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# Can Ethical Leadership Enhance Individual's Task Initiatives?

Dr. Komal Khalid 1 & Ms. Sheher Bano2

#### Abstract

The purpose of this study was to investigate the influence of dimensions of ethical leadership practices on employee Individual task initiative by using age as moderator variable in higher educational sector of Pakistan. Data was collected from Higher education sector of Pakistan. 402 faculty members from 26 different universities working in Rawalpindi and Islamabad complete measures on factors of ethical leadership and Employee Individual Task Initiative (Sully et.al, 2008). Reliability statistics, Confirmatory Factor analysis, Descriptive statistics, Pearson Correlation Analysis and Stepwise Regression Analyses were used to analyze the data. Results indicated that faculty supervisor's people orientation, Concern for stability, power sharing behavior, role clarity and integrity has a strong influence on their Individual Task Initiative. Study also found that Age of the faculty members has a significant moderating influence on the relationship among integrity, role clarity, Concern for stability and EITI while age do not moderate the significant relation existing between people orientation and EITI.

**Keywords:** People Orientation, Power Sharing, Integrity, Ethical Guidance, Fairness, Role Clarification, Age, Employee Individual Task Initiative

#### 1. Introduction

Higher education system around the world is facing change in terms of mobility of faculty, researchers and emerging market of academicians. Researchers in international arena forced the educational leaders to adopt ethical leadership practices in order to retain the higher quality personnel in their institutions.

<sup>&</sup>lt;sup>1</sup> Ph.D. (Human Resource Management), Assistant Professor, Human Resource Management Department, Faculty of Economics and Administration, King Abdulaziz University, Jeddah, Saudi Arabia, Phone #: 00966561301469. Email:kmuddassar@kau.edu.sa

<sup>&</sup>lt;sup>2</sup> MS Scholar (Human Resource Management), Department of Management Science, COMSATS Institute of Information Technology, Wah Campus. Email:shaherbano1989@gmail.com

On one hand, educational production in the form of more international students is expanding while on the other hand, in countries like Pakistan, Bangladesh and India, brain drain of high-skilled human capital has reached to a critical condition. Almost every highly skilled individual (either doctor, engineer or academician) seeks for a job in developed countries (Bhattarai, 2009; Dhungel, 2010). The reason behind this brain drain includes leadership, working environment and higher salaries. In developing countries other than employee retention one of the major concern for higher education institutions includes faculty's task initiative or motivation towards performance. The significance of ethical leadership for an organization is obvious as it plays a crucial role in developing the reputation of an organization, thus affecting the financial success. The ethical conduct is marked by qualities such as fairness, transparency, integrity, honesty, concern and promotion. It is judged by ethical behavior through communication, modeling and reinforcement. The realization of the fact that a leader can be effective, efficient and inspirational can only be realized by exhibiting ethical behavior that has caused the scholars to be more interested in it. Scholars are keen in the role of leadership behavior in order to reduce the amount of unethical behavior in organizations. For the purpose of understanding the role of ethical leadership in relation to employee performance and behavior in organizations, valuable research efforts have been made. Ethical leadership is defined as, "The demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two way communication, reinforcement, and decision making" (Brown, et al., 2005).

#### 1.1 Dimensions of an Ethical Leader

Integrity, fairness, role clarification, power sharing, concern for others and concern for sustainability are the most distinguished characteristics of ethical leadership behavior. All of these elements influence employee outcomes. Previous research has shown that power sharing (Avolio *et al.*, 2004), perceived fairness (Aronson, 2001) and integrity virtuous character (Anderson, Spataro & Flynn, 2008) have great contribution in determining the concept of ethical leadership. An ethical leader is authentic and therefore he induces the feelings of hope and trust in the followers by playing a crucial role in the development of interpersonal relationship of the leader and follower thereby enhancing the task effectiveness, outcomes and social identity of the follower (Avolio *et al.*, 2004).

Individual task initiative is the conduct of an individual that is optional in nature, not formally rewarded and acknowledged openly by the organization, individual initiative can improve organizational efficiency and competitive edge. Piccolo et al., (2010) suggests that leaders with strong ethical commitments can have impact on the individual's task initiative. When manager's behavior towards the subordinates is ethical and positive, the subordinates feel that their managers and organization have concern about them and that their contributions are valued, thus, they will be more committed to the organization and put more effort in their work. Age plays a very important role in determining the employee's ability to exert extra effort at work or take initiatives for the organization. The experienced workers are perceived to be less productive as compared to young workers. It is mostly noted that older workers, as compared to younger workers, are more hesitant to involve in new skill training and are inclined to prefer shared tasks (Kanfer & Ackerman, 2004). It is a stereotypic belief that older workers have less ability and energy; they are less competent and more stressed. The belief that the workers of old age resist change and they are less adaptable and flexible fuels the stereotypes about the aging workers (Avolio, Waldman & McDaniel, 1990). Previous studies show that the young accept challenges quickly, adapt changes, and are likely to perform extra roles for their job.

