Linking ethical leadership to employees' performance: Mediating role of organizational citizenship behavior and counterproductive work behavior

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Linking Ethical Leadership to Employees’ Performance: Mediating Role of Organizational Citizenship Behavior and Counterproductive Work Behavior

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Abstract
The scandals in recent years due to unethical behavior of leaders have shaken the confidence of stakeholders in public and corporate sectors. The scholars and practitioners are increasingly concerned about ethical issues related to business but still theoretical and empirical developments are lacking. The purpose of present study is to find the relationship of ethical leadership and employees’ performance through mechanisms such as counterproductive work behavior and organizational citizenship behavior of employees. Drawing on social learning theory and social exchange theory, we propose that top management ethical leadership behavior (EL) contributes to employee’s performance (EP) by enhancing organizational citizenship behavior (OCB) and reducing counterproductive work behavior (CWB).

Sample to empirically test this framework includes participants such as principals, vice-principals, headmasters, and deputy headmasters of 107 educational institutions. Data were collected through questionnaires. Total questionnaires received were 237 out of 300 and 220 met the research criteria. The response rate was 79% out of which 90 were male and 130 were female participants. The results showed significant direct positive relationship between ethical leadership and employees’ performance. Additionally, results showed that counterproductive work behavior (CWB) partially mediated the relationship between ethical leadership behavior and employee’s performance. Interestingly, organizational citizenship behavior (OCB) did not mediate the relationship between ethical leadership and employees’ performance. Present study will be a valuable addition to theory-based empirical research in the of field ethical leadership effectiveness. Theoretical and practical implications are also presented at the end.

Keywords: ethical leadership (EL), organizational citizenship behavior (OCB), counterproductive work behavior (CWB) and employees’ performance (EP).

1. Introduction and Literature Review
The ethical leadership has increasingly got its importance due to the fall of famed organizations from grace. In the last decade, the scandals like the collapse of Enron, fall of Lehman Brothers and crash of Housing market, in part, is due to unethical behavior of the leaders, has shaken the confidence on business executives. Therefore, it is extremely
important to understand and investigate the destructive behavior of organizational leaders in this complex and global village of business. When we graze at current newspapers we see the harming effects of today’s leaders may have on stakeholders, organizations and in general on society due to their unethical behavior (Illies & Reiter-Palmon, 2008). For example, Caldwell et al. (2008) indicated that due to disasters of WorldCom and Enron, business interest in ethical behavior has exponentially increased. She also suggested that the business success depends on merging the instrumental and normative, both financial and social performance – in a consistent synthesis of effective governance. Business leaders still continue to view governance through the traditional ways of stakeholder theory and agency theory, even when mounting evidence suggests that a new framework is needed to create sustainable competitive advantage in current economic situation. Considering the staggering costs in human, social and financial terms Edelman and Nicholson (2011) pointed out that collapse of Enron caused unemployment of thousands of employees, loss of investments, evoked more strict government regulations, and severely damaged the consumer confidence on the financial industry. The examples of unethical behavior of these organizations has forced businesses to revisit the strategic direction, helping them learn that ethical leadership is the path that guides to profitability. These ethical dilemmas have forced leaders to revisit existing leadership paradigms (Monahan, 2012). In recent times, the fierce competition for business and resources in the global marketplace has exponentially raised the problems of ethical leadership. People in leadership positions may wield force or authority using only their positions, resources and power that come with it. Additionally, a leader may be ethical and effective.

Much of the current research today on ethical leadership revolve around three major topics, ethics within the leader, ethical leaders influencing followers, and challenges the organizations face in implementing ethics. There still exist many unexplored areas within the ethical leadership to be explored and new studies to be done (Monahan, 2012). Walumbwa et al. (2011) examined leader-member-exchange, organizational identification and self-efficacy as mediators and together tested their influence on ethical leadership and employees’ performance. They recommend that other mechanisms (mediators) should be used to explain the relationship between ethical leadership and employee performance. A few researchers have worked on employee positive behavior [i.e. Walumbwa and Schaubroeck (2009), Mayer et al. (2009), Piccolo et al. (2010), and Walumbwa et al. (2011)] and however, a lot of work and research is still needed to be done in terms empirical investigation of influence of ethical leadership on positive and negative behaviors. Some researchers have recommended that positive behaviors like organizational citizenship behavior [Yates, (2014) and Toor and Ofori, (2009)], and performance [(Mayer et al., 2012) and Marshall et al. (2012), and negative behavior like counterproductive work behavior [(Walumbwa et al. 2011) and Neubert et al. (2009)] should be included in the future study.

In this study, we shall contribute to this area of research by enlarging current findings. Specifically, we shall stress on two substantial variables in the field of ethics and leadership: counterproductive work behavior, organizational citizenship behavior as mediators. These two variables are considered to have significant role in describing the beneficial effect of ethical leadership in terms of employees’ performance.

In the rapidly changing world of technology and economics, the importance of a school teacher cannot be denied in any society, specifically, in the developing nation like Pakistan.
Teachers are the individuals who shape the generation. In case of Pakistan, situation is quite different from western nations; people are running for jobs, unemployment level is high due to limited opportunities in the labor market. People adopt teaching profession when they do not find any other job. It is because teaching profession is perceived as low level profession on the priority list of career options in Pakistan (UNESCO/USAID & ITA, 2008; P. 16). Initially, newly recruited teachers have little interest in teaching profession, but most of them make adjustment in their jobs and stay for longer period of time. Sarwar et al., (2010) identified 11 major factors that hinder performance of newly recruited teachers, one of which is lack of effective communication between principal and the newly recruited teachers. It is now up to the principals (leadership) of the institutions to help them to adjust by creating their interest in the profession through favorable environment.

Specifically, the standard of public institutions is continuously falling. These public institutions are most of the time are not producing more productive outputs (i.e. students) which may work as suitable workforce in the labor market. In cases of teachers, they are authoritatively treated by the public school principals and mostly principals are unable to build ethical climate in the institution. For example, Niazi (2012) pointed that the uncooperative, dictatorial and unprofessional behavior of principals demotivated teachers and created unhealthy environment in the institution. One of the major reasons of downfall of public sector education system is due to lack of ethical leaders who serve as role models, care for others and are determined to enhance teachers’ performance; and overall organizational performance.

1.1 Research Questions

- Does Ethical Leadership influence Employees’ Performance?
- Does counterproductive work behavior mediate the relationship between Ethical Leadership and Employees’ Performance?
- Does organizational citizenship behavior mediate the relationship between Ethical Leadership and Employees’ Performance?

To assess that the relationship between ethical leadership and employees’ performance depends on organizational citizenship behavior and counterproductive work behavior.

Although, ethical leadership has been concern of decades but theory-based social scientific study of ethical leadership is relatively new. In spite of newness of ethical leadership, it is an area of great interest to academic researchers. Considerable interest in the topic has been noted due to the high profile failure of ethical leadership. Leadership researchers have always been involved in research that aims to contribute to effective leadership. Therefore, area of ethical leadership should attract scholars with different interests and motivations (Brown & Trevino, 2006a). Hence, present study will be a valuable addition to theory-based empirical research in the of field ethical leadership.

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Hence, present study will be a valuable addition to theory-based empirical research in the field of ethical leadership. The leadership of schools plays an important role in the effectiveness of schools. This study will also contribute by identifying key issues of leadership in public schools.

1.2 Ethical Leadership

The widely shared definition of ethical leadership is given by Brown et al. (2005, p. 120) who put it as “Ethical leadership is defined as the demonstration of normatively suitable behavior through personal actions and interpersonal relationships, and the propagation of such behavior to followers through two-way communication, reinforcement, and decision-making”. This definition is most appropriate approach to portray ethics and leadership in academic literature as most of the researches in the field have built their theoretical and empirical work on the basis of this comprehension. This definition has been used by researchers like Piccolo, Greenbaum, Den Hartog and Folger (2010); Walumbwa and Schaubroeck (2009); Detert, Treviño, Burris and Andiappan (2007) in their studies.

