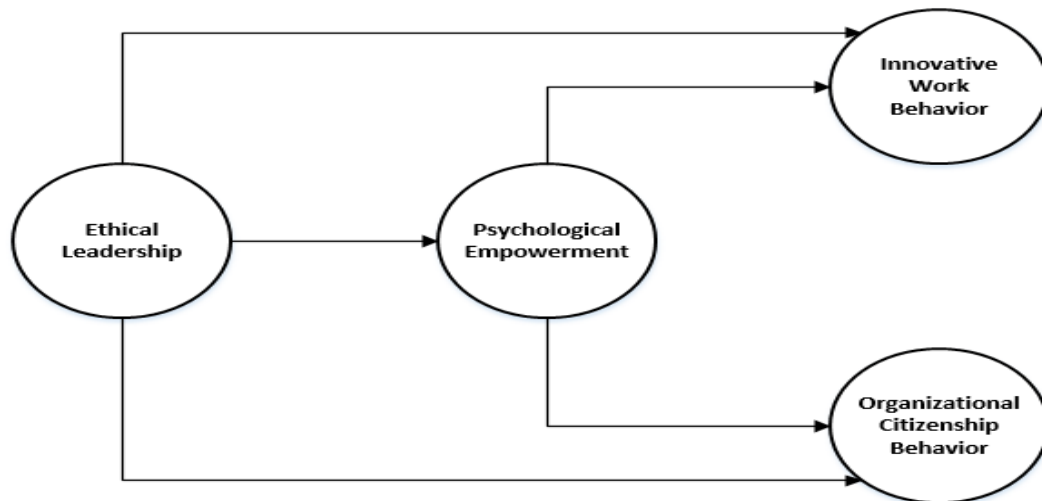


FIGURE 1
CONCEPTUAL MODEL OF THE STUDY

METHODOLOGY

Sample and Procedures

The quantitative approach, and cross-sectional design is used to collect the real-time organizational data for testing hypotheses. The target population is employees working in different branches of commercial banks, located in the capital city of province Punjab, Pakistan. The 500 self-designed questionnaires are distributed among the employees through convenience sampling. The 382 questionnaires are received back, and the response rate is 77 percent. The item-respondent ratio applied for the present study is 1:10.05 (38:382), and this exceeds the recommended ratio of 1:5 (Bentler & Chou, 1987) and even 1:10 (Jackson & Schuler, 1985). The majority of the respondent are male (61%), age between 20-25 years (74%), having a master degree (56%).

Measurement

The existing validated measures are used on a five-point Likert-type scale (ranging 1=strongly disagree to 5=strongly agree) to measure all variables of the study. Ethical leadership is measured by using the 10-items scale developed by Brown et al. (2005). A sample item includes “*My supervisor discusses business ethics or values with employees*”. Spreitzer’s (1995) 12-item scale divided into four components, meaning, competence, self-determination, and impact, is used to assess psychological ownership. Organizational citizenship behaviour (OCB) is measured using the 6-items scale of Williams & Anderson (1991). The ten-item scale measuring IWB is adopted from the studies by De Jong & Den Hartog (2010). A sample item includes “*In my Job, I often produce ideas to improve work practices*”.

RESULTS

The SPSS 22 and AMOS 24 are used to analyze the data. Demographics of the respondents are considered as control variables because of previous studies shown their effect on individuals’ outcomes (Foote & Tang, 2008). Moreover, normality of the data is checked through Skewness (value is ± 1) and kurtosis (value is ± 3), and data is normal (Bulmer, 1979). Table 1 presents the descriptive statistics, including mean, standard deviation, and Cronbach’ alpha, and correlation among the study variables. The mean values are ranging from 3.64 to 3.92, and the standard deviation of variables is from .41 to .68. The reliability of variables is from .81 to .84. EL is having 0.82; PE is having 0.81, IWB’s is 0.84, and OCB is having 0.82. All the values are higher than 0.70, which shows an optimal level of reliability. Correlational analysis indicates that there is a positive and significant association among all variables.