Education plays an important part in human capital development. It helps to raise the efficiency and effectiveness of people and produces manpower that is capable of leading the economy towards the course of sustainable economic growth. The significance of this research in theory is eminent because it provides valuable information regarding what ethical leaders do to influence individual's task initiative. Its practical implications for the organizations can be observed when ethical aspect of leadership will increase which would prove to be beneficial for the employees in terms of outcomes, performance as well as the development of leader-follower relationship. The findings of this study for higher education sector are significant because it will lead to benefit the customer of the organizations that is students. Pakistan inherited only two universities when it emerged. After fifty years journey, Pakistan could establish only 34 universities in the country, which include twenty-seven public and seven private sector universities. Until the end of year 2000 same trend is being dominated in Pakistan. But from the start of the 21st century the remarkable expansion of higher education sector was seen as the number of institution became 168.

With such growth in higher education, and awareness of the people towards higher education there is also a need of the requirement of qualified faculty that can facilitate the higher education institutes. Therefore this study makes its contribution by identifying and trying to fill up the gap in the literature by regarding ethical leadership variable that was overlooked as it relates to individual task initiative. Secondly it also identifies the measures that could be taken to retain the faculty members and bring the educational sector of Pakistan up to the mark. This study was aimed not only to benefit the educational sector but can be utilized by other sectors such as telecommunication and oil & gas due to the fact that every organization is led by a leader who must be ethical in order to influence and inspire his subordinates to perform better.

## 2. Literature Review and Hypothesis

### 2.1 Ethical Leader Behavior

There has been a growing interest in the expansion and endorsement of ethical leadership in organizations. Ethical leadership is uniquely eminent because of the impact leaders ought to have on the behavior of others in the organization and eventually on organizational performance. Primary empirical research about ethical leadership is hopeful. Failing to be a good employer can direct to raise employee turnover and reduce the likelihood of attracting new workforce. This can also lead to the increase in the costs related to employee turnover, employee supervision, low job contentment and level of employee efficiency (Bello, 2012).

Moreover, (Neubert *et al.*, 2009) established that ethical leadership interacts with interactional justice to promote personal perceptions of a more moral and ethical environment. The righteousness of leadership has been a matter of debate for centuries, mainly among philosophers and political theorists. In recent times and to a degree in response to increasing public awareness of the ethical perspective of leadership in business context, the issue of ethics has received growing attention between leadership and management researchers. The practical knowledge about ethical leadership is inadequate .In the field of leadership, ethics and honesty has drawn in the interest of many in the last few years. Consideration of ethical leadership as a set of behaviors or a particular leadership approach has started. It is no longer regarded as just an ethical constituent for further leadership approaches (Brown*et al.*, 2005; De Hoogh & Den Hartog, 2008; Kanungo, 2001).

In order to be ethical, the leader is required to engage in righteous acts or behaviors that do well to others, and must abstain from wrong acts or behaviors that hurt others (Kanungo, 2001). In the existing prose, many scholars have empirically and theoretically investigated its consequence on employees' job behavior and attitudes and found that ethical leadership was a valuable predictor of organization commitment, organizational citizenship behavior, voice behavior, moral identity and job satisfaction (Lu., Yi Dong Tu & Xin Xin, 2013).

### 2.2 Dimensions of Ethical Leadership

Considering the work of (Trevino*et al.*, 2000, 2003) and several others in the arena of ethical behavior of leaders, the dimensions of ethical behavior of leader are determined to be integrity, fairness, people orientation, power sharing, role clarification, concern for stability and ethical guidance. Fairness is an essential form of ethical behavior. Fair treatment to others and righteousness of the actions are of absolute importance for the leader. Ethical leader is not biased or prejudiced, makes principle based choices, is trustworthy, reliable and takes responsibility of his proceedings (Brown *et al.*, 2005; De Hoogh & Den Hartog, 2008; Trevino*et al.*, 2003). Power distribution is also regarded as ethical conduct and propose that moral leaders encourage the followers to participate in decision making and supports the empowerment facet of ethical behavior of leaders. These studies affirm that moral leaders allow the subordinates a voice of their own. (Den Hartog & De Hoogh, 2009; Resick *et al.*, 2006; Brown*et al.*, 2005).

Ethical leadership is marked by the qualities of transparency and open communication (Brownet al., 2005). Similarly (De Hoogh & Den Hartog, 2008) also emphasize on significance of openness about the clarification performance goals and expectations, so that the followers are aware of what is expected from them and when their performance is up to the criterion. A prominent dimension among ethical leader behaviors is a real concern for people or people orientation. It is one of the most recurring one in the qualitative works of (Trevino et al., 2003) regarding ethical leadership behavior. (Resicket al., 2006) considers that ethical leadership involves the aspect of people orientation. This element of ethical leadership reflects genuine care, respect and support for the followers so as to ensure that their aspirations are fulfilled (Kanungo & Conger, 1993; Trevinoet al., 2003).

