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ETHICAL LEADERSHIP IMPACT ON HUMAN RESOURCE PRACTICES AND THE TRUST RELATIONSHIP OF LEADERS

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ETHICAL LEADERSHIP IMPACT ON HUMAN RESOURCE PRACTICES AND THE  
TRUST RELATIONSHIP OF LEADERS

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By  
DAWN A. SHEARROW

Dr. K. Praveen Parboteeah, Dissertation Chair

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# ETHICAL LEADERSHIP IMPACT ON HUMAN RESOURCE PRACTICES AND THE TRUST RELATIONSHIP OF LEADERS

DAWN A. SHEARROW

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## ABSTRACT

Organizations continue to be challenged with ethical dilemmas that call into question not only the moral fiber of the organization but the ethical behavior of the individual leaders within the organization. Such dilemmas persist in attracting practitioners and scholars to gather contributing evidence to provide potential preventative solutions and practices. This dissertation focuses on ethical leadership (EL) as it relates to the organization and the leader–leader relationship. The first discovery is made by proposing that the ethical climate of an organization is impacted by ethical practices of human resource management (HRM) functions specifically the performance appraisal (PA) process and how human resource professionals’ (HRPs) leadership influences the behavior within the organization. The second area of investigation proposes social learning theory (SLT) as a theoretical foundation for investigating the moderating effect that EL has on the trust relationship between leaders within an organization. This research addresses two key issues. First, it contributes to further understanding how organizations and their leaders impact ethical dilemmas by focusing on the HRM functions, specifically the PA process, within the organization and establishing ethical accountability. Second, organizations can begin to recognize how critical the leader—leader relationship is in influencing behavioral outcomes, such as trust, recognizing that role modeling is a critical part of establishing and defining the level of trust between leaders.

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## Chapter 1: Summary of Research

Organizations continue to be challenged with ethical dilemmas that call into question not only the moral fiber of the organization but the ethical behavior of the individual leaders within the organization (Waikar, 2019). Ethical leaders (EL) must strive to be role models in a world where divisive and corrupt behavior takes center stage distracting from the truth when those who stand for right and wrong are pushed behind a curtain of silence. Leaders' hesitation in response to indiscretions (legal or otherwise) calls into question the validity of accusations, and there is also the risk of skewed information via the voice of social media. It appears that guilt is often a first assumption prior to obtaining all contributing evidence when character and integrity are on trial. As a result of such challenges leaders can no longer be hired strictly for their qualified experience but need to have a proven (and measurable) track record for their ability to respond ethically in stressful situations (George, 2012). This reassessment of leadership alignment is critical for organizational success and sustainability. Organizational success is founded on the fundamental principles of a mission statement molded by a vision and driven by established core values (Thompson, Peteraf, Gamble, & Strickland, 2018). This framework is the bedrock of the organization guiding all activities while setting the ethical tone providing stability and establishing cultural identity. Organizations rely on their leaders to support this framework ensuring that behaviors are in alignment with and reflective of the core values necessary to maintain the intended culture or climate of the organization (Demirtas & Akdogan, 2015).

This dissertation focuses on EL as it relates to the organization and the Leader–Leader relationship. The first discovery is made by proposing that the ethical climate of an organization is impacted by ethical practices of human resource management (HRM) functions specifically the performance appraisal (PA) process and how human resource professionals (HRPs)

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leadership influences the behavior within the organization. While the intersection of ethics and HRM boundaries are in its infancy (Jack, Greenwood, & Schapper, 2012), this research begins to address the question scholars have posited regarding whether HRM, “.....is, can be, or should be ethical. And what does HRM being ethical even mean?” (Legge, 1998, p.150). It is my position that ethical dilemmas impact not only the organization but also the individual leaders within the organization. This research assists in further understanding the measures established to ensure that an organization is perceived as having an ethical climate, which is critical to maintaining success and sustainability (Victor & Cullen, 1987, 1988). Ethical climate theory (ETC) has provided the foundational framework within the ethical domain furthering theoretical studies (Martin & Cullen, 2006) and deepening the understanding of these organizational perceptions. Research has also shown that EL is essential in developing an ethical climate and culture within an organization (Treviño, Butterfield, & McCabe, 1998) such that the EL assists in molding ethical behaviors (Schein, 2010).