Trevino et al. (2000a); Brown et al. (2005) identified two pillars of ethical leadership in their study. First pillar was identified as moral person and second pillar was identified as moral manager. Treviño et al. (2003) identified the characteristics of moral person; they indicated that ethical leaders are moral persons who are trustworthy, honest and fair. The researchers, Brown et al. (2005) conceptualized the moral person facet of ethical leadership as impressions of viewers about character, personal traits and altruistic motivation of the leader. The second pillar as identified by Trevino et al. (2000a) was that of a moral manager who give priority to ethics in his agenda. The researchers like Brown et al. (2005) also conceptualized moral manager dimension of ethical leadership. This facet of ethical leadership represents influence on followers’ ethical and unethical behavior through proactive role modeling. Ethical leaders as managers make ethics as an integral part of their leadership by frequently communicating ethics and values to their followers through role modeling ethical behavior. They use reward and punishment mechanisms for the accountability of followers against the well-established standards (Brown & Trevino, 2006a).

The contemporary approaches to leadership present a variety of leadership styles such as servant, authentic and transformational with all of them drawing significant attention from the researchers. Now, it is essential to discuss these leadership constructs in opposition to ethical leadership construct in order to curve out the distinctions to ethical leadership. First, transformational leadership considers traditional means of leadership effectiveness such as increased performance and productivity as primary basis. Ethical leader is not founded on such economical rationality but on guiding employees to conduct ethically (Brown et al., 2005). Therefore, this non-economical motivation is argued, directly (cf. Peus et al., 2010a) and indirectly (Brown & Trevino, 2006a) to be related to measures of effectiveness (e.g. employees’ commitment, job satisfaction, citizenship behavior and performance). Second difference is related to visionary behavior. One of the core attributes of transformational leadership for a leader is to develop and maintain an appealing and attractive vision towards his followers (cf. Bradford & Cohen, 1997). Third key difference between ethical and transformational leadership is the active impact on followers named as ‘moral manager’. Ethical leaders rather imply transactional elements of leadership behaviors like communicating what is (in-)appropriate at work or punishing ethical faults (Brown &
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Trevino, 2006a) which are not aligned with transformational leadership approach. The key difference between servant and ethical leadership is the scope of investigation. Servant leadership limits the focus of employees in its hypothesized ideal form. Servant leadership aims at developing and empowering followers and thus accomplishing the organizational goals (Graham, 1991). However, ethical leadership introduces conception highlighting ethical awareness not just towards the interaction with followers but also towards strategies and corporate goals (De Hoogh & Den Hartog, 2008). Review of literature on authentic leadership, raises two key areas of differences to ethical leadership. Ethical leadership emphasizes the importance of a leader actively influencing behavior of followers by using so-called transactional patterns. Contrary to this, authentic leadership does not use such an influential aspect. Second, authentic leadership stresses more on capabilities and characteristics of a leader. Authentic leadership more importantly focuses on the significance of self-awareness and authenticity which are considerably less linked to ethical leadership (Brown & Trevino, 2006a; cf. Peus et al., 2010a; cf. Trevino & Brown, 2007).

Research on leadership has confirmed that a leader displays constructive as well as destructive behavior (Aasland et al., 2010). For example, abusive leadership behaviors are prevalent in at least their less severe forms. Abusive leadership causes various negative outcomes for individuals and organizations, such as Mitchell and Ambrose (2007) organizational counterproductive work behavior, supervisor-directed counterproductive work behavior, and interpersonal counterproductive work behavior. Since leaders influence their followers through social exchange and social learning. Therefore, the ethicality of the leaders is dripped down at lower levels to the followers (Mayer et al., 2009; Schaubroeck et al., 2012). Hence, it is suggested that the behavior of the leaders influence the behavior of the followers at different levels of the organization.

Consequently, ethical leadership not only effect organizations but also the business practices Murphy & Enderle (1995). It establishes ethical organizations. It makes arrangements to induce ethical principles in all the activities of the organization. Ethical organizations are not only profitable but socially responsible (Tutar, Altinoz & Çakiroğlu, 2011). Moreover, ethical leadership is considered to guide and direct members of organization for the achievement of goals and objectives which benefit organization and its members, other stakeholders and society (Kanungo, 2001).

Traditionally, ethical leadership researchers have measured ethical leadership construct by conceptualizing it as one-dimensional using Brown, Trevino, and Harrison’s ethical leadership scale (ELS, Brown et al., 2005) in their empirical researches in public and private sector organizations, although a wide range of contents incorporated. In order to incorporate several aspects of ethical leadership such as honesty, integrity, altruism, consistency of behaviors with espoused values, fairness, communication of ethical values, and providing ethical guidance. Yukl et al. (2011) developed 15-items ethical leadership Questionnaire (ELQ) which more valid, short and easy to use.

1.3 Social Exchange Theory (SET) and Social Learning Theory (SLT)

Social learning theory provides the framework for understanding the relationship between ethics, leaders and their effectiveness. This theory stresses on observational learning. According to social learning theory individual learns not only from direct experience but also from observing the actions of other people and the consequences. This vicarious behavior is referred as learning without direct experience (Bandura, 1977). According to
social learning theory, leaders affect the ethical conduct of followers through modeling, a form of behavior reenactment (cf. Bandura, 1986; p. 50). He pointed that individuals or leaders who have high hierarchical status in the organization and have the ability to control rewards significantly affect their role in manipulating modeling effectiveness (p. 207). Further, social learning theory explains why employees in an organization try to imitate behaviors of role models who are attractive in their environment (Brown et al. 2005). This argument is supported in different studies, for example, Pelletier and Bligh (2006) pointed that the ability of role models affects citizenship behavior.

Brown et al. (2005) have indicated the relationship between ethical leadership and social exchange theory in their examination of the influence of ethical leaders. From the standpoint of employees, ethical leaders are incredible people who can be trusted and believed in. These leaders through fair and balanced decision making further shape employees’ perception of the existence of a social exchange relationship (Mayer et al., 2009), therefore, inducing an exchange response loop (Kacmar et al., 2011). According to Gouldner (1960) a social exchange relationship depends on the norm of reciprocity. For example, feeling of obligation of employees at work is vital as it compels them to payback beneficial treatment received from their employers (Eisenberger et al., 2001), provides guidance in self-management (Dose & Klimoski, 1995) and frequently precedes directing at work (Morrison & Phelps, 1999). Empirically, different researchers have found the evidence of the effect of ethical leadership on organizational citizenship behavior (Mayer et al., 2009), counterproductive work behavior (Avey, Palanski, & Walumbwa, 2011), and employees’ task performance (Walumbwa et al., 2011). Further employing the concept of exchange, it was suggested that organizational citizenship behaviors occur as the employee response to feel obligations to the organization (cf. Organ, 1990). Similarly, Konovsky and Pugh (1994) indicated that organizational citizenship behavior occurs in a context in which social exchange represents the quality of superior-subordinate relationships. In another study, Deckop, Cirka and Andersson (2003) suggested that helping behavior (OCB) in organizations is more thoroughly explained by the notion of social exchange and norms of reciprocity.