Integrity is regarded as a very significant dimension of ethical leadership. Integrity behaviors are defined as the consistency in words and actions (word-deed alliance) that is, the degree to which what one says, matches with what one do (Dineenet al., 2006; Palanski & Yammarino, 2007; Palanski, 2009). Leaders who are consistent and fulfill their promises earn the trust and respect of the followers and are regarded as credible. (Trevino et al., 2003) The fundamentals and standards regarding ethical conduct are conveyed by the ethical leader. He can inspire the followers to follow them more consciously by exemplifying those standards (Beu & Buckley, 2001). He can also use rewards and punishment so they feel accountable for their actions. Furthermore, he argues that ethical leader is distinguished by immense ethical awareness. This means that they have a concern for the stakeholders and the society. The ethical leader is responsible for the preservation and promotion of the stakeholder's interest (Donaldson & Preston, 1995). The concept of corporate social responsibility urges the leaders to consider the broader impact on others in the firm, the society and the natural environment (Waldman et al., 2006) which shows their concern for stability.

## 2.3 Ethical Leadership and Individual Initiative

The theoretical foundations that are used to understand ethical leadership are social learning theory (Brown et al., 2005) and social exchange theory (Mayeret al., 2009), they are helpful in discerning individual reactions to ethical leader behavior. Both perspectives propose that ethical leadership is likely to initiate positive organizational citizenship behaviors. Considering the social learning perspective, (Brown et al., 2005; Trevinoet al., 2003) argue that as the epitome of ethical behavior, the leader uses rewards, punishment and open communication to foster ethical conduct among the followers. Ethical leaders exemplify the concern and consideration for others while making decisions, so they become the target of emulation and identification for the employee (Bandura, 1991; Hogg, 2001). This emulation may be reflected in the form of citizenship. One form of organization citizenship is the willingness of the employee to put extra effort in the task/work also called individual initiative. (Dekas et al., 2013) defined the individual initiative as "engaging in task-related behaviors at a level beyond what is minimally required or generally expected. (e.g., persisting with extra enthusiasm and effort; volunteering to take on extra responsibilities)." Behaviors indicative of individual initiative include "going above and beyond on deliverables".

Moreover, another crucial element of ethical leadership is power sharing that is acknowledging the opinion of the employees or allow them to have a say in the decision making in order to encourage them to offer ideas, provide input and listening to their ideas and concerns (De Hoogh & Den Hartog, 2008; Kalshoven et al., 2011a; Resicket al., 2006). This should increase the employees' willingness to depict various forms of citizenship for instance, to speak up or show initiative. Evidence suggests that employees who regard their leader illustrating and more power sharing engage in more citizenship (Kalshovenet al., 2011a). According to Social exchange theory the norm of reciprocity, the followers are willing to reciprocate when treated with concern and fairness (Blau, 1964; Cropanzano & Mitchell, 2005; Mayeret al., 2009). Because ethical leaders are consistent, fair, guide and demonstrate concern for the well-being of the employees, the subordinates may feel a personal obligation to reciprocate (Kamdar et al., 2006) and are motivated to perform beyond expectations (Podsakoff et al., 2000). Leader Member Exchange theory proposes that every employee has a distinct social exchange relationship with his/her supervisor and quality of such a relationship is positively associated with job performance as well as job attributes (Gerstner & Day, 1997; Graen & Uhl-Bien, 1995).

The quality of the leader-member exchange induces the employee to be effective on job in terms of in-role performance, innovative performance and satisfaction (Janssen, Yperen, 2004). Relationship that includes mutual trust, respect and, obligation give rise to an influence between employee and his/her supervisor and are known as high quality exchange relationships. Low quality exchange relationship exhibit formal role, defined interaction and contractual exchange and as a result cause distance among the parties involved (Janssen, Yperen, 2004). High quality leader member exchange is an indicator of innovative job performance as reported by (Basu & Green, 1997) and (Scott & Bruce, 1994). A low quality of leader member exchange is predictive of low level in-role job performance, innovative job performance and job satisfaction (Janssen, Yperen, 2004). Consequently we can deduce that a good relationship between the leader and the follower that is based on trust, morals obligation and integrity will inspire the follower to go an extra mile regarding the task duties and responsibilities. From the studies of Basu and Green (1997), Gerstner & Day (1997), Graen & Uhl-Bien (1995), Dekas, et al. (2013), Kalshoven, et al. (2011a), Hogg (2001) and Kamdar et al. (2006) it was hypothezed that:

H₁: Ethical leadership behavior has a significant and positive influence on Employee individual task initiative.

H<sub>1a</sub>: Supervisor Fairness has a significant and positive influence on Employee individual task initiative.