The second discovery is that the increase of CDM, the frequency of interaction, and RC between leaders positively impacts the trust relationship. Social learning theory (SLT) provides the framework for understanding the ethical responsibilities that leaders have (Bandura, 1977). Just as the organization is dependent on their leaders to be the driving force in modeling behavior there is something to be said about the relationship that exists among leaders within an organization. Additionally, it is just as important to ensure that the leaders within the organization have an established trust relationship, as this is a source of competitive advantage (Tan & Lim, 2009). Trust, an established outcome that is crucial for any relationship to be effective (McAllister, 1995), plays a key role in leader relationships. Literature also indicates that the levels of trust and EL (Chughtai, Byrne, & Flood, 2015) positively impact employee

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performance (Argyris, 1964). This further supports my position that trust is a critical component for any relationship to be effective.

### **Essay 1: The Performance Appraisal: How Quality Impacts Ethical Climate Moderated by Ethical Leadership**

For Essay 1 attention is focused on the organization particularly on the intersection of HRM and ethics (Legge, 1998) as literature has indicated the potential expansion across disciplines. To expand on this perspective organizations can utilize HRM as an ethical cornerstone to breed strong ethical climates (Martin & Cullen, 2006). Employees often assume that HRM is the gatekeeper of ethical behavior of the organization. An assumption rightly placed as this is where concerned individuals faced with ethical dilemmas retreat to seek counsel, guidance, and support. The HRM department enforces this notion through the development of organizational policy including legal and regulatory standards to which the individuals and the organization must adhere (Bodie, 2013). This research focuses on HRM as it carries a heavy burden of being viewed as the frontline enforcers of the law (Bodie, 2013) and organizational values (Manroop, Singh, & Ezzedeen, 2014).

Essay 1 focuses on the organization and how HRM can impact the ethical climate of the organization (Victor & Cullen, 1987, 1988). This impact is achieved through the PA process specifically looking at the PA quality (PAQ). Also, the essay examines the moderating effects of the HRPs being perceived as ethical having a positive influence on the ethical climate of the organization. The three research questions for Essay 1 are:

1. How does the quality of the performance appraisal process influence the perception of the ethical climate of an organization?

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2. Does the ethical perception of HRPs influence the ethical climate of an organization?
3. Is ethics a necessary consideration as the foundational driver for HRM and accountability for the organization?

### **Essay 2: Trust Among Leaders: Does Role Modeling Make a Difference**

Essay 2 focuses on the leader-leader relationship as it relates to trust. Trust is a well-established construct as a guiding force for organizational success as it relates to interpersonal relationships (Tan & Lim, 2009). This research intends to establish that there is a unique trust relationship among leaders within an organization. This leader relationship is relative to the defined role, level of collaboration with other leaders, and the level of interaction of the leaders. The two research questions this essay seeks to address are as follows:

1. Will increased frequency of supervisory interaction, common effort collaboration for decision-making and RC strengthen trust among leaders?
2. What is the impact of EL on trust that exists among leaders?

This essay establishes that SLT (Bandura, 1977) provides the framework for understanding the ethical responsibilities that leaders have specifically looking at how leaders are role models to each other. Role modeling is critical to the leader-follower relationship (Ko et al., 2018). In response to the call for new research in the ethical domain (Ko, Ma, et al., 2018) there appears to be a need to further investigate the leader-leader relationship. The SLT provides insight to the nature of role modeling and its effects as it relates to the leader-leader relationship. While SLT and social exchange theory (SET) have been embraced by scholars to explain ethical behavior relative to the leader-follower relationship this research establishes that role modeling is vital to the leader-leader relationship.

### **Conclusion**

This research addresses two key issues. First, it contributes to further understanding how organizations and their leaders impact ethical dilemmas. By focusing on the HRM functions, specifically the PA process, within the organization and establishing ethical accountability this study found evidence that the intersection of HRM and ethics can be beneficial to the ethical climate of the organization. The results of this study suggest that the PAQ contributes to employees perceiving benevolent and principled local-climate types. Additionally, in a principled local-climate type, EL is found to influence employee's acceptance of the PA process. These discoveries provide opportunities for practitioners to focus on HR functions (e.g., the PA process) and establish controls to ensure that ethical practices guide the process at the organizational, group, and individual level.

Second, organizations can begin to recognize how critical the leader-leader relationship is in influencing behavioral outcomes such as trust. After investigating leader relationships there was strong evidence that increased leader interaction and role clarity influences the trust relationship that exists between leaders. Although, the effect of EL was investigated, significant findings were absent from the empirical analysis.

