

# Ethical Leadership Practices: Does It Exist? Do We Care about It? An Evidences from College of Business Studies

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## Abstract

Ethical leadership is an integral dimension of organizational leadership, behavior and culture, whose primary role is to lead the organization by making ethical decisions to inherently influence employees' attitudes and interactions. The concept of ethical leadership specifically revolves around business practices that link the aspects of culture and business ethics. Previous academic studies in the field of ethical leadership have been quick to point out the principles, beliefs and values of the right and wrong are the ones that characterize the foundation of organizational behavior; thereby formulating the pedestal upon which leaders influence employees in achieving the goals of the organization. The purpose of this study is to critically evaluate fundamental ethical leadership practices that followers can identify with. The findings of the research point out that majority of the sampled population think that there is a major ethics problem in the college of business studies. The study also established that those sampled believe the management is neither showing any attention to the ethical leadership aspect nor placing any consideration on the college's Code of Ethics.

**Keywords:** ethical leadership, leadership practice, morality, business code of ethics

## 1. Introduction

Morality is an integral component of the human society owing to the fact that each day, people are faced with many ethical dilemmas and have to make many moral decisions. The relevance of the concept of morality tends to be particularly important to individuals working within the education sector considering their work tends to put them in a relatively higher position of facing moral tests. This gives candid explanation as to why there seems to be a general consensus that establishing the moral dimension of prospective education administrators is one of the major factors to consider while hiring administrators and leaders within the education sector (Al-Sharifi & Altanneh, 2011).

On the other hand, leadership is defined as an organization process that influences an organizational group to achieve a common goal or specific targets. Milletr and Rawson (2009) described moral leadership as the art of making decisions that truly reflect the ethical dimension of their ultimate outcomes. It is as a result of this that moralists normally warn leaders against intentionally or unintentionally working in biased manner. According to Prince (2006), there is need for all leaders (including those in the education sector) to be adept at all levels. The author proceeded to point out that the future of the society will depend heavily on ethical leaders who are capable of showing strong leadership, serving others and even exhibiting an unceasing commitment towards upholding the ethical goals and obligations of their organizations.

An intellectually-guided moral leadership system is normally based on the status of the rules dictating what ought to be done from an ethical point of view (Rubenstien, 2006). Moreover, such system is inherently the starting point for understanding the moral leadership represented in various ethical values such as honor, honesty, justice and integrity values. Most importantly, the moral leadership system serves as the benchmark that holds others responsible for their actions and behaviors as exemplified by the ethical leader. Therefore, there is need to establish a solid moral leadership system that is consistent with widely-acceptable ethical standards, ethically-consistent leadership behaviors, and personal values that uphold the moral leadership dimension (Groner, 1996).

The moral dimension/perspective should thus not be underestimated while undertaking leadership practices bearing in mind the fact that it forms the basis of truly deciphering whether leaders are dealing with their followers in an unethical or immoral manner (Shalabi, 2009). More precisely, the basic requirement for ethical leadership is to serve others since doing this creates a concrete platform for leaders to realize their full potential and capabilities.

Ruiz et al. (2011) were categorical that mutual trust has always played an integral role in explaining the relationship between leaders and their followers since time in memorial. The concept of morality features prominently in the establishment and maintenance of such trust considering that once followers come to understand the moral leadership exercised by their leader, they will definitely be compelled to increase their confidence and belief in him/her hence fostering the establishment of a stronger leader-followers relationship.

Brown and Trevino (2002) affirmed the positive correlation that exists between ethical leadership and the level of performance of followers by articulating the social exchange that the ethical leadership generates through dealing ethically with followers. This coupled with the concept of mutual trust allow for the exchange of emotions, hence making followers to vow to exercise positive behavior as well as refrain from exhibiting anti-organized and/or immoral behaviors (Tumasjan, Strobel, & Welpe, 2011).