H<sub>1b</sub>: Role clarification has a significant and positive influence on Employee individual task initiative.

 $H_{1c}$ : Power sharing has a significant and positive influence on Employee individual task initiative.

 $H_{1d}$ : Ethical guidance has a significant and positive influence on Employee individual task initiative.

 $H_{1e}$ : Integrity has a significant and positive influence on Employee individual task initiative.

 $H_{1f}$ : Supervisor People Orientation has a significant and positive influence on Employee individual task initiative.

### 2.4 Aging and Individual Initiative

(Kanfer, Ackerman, 2004), found that many stereotypes exist about older workers that they are perceived to be less adaptable, flexible, and competent and having lower future potential. These stereotypes arise from the beliefs people have about the decline of physical and cognitive abilities that occur with age. It is commonly perceived that the older workers are often more hesitant to employ new skill training and tend to prefer mutual tasks. Research on older workers is critical in order to understand the reality of these stereotypes. On the other hand (Rhodes, 1983) provides evidences showing tendencies for higher commitment, less voluntary absenteeism and lower turnover among older workers than among younger ones. So from the studies of Kanfer, Ackerman (2004), and Rhodes (1983) it can be hypothezed that:

H<sub>2</sub>: Age moderates the relationship between ethical leadership and employee individual task initiative.

 $H_{2a}$ : Age moderates the relationship between Supervisor's fairness and employee individual task initiative.

 $H_{2b}$ : Age moderates the relationship between role clarification and employee individual task initiative.

H<sub>2c</sub>: Age moderates the relationship between power sharing and employee individual task initiative.

 $H_{2d}$ : Age moderates the relationship between ethical guidance and employee individual task initiative.

 $H_{2e}$ : Age moderates the relationship between integrity and employee individual task initiative.

 $H_{2f}$ : Age moderates the relationship supervisor people orientation and employee individual task initiative.

# 3. Research Methodology

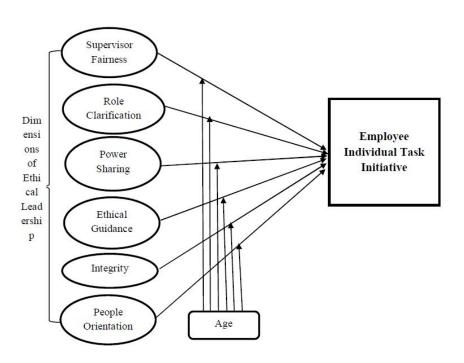


Figure #1: Research Model

### 3.1 Econometric Model

### Model 1:

$$EITI = \beta_0 + \beta_1(EL) + \epsilon_o \qquad 1$$

#### Model 2:

#### Model 3:

$$\begin{split} EITI &= \beta_0 + \beta_1 \left( A \right) + \beta_2 \left( F \right) + \beta_3 \left( RC \right) + \beta_4 \left( PS \right) + \beta_5 \left( EG \right) + \beta_6 \left( I \right) + \beta_7 \left( PO \right) + \beta_8 \left( AxF \right) + \beta_9 \left( AxRC \right) \\ &+ \beta_{10} (AxPS) + \beta_{11} (AxEG) + \beta_{12} (AxI) + \beta_{12} (AxPO) + \epsilon_0 \\ &- 3 \\ &$$

Where EL is Ethical Leadership, F is Fairness, RC denotes Role Clarification, PS means Power Sharing, EG means Ethical Guidance, I is Integrity, PO is People Orientation and A is respondent Age.

# 3.2 Sample and Procedure

Table 1: Frequency and Percentage of Respondent's Demography

\$ #	Demographics		Frequency	Percentage
1.	Gender	Male	232	57.5%
		Female	170	42.5%
			402	100%
		30 - 40	218	51.5%
2.	Age	40 – 50	175	43.5%
		50 and Above	6	0.02%
	•	•	402	100%
3.	Qualification	Ph.D	227	56.5%
		M.Phil	175	43.5%
	•	•	402	100%
		Less than 1 year	47	12.7%
		1-2 years	112	27.9%
4.	Tenure	2-5 years	133	33.1%
		5 – 7 years	63	15.7%
		7 above	47	12.7%
			402	100%
		Public	147	36.6%
5.	Sector	Private	255	63.4%
	•		402	100%
	Employment Status	Permanent	112	27.9%
6.		Contractual	290	72.1%
	•	•	402	100%

The sample for the study was drawn by conducting a survey of faculty members of the higher education institutes of Pakistan. All of the respondents were faculty members teaching graduate students and were either having doctorate degree or were registered in doctorate degree program. A total of 500 questionnaires were distributed through personally administered survey, email and postal mail; out of those 402 complete questionnaires were returned, constituting a response rate of 80.4 %. The respondents included 232 males, 170 females. Among 402 respondents 218 to the age group of 30-40 years and, 175 were in the age group of 40-50 years while only 06 respondents were in the age bracket of above 50 years. In terms of employment tenure of the respondents 47 were less than 1 year, 112 were 1-2 years, 133 were 2-5 years, 63 were 5-7 years and, 47 were more than 7 years with in the same university. The range for qualification of the respondents included 227 (PhD) and 175 (MS/MPhil). 147 respondents were from public sector and 255 were from private sector institutes. As for the employment status 290 were on contract while 112 were working on a permanent basis. This ratio of employment status is because of the reason that mostly private and some public sector universities are only hiring on contractual basis.