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CHAPTER II: ESSAY 1

THE PERFORMANCE APPRAISAL: HOW QUALITY IMPACTS ETHICAL CLIMATE  
MODERATED BY ETHICAL LEADERSHIP

**ABSTRACT**

With ethical climate theory (ECT) and ethical leadership (EL) as the foundational premise guiding this research key practices and background of human resource management (HRM) were examined to argue that ethical HRM (EHRM) is a viable consideration for future research. This investigation focused on the performance appraisal process proposing performance appraisal quality (PAQ) as a new concept for evaluating performance. The relationship of PAQ and local ethical climate types were examined for possible effects surveying individuals primarily in the banking and finance industry. The effects of EL was also accessed for interaction on PAQ and the three types of local ethical climates. The results confirmed the relationships between PAQ and benevolent and principled climate types. The interaction effects of EL revealed promising results for principled-local climate types. Results and their implications are discussed for future research and practice.

*Keywords:* Human resource management, ethics, ethical climate theory, ethical leadership

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### Chapter 2: Essay 1: The Performance Appraisal: How Quality Impacts Ethical Climate Moderated by Ethical Leadership

The last two decades have sparked interest for researchers in the intersection of human resource management (HRM) and ethics nudged by scholars proposing thoughtful contemplation around whether HRM “is, can be or should be ethical” and “what does HRM being ethical even mean?” (Legge, 1998 p., 150). Although interest was ignited prior by prior scholarly discussions (Winstanley, Woodall, & Heery, 1996), the appeal was swiftly addressed (Winstanley & Woodall, 2000), confirming interest in establishing a new dimension of exploration in an attempt to assist in understanding the role HRM plays in ethical behavior at the individual and organizational levels (Greenwood, 2002; Jack & Greenwood, 2013). This interest of HRM and ethics has extended beyond theory exploration to empirical studies focused on ethical climates (Guerci, Radaelli, Siletti, Cirella, & Shani, 2015; Manroop, et al., 2014) as well as strategic HRM (SHRM) and the ethical obligations of human resource professionals (HRP) and their organizations toward all stakeholders (Caldwell, Hayes, Karri, & Bernal, 2008; Caldwell, Truong, Linh, & Tuan, 2011).

Parallel considerations of practitioners questioning the same concerns are trying to understand the source of businesses behaving badly (Waikar, 2019). The Sarbanes-Oxley Act of 2002 was an immediate response to the collapse of Enron in 2001 in hopes of wielding better behavior among corporate organizations and their leaders (Gunz & Thorne, 2019). Despite implementation, corporate corruption has continued to be uncovered, bearing weight not only on the organizations but also the leadership setting unattainable goals yet demanding results (Nicol, 2018). The ethical indiscretions of The Great Recession were so reckless the damage extended far beyond the collapse of the housing industry but literally walked through the front doors of

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millions of Americans' homes and walked out the backdoor, keys in hand leaving behind the rubble of destroyed lives. Scholars continue the pursuit of assigning responsibility uncovering the complexity and ambiguous nature of determination (Nicol, 2018).

Wells-Fargo being short-sighted to the fallout of ethical indiscretions managed to facilitate illegal practices through their "Going for Eight" campaign (Restrepo, 2019). Despite being found out and being "punished" with regulatory fines and lawsuit settlements of more than three billion dollars, the organization continued to operate, and leadership remained at the helm for three more years (Restrepo, 2019). Allowing the continual misrepresentation of the truth hidden as a line item for fines and regulations only enables companies to continue to behave badly. It appears that prominent institutions continue to cling to the fundamental framework driving their organizational strategy. Yet often upon review of organizational practices and leadership behavior, it is evident these are not reflective of the ethical and moral commitments proclaimed throughout their official mission, vision, and core values. Ethical research often has highlighted the known quantities that have succumbed to public indiscretions, omitting the egregious behavior that so recklessly impacted the most precious resource of the organization, the individual. Inclusion of previous details need to be considered to assist scholars and practitioners in taking a closer look at potential areas of resolve.

The complexity of HRM via human resource (HR) practices, which are multiple and varied, depend on an organizations' SHRM (Wright & Ulrich, 2017) and the leadership of HRP (Rockey, Farndale, & Vidovic, 2015), indicate the need for a deeper-dive into the specific practices that could assist with understanding the relationship of HRM and ethics. Ethical climate theory (ECT; Victor & Cullen, 1987, 1988) research offers key contributions to organizational outcomes in job satisfaction (Deshpande, 1996b; Schwepker, 2001; Tsai &

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Huang, 2008; Wang, & Hsieh, 2012; Woodbine, 2006), commitment (Cullen, Parboteeah, & Victor, 2003), turnover intentions (Mulki, Jaramillo, & Locander, 2008), and even ethical behavior (Wimbush & Shepard, 1994). Parboteeah and Kapp (2008) investigate workplace safety behaviors linking local ethical climate types. Key functional perspectives on which managers rely, such as communication and empowerment contribute to the development of an ethical climate (Parboteeah, 2010). Simha and Cullen's (2012) thorough evaluation of ethical climate contributions encouraged further discoveries towards contextual determinants that not only contribute to the existing literature but also specifically benefit practitioners and managers.