Table 1
MEAN, ST. DEVIATION, CRONBACH’S ALPHA AND CORRELATION

Variables	Mean	SD	α	1	2	3	4
1. EL	3.72	0.457	0.82	1			
2. PE	3.92	0.444	0.81	0.354**	1		
3. IWB	3.91	0.687	0.84	0.179**	0.335**	1	
4. OCB	3.65	0.420	0.82	0.155**	0.416**	0.297**	1

Note: EL = Ethical Leadership; PE = Psychological Empowerment; OCB = Organizational Citizenship Behavior; IWB= Innovative Work Behavior; SD = Standard deviation; α = Cronbach’s alpha; **=p <0.01; *=p <0.05

Confirmatory factor analysis (CFA) is carried on for the investigation of the model under examination for the model fitness indices. The outcomes of CFA are below as CMIN/DF = 1.35, GFI= 0.894, CFI= 0.908, AGFI 0.871, RMR = 0.036 and RMSEA = 0.050. These results have met the standards of a good fit. The results are shown below in Table 2.

Table 2
MODEL FIT SUMMARY

Default Model	Observed Values	Standard value
CMIN/DF	1.35	Less than 3
RMR	.036	Nearer to 0
GFI	.894	Greater or equal to 0.9
AGFI	.871	Greater or equal to 0.8
CFI	.908	Greater or equal to 0.9
RMSEA	.050	Less than 0.08

Table 3 presents the results of hypotheses testing. The structural equation modelling (SEM) is applied to test the study hypotheses. As presented by Table 3, Psychological Empowerment is proven to be in a significant and positive relation of Ethical Leadership with ($\beta = .54, p < .001$); hence, Hypothesis 1 has been confirmed that EL affects PE. Similarly, EL has a positive and significant effects on OCB having ($\beta = .14, p < .01$) and on IWB with ($\beta = .27, p < .001$). So, the second and third hypotheses are proved via results that EL affects OCB and IWB. Similarly, PE caused with a positive and significant effect on IWB and OCB, such as IWB with ($\beta = 0.51, P < .001$) and OCB with ($\beta = 0.39, P < .001$) respectively. Consequently, H4 & H5 are supported by these outcomes.

Hypothesized Paths		Path Coefficients	P-value	Hypotheses
H1	EL → IWB	0.27	**	Supported
H2	EL → OCB	0.14	**	Supported
H2	EL → PE	0.54	***	Supported
H4	PE → IWB	0.51	***	Supported
H5	PE → OCB	0.39	***	Supported

Significance Level: *= $p < 0.05$, **= $P < 0.01$, ***= $p < 0.001$.

The results (Table 4) have shown that there exists partial mediation between EL and IWB through PE as well as in EL, PE & OCB. The direct effects of EL & IWB are significant at ($p = .01$). Similarly, mediated (by incorporating PE) at ($p = .01$) and indirect effects b/w EL & IWB at ($p = .001$) are also found to be significant in EL, PE, and IWB effects. In EL ---> PE ---> OCB path, unmediated & mediated effects are significant at ($p = .01$) and indirect effects are also significant at ($p = .001$). Hence, partial mediation exists in these paths.

Hypothesized Paths	Direct Effects Unmediated	Direct Effects with Mediation	Indirect Effects	Mediation Result
EL ---> PE ---> IWB	0.27**	0.19**	0.255***	Partial Mediation
EL ---> PE ---> OCB	0.14**	0.12**	0.26***	Partial Mediation

** $p < 0.01$, *** $p < 0.001$, * $p < 0.05$

DISCUSSION AND THEORETICAL IMPLICATIONS

The purpose of this study is to examine the direct influence of ethical leadership on the IWB and OCB, and an indirect effect through psychological empowerment. The results show that all hypotheses H1, H2, H3, H4, H5, H6, and H7 are supported. In addition to this, the present research is in support of the results of Dhar (2016), who affirmed that EL encourages IWB of employees. Similarly, the consequences of current study utilizing assessments on banking employees recommended that EL is also significant and relates to stimulate IWB among employees. Findings from this research indicate that employees who work for supervisors engaging in ethical leadership are confident in their capabilities, and perceive high levels of meaning, impact, and control over their work. This enhanced sense of psychological empowerment provides the motivational drive to be successful. In general, the results of our study are coherent and in line with the findings of Liu et al. (2013) regarding the positive impact

of EL on OCB. These findings show that when ethical leaders enable a supportive environment, provide better working conditions, encourage participation, foster moral qualities at the workplace, provide them a chance to believe in themselves, and treating them with self-respect and honour, consequently, they would exercise OCB (De Hoogh & Den Hartog, 2008; Den Hartog & Belschak, 2012; Brown & Treviño, 2006a).