## 3.3 Measures and Reliability Statistics

In this study seven dimensions of ethical leadership were studied. Construct of the dimensions of ethical leadership behavior was taken from the studies of (De Hoogh & Den Hartog, 2008) and (Kalshoven K., 2010). The dimension of Fairness was measured using a six item scale from (De Hoogh & Den Hartog, 2008) which assessed the extent to which the leader treats his/her employee fairly and in an unbiased manner. The reliability of this measure was 0.70. Role clarification was also measured using a five item scale from (De Hoogh & Den Hartog, 2008) that shows whether the employees understand the performance goals and expectations showing a reliability of 0.95. A six item scale adopted from (De Hoogh & Den Hartog, 2008) was used to assess the extent to which employees are empowered and allowed to participate in decision making. The reliability was calculated to be 0.78 for this measure. In order to gauge the people orientation dimension we used a seven item scale of ethical leadership at work (ELW) guestionnaire from (Kalshoven K., 2010). The reliability of this measure was 0.79. Integrity dimension is measured using a four item scale so as to see the degree to which the employees believe in and have trust in their leader. The reliability for this measure was determined to be 0.70.

Ethical guidance was measured by adopting a seven item scale in order to observe the extent to which the leader plays a role in ethical development of his followers. The calculated reliability for this measure was 0.85. The concern for stability dimension is measured by employing a three item scale so as to determine the degree to which the leader makes effort for the welfare of environment/society. It has a reliability of 0.74. All of the three dimensions mentioned above were measured using a scale adopted from ELW questionnaire from (Kalshoven K. , 2010). Employee individual task initiative was assessed by using a four item scale from (Sully et.al, 2008). The reliability for this measure was 0.841. The aggregate value of Cronbach alpha for all measures is 0.88. The responses to the items were measured using a five point likert scale ranging from 1= strongly disagree, 2= disagree, 3= neutral, 4= agree, 5= strongly agree.

## 3.4 Validity Statistics

Factor analysis for people orientation and supervisor's fairness, power sharing, concern for stability, ethical guidance, role clarification, integrity and employee Individual Task Initiative showed that all of the survey items has extraction of more than 0.40 and the cumulative percentage of extraction explain 61%, 49%, 79.8%, 66%, 68.7%, 71.6%, 52.7% and 56.6% variance respectively in the variables. The principal component analysis and higher Eigen values shows the major dependency on the principal components. Decreasing values of Eigen with the decreasing reliability of principle components showing the components validity as the function of interrelated components.

## 4. Data Analysis

## 4.1 Descriptive Statistics

**Table 2: Descriptive Statistics** 

	Mean	Std. Deviation	
Gender	1.42	0.49	
Age	2.44	0.58	
Qualification	1.59	0.63	
Tenure	2.87	1.17	
Sector	1.63	0.48	
Employment Status	1.75	0.50	
PO	3.61	0.71	
F	3.62	0.48	
PS	3.79	0.63	
CFS	2.98	0.51	
EG	3.36	0.55	
RC	3.49	0.65	
I	3.64	0.62	
EITI	4.01	0.74	

Valid N (listwise): 402

Note: PO: People Orientation, F: Fairness, PS: Power Sharing, CFS: Concern for Stability, EG: Ethical Guidance, RC: Role Clarification, I: Integrity, EITI: Employee Individual Task Initiative

Table 2 shows the values for the descriptive mean and standard deviations of the study variables and sample demographics. Results shows that most of the respondents are male and belong to the age group of 30 to 50 years. Statistics also indicate that most of the respondent holds PhD and MS degrees. The values of mean and standard deviation show the most of the responses are inclined towards positive direction except for Concern for stability which is  $2.98 \pm 0.51$  which shows inclination towards slight negative direction. The values for standard deviations are moderate and range from  $\pm$  48 to  $\pm$ 74 which depict that variation in the data are moderate.

# 4.2 Pearson Correlation Analysis

Pearson's correlation analysis was done to examine the relationship between the demographic and research variables which are illustrated in table 3. No significant relationship exists among EITI and ethical leadership dimensions except concern for stability (r = 0.108, p < 0.05).