1.4 Ethical Leadership and Organizational Citizenship Behavior

Over two decades have passed since Organ and his colleagues coined the term organizational citizenship behavior (OCB). Organizational citizenship behavior (OCB) is regarded as “a set of behaviors in which employees act beyond their formal job descriptions and engage in helping behavior at individual or organizational level. OCB is discretionary in nature, and employees are not rewarded for engaging nor punished for lacking in this behavior” (Bateman & Organ, 1983; Smith, Organ, & Near, 1983). Moreover, in other studies, Organ (1988, p. 4) conceptualized organizational citizenship behavior as “the discretionary behavior of members of organization that exceeds the formal requirements of the job and reward systems which enhances the effective functioning of the organization”. Recent research has stressed on the class of employee’s behavior that overall should benefit the organization that may not be the part of specific employee’s job description. Such behaviors may be less hidden and are committed by individuals at their own discretion (Spector & Suzy 2002). This class of behavior is referred to various theoretical constructs such as organizational citizenship behavior (Organ, 1977, cf. 1988), pro-social organizational behavior (Brief & Motowidlo, 1986), extra-role behavior extra-role behaviors (cf. Graham, 1991; Van Dyne, et al., 1995), and more recently, contextual
performance (cf. Borman & Motowidlo, 1993; Organ, 1997). Moreover, scholars, Smith et al. (1983) conceptualized two most eminent elements of altruism and compliance organizational citizenship behavior. Later, Skarlicki and Latham (1995) identified two dimensional model of organizational citizenship behavior, which included helping and individual (OCBI) or being good citizen to an organization (OCBO).

Ethical leadership is found to be linked to organizational citizenship behavior (Mayer et al. 2009; Avey, Palanski, & Walumbwa 2011), individual citizenship behavior (Liu et al., 2013) and Kacmar et al. (2011) the nature of this relationship depends significantly on perception of politics and gender of employees. Moreover, Dinc and Aydemir (2014) indicated that ethical leaders enhance employees’ organizational citizenship behavior, job satisfaction, commitment and through good role modeling and ethical climate which is established by these leaders. Surprisingly, Yates, (2014) found that employees showed significant differences on highly ethical leadership behavior and on less ethical leadership behavior regarding organizational citizenship behavior, however, Wang (2014) suggested that such behavior of employees depends on the extent of perceived support from the supervisor. Researchers, Jahangir et al. (2004) argued that factors antecedents to OCB increase or decrease the performance of employees in an organization. Moreover, it has been confirmed through empirical studies that there is a positive link between OCB and organizational performance (p. 75). OCB is also related to individual level outcomes like managerial rating of employees’ performance, reward allocation decisions, turnover intentions, actual turnover, and absenteeism. OCB is related to organizational level outcomes like productivity, efficiency, reduced costs, customer satisfaction and unit-level turnover (Podsakoff, et al., 2009).

Bolino et al. (2013) has discussed the dark side of OCB, according to her OCBS are undeniable positive in various aspects; sometimes it may be hard to find the negative side of the citizenship behavior. The results suggested that assumption that involving in OCBS would cripple in-role performance is debatable. This debate was explained by Bergeron (2007) who stated why researchers have seldom found a negative correlation between OCB and in-role performance. In particular, she noticed that OCB and in-role performance have been studied in conditions where employee resources such as time are comparatively unlimited. Her theory suggested that in those contexts where time is comparatively a fixed commodity, the relationship between OCBS and in-role performance is negative in reality. They pointed out that there could be methodological reasons and behaviors that are generally covered in measuring citizenship behavior and in-role performance.

1.5 Ethical Leadership and Counterproductive Work Behavior

As number of corporate scandals has risen, more and more employers are interested in knowing their employees’ unethical and counterproductive behavior (Appelbaum, Degaure & Lay, 2005). Decreasing these counterproductive behaviors is an important function of ethical leadership as employees who possess such behaviors form a clear threat to image and functioning of an organization. As suggested by Elçi et al. (2013) that counterproductive work behaviors create major problems for the organizations. These behaviors negatively influence both employee’s own performance and the performance of those employees who are subjected to these behaviors.

Counterproductive work behavior is defined as “Voluntary behavior that violates organizational norms and threatens the well-being of its members and/or organization”
(Robinson & Bennett, 1995). This definition stresses on intentional violation of norms by the employees at the workplace for the sake of harming the individuals or organization or both. This type of behavior is voluntary in nature as employee either lacks the motivation to conform to the normative expectations of the social context or they become motivated to violate those expectations (Robinson & Bennett, 1995) and employees believe that they have been exploited by someone and they can accuse somebody at the organization (Aquino et al., 2001). Robinson and Bennett (1995) have classified negative behaviors into two types such as organizational counterproductive work behavior and interpersonal counterproductive work behavior. These two behaviors may occur singly, sequentially or simultaneously.

Over the decades, workplace deviant behavior has been labeled with various names such as organizational misbehavior (Vardi & Wiener, 1996), antisocial behavior (Robinson & O’Leary-Kelly, 1998), counterproductive work behavior (Spector et al., 2006), misbehavior in organizations (cf. Sagie et al., 2003), dark side of organizational behavior (cf. Griffin & O’Leary-Kelly, 2004), Organizational aggression (Spector, 1978) and Dysfunctional behavior (Griffin & Lopez, 2005).

Mayer et al. (2009) suggested that ethical leadership is linked to less counterproductive work behavior. Similarly Avey et al. (2011) confirmed that ethical leadership is negatively related to counter product behavior. Mayer et al. (2010) suggested that the link between ethical leadership and employees’ misconduct was mediated by ethical climate. Surprisingly, the study by Detert et al. (2007) found no significant link between ethical leadership and counterproductive work behavior. Ethical leadership increases subordinates willingness to report ethical problems, organizational commitment and reduces absenteeism in public sector organizations (Hassan et al. 2010). Therefore, ethical leaders tend to minimize the occurrence of unethical behaviors by creating ethical environment. The counterproductive work behaviors of employees may minimized by the presence of ethical leaders who contribute both directly and through creating ethical climate (Elçi et al., 2013).

1.6 Ethical Leadership and Employee Performance

Van Dyne and LePine (1998) suggested that performance can be differentiated into in-role performance and extra-role performance. In-role performance can be defined as “Necessary and expected behavior, and is the foundation of regular and ongoing job performance” and extra-role performance can be defined as “performance that is not identified in advance, not formally rewarded and not disciplined if the tasks are not performed”. Job performance is the single outcome of an employee’s work (Hunter, 1986) and has multiple components (Wallace & De Chernatony, 2009), and employee-organization relationships are vital for enhancing positive attitude and performance of temporary employees (Koh & Yer, 2000). The results of the study indicated how employees in various countries may perceive certain factors affect their performance (Chiang & Birtch, 2007).

Fernandez (2008) emphasized that leadership behavior is deemed as important when it comes to predicting job satisfaction and perceived performance. Moreover Walumbwa et al. (2009) pointed out that supervisors play a special role, in that they can effect perceptions of employee and can motivate effective job performance in an organization. Especially, ethical leadership is becoming more essential for influence of leaders on others in the
organizations and on organizational performance (De Hoogh & Den Hartog, 2008; Trevino et al., 2003; Aronson, 2001; Kanungo, 2001). Ethical leadership is perceived as effective leadership and is considered as a participative leadership style, i.e. empowering subordinates by giving them autonomy and involving subordinates in decision making (Brown et al., 2005). Ethical leadership is related to perceived top management team effectiveness and subordinates’ optimism about the future of the organization and their own place within it (De Hoogh and Den Hartog, 2008). Also, ethical leadership and effectiveness of leader negatively affects both work related stress and turnover intention (Elci et al., 2012). Moreover, ethical leadership is important at organizational levels but immediate supervisors are the lens through which employees look through, the values of organization, they likely to have greater direct effect on employee ethical behavior (Mayer et al., 2009).

Ethical leadership positively affects job attitudes and behaviors of employees (DeConinck, 2015). For example, ethical leadership is significantly positively linked to employee performance (Bouckenooghe et al., 2015; Walumbwa et al., 2011; Walumbwa et al., 2012; Khuntia & Suar, 2004) of public and private sector managers in India (Khuntia & Suar, 2004), identified specific norms and group-level behaviors that influence this relationship (Walumbwa et al., 2012). Moreover, (Liu et al., 2013) ethical leadership and task performance association is strengthened by subordinate’s workplace friendships. Scholars like suggested Weng (2014) that ethical leader is basic source employees job performance through mediating role of supervisor-subordinate long-term interpersonal relationships.