Guerci et al. (2015) provided further insights to the relationship of HRM and ethical climate types. This investigation provokes thought towards identifying key functional flaws within the context of HRM practices, specifically the performance appraisal (PA), as an opportunity to close a gap for scholars as well as provide organizations reasons to adjust practices that could cause unethical behavior to emerge or gain momentum into vulnerable organizations exhibiting weakened leadership. This process provides the opportunity for the critical retrieval of information relative to the employees' performance as related to their defined role, feedback, and specified goals (Ford, Latham, & Lennox, 2011). Javidmehr and Ebrahimpour (2015) discovered that the PA process improves employee performance and organization performance including the decrease in bias resulting in the overall satisfaction of the PA process. The significant contribution PA has within the organizational context suggests that ethical practices can provide positive correlations to the overall ethical climate of the organization. To further explore this new consideration, this research examined how HRM, specifically the PA process and HRPs impact the ethical climate of an organization by answering the following questions:

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1. How does the quality of the PA process influence the perception of the ethical climate of an organization?
2. Does the ethical perception of HRPs influence the ethical climate of an organization?
3. Is ethics a necessary consideration as the foundational driver for HRM and accountability for the organization?

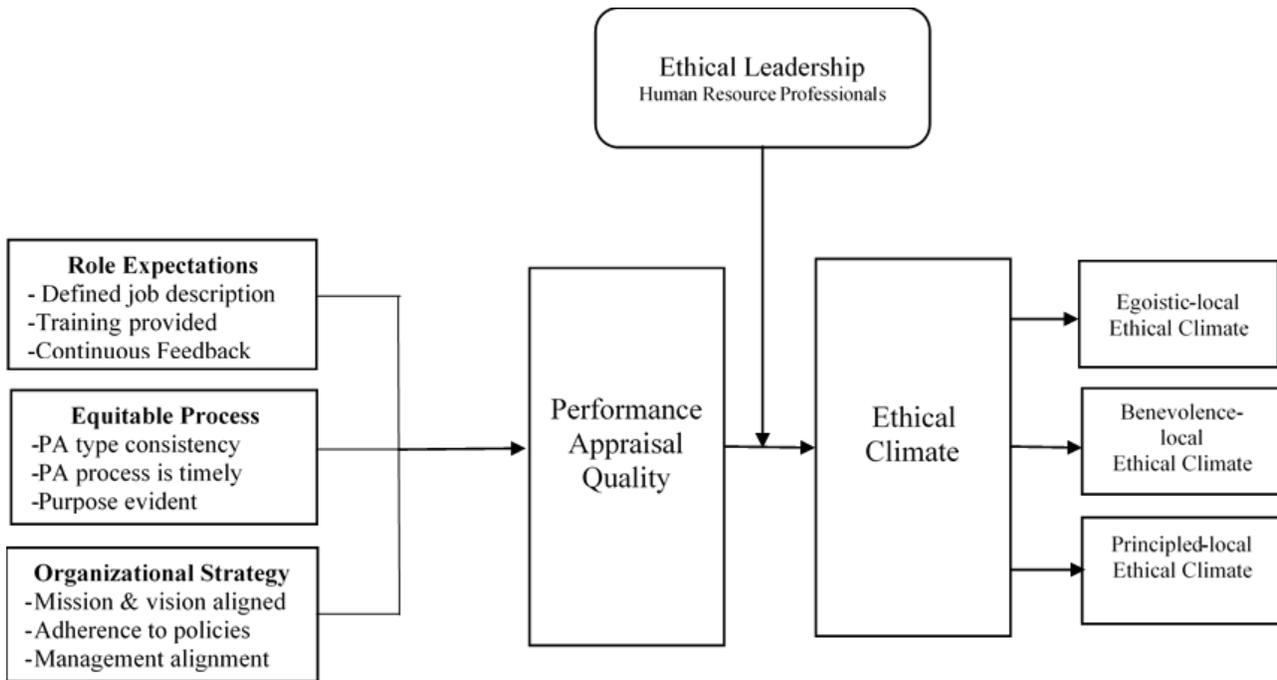
There were three primary objectives sought through this research. First, this research will look at HRM practices specifically the quality of the PA process to better understand the influence on ethical perceptions within the context of the organization while focusing on the local dimension of ethical climate. A new measurement of PA quality (PAQ) is introduced to assist in investigating this argument. The second objective was to further understand the moderating effects of EL of the HRP upon the PA process relative to the perceived ethical climate of the organization. Finally, the intersection of ethics and HRM was considered relative to ethical implications when providing fair and just systems of HR practices; this research also explored how this intersection impacts the ethical climate of the organization. To further postulate the theoretical framework, hypotheses guiding the research were established specifically identifying and defining the primary constructs that were measured.