Resick et al. (2011) contributed to the moral leadership discussion by substantiating how many past studies have been able to establish that ethical leadership impacts positively on both the followers and the organization in a rather implicit manner. From a followers' point of view, ethical leadership enhances their willingness to present problems and provide feedbacks to their leaders. This subsequently triggers a significant reduction in the prevalence and practice of immoral behavior in all departments. At the organizational level, the exercise of moral leadership is associated with a higher level of psychological sense of security, better advertiser behavior as well as increased commitment to the Charter of the Organization (Resick et al., 2011).

Ethical leadership can specifically be linked to a number of positive outcomes that relate to key personal and professional attributes such dependency, job satisfaction, leader's effectiveness, job commitment, and the degree of satisfaction with the leader. Sutherland (2010) reaffirmed the perceived positive correlation between the practice of ethical leadership and the aspects of organizational commitment, in addition to articulating how ethical leadership also positively influences motivational and inspirational.

It is thus worthy noting that ethical leadership is not just reflected by a list of well-known values; it is indeed a systematic and well thought process that truly deciphers the ethical leader both as a person and administrator (Trevino, Hartman, & brown, 2000). In addition to this, ethical leadership illuminates the influence of moral behavior and ethics on the behavior of employees as exemplified by their leaders.

The penultimate study problem for this research will be elaborated in the form of two key questions. These are:

**Research Question 1: Is The College of Business Studies considered an Ethical Organization?**

**Research sub Question: Is ethical behavior present in the administrative leadership of the College of Business Studies at the Public Authority for Applied Education and Training?**

## **2. Research Methodology**

The completion of the research necessitated the adoption of both the descriptive and analytical study approaches.

**Descriptive Approach:** The descriptive research approach revolved around the collection of data and information from books, periodicals and previous studies associated with ethical leadership.

**Analytical Approach:** The analytical approach formed the basis of collecting data/information from the field study and selected sample using questionnaires. The questionnaires consisted of two sections:

**Part I:** Part one of the questionnaire focused on examining the availability of the ethical dimensions of administrative leadership in the College of Business Studies.

The section particularly adopted research measures relied on by two previous empirical studies, namely Darawshe (2004) study and Al-Sharifi and Altanneh (2011) research.

**Part II:** The second part of the questionnaire tested whether or not **the College of Business Studies can be considered an Ethical Organization.**

The realization of this objective was facilitated by the use of the value-centered ethics model popularized by Charles (2005). The Kurt Penta-dimensional scale was also used to grade all phases. Charles (2005) model of "value-centered ethics" measures the level of compliance by the organization's ethical aspects and the extent of its commitment to the overall ethical aspects.

The five dimensions of the Likert Scale used to carry out and grade the test were:

	strongly agree	agree	neutral	agree	strongly disagree
score	5	4	3	2	1

The benefit of conducting this survey is that it facilitated the establishment of the moral climate of the organization as a whole, while also displaying many detailed aspects of the behavior of managers. This subsequently helped to test the dimensions of ethical behaviors of the administrative leadership in the organization.

### 2.1 Community Sample

Members of the society working in the Public Authority for Applied Education and Training and more precisely in the College of Business Studies formed the community sample.

### 2.2 Sample Search

The entire sample community was enumerated, with questionnaires electronically sent to all employees. However, for varied reasons, the turnout was rather discouraging contrary to what had been anticipated. As a result of this, a random stratified sample was adopted; hence leading to the study population being split into two categories, i.e. faculty administrative members and staff administrative members.

The research society represented all workers in the College of Business Studies at the Public Authority for Applied Education and Training.

Category	The number of members of the society study	Number of sample
Faculty training	390	78
Administrative personnel	420	84

20% of each random stratified study population was selected, with this leading to the selection of a total of 78 faculty members and 84 administrative staffs. Out of the 162 questionnaires that were distributed to the sample population, only 110 questionnaires were recovered. This represented about 67% of all questionnaires that had been issued, a figure that favored the continuation of study.

### 2.3 Testing the Reliability and Validity of Scales Used

The validity of the scale was not tested owing to the fact that questionnaires' questions were extracted from previous studies. Table 1 shows the reliability coefficients questions to the questionnaire as a whole and the individual fields. The relatively reliability coefficients are a clear indicator of the fact that the survey indeed fulfilled all the key requirements of a good test.