2. Conceptual Framework and Hypotheses

![Conceptual framework diagram]

**Figure 1: Conceptual framework**

- **H₁**: Ethical leadership positively influences employees’ performance.
- **H₂**: Organizational citizenship behavior mediates the relationship between ethical leadership and employees’ performance.
- **H₃**: Counterproductive work behavior mediates the relationship between ethical leadership and employees’ performance.
3. Research Methods

3.1 Sampling Design and Size

Total of 120 institutions were selected for data collection employing purposive sampling technique. One of the reasons of using this sampling technique was cost and time frame. The criterion for filling the survey questionnaire was that principals/vice principals/headmasters/deputy headmasters were supposed to be working in the same institutions for at least one year. The condition of one year was imposed due to the reason that head of institutions and employees get to know the organization and its environment during the course of a year. Whenever a new administrator takes charge of an institution, he/she makes some drastic academic and administrative changes. Such steps may not be favored by some employees and they may resist changes and violate. In such an environment, when surveyed, the researchers may not be able to reach at the true picture. Both head and employees will be portraying picture according to their first impressions about each other. Similarly, when a new employee is recruited or an employee is transferred to a certain institution, he/she may have framed some views about the institution which may change as time passes by. It is like throwing stone in a pond of water and let waves rise; we should let the waters settle first to gain the true picture.

Of total, principals/vice principals/headmasters/deputy headmasters from 107 institutions voluntarily participated in providing data. Out of these 107 institutions 43 were primary schools, 06 were middle schools, and 47 were secondary schools and 11 were higher secondary schools. Total sample of 300 questionnaires were distributed to each selected school. Participants were informed that the survey was entirely voluntary and the confidentiality of the responses was strictly observed. The survey consisted of ELS, OCB, CWB, task performance and demographic information such as gender, age, education, tenure in the present institution, and experience as school head. Out of 300 questionnaires, the researcher got 237 questionnaires from the participants. Out of which 6 questionnaires were incomplete and 11 questionnaires were not properly filled. Therefore, the researcher got 220 questionnaires which could be used for further analysis. The response rate was approximately 79% out of which 90 were male and 130 were female participants. Data has shown that 41% were male and 59.1% were female (M=1.56; SD=0.497). Out of total, 34.5% were older with their ages ranged 51 years and above, where as 20.9%, 19.1% were in their middle age groups i.e. 46-50, 36-40 years respectively (M=2.70; SD=0.507). A few, 3.7% were younger with their ages ranged from 20 to 30 years. Majority, 68.2% of the Principals/V. Principals/Headmasters/Deputy Headmasters had master degrees, 19.1% were graduates, 12.7% were M. Phil or PhD and none of them was under-graduate (M=2.00; SD=0557). Considering experience, 30.5% had 11-15 year experience, 24.1% had 16-20 year experience, 20% had 6-10 year experience, 15.9% had 21 & above year experience and only few 9.5% had 1-5 year experience (M=2.98; SD=0.993). Of total respondents, 26.8% were principals, 28.2% were vice principals, 4.5% were headmasters, and 40.5% were deputy headmasters (M=2.59; SD=1.263).

Questionnaires for survey were administered through hardcopy (personally, post) as well as softcopy (email, Google drive, Survey Monkeys) in approximately six months’ time. Majority of the questionnaires were personally administered by the researcher themselves. Time and space was given to them to fill up the questionnaire due to their busy administrative work.
3.2 Data Collection Instruments

The researchers used quantitative methodology for current research. Data on ethical leadership, OCB, CWB and employees’ performance was collected on already well-established questionnaires. The participants were asked to indicate the extent to which they were agreeing with each statement of the measures.

3.3 Measures

3.3.1 Ethical Leadership

Ethical leadership was measured using Yukl et al., (2011) 15-items ethical leadership Questionnaire (ELQ). Word ‘member’ was replaced by ‘employees’, ‘his/her’ with ‘my’ and ‘organization’ with ‘institution’ in the items. The Principals/V. Principals/Headmasters/Deputy Headmasters self-reported their own ethical leadership behavior. Responses were obtained on 5-point Likert-type scale ranging from (1) “strongly disagree” to (5) “strongly agree”.

3.3.2 Organizational Citizenship Behavior

Organizational Citizenship Behavior was measured on 10-items from Organizational Citizenship Behavior Scale (Smith, et al., 1983). The Principals/V. Principals/Headmasters/Deputy Headmasters rated the helping behavior of the employees as a group, the extent to which they agree with the statements. Responses was obtained on five-point Likert-type response scale ranging from “strongly disagree” (1) and “strongly agree” (5).

3.3.3 Counterproductive Work Behavior

For the assessment of CWB, Bennet and Robinson’s (2000) Measure of Workplace Deviance was used. The Principals/V. Principals/Headmasters/Deputy Headmasters rated the extent to which employees as group involved in deviant behaviors. The 19-item scale measured the dimensions of interpersonal and organizational deviance. As counterproductive behavior is a low-based phenomenon, respondents were asked to how often they show each of the described behaviors on a 5-point Likert-type scale ranging from (1, “never” to 5, “daily”).

3.3.4 Employee Performance

The task performance was measured using 11-item measure from Tsui, Pearce, Porter, and Tripoli (1997). The items incorporate wide array of job performance indicators including quality, quantity, efficiency, judgment, overall ability, job knowledge, accuracy and creativity in the performance of assigned roles of employees. Each Principal/V. Principal/Headmaster/Deputy Headmaster provided ratings for their direct reports. Responses were obtained on five-point Likert-type response scale ranging from “strongly disagree” (1) and “strongly agree” (5).

4. Results

To perform data analysis of this study, which is based on the pure quantitative techniques, had been applied after screening the data collected from the targeted respondents. The results related to the descriptive statistics are presented in the table 1. Table showed that in ethical leadership average response were collected 4.257 with standard deviation 0.547 that means most responses were collected on point 4-5 on the Likert scale showing strong
positive perception of the respondents for ethical leadership. And its reliability was 0.942 which was also highly satisfied. The second variable

<table>
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</tr>
<tr>
<td>GCOCB</td>
<td>5</td>
<td>4.028</td>
<td>0.697</td>
<td>0.882</td>
<td>0</td>
<td>-1.123</td>
<td>2.900</td>
</tr>
<tr>
<td>EP</td>
<td>11</td>
<td>3.697</td>
<td>0.648</td>
<td>0.949</td>
<td>0</td>
<td>-0.702</td>
<td>1.027</td>
</tr>
</tbody>
</table>

EL = Ethical Leadership
CWB = Counterproductive Work Behavior
ICWB = Interpersonal Counterproductive Work Behavior
OCWB = Organization Counterproductive Work Behavior
OCB = Organizational Citizenship Behavior
AOOCB = Altruism
GCOCB = Generalized Compliance
EP = Employee Performance

counterproductive work behavior (CWB) was resulted with mean 1.735 and standard deviation 0.660 as a whole while its dimensions Interpersonal Counterproductive Work Behavior (ICWB) and Organizational Counterproductive Work Behavior (OCWB) were appeared with means 1.779 and 1.692, standard deviation 0.809 and 0.736 and reliability values 0.931, 0.931 respectively. The result obtained for this variable revealed that respondents gave their responses with negative perception and were disagreeing with the statement asked against each concept of ICWB. Organizational Citizenship Behavior (OCB), the third variable of the proposed model had a mean value 3.614 and standard deviation 0.638 while its first dimension Altruism (AOOCB) had 3.200, 1.010, and 0.934 as mean, standard deviation and reliability value respectively. Mean, standard deviation and Cronbach’s alpha values of Generalized Compliance (GCOCB) were 4.028, 0.697, and 0.882 and consequently Employee Performance (EP) was resulted as 3.697, 0.648 and 0.949 respectively. The results showed that there was no issues related to data skewness and there is no kurtosis value which can effects the data normality results as all the values once divided by std. error were less than 2.96 (Field, 2013).