The findings also show that ethical leadership influences the PE, which is consistent with the results of existing studies (Javed et al., 2017). PE affects the OCB, as shown in the previous investigations (Seibert et al., 2011; Frazier & Fainshmidt, 2012; Zhang & Bartol, 2010). Two effects of PE are recommended by Spreitzer (1995), that it can incorporate the competence and growth of innovative behaviours of individuals. Scholars' work is strengthened by observing the results from the existing work that PE is precisely identified with IWB of employees. This study has shown that there is a direct link between EL and PE as well as the direct connection also exists between EL and OCB.

Similarly, PE affects OCB. So, this study has revealed that there exists mediation of PE between EL, OCB, and IWB. This study also confirms the social learning theory is an appropriate and vital lens to understand and explain the ethical behaviours of managers and subordinates in the workplace. The subordinates observe the ethical practices of managers, and they try to follow those behaviours that improve their different work-related attitudes and behaviours at the workplace.

PRACTICAL IMPLICATIONS

In addition to the above, current investigation possibly supports the researchers and managers to comprehend about EL power that leaders can boost IWB in their followers. Another usage is that it is a source to assist in understanding the outcomes of EL. Through the recognition of PE as a mediator, it is recommended that leaders must act in a way that is supportive in enabling the IWB of workers at the workplace. Finally, it has been mentioned via properties of results that EL is exceptionally influential in building courage and inspiration in the subordinates towards IWB. For that reason, leaders have the responsibility to improve, promote and rehearse the activities which are related to ethical code of conduct to sustain as well as enhance the PE, OCB, and IWB among employees, which, in turn, leads towards effectiveness. Therefore, organizations need to provide ethics training program to the managers, and ensure the ethics audit to develop the ethical culture.

LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

This study has several limitations. First, causality is a limitation in our study because the research is without any experiments or assignments. Future researchers may analyze the hypothesized relationship in a longitudinal study. Second, data was collected from the banking industry of Pakistan; the findings of the study cannot be generalized in other sectors or cultures. Future studies can test this conceptual model in different industries or cultures to increase the generalizability of current findings. Third, this study uses self-reported data, which may result in a potential problem of common method variance. Future studies should use data from multiple sources such as both managers and employees to avoid this bias.

CONCLUSION

In addition to the above, current investigation possibly support the researchers to comprehend about EL power that leaders can boost IWB in their followers. Another usage is that it would be a source of backing towards understanding the outcomes of EL. Through the recognition of PE as a mediator, it is recommending that leaders must act in a way that is supportive in enabling the IWB of workers at the workplace. Finally, it has been mentioned via properties of results that EL is hugely influential in building courage and inspiration in the subordinates towards IWB. For that reason, leaders have the responsibility to improve, promote and rehearse the activities which are related to ethical code of conduct to sustain as well as enhance the PE, OCB, and IWB of employees, which will, in turn, lead their association towards effectiveness.