Table 1. Reliability coefficients for the questionnaire questions

Factors	Reliability coefficients
Availability of ethical conduct	0.78
Ethical practices	0.888
Promotion of ethical conduct	0.924
Validity of questionnaire questions	0.949

It is clearly evident that the reliability coefficient values are acceptable for all the questions as shown in Table 1. The survey included three main axes, where each axis was intended to express a set of statements. The actual value of reliability coefficient ranged between (78) to the factor "availability of ethical conduct", (0.888) for "ethical" practices, and (0.959) for "promote ethical conduct. The overall reliability coefficient value for all questions was (0.949); with this reaffirming that the significant factors are indeed good for research and reliable dissemination of results.=

### 2.4 Calculating the Degree of Ethical Practices

The ethical leadership degree was divided into three levels, namely low, medium, and high. The equation adopted to fully reflect this degree was:

Upper value – minimum value/number of levels, where category ranges are  $(5-1)/3 = 1.33$

Category Ranges	Degree
1-2.33	Low
2.33 to 3.66	Medium
3.66 to-5	High

On the basis of this table, the computation of whether or not the organization is engaging in ethical practices was conducted as shown below:

Class	Result
From 40 to 50	Ethical pioneer organization
From 30 to 39	Organization that engage in ethical practices
From 20 to 29	Organization with Ethical problems
From 10 to 19	An ethically-problematic organization

**NB:** This was according to the “value-centered ethics and characterized” scale.

### 3. The Results of the Study and Data Analysis

#### 3.1 Research Sub Question

#### **Does the ethical behavior availability among administrative leadership in the College of Business Studies at the Public Authority for Applied Education and Training?**

The arithmetic means and standard deviations calculated in order to answer the study question identified the rank of each vertebra on the two sections of the questionnaire.

Table 2 displays the research’s results of the statistical analysis of sample study on the first dimension pertaining to the availability/prevalence of ethical behavior.

Table 2. The research’s results of the statistical analysis of sample study on the first dimension pertaining

Paragraph	Arithmetic mean	Standard deviation	Class
Performance evaluation system at the college is a justice system	2.82	1.22	Medium
The College is committed to its promises with professors and staff	2.23	0.995	Low
There are aspects of administrative and financial corruption in the College	2.59	1.26	Medium
The College gives high priority to ethical values	2.32	0.973	Low
It allows college professors and other employees to express their opinions freely without fear	3.18	1.006	Medium
It evaluates faculty seminars and meetings urging students to adhere to ethical conduct	1.77	0.612	Low
It places high regard on the school code of ethical and/or value statement	1.73	0.935	Low
College teaches courses in ethics and values action management	1.82	1.097	Low
Our College Ethics Committee pursues the commitment of employees to the code of ethics and values	1.68	0.568	Low
College studies and researches ethics in management and work	1.95	0.950	Low
Area as a whole	2.209	0.571	Low

As per the arithmetic means presented in Table 2, the scope of the responses was on average very low (i.e. 2.209), with the standard deviation being 0.571. To further exacerbate the situation, the average mean for the questions fell between 1.68 and 2.3, with the only exception being for the question of “performance evaluation at the college is a justice system” whose response had an arithmetic mean of 2.82. This exemption might be as a result of the evaluating system either not being based on morality or its inability to clearly reflect key moral aspects such as fairness and justice. Question 3, “There are aspects of the administrative and financial corruption in College”, had an average arithmetic mean of 2.59 for its response. Considering the response to this question was intended to epitomize the nature of the college’s work environment, it is appropriate to argue that most of the respondents

weren't aware of the level of administrative and financial corruption inherent in the institution.

The apparent friction between faculty and administrative staffs coupled with the nature of work that teachers perform particularly makes it quite hard to decipher and report administrative and financial corruption. Question 6, i.e. "it allows college professors and other employees to express their opinions freely without fear", had a response that was rated medium class considering it had an arithmetic mean of 3.18. This is largely due to the fact that a large proportion of workers are faculty members who have got a greater freedom to express their opinions anonymously and in a scientific manner.