4.1 Convergent and Discriminant Validity

It is noted in the renowned study of Hair, (2009) that regression analysis in SPSS software can also be used to check the above relationships but it lacks in performing all the said relations simultaneously at one time. Furthermore, Gefen, Straub, & Boudreau, (2000) noted the same in their research work and also they suggest all the researchers contributing in behavioral and informational sciences streams to use SEM for data analysis. Hence, on the above mentioned facts and recommendations of the researchers, present study used SEM in AMOS to check postulated relationships of the model of the study. Consequently,
to use SEM, the procedure suggested by Anderson & Gerbing, (1988) was followed. SEM tool is a function of AMOS research software. To apply SEM on a data set, researchers categorized it into two separate but interrelated steps to be followed by the researcher. The first step is to draw the proposed model in AMOS to obtain measurement model of the data. The second step, the complete model is again drawn in SEM to finally examine and authenticate the hypothetical causal relationships prevailing in the model. In this step, all the variables of the current model were drawn in AMOS and then all variables set to freely covary with each other. This action is known as Confirmatory Factor Analysis (CFA) and the results were obtained in the form of a table 2 Factor Loadings. The results obtained for this analysis were then compared with the threshold model of fit indices. This was done to assess the convergent and discriminant validity of the data. The standards of the model of fit indices were adopted from (Kline, 2011). The names and standard criteria to be met for CFA was as: values of Goodness of Fit Index (GFI), Adjusted Goodness of Fit Index (AGFI), Tucker-Lewis coefficient (TLI) and Comparative Fit Index (CFI) all should be greater than 0.8, normed chi-square should be less than 3 and Root Mean Square Error of Approximation (RMSEA) should be less than 0.06.

The fit indices of the measurement model of the present study were Chi-square = 6336.991, DF = 3493, Normed Chi-square= 1.814, GFI = 0.614, AGFI = 0.587.

<table>
<thead>
<tr>
<th>Variables</th>
<th>No. of Items</th>
<th>Factor Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL</td>
<td>15</td>
<td>0.775, 0.767, 0.723, 0.744, 0.728, 0.719, 0.621, 0.730, 0.739, 0.701, 0.730, 0.768, 0.729, 0.596, 0.741</td>
</tr>
<tr>
<td>CWB</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>ICWB</td>
<td>7</td>
<td>0.918, 0.856, 0.760, 0.789, 0.832, 0.776, 0.813</td>
</tr>
<tr>
<td>OCWB</td>
<td>12</td>
<td>0.847, 0.846, 0.838, 0.779, 0.851, 0.840, 0.792, 0.753, 0.829, 0.799, 0.789, 0.775</td>
</tr>
<tr>
<td>OCB</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>AOCB</td>
<td>5</td>
<td>0.850, 0.881, 0.794, 0.870, 0.841</td>
</tr>
<tr>
<td>GCOCB</td>
<td>5</td>
<td>0.749, 0.692, 0.831, 0.816, 0.727</td>
</tr>
<tr>
<td>EP</td>
<td>11</td>
<td>0.868, 0.825, 0.834, 0.775, 0.818, 0.806, 0.773, 0.808, 0.765, 0.710, 0.733</td>
</tr>
</tbody>
</table>

TLI = 0.821, CFI = 0.829, RMSEA = 0.061. All, the aforesaid model fit indices meeting the minimum acceptable criteria. Aforementioned validity test was done by following Fornell and Larcker (1981)’s three steps procedure. First two steps of the procedure confirm the convergent validity and the third step proves the discriminant validity of the data. First step of this procedure suggest to set all the variables of the model to set them freely covary with each other. This action was resulted in the form of factor loadings presented in the table 2 of the present study.
Table 3: Psychometric Properties

<table>
<thead>
<tr>
<th></th>
<th>CR</th>
<th>AVE</th>
<th>EL</th>
<th>OCWB</th>
<th>EP</th>
<th>ICWB</th>
<th>AOCB</th>
<th>LCEC</th>
<th>GCOCB</th>
<th>IEC</th>
<th>REC</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL</td>
<td>0.942</td>
<td>0.522</td>
<td>0.722</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCWB</td>
<td>0.959</td>
<td>0.660</td>
<td>-0.105</td>
<td>0.812</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP</td>
<td>0.949</td>
<td>0.630</td>
<td>0.441</td>
<td>-0.117</td>
<td>0.793</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICWB</td>
<td>0.936</td>
<td>0.676</td>
<td>-0.170</td>
<td>0.480</td>
<td>-0.160</td>
<td>0.822</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AOCB</td>
<td>0.927</td>
<td>0.719</td>
<td>0.149</td>
<td>0.044</td>
<td>0.276</td>
<td>0.129</td>
<td>0.848</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LCEC</td>
<td>0.881</td>
<td>0.601</td>
<td>0.233</td>
<td>-0.034</td>
<td>0.212</td>
<td>0.006</td>
<td>0.092</td>
<td>0.775</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GCOCB</td>
<td>0.875</td>
<td>0.585</td>
<td>0.053</td>
<td>-0.216</td>
<td>0.365</td>
<td>-0.159</td>
<td>0.116</td>
<td>0.247</td>
<td>0.765</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IEC</td>
<td>0.888</td>
<td>0.666</td>
<td>0.204</td>
<td>-0.009</td>
<td>0.242</td>
<td>-0.052</td>
<td>0.278</td>
<td>0.353</td>
<td>0.324</td>
<td>0.816</td>
<td></td>
</tr>
<tr>
<td>REC</td>
<td>0.823</td>
<td>0.611</td>
<td>0.238</td>
<td>-0.138</td>
<td>0.305</td>
<td>-0.137</td>
<td>0.120</td>
<td>0.388</td>
<td>0.246</td>
<td>0.300</td>
<td>0.782</td>
</tr>
</tbody>
</table>

Each concept was meeting the standard as all values of the table were greater than 0.7 except only two values of ethical leadership. The detail of each variable along with their dimensions were presented in the table and it showed that minimum value for factor loading of the current variables of the study was 0.596 and maximum value was 0.921. Fifteen questions were asked to measure the concept of ethical leadership and range of its values was between 0.596 and 0.768. Two dimensions of counterproductive behavior were Interpersonal Counterproductive Work Behavior (ICWB) and Organizational Counterproductive Work Behavior (OCWB) and measured through 7 and 12 questions respectively, whose factor loading values was ranging from 0.753 to 0.918. In addition, 5 questions were asked for Altruism (AOCB), 5 questions were asked for Generalized Compliance (GCOCB) and 11 questions were asked for Employee Performance (EP) which were the dimensions of the last variable Organizational Citizenship Behavior (OCB) of the study. Minimum value in factor loading values of above said variables was 0.692 and the maximum value was 0.881. The factor loading was resulted in a highly satisfied manner as all the values are meeting the minimum threshold criteria. The results were presented in the table 3 of the study where the values of Composite Reliability (CR) were checked against its standard which says that its value should be greater than 0.5 in the case of every variable. Following table depicted the significant results in this step as all the values of CR were greater than 0.5 and confirmed that items were explaining variance to their respective variable only on which these were expected to be loaded not on and with any other variable of the study. Henceforth, the convergent validity of the study’s instrument was proved here. Results presented in table 3 showed that all the diagonal values were greater than the correlated values. These results confirmed that items related to one variable loaded to its respective variable as well as were not making conflict with the other variable presented in the model of the present study. Now at this stage, data set and model was undoubtedly ready to be run in AMOS to apply SEM to check the final results.
Linking Ethical Leadership to Employees’ Performance

Table 4: Regression Weights

<table>
<thead>
<tr>
<th>Relationships</th>
<th>Unstandardized β</th>
<th>Standardized β</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL → CWB</td>
<td>-.182</td>
<td>-.151</td>
<td>.084</td>
<td>-2.183</td>
<td>*</td>
</tr>
<tr>
<td>EL → OCB</td>
<td>.009</td>
<td>.007</td>
<td>.073</td>
<td>.118</td>
<td>Ns</td>
</tr>
<tr>
<td>OCB → EP</td>
<td>.351</td>
<td>.346</td>
<td>.058</td>
<td>6.060</td>
<td>***</td>
</tr>
<tr>
<td>CWB → EP</td>
<td>-.092</td>
<td>-.094</td>
<td>.056</td>
<td>-1.637</td>
<td>Ns</td>
</tr>
<tr>
<td>EL → EP</td>
<td>.420</td>
<td>.354</td>
<td>.068</td>
<td>6.132</td>
<td>***</td>
</tr>
</tbody>
</table>

Note: ns=not significant, *=p<0.05, ***=p<0.001.