REFERENCES

- Ali, M., Bilal, H., Raza, B., & Usman Ghani, M. (2019). Examining the influence of workplace bullying on job burnout: mediating effect of psychological capital and psychological contract violation. *International Journal of Organizational Leadership*, 8(2), 1-11.
- Amabile, T.M., Conti, R., Coon, H., Lazenby, J., & Herron, M. (1996). Assessing the work environment for creativity. *Academy of Management Journal*, 39(5), 1154-1184.
- Avolio, B.J., Zhu, W., Koh, W., & Bhatia, P. (2004). Transformational leadership and organizational commitment: Mediating role of psychological empowerment and moderating role of structural distance. *Journal of Organizational Behavior*, 25(8), 951-968.
- Bandura, A. (1986). *Social foundations of thought and action*. Englewood Cliffs, NJ: Prentice-Hall.
- Bandura, A., & Walters, R.H. (1977). *Social learning theory*. Englewood Cliffs, NJ: Prentice-Hall.
- Baron, R.M., & Kenny, D.A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1182.
- Bentler, P.M., & Chou, C. (1987). Practical issues in structural modeling. *Sociological Methods & Research*, 16(1), 78-117.
- Brown, M.E., & Treviño, L.K. (2006a). Ethical leadership: A review and future directions. *Leadership Quarterly*, 17(6), 595-616.
- Brown, M.E., & Treviño, L.K. (2006b). Socialized charismatic leadership, values congruence, and deviance in work groups. *Journal of Applied Psychology*, 91(4), 954-962.
- Brown, M.E., Treviño, L.K., & Harrison, D.A. (2005). Ethical leadership: A social learning perspective for construct development and testing. *Organizational Behavior and Human Decision Processes*, 97(2), 117-134.
- Bulmer, M. (1979). *Principles of statistics*. New York: Dover Publications.
- Cappelli, P. (2009). The future of the U.S. business model and the rise of competitors. *Academy of Management Perspectives*, 23 (2), 5-10.
- Carson, T.L. (2003). Self-interest and business ethics: Some lessons of the recent corporate scandals. *Journal of Business Ethics*, 43(4), 389 -394.
- Chen, J.K., & Chen, I.S. (2012). Creative-oriented personality, creativity improvement, and innovation level enhancement. *Quality & Quantity*, 46 (5), 1625-1642.
- Chiang, C.F., & Hsieh, T.S. (2012). The impacts of perceived organizational support and psychological empowerment on job performance: The mediating effects of organizational citizenship behavior. *International Journal of Hospitality Management*, 31(1), 180-190.
- Conger, J.A., & Kanungo, R.N. (1988). The empowerment process: Integrating theory and practice. *Academy of Management Review*, 13(3), 471-482.
- De Hoogh, A.H.B., & Den Hartog, D.N. (2008). Ethical and despotic leadership, relationships with leader's social responsibility, top management team effectiveness and subordinates' optimism: A multi-method study. *Leadership Quarterly*, 19(3), 297-311.
- De Jong, J., & Den Hartog, D. (2010). Measuring innovative work behaviour. *Creativity and Innovation Management*, 19(1), 23-36.

- Den Hartog, D.N., & Belschak, F.D. (2012). Work engagement and Machiavellianism in the ethical leadership process. *Journal of Business Ethics, 107*(1), 35-47.
- Dhar, R.L. (2016). Ethical leadership and its impact on service innovative behavior: The role of LMX and job autonomy. *Tourism Management, 57*, 139-148.
- Eisenbeiss, S.A. (2012). Re-thinking ethical leadership: An interdisciplinary integrative approach. *Leadership Quarterly, 23*(5), 791-808.
- Feng, J., Zhang, Y., Liu, X., Zhang, L., & Han, X. (2016). Just the right amount of ethics inspires creativity: A cross-level investigation of ethical leadership, intrinsic motivation, and employee creativity. *Journal of Business Ethics, 153*(3), 1-14.
- Foote, D.A., & Tang, T.L.P. (2008). Job satisfaction and organizational citizenship behavior (OCB): Does team commitment make a difference in self-directed teams? *Management Decision, 46*(6), 933-947.
- Frazier, M.L., & Fainshmidt, S. (2012). Voice climate, work outcomes, and the mediating role of psychological empowerment: a multilevel examination. *Group & Organization Management, 37*(6), 691-715.
- Harris, K.J., Wheeler, A.R., & Kacmar, K.M. (2009). Leader-member exchange and empowerment: Direct and interactive effects on job satisfaction, turnover intentions, and performance. *Leadership Quarterly, 20*(3), 371-382.
- Houghton, J.D., & Yoho, S.K. (2005). Toward a contingency model of leadership and psychological empowerment: when should self-leadership be encouraged?. *Journal of Leadership & Organizational Studies, 11*(4), 65-83.
- Jackson, S.E., & Schuler, R.S. (1985). A meta-analysis and conceptual critique of research on role ambiguity and role conflict in work settings. *Organizational Behavior and Human Decision Processes, 36*(1), 16-78.
- Javed, B., Khan, A. A., Bashir, S., & Arjoon, S. (2017). Impact of ethical leadership on creativity: the role of psychological empowerment. *Current Issues in Tourism, 20*(8), 839-851.
- Jha, S. (2014). Transformational leadership and psychological empowerment: Determinants of organizational citizenship behavior. *South Asian Journal of Global Business Research, 3*(1), 18-35.
- Kanter, R.M. (1983). *The change masters: innovation for productivity in the American mode*. New York: Simon and Schuster.
- Kendall, P.C., Chu, B., Gifford, A., Hayes, C., & Nauta, M. (1999). Breathing life into a manual: flexibility and creativity with manual-based treatments. *Cognitive and Behavioral Practice, 5* (2), 177-198.
- Lindblom, A., Kajalo, S., & Mitronen, L. (2015). Exploring the links between ethical leadership, customer orientation and employee outcomes in the context of retailing. *Management Decision, 53*(7), 1642-165
- Martinez-Conesa, I., Soto-Acosta, P., & Carayannis, E.G. (2017). On the path towards open innovation: Assessing the role of knowledge management capability and environmental dynamism in SMEs. *Journal of Knowledge Management, 21*(3), 553-570.
- Martins, E.C., & Terblanche, F. (2003). Building organizational culture that stimulates creativity and innovation. *European Journal of Innovation Management, 6*(1), 64-74.
- Mayer, D.M., Aquino, K., Greenbaum, R.L., & Kuenzi, M. (2012). Who displays ethical leadership, and why does it matter? An examination of antecedents and consequences of ethical leadership. *Academy of Management Journal, 55*(1), 151-171.
- Organ, D.W. (1988). *Organizational citizenship behavior: The good soldier syndrome*. Lexington Books/DC Heath and Com.
- Piccolo, R.F., Greenbaum, R., Hartog, D.N.D., & Folger, R. (2010). The relationship between ethical leadership and core job characteristics. *Journal of Organizational Behavior, 31*(2-3), 259-278.
- Ryan, R.M., & Deci, E.L. (2000). Self-determination theory and the facilitation of intrinsic motivation, social development, and well-being. *American Psychologist, 55*(1), 68.
- Scandura, T.A., Graen, G.B., & Novak, M.A. (1986). When managers decide not to decide autocratically: An investigation of leader-member exchange and decision influence. *Journal of Applied Psychology, 71*(4), 579.
- Seibert, S.E., Wang, G., & Courtright, S.H. (2011). Antecedents and consequences of psychological and team empowerment in organizations: A meta-analytic review. *Journal of Applied Psychology, 96*(5), 981.
- Shalley, C.E., Zhou, J., & Oldham, G.R. (2004). The effects of personal and contextual characteristics on creativity: where should we go from here? *Journal of Management, 30* (6), 933-958
- Spreitzer, G.M. (1995). Psychological empowerment in the workplace: dimensions, measurement, and validation. *Academy of Management Journal, 38* (5), 1442-1465.