Table 3. The results of the statistical analysis of sample study on second dimension ethical practices

Paragraph	Arithmetic mean	Standard deviation	Class
Listens to the views of teachers and staff	1.59	0.666	Low
Focuses on the best interests of workers	2.32	1.171	Low
Makes fair and balanced decisions	3.05	1.253	Medium
Can be trusted	2.36	1.093	Medium
Discusses morality or values with employees	2.23	1.066	Low
The Dean is considered an ethical model in a respect to the completion of the business	2.45	1.224	Medium
Brigadier undertakes initiatives that promote ethics and ethical conduct of employees	2	0.873	Low
Some administrators fired or demoted by the college for ethical reasons	2.55	1.224	Medium
Dean serves as a moral role model for employees	2.27	1.077	Low
Dean focuses on moral values	2.18	0.853	Low
Area as a whole	2.30	0.752	Collateral

The overall responses from the sample population are indicative of the fact that this scope had a relatively lower average arithmetic of 2.3 and a standard deviation of 0.752. Even though the average arithmetic mean for roughly half of the questions was relatively low, there are a number of questions that received responses with medium scores. For instance, the arithmetic mean of the answer to question 3 was 3.05, with this indicating that many respondents were in agreement that the dean normally makes fair and balanced decisions. Moreover, the medium score of 2.36 for the response to question 4 reflects that a fairly good number of respondents trust their superiors.

It is also important to note that most of the respondents agree that the college's dean makes ethical considerations as evidenced by the fact that the arithmetic mean of the response to the question "the dean is considered an ethical model in a respect to the completion of the business" was (2.45). In addition to this, a large proportion of the sample population is of the view that the college is very keen and strict on punishing administrators who behave unethically. This is largely due to the fact that the arithmetic mean of the response to question 8, i.e. "some administrators fired or demoted by the college for ethical reasons" was (2.55). Nevertheless, the Dean's commitment in rolling out ethical initiatives was put into question by many respondents considering that the arithmetic mean of the response to question 7, i.e. "Brigadier undertakes initiatives that promote ethics and ethical conduct of employees", was relatively low at (2). Similarly, there is a general consensus among the respondents that the Dean doesn't listen to the views of teachers and staff since the response to question 1 had a very low arithmetic mean (1.59).

Table 4. The results of the statistical analysis of sample study on the second dimension to promote ethical behavior

Paragraph	Arithmetic mean	Standard deviation	Class
Punishes workers or teachers who violate ethical standards	2.32	1.041	Low
Organizes his personal life in an ethical manner	2.32	0.894	Low
Always asking "what is the right thing to do?" when making decisions	2.27	0.935	Size
Determines the ethical success of the final results	2.5	1.185	Medium
It can be argued that Dean is the catalyst and the guarantor of ethical conduct of all employees	2.5	0.964	Medium
The regulatory climate at the College is characterized by positive ethical positions	2.41	1.182	Medium
The College has incentives to encourage outstanding performance and has also represented the moral excellence performance	2.41	0.908	Medium
The College has an obligation to evaluate employees based on the ethical side of their performances	2.05	0.785	Low
Area as a whole	2.347	0.782	Medium

The responses for all the questions were rather moderate, with the average arithmetic mean being (2.347) and the standard deviation being 0.752. This implies that the college does indeed strive to promote ethical behavior by encouraging outstanding performance and creating a solid/concrete regulatory environment. Responses to question 4 (i.e. “the Dean determines the ethical success of the final results”) and question 5 (i.e. “It can be argued that Dean is the catalyst and the guarantor of ethical conduct of all employees”) were moderate in nature considering they both had an arithmetic mean of (2.5). The overall perception towards the existing regulatory ethical climate is also moderate considering the response to question 6 has a mean score of (2.41). However, on the basis of the arithmetic mean of (2.32) of the response to question 1 and question 2, it can be argued that the Dean does not punish those who violate ethical standards nor organize his life in an ethical manner. Moreover, the low arithmetic mean of (2.05) of the response to question 8 indicates that most of the respondents are pessimistic about the college’s commitment in evaluating employees on the basis of ethical conduct and behavior.