The first step of SEM technique was completed with the proof of convergent and discriminant validities of the data set collected for the current study. For the second step, SEM was run as a structural model of the study.

Results which were obtained in the structural model of the present study were as Chi-square=.005, DF = 1, Normed Chi-square=.005, GFI = 1, AGFI = 1, TLI = 1.069, CFI = 1, RMSEA = .000. The summary of all the causal relationships results, their Regression Weights were shown in table 4 Regression Weights.

The impact of ethical leadership was resulted in positively significant with the counterproductive work behavior (CWB) as results were at 99 % significant level (Unstandardized Beta = -0.182, Standardized Beta = -0.151, p < 0.001). Results of EL with OCB were insignificant because (Unstandardized Beta = 0.009, Standardized Beta = 0.007, p = ns). Impact of OCB on EP was strongly positive as (Unstandardized Beta = 0.351, Standardized Beta = 0.346, p < 0.001). Likewise, impact of EL on EP was proved at 99 % significant level (Unstandardized Beta = 0.420, Standardized Beta = 0.354, p < 0.001) but the impact of CWB on EP was not proved in this study as (Unstandardized Beta = -0.092, Standardized Beta = -0.094, p = ns). From the above mentioned results of regression analysis, it was concluded that all the direct paths which were resulted as significant were accepted and those relations which showed insignificant results were not accepted in the present study.

Table 5: Direct Effects – CWB as Mediator

<table>
<thead>
<tr>
<th>Relationships</th>
<th>Unstandardized β</th>
<th>Standardized β</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL → EP</td>
<td>.386</td>
<td>.326</td>
<td>***</td>
</tr>
<tr>
<td>EL → CWB</td>
<td>-.182</td>
<td>-.151</td>
<td>†</td>
</tr>
<tr>
<td>CWB → EP</td>
<td>-.095</td>
<td>-.097</td>
<td>†</td>
</tr>
</tbody>
</table>

Table 6: Indirect Effects – CWB as Mediator

<table>
<thead>
<tr>
<th>Relationships</th>
<th>Unstandardized β</th>
<th>Standardized β</th>
<th>P</th>
<th>BCCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL → CWB → EP</td>
<td>.102</td>
<td>.086</td>
<td>***</td>
<td>.042</td>
</tr>
</tbody>
</table>

This study hypothesized CWB and OCB as the mediating variables. The mediation results for the current study showed in table 6 and 7. The first mediation proposed hypothesis results depicted that the CWB was mediating the relationship between EL and EP. Results indicated that CWB was partially mediating the relationship of mentoring with EP as
significant results were seen in all the direct and indirect paths the result of EL with CWB was (Unstandardized Beta = -0.182, Standardized Beta =-0.151, p<0.1) showing the negatively significant result. CWB to EP was (Unstandardized Beta = -0.095, Standardized Beta =-0.097, p<0.1), EL with EP while controlling CWB was (Unstandardized Beta = 0.386, Standardized Beta =0.326, p<0.001) and the indirect path was also significant as (Unstandardized Beta = 0.102, Standardized Beta=0.086, p<0.001). Lower Bias-Corrected Confidence interval (BCCI) = 0.042, Upper BCCI =0.147. All the above results met the criteria of partial mediation.

Table 7: Direct Effects – OCB as Mediator

<table>
<thead>
<tr>
<th>Relationships</th>
<th>Unstandardized β</th>
<th>Standardized β</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL → EP</td>
<td>.401</td>
<td>.338</td>
<td>***</td>
</tr>
<tr>
<td>EL → OCB</td>
<td>.009</td>
<td>.007</td>
<td>ns</td>
</tr>
<tr>
<td>OCB → EP</td>
<td>.288</td>
<td>.283</td>
<td>***</td>
</tr>
</tbody>
</table>

Note: ns=not significant, ≠p<0.1, ***=p<0.001.

Table 8: Indirect Effects – OCB as Mediator

<table>
<thead>
<tr>
<th>Relationships</th>
<th>Unstandardized β</th>
<th>Standardized β</th>
<th>P</th>
<th>BCCI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unstandardized</td>
<td>Standardized</td>
<td>P</td>
<td>Lower</td>
</tr>
<tr>
<td>EL → OCB → EP</td>
<td>.087</td>
<td>.073</td>
<td>**</td>
<td>.025</td>
</tr>
</tbody>
</table>

Impact of CWB with the dependent variable was significant as (Unstandardized Beta = -0.095, Standardized Beta =-0.097, p<0.1). It was hypothesized that OCB was mediating the relationship of ethical leadership EL and employee performance EP. Results were presented in table 7 and 8. For the case of (EL → OCB → EP), no mediation was found from the results as the impact of independent variable EL was insignificant with the mediating variable OCB as (Unstandardized Beta = 0.009, Standardized Beta = 0.007, p = ns). Impact of OCB with the dependent variable was significant as (Unstandardized Beta = 0.288, Standardized Beta =0.283, p<0.001). Impact of EL on EP while controlling OCB was also highly significant as (Unstandardized Beta = 0.401, Standardized Beta =0.338, p<0.001) and the indirect path of this mediation was also significant (Unstandardized Beta = 0.087, Standardized Beta = 0.073, p = 0.01). Lower Bias-Corrected Confidence interval (BCCI) = 0.025, Upper BCCI =0.133. Hence, no mediation was proved here.

5. Discussion

It was the objective of this paper to gain insight on the emerging field of ethical leadership. More precisely, we developed a comprehensive research model covering effects of ethical leadership on employees’ performance through mediating mechanism such as organizational citizenship behavior and counterproductive work behavior.

5.1 Does Ethical Leadership influence Employees’ Performance?

A direct relationship was found between ethical leadership and employees’ performance. More specifically, the current study has indicated that ethical leadership positively and significantly influenced employees’ performance. This implies that when school administrators were more ethical, employees showed better performance on their jobs. The findings are consistent with our hypothesized expectations. Present literature on ethical leadership enforces current findings, for example, Walumbwa et al. (2011);
Bouckenooghe, Zafar and Raja (2015) stated that ethical leadership was positively and significantly associated with employees’ performance. Scholars have also found positive association between different leadership styles and job performance of employees. For example, Vigoda-Gadot (2007) indicated a direct relationship between leadership and job performance. Similarly, Otero-Neira, Varela-Neira and Bande (2016) showed that sales managers’ servant leadership was directly and positively associated with salespeople’s job performance. Additionally, Asrar-ul-Haq and Kuchinke (2016) found significant relationship between transformational leadership and employees performance.