- Trevino, L.K., Hartman, L.P., & Brown, M. (2000). Moral person and moral manager: How executives develop a reputation for ethical leadership. *California Management Review*, 42(4), 128-142.
- Tu, Y., & Lu, X. (2013). How ethical leadership influence employees' innovative work behavior: a perspective of intrinsic motivation. *Journal of Business Ethics*, 116 (2), 441-455.
- Walumbwa, F.O., Mayer, D.M., Wang, P., Wang, H., Workman, K., & Christensen, A.L. (2011). Linking ethical leadership to employee performance: the roles of leader – member exchange, self-efficacy, and organizational identification. *Organizational Behavior and Human Decision Processes*, 115(2), 204-213.
- Wat, D., & Shaffer, M.A. (2005). Equity and relationship quality influences on organizational citizenship behaviours: the mediating role of trust in the supervisor and empowerment. *Personnel Review* 34 (4), 406-422.
- Williams, L.J., & Anderson, S.E. (1991). Job satisfaction and organizational commitment as predictors of organizational citizenship and in-role behaviours. *Journal of Management*, 17(3), 601-617.
- Yidong, T., & Xinxin, L. (2013). How ethical leadership influence employees' innovative work behavior: A perspective of intrinsic motivation. *Journal of Business Ethics*, 116(2), 441-455.
- Zhang, X., & Bartol, K.M. (2010). Linking empowering leadership and employee creativity: The influence of psychological empowerment, intrinsic motivation, and creative process engagement. *Academy of Management Journal*, 53(1), 107-128.
- Zhu, W., Riggio, R.E., Reina, C., & Maroosis, J.A. (2010). Virtue-based measurement of ethical leadership: The Leadership Virtues Questionnaire. *Consulting Psychology Journal: Practice and Research*, 62(4), 235-250.
- Zona, F., Minoja, M., & Coda, V. (2013). Antecedents of corporate scandals: CEO's personal traits, stakeholders' cohesion, managerial fraud, and imbalanced corporate strategy. *Journal of Business Ethics*, 113(2), 265-283.

Reproduced with permission of copyright owner. Further reproduction prohibited without permission.