In conclusion, there is a deep sense of commitment from the Administrative leadership of the College of Business Studies to not only uphold ethical leadership, but also ensure that professional ethics and moral rules are succinctly blended during the administration of the institution. The administrators seem to be cognizant of the fact that ethical leadership represents a powerful engine to promote ethics in the College of Business while following the above model.

### 3.2 Research Main Question

#### Is The College of Business Studies considered an ethical Organization?

The inclusion of this research question was intended to create a concrete platform for establishing whether the College of Business Studies is indeed considered to be an ethical organization, based on the views of faculty members and administrative staffs.

Table 5. Average total study sample opinions on this research question

Paragraph	Average Answers
The college is characterized by an ethical code	1.73
The College offers courses in ethics and business values	1.82
There is a College Ethics Committee that pursues increased employees’ commitment to the code of ethics and values	1.68
The college researches and undertakes studies about management and work ethics	1.95
Employees get fired for ethical reasons	2.55
Dean serves as a moral role models for employees	2.27
Dean focuses on moral values.	2.2
The regulatory climate at the College is characterized by positive ethical positions	2.41
The College has incentives to encourage outstanding performance and also presents moral excellence performance awards	2.41
The College has an obligation to evaluate employees based on the ethical side of their overall performance	2.05
Total points	21.07

In order to answer this research question, a series of questions meant to truly discern the ethical inclination of the college were compiled. As per the above table, the responses to Questions 1 and 3 depict a general lack of interest in the Code of Ethics by the administration considering their arithmetic means were 1.73 and 1.68 respectively.

The arithmetic mean for the sample answers to question 2 was 1.82, with this confirming that the administration is struggling to accept the concept of work ethic, in addition to identifying the ethical aspects of the work performed by employees. On the other hand, the arithmetic mean of 1.95 for the responses provided for question 4 depicts a general disregard for ethical studies and research on ethics. Questions 6 and 7 were intended to establish the Dean’s commitment in fostering an environment that values ethical behavior and conduct and hence the arithmetic means of 2.27 and 2.2 respectively for the two questions reflects weak ethical leadership on the side of the Dean.

Questions 5, 8 and 9 provide an in-depth insight about the nature of the college’s working environment. We find that there are relatively positive responses from the sample population, with the arithmetic mean of the responses being 2.55, 2.41, and 2.41 respectively. This further implies that the moral aspect of the institution is normally taken into consideration to a very large extent. However, for the last question, arithmetic mean of the responses given by respondents was 2.05 hence indicating that the administration rarely evaluates the ethical side of employees’ performances.

Considering the overall score for the different sets of questions is 21.07, it is appropriate to assert that the College of Business Studies is faced with ethical problems and moral issues and therefore, it cannot be regarded as an ethical organization.

#### 4. Conclusion

There is total lack of ethical behavior in the college. The management doesn't care to highlight the ethical side of their leadership nor bother to hold seminars or research to support measures of ethical deviations. Even though the Public Authority has a Code of Ethics, the management seems less interested in abiding by this code. This unethical behavior is inconsistent with that of the larger Kuwait society, where the predominantly Muslim workers and students ought to be behaving and acting in a morally upright manner.

#### 5. Recommendations

Based on the findings of this empirical study, there are a number of recommendations that can be provided in order to strengthen the level of ethical leadership at the College of Business Studies.

1. Set ethical standards while evaluating employees and organizational performances.
2. Placing a lot of considerations on the ethical side of personal efficiency while selecting and promoting personnel.
3. Ensuring that the existing Code of Ethics guides all employees and managerial practices and decision-making exercises.
4. The immediate formation of the College Ethics Committee to oversee and continuously evaluate moral decisions and management practices.
5. Establishing an organizational culture that values the demand for ethics and promotes the upholding of moral values within the college.
6. Hold conferences and training section to show in what degree it's important to follow the organization code of ethics especially for managers.
7. use social media to inform and show to the employees in the college the deferens ethical issues and how the management deal with it.

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