According to ethical leadership theory given by Brown et al. (2005), the ethical leaders perform their effective roles through role modeling and role management. Majority of school leaders are more inclined to implementation of laws, rules and regulations given by head office. They show effectiveness in leadership by making majority of their employees to strictly follow laws, rules and regulations, and through continuous monitoring. They may sometimes provide guidance and periodically get feedback from employees. They use rewards and punishments mechanisms to maintain check and balance in the organization. They forget about human factor and take them as machines. Moreover, they most of the time do not equally treat employees. These leaders usually put hurdles in their employees work and try to make their work life more difficult. Usually such leaders do not take care of employees’ beliefs, norms and traditions. They usually do not care for the type and quality of knowledge, abilities, and skills that employee may possesses, and just assign the duties and responsibilities. Hence, through their actions school leadership put the employees in trouble and stress. However, these leaders may take corrective measures for any deficiency regarding performance of employees. A few numbers of employees sometimes retaliate against school leadership against these measures. These employees may involve themselves in negative behaviors along with lowering their in-role performance. The school leadership also sometimes calls for focused meetings to discuss specific problems related to organizations. The school management usually may ask for opinions or suggestions from employees in the meeting but actually they do not listen to their employees’ opinions or suggestions and tend to enforce those decisions which they might have made in their minds. They just dictate those decisions to employees for implementation without caring for the consequences. In this way the climate of such educational institutions may get polluted, disturbing the harmony between school leadership and employees. However, Chan, McBey & Scott-Ladd (2011) suggested that ethical leaders should be able to handle complex and difficult decisions involving discipline and termination in a way that displays respect for and maintain the dignity of the workers and the harmony in the workplace. However, it has been observed in the present study that majority of school leadership lack problem solving skills. Most of the decisions made by them were wrong and biased, and affected the in-role performance of employees and organization in the long run. These wrong and biased decisions shattered the confidence and trust of employees.

Some of school administrators are more effective through role modeling. Whatever they say, they do or follow it. The employees closely observe them and try to follow them in true sense. It is only possible when school administrators have influential personality and more exposure to his/her followers. A part of attitude and behavior of employees is shape by school leadership in public sector educational institutions. Some school administrators are more caring and supported their employees in true sense. These leaders tend to know
the knowledge, skills and abilities of employees and assign duties and responsibilities accordingly. These leaders supported their employees to learn new skills and also provided them opportunities for the purpose. These leaders create a harmonious environment in their organizations. Employees in these educational institutions, as payback, worked hard with their maximum interest and energy. Some of the employees put extra ordinary efforts on the performance of their jobs resulting in improve performance. Majority of the employees tend to stay and work in such educational institutions. The factors such as time and exposure are necessary for both leaders and his followers to understand each other. They get to know each other with the passage of time through social exchanges. Such social exchanges influence the performance of the employees. For example, Kelidbari, Fadaei & Ebrahimi (2016) stated that the quality of LMX relationship influences the level of performance of subordinates. The logic behind such a statement is that the subordinates who love to enjoy high level of LMX may perform better as a result gaining growing supports, resources, feedbacks and presented opportunities. In this way, a harmonious environment is created which is good for the growth of the organization. No doubt, such leaders also control their employees by following laws, rules and regulation through implementation of government policies. These school leaders appreciate their employees for their good work. They also provide incentives to good performers which ultimately motivate others to enhance their performance. Therefore, according to Deshpande (1996; 2000) a strong relationship existed between ethical behavior of managers and their success in Russian organizations. However, when the school leadership is linear, few employees tend to reduce their efforts on their jobs that results in reduced performance on their parts. These employees may get involved in negative behaviors. Concept of free riders may appear in some worse situations.

Hence, ethical or unethical behavior of school leadership through the use of government policies, rules and regulations affects employees’ performance. Some school administrators were more effective through role modeling and caring attitude behavior. Moreover, unethical behavior of some school administrators led to lowering employees’ performance.

5.2 Does counterproductive work behavior mediate the relationship between Ethical Leadership and Employees’ Performance?

An indirect relationship was found between ethical leadership and employees’ performance through counterproductive work behavior. More specifically, it was discovered from results of the current study that counterproductive work behavior partially mediated the relationship between ethical leadership and employees’ performance. Employee’s performance was influenced by ethical leadership behavior of school administrators and a part of it was influenced by negative working behavior of employees. It implies that insertion of mediating variable counterproductive work behavior significantly negatively influenced the relationship between ethical leadership and employees’ performance.

The findings are consistent with our hypothesized expectations. The findings of present research are an addition to the current literature, as it demonstrates indirect negative and significant relationship between ethical leadership and employees’ performance through counterproductive work behavior of employees. Therefore, to the best of our knowledge, current literature on ethical leadership and employees performance does not provide any example on indirect relationship through counterproductive work behavior, however, direct relationship do exist. Mixed views have been found in studies on leadership literature.
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about counterproductive work behavior and employees performance. Our findings are consistent with the study results by Elçi, Şener and Alpkan (2013) who suggested that the counterproductive work behaviors of employees were minimized by the presence of ethical leaders who contributed both directly and through creating ethical climate. Similarly, Newman, Allen and Miao (2015) suggested that the negative relationship between ethical leadership and deviant behavior was stronger when employees perceived higher levels of role clarity. These behaviors negatively influence both employee’s own performance and performance of those employees who are subjected to these behaviors. Social learning theory and social exchange theory explain the relationship between the school leadership and employees. Employees learn ethical and/or unethical behaviors vicariously, through role modeling of school leaders, rewards and punishment system. As public sector organizations are centrally controlled, their policies, procedures, action plans come from their head office. School leaders have little discretionary powers to exercise their own agenda; however, they have to follow the policies and procedures of the government. In doing so, they sometimes face resistance from some employees who do not want to follow them in true sense. Additionally, when the school leadership is linear in implementation of rules and regulation then employees take benefit of the situation. Also, when there is a conflict and/or communication gap among the members of school management in the organization. The employees take notice of it and try to find ways to get their own personal benefits. In this way some of the employees lower their in-role performance and get involved in counterproductive work behavior.

It is imperative for an organization looking for long term sustainable development to discourage deviant behaviors occurring in the workplace. Organizations who fail to establish culture based on ethical values and do not make an account for fair justice to all employees, confronted with consequences in terms of psychological and economical costs to the organization and its employees. Restructuring of policies, procedures, norms, social values and attitudes of an organization is necessary for the survival of that organization. Therefore, it is important for the better functioning of organization to ensure that even the feeble degree of misbehavior is not overlooked. In order to do so effectively, needs a perspective that enhances our comprehension of how leaders can deal with such circumstances of ethical failures in more effective ways, how awareness of what is suitable and right work, and how the consequent distrust can be managed in restoring ways (Cremer, Tenbrunsel, & Dijke, 2010). Luckily, there is much a management can do to minimize the happening of deviant behavior of an employee (Rana & Punia, 2014).

Hence, in order to reduce the likelihood of occurrence of unethical behavior, it is suggested that top management should highly prioritize ethical behavior on its list of organizational priorities. The organization should develop a clear statement of behavioral expectations, and appropriately reinforce employee behavior (Pringle & Longenecker, 1982). Ethical leaders create an ethical environment within the organization. Hence, they enable the occurrence of ethical behavior and decrease the occurrence of unethical behavior. Therefore, it is possible to minimize the occurrence of unethical behaviors by creating ethical environment. (Elçi, Şener & Alpkan, 2013). They should learn the trust of their employees which may mediate the relationship between their ethical leadership and deviant behavior, burnout, and job performance of employees (Mo & Shi, 2015).
5.3 Does organizational citizenship behavior mediate the relationship between Ethical Leadership and Employees’ Performance?

A novel finding was discovered in the present study, it investigated that organizational citizenship behavior of employees did not mediate the relationship between ethical leadership and employees’ performance. It implies that insertion of mediating variable such as organizational citizenship behavior did not have influence on the relationship between ethical leadership and employees’ performance. The findings are not consistent with our hypothesized expectations. The findings of present research are an addition to the current literature, as it demonstrates indirect positive but insignificant relationship between ethical leadership and employees’ performance through organizational citizenship behavior of employees. However, in contradiction to study findings positive relationships has been found in social science literature about different leadership styles in relation to organizational citizenship behavior and employees performance. Tai, Chang, Hong and Chen (2012) the results showed that transactional leadership and transformational leadership styles have a meaningful effect on performance through organizational citizenship behavior. Our findings are contrary to the findings by the researchers such as (Mayer et al., 2009; Avey, Palanski & Walumbwa, 2011; Dinc and Aydemir, 2014), who suggested a direct link between ethical leadership and organizational citizenship behavior.