Age has a significant and positive correlation with role clarity (r = 0.116, p < 0.05) and integrity (r = 0.141, p < 0.05); means greater the age of the faculty members greater will be their role clarity and integrity. But age show a negative correlation with power sharing and EITI indicating that greater the age of the faculty members lesser they will be take new task initiatives and sharing power with their subordinates. As per the results of the correlation analysis it is indicated that faculty qualification has a moderated correlation with employee individual task initiatives; higher the qualification greater will be their individual task initiatives. Results of the study also reveals that contractual employees have more concern for stability as compared with the permanent faculty members.

G Status РО PS CFS EG RC EITI Gender -.032 Age Qualification .038 -.016 Tenure .070 .114\* .101 .049 .136\*\* Sector .044 -.009 .089 -.012 -.034 Status .015 .141\*\* PO .004 .036 -.044 -.026 205\*\* .058 .593\*\* .026 .053 -.028 .064 .067 PS .526\*\* .600\*\* -.002 -.029 .039 .072 .000 .142\* **CFS** .108\* .095 -.086 .082 .148\*\* .044 .060 .195\*\* .047 .071 .026 .045 .048 -.007 -.050 .353\*\* .258\*\* .374\*\* .476\*\* EG -.071 .044 -.084 .079 -.010 197\* RC .116 .110\* -.051 .060 .132\*\* -.036 .141\* .097 .030 .019 -.031 -.072 .059 .140\*\* .143\*\* .176\*\* .193\*\* EITI .255\*\* .161\*\* 075 .036\* 094 -.062 .226\*\* .019 .428\*\* .054 .122\* .098\*

**Table 3: Pearson Correlation Analysis** 

Note: PO: People Orientation, F: Fairness, PS: Power Sharing, CFS: Concern for Stability, EG: Ethical Guidance, RC: Role Clarification, I: Integrity, EITI: Employee Individual Task Initiative

# 4.3 Regression Results

The regression results were explained in three dimensional forms and also the results of each model that was explained in methodology were also compared with each other showing the effect of moderations.

Regression Equation 1:

$$EITI = \beta_0 + \beta_1 (EL) + \epsilon_o \dots 1$$

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed)

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Variables	Variables Coefficient t-value Significance Model		Model Specific	pecifications	
Constant	1.78	3.91	0.00	R	0.42
Ethical Leadership	0.64	5.74	0.00	$R^2$	0.37
				$R^2_{adj}$	0.34
				F	55.73
	F-sig	0.00			
				N	402
Dependent Variable is Employee Individual Task Initiative				DW	1.98

Table 4: Regression Results for Equation 1

Results of regression model 01 depicts the effect of ethical leadership on employee individual task initiatives. Results revealed that model was statistically significant (F = 55.73, p < 0.01); the only included independent variable in this model Ethical leadership seems to have explained around 34.24 percent variance in the dependent variable ( $R^2 = 0.37$ ;  $R^2_{adjusted} = 0.34$ ). Results revealed that if there is 1 percent increase in the ethical leadership in the universities employee individual task initiatives will be increased 0.64 as ( $\square = 0.64$ ; p< 0.01). Results of Durbin Watson statistics (1.98) showed that there is no autocorrelation that exists between the observations.

# Regression Equation 2:

Variables Coefficient t-value Significance **Model Specifications** Constant 0.41 1.33 0.17 R 0.51  $R^2$ Fairness 0.98 0.98 0.43 0.16  $R^2_{adj}$ Role Clarification 2.74 0.00 0.40 0.12 Power Sharing 0.20 3.21 0.00 F 24.99 Ethical guidance 0.55 1.17 0.24 F-siq 0.00 Integrity 0.47 3.29 0.00 Ν 402 **People Orientation** 0.22 3.54 0.00 DW 2.03 1.57 **Concern for Stability** 0.42 0.04 Dependent Variable is Employee Individual Task Initiative

Table # 5: Regression Results for Equation 2

Results of regression model 02 depicts the effect of ethical leadership dimensions on employee individual task initiatives. Results revealed that model was statistically significant (F = 24.99, p < 0.01); though all the explanatory variables included in the model seem to have explained around 40.32 percent variance in the dependent variable ( $R^2 = 0.43$ ;  $R^2_{adjusted} = 0.40$ ). Among dimensions of ethical leadership Integrity seems to have greater effect on EITI ( $\beta = 0.47$ , p < 0.01), as compared to dimensions People orientation

 $(\beta=0.22,\,p<0.01)$ , Profit sharing  $(\beta=0.20,\,p<0.01)$  and Role clarification  $(\beta=0.12,\,p<0.01)$ . Dimensions like supervisor's fairness and Ethical guidance were non-significant whereas concern for stability has moderate  $(\beta=0.42,\,p<0.04)$  influence on EITI. Results of Durbin Watson statistics (2.03) showed that there is no autocorrelation that exists between the observations.