The findings of present study have shown that job performance of those employees who were involved in citizenship behaviors had lowered but these behaviors do not surely emerge as the result of ethical leadership behavior of school administrators. School administrators in public sector do not get directly involved to make the employees to perform citizenship behaviors, although they may motivate them to perform their assigned jobs and duties. Employee personal factors are of much importance to involve in the citizenship behavior. Moreover, it is the employee who for the sake of getting respect, honor, recognition, appreciation, and rewards or benefits put his/her extra time and energy in citizenship behaviors. According to social learning theory, employees also learn from co-workers which behaviors are more appropriate and appreciated by the school leadership. Some employees are more motivated and tend to practice and adopt these behaviors. Such behaviors become the part of their personality with the passage of time. In the long run, they become addicted of such positive behavior and perform them irrespective of school leadership. These employees usually maintain good relationships with the school leadership and are more committed to the organization. As stated by Brown et al. (2011), who argued that employee commitment and loyalty are positively related with higher levels of workplace performance. However, the quality of relationships depends on the recognition of others in the organization. These employees are the source of good will for the organization, although their job performance decreases. Sometimes, employees who are involved in the citizenship behavior use their financial and social resources for the betterment of organization. These employees feel happy, proud and satisfied with their actions.

Therefore, according to my point of view citizenship behaviors are not reactive but discretionary in nature only. Public school leadership plays no role in motivating employees in the citizenship behavior performance. It is the need of the hour that school management should take steps to make the employees to get involved in the citizenship behaviors. For example, Bienstock, Demoranvillez and Smith (2003) stated that there are specific actions that a service organization can take to motivate particular behaviors on the
part of employees, thus improving quality of work to organizational standards. However, it is not easy for school leadership to enhance the level of organizational citizenship behavior. First, the leadership should tend to understand the level of organizational citizenship behavior. When employees have low level of organizational citizenship behavior, it usually, does not have climate which supports it. They should use motivational strategies to motivate the employees to perform citizenship behaviors in addition to their specific responsibilities and duties. The school management should keep in mind while motivating employees to perform citizenship that the employees job performance should not be effected by such behaviors. The leadership should have clear picture in their mind about the specific type of behaviors needed for both job performance and citizenship behavior performance. The leadership of school should hold frequent meetings with the employees and communicate clearly to them what to be done by employees in order to improve the performance and image of the organization. Scholars like suggested Weng (2014) that ethical leader is basic source employees job performance through mediating role of supervisor-subordinate long-term interpersonal relationships.

In sum, however, managerial level ethical leadership is not the key to prosperity and happiness. It is because the decisions and actions of the leader are bounded by various conditions established by the organization, economy and other factors. Therefore, the leadership must be embedded in the organization ethics (Enderle, 1987).

6. Conclusion

The foremost objective of present study was to extend our understanding about the effectiveness of ethical leadership in terms of employees’ job performance. The frameworks of SLT and SET were employed to further our understanding the influences of ethical leadership on employees’ job performance. Secondly, data for present study was collected from a South Asian country, which is a growing economy, facilitating multinationals and performing an important role in world economy. Ethical leadership theory which was developed in Western region has been effectively and successfully tested in an Asian setting. This study provides encouragement to researchers to test the generalizability of results in other cultures. The results of current study indicated that ethical leadership effected employees’ job performance. This study suggested novel discoveries, the relationship between ethical leadership and employees’ job performance was not mediated by organizational citizenship behavior of employees. However, ethical leadership and employees’ job performance was mediated by counterproductive work behavior of employees in public sector institutions. The findings of the study have some important theoretical and practical implications.

6.1. Theoretical Implications

Present research on ethical leadership has mainly pointed to importance of ethical leadership for better employees’ job performance. In addition to this, it adds to the body of knowledge of effectiveness of ethical leadership by filling the gap; specifically, extra-role performances of employees such as organizational citizenship behavior and counterproductive work behavior have been used for the first time as mediating variables in relation to ethical leadership and outcomes such as in-role employees’ performance. This study has its distinction as it analyzes the quality of the relationship between an ethical leader and the employees through giving due importance to employees extra-role positive and negative performances. Ethical leadership should be carefully employed in order to
keep the employees on the right track. On the other hand, our findings indicated that ethical leadership may improve employees’ job performance by reducing negative behavior in the form of counterproductive work behavior. This finding points to the importance of an ethical leader to energize employees to minimize their negative behaviors.

The finding that organizational citizenship behavior of employees did not influence the relationship between ethical leadership and employees’ job performance is novel as it conceptually tempting because it directs our focus towards employees’ motivation for the achievement of rewards.

6.2 Practical Implications

Ethical leadership has shown to reveal beneficial influence on outcomes such as employee’s performance, counterproductive work behavior. It was surprisingly discovered that ethical leadership has shown no beneficial influence on the followers’ organizational citizenship behavior. Consequently, promoting ethical leadership behaviors in the school’s environment by creating ethical climate is valuable in terms of improved effectiveness. Corresponding to Brown et al. (2005) conceptualization of ethical leadership along with the respective measure has shown to be a valid and reliable framework to ethics and leadership. Therefore, HR practitioners should go after to sustainably administer ethical leadership along the different HR functions.

Initiating from personnel selection and recruitment, practitioners (Federal Directorate of Education, & Federal Public Service Commission of Pakistan) should try to classify those applicants (Principal, Vice Principal, Deputy Headmaster) already leveling high on ethical leadership. Therefore, an initial assessment of ethical leadership could be unified into the applied methods of personnel selection. The objective of organizations is to point out beforehand which leaders are most probably to be destructive and which environments will be the most helpful to destructive behavior and offset those challenges (Illies & Reiter-Palmon, 2008). As suggested by Ogunfowora (2014) that the organizations should pay closer attention to hiring, training, and developing ethical leaders as ethicality may influence the capacity of the organization to compete for talent, as well as its ability to attract ethically-minded people to its workforce.

In addition to this, the promotion policy for Principals, Vice Principals, Headmasters, and Deputy Headmasters need revision. Of course, as the world changes, the lessons of leadership must be reinterpreted, and the specific mix and balance of competencies needed by public sector leaders must also be reevaluated (Van Wart, 2013).

6.3 Limitations

The study is not without limitations. First and most clear is the small size of sample achieved through data collection. Major reason for this was the decision to use strict criterion of collecting data from principals, vice-principals, headmasters, and deputy headmasters to achieve objectives of the research. Present data was large enough to run the analysis and reach a conclusion.

Second, the study is limited to public sector schools only, due to which we cannot measure for sure whether ethical leadership and ethical climate cause employees performance through counterproductive work behavior and organizational citizenship behavior in private institutions; although there are theoretical reasons to believe that the proposed directions are likely.
Third, present research only involved teaching profession to determine the influence of ethical leadership, ethical climate on employee performance via organizational citizenship behavior and counterproductive work behavior.

Fourth, data was only collected from principals, vice-principals, headmasters, and deputy headmasters; data may be also collected from teachers for more clarity of results.

6.4 Future Recommendations

The research on ethical leadership is still in its fancy, still there are many unexplored areas within the ethical leadership to be explored and new studies to be done (Monahan, 2012). Present study has used organizational citizenship behavior and counterproductive work behavior as mediators. It is recommended that other mechanism should be used to relate ethical leadership and performance.

In present study, data was collected from school principals, vice-principals, headmasters, and deputy headmasters and not from teachers. Future study might include head-teacher dyad. In current study, the researchers analyzed overall effect of ethical leadership effect. Future research might include facet-wise analysis should be employed to better understand ethical leadership and which facets are contributing more in terms of leading.

REFERENCES