Table # 6: Regression Results for Equation 3

Variables	Coefficient	t-value	Significance	Model Specifications	
Constant	3.16	3.96	0.00	R	0.56
Age	-1.43	-3.73	0.49	$R^2$	0.49
Fairness	0.10	-0.73	0.46	$R^2_{adj}$	0.45
Role Clarification	0.19	-1.60	0.11	$\square \square R^2$	0.12
Power Sharing	0.15	0.312	0.75	F	29.43
Ethical guidance	0.08	-0.69	0.49	F-sig	0.00
Integrity	0.15	1.23	0.22	$\Box\Box F$	11.64
People Orientation	0.40	2.67	0.01	N	402
Concern for Stability	0.36	1.97	0.01	DW	1.83
Age x F	0.05	0.75	0.45		
Age x RC	0.46	2.97	0.00		
Age x PS	0.28	2.10	0.03		
Age x EG	0.02	0.35	0.72		
Age x I	0.57	3.05	0.00		
Age x PO	-0.11	-1.50	0.15		
Age x CFS	0.17	0.82	0.01		
Dependent Variable is Employee Individual Task Initiative					

Results of regression model 03 are shown in table # 6. The model depicts the effect of Ethical leadership dimensions and moderator age on employee individual task initiative. In the model age is used separately as well as in the form of interacting terms (Age x PO), (Age x F) (Age x RC), (Age x PS), (Age x CFS), (Age x I) and (Age x EG). Results reveal that model is statistically significant (F = 29.43, p < 0.01); though the explanatory variables (Age, PO, F, RC, PS, CFS, I, EG and their interacting terms with age) included in the model seem to have explained around 45 percent variance in the dependent variable ( $R^2 = 0.49$ ;  $R^2_{adjusted} = 0.45$ ).

The R Square Change for Model 03 is the contribution of the interaction. The F Change for Model 4 is the test of the interaction. Inspection of the full model shows the presence of full, partial and no moderation in some of the ethical leadership dimensions however the R² change = 0.12, which shows the interaction affect is nearly ¼ of the variance accounted for by the model. Results of F- statistics showed that regression model # 3 is statistically significant. The coefficient analysis of model 03 shows that except people orientation and integrity none of the ethical leadership dimension had a direct significant influence on faculty's individual task initiative. However when their interactional coefficients were analyzed it showed that age do not moderate the influence of people orientation on faculty individual task initiative whereas age fully moderates integrity ( $\square = 0.57$ , p < 0.00), role clarification ( $\square = 0.46$ , p < 0.00), concern for stability ( $\square = 0.17$ , p < 0.00) and power sharing ( $\square = 0.28$ , p < 0.00) influence on EITI relationship. Fairness and Ethical guidance as well their interactional variable were non-significant in model 03.

#### 5. Discussion

As mentioned in the literature review that there is a positive relationship between ethical leadership and employee's Individual Task Initiative is also proved in this study. The results of model 1 showed the positive influence of ethical leadership on individual task initiative in educational sector of Pakistan. Higher education sector of Pakistan is one of the most rapidly growing sector, it needs a strong ethical leadership for their members (faculty) to remain part of this sector or to retain within Pakistan. Opportunities in Pakistan as compared to other developed countries are far less attractive and lucrative in terms of career growth and compensation, so to retain and motivate highly qualified faculty members it seems that ethical leadership is one of the most important tool.

If leadership behavior is ethical with their colleagues this could put a moral obligation on the faculty members to not only take some task initiatives for the betterment of the university as well as themselves but also remain with the university. Apart from analyzing the influence of ethical leadership on employee individual task initiative this study also shed light on the influence of individual dimensions of ethical leadership on employee task initiative and reveals some interesting results. Results showed that not all dimensions of ethical leadership has a significant influence on EITI.

Dimensions like role clarification, integrity, people orientation and, power sharing are had a significant and positive effect in predicting variation on employee individual task initiative in higher education sector of Pakistan, while fairness and ethical guidance are non-significant in the prediction of individual task initiative.

These results indicate that in higher education sector of Pakistan faculty members perceive a lack of fair treatment and ethical guidance by their leader/ supervisor or consider them to be biased or prejudiced. Hence they are not inspired or influenced to emulate him or to consider ethics as an integral part of their work and dealings. Concern for stability by the leader observed in this sector shows that the leader has a moderate concern about the consequences of their actions outside his own sphere. So the followers reciprocate by caring little except their own benefits and interests. All of this leads us towards the measures that should be taken into consideration if we want to improve the leader follower relationship specifically in this sector. And that can be done if the leader is fair, unbiased, clearly communicates what he expects from his subordinates, is an essence of ethics and morality and is has a concern not just for himself but for others as well including the society and environment. Results of equation # 3 revealed very interesting results regarding the moderation of age between the ethical leadership dimensions and employee individual task initiative. It showed that some of the ethical leadership dimensions including power sharing, integrity, concern for stability and role clarification has significant moderation of age with their relationship with EITI. From the results it seems that with the increasing age of the faculty members their need for more authority, empowerment and participation from their bosses or superiors raises for putting more efforts in their tasks or for individual task initiatives. With the increasing age of the faculty members they would get more experience and responsibility by their supervisors which would result in greater role clarification resulting in taking individual task initiatives and performing better.

Age also significantly moderate between the relation of integrity and EITI revealing that with the increasing age of the faculty members their demand for integrity from their bosses also raise; they want their supervisor to have integrity if they would take some task initiatives. In Pakistan a large number of the universities have head of the department with less number publications; they achieve the position of HOD because of seniority and some time they force their subordinates to put their name in their research work or other initiatives that they are taking.

As it is evident from the results in table #6 that influence of integrity of EITI without the moderation of age is non-significant but with the age it become significant. Faculty members who are at the start of their career sometimes do not get offended but as their age increase and they become more stable and experienced in their career they demand integrity from their HOD's in terms of taking individual task initiatives.

Another interesting relationship is between people orientation and employee individual task initiative. From the results it seems that if the HOD or the immediate supervisor in the universities are people oriented (Recognize and accommodate the problems or issues of the faculty members, built trust with faculty members) employees would work more efficiently and willingly work hard without any pressure. It is because they not only like their immediate supervisor but also trust him. This relationship is irrespective to the age of the faculty member which is the reason of non-significant moderation of age between the relationship of people orientated leadership and employee individual task initiative. Concern for stability is another important dimension of ethical leadership which could influence employee individual task initiative. As per the results of table # 6 it seems that HOD's concern for stability in the university's growth process can moderately influence faculty's individual task initiatives but the level of significance increase with faculty members with higher ages. This could be because of the economic conditions of Pakistan are in decline mode; with the increasing age of the faculty members their understanding regarding the need of stability would rise resulting in high significant relationship between concern for stability and EITI.

# 6. Implication for the Industry

Ethics in organizations is a worldwide issue. For enhancing employee performance levels, it is necessary for the leadership of higher education institutions to take proactive measures to boost the commitment and satisfaction level of their faculty as well as staff members.

It is believed that ethical leaders would consider the rights and needs of their stakeholders specially employees and would treat them fairly. As proven in many research studies that organizational environment plays a very vital role in enhancing the employee productivity; factors like fairness, empowerment, integrity of subordinates and supervisor, trust worthy leadership and people orientation could be

part of organizational environment thus could enhance faculty individual task initiatives. For higher authorities of higher education institutions it is very important to consider the ethical consideration of individual before promoting him/her on to a higher post.

Policy makers of HEIs should devise a tool for judging levels of ethical consideration of the individuals being selected for higher positions. It is predicted that subordinates of a leader having higher ethical inclinations (people orientation, power sharing, role clarification and integrity) tends to have higher performance intentions. Head of departments of the HEIs should provide senior faculty members more role clarification and power sharing and should have more integrity for getting higher task initiatives. Faculty's improved performance can be seen as better efforts made by them in research activities which would be very beneficial for the university/ institute. As it is known that the lack of creative and innovative research and development is a huge cause that our universities are lagging behind (Akhtar & Kalsoom, 2011). When the faculty members are motivated to show enhanced level of task performance/ effectiveness they will be willing to help the organization in matters outside their jobs/ work and will offer a helping hand in any situation where their opinion/ skills can be utilized. Furthermore the employees will offer their services not only in the realm of academics, but also would be happy to provide services in extracurricular activities. In a nutshell it will contribute towards better and improved service quality as well as an addition to a positive organizational image.

#### 7. Conclusion

The focal objective of this study has been to deepen the existing understanding on the relationship between ethical leadership and faculty's task initiative. Particularly, this study is an empirical attempt to reveal the moderating mechanisms of age through which ethical leadership is likely to affect faculty's individual task initiative.

The perspectives of social exchange theory (Blau, 1964), and leader member exchange theory (Basu & Green, 1997) were applied to develop the linkages between ethical leadership and faculty's individual task initiative through the moderating influence of faculty's age. This ethical leadership model developed in this study was tested in Pakistan where unethical practices are common at organizational levels.

Despite the limited scope, this study has important implications for researchers, academicians and HEIs in the arena of ethical leadership and Individual task initiative. From a practical perspective these findings are instrumental in nature because they point out toward yet another approach to improve faculty's motivation for enhancing their task performance.

### 8. Limitations and Future Research

The limitations of this study may include its ability to generalize the results to other settings. Researchers in this study relied solely on follower's ratings of ethical leadership. Researchers have conceptualized ethical leadership as an observable behavior, and that most leadership research involves follower ratings of leaders (Brown *et al*, 2005), the researchers believe that their choice of others ratings was appropriate. Due to time and budget constraints, the researchers utilized convenience sampling technique, which is one of the non-probability methods. Another one is a limited sample size. More generalized results could have been drawn by covering a larger portion of the population. Further research should be done in this sector regarding the impact of ethical leadership behavior on employee outcomes because there is limited research on this phenomenon particularly in this sector.

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