With ECT as the foundational premise this research unfolds as follows. First, I provide key elements and background of HRM to better understand the origins to later argue the point that ethical HRM (EHRM) is a viable consideration for future research. Next, I present the fundamental principles of ECT, specifically identifying the local-dimensions as it relates to this investigation. Subsequently I substantiate HRM processes as a point of impact to facilitate ethical influence. This includes the proposal of PAQ as a new approach for evaluating performance as it relates to HRM and ECT. Finally, I extend insight into EL as it is perceived

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relative to HRM, explicitly identifying HRPs as a critical component that influences employee perception of the organizational ethical climate. The theoretical model in Figure 1 provides the framework for this investigation.

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*Fig. 1 Theoretical model of performance appraisal quality and ethical climate moderated by*

### **Theory and Hypotheses**

#### **Human Resource Background and Ethics**

The evolution of HRM is crucial to understanding the platform from which the research is being conducted. There is an espoused assumption within organizations that HRM is responsible for the governance of the organization relative to the ethical outcomes within the organization and amongst all stakeholders (Cappelli, 2015.). These assumptions are accurate since the inception of the HRM framework emerged as a result of unethical behavior and treatment of employees during the 1950's (Bodie, 2013). The concept of HRM was originally formed and founded because of the absence of ethical behavior from management towards the employees.

A review of HRM reveals that there is great potential to influence the ethical climate of an organization ultimately bringing value and strengthening its competitive advantage (Manroop et al., 2014). It is necessary for HRM must raise the standard of their performance to achieve ethical outcomes within the organization to achieve expected business goals inclusive of how business is conducted, information is handled, and ethical development facilitated (Caldwell, Truong, Linh, & Tuan, 2011). Bolman and Deal (2013) provided a comprehensive look at the importance of having a structural framework established in an organization. This organizational or structural framework is necessary for any organization to be successful and sustainable in delivering the products or services that are promised (A. A. Thompson, Peteraf, Gamble, & Strickland, 2018). This suggests that although this structural framework is necessary for success it does not guarantee success or eliminate failure. More importantly, it is dependent on the accountability of the individuals who are leading and managing the organization.

Although HRM is a relatively a young field, it continues to show professional growth evident through organizations such as the Society Human Resource Management (n.d.) soliciting

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development in professional responsibility, information use, conflicts of interest, and EL. As the hub of the organization, HRM ensures that all spokes align according to strategic objectives (Steffensen, Ellen, Wang, & Ferris, 2019). This alignment must be lubricated with law and regulation compliance balancing executive and stakeholder expectations (all assumed with a critical ethical eye). Those in HRM are subject to a variety of ethical dilemmas within the organization relative to the ethical responsibilities of their position and the organization's business goals (Greenwood, 2002). The dilemmas are not confined to organizational issues within the HRM framework but are continually bombarded with incessant changes and additions to employment law (Bodie, 2013). Although there is the assumption that ethics is the undergirding driver behind the enforcement of HRM often morality is left in the hands of the leaders of the organization for final decision-making (Bowen, 2004).

Bodie (2013) delineated the implicit relationship between the regulations, the law and HRM. Those in HRM are viewed as the frontline enforcers of the law. Often daunted with mandated compliance to do lists, HRM may note ethical misses as minor infractions. The problem comes when these ethical misses emerge into large infractions and employees begin to challenge the system on which the organization has consequently trained them. Thus, HRM must endeavor not be mere window dressings but embrace openly the foundational undergirding driving the ethical fiber of the organization. This heavy burden has the potential to cripple ethical behavior as financial initiatives, legal limitations, and time constraints dominate the prioritization process.

### **Ethical Climate Theory**

The ECT framework is one of the most influential conceptual foundations within the ethical domain (Martin & Cullen, 2006; Victor & Cullen, 1987, 1988). Empirical studies (e.g., Wang & Hsieh, 2012 and Mulki et al., 2008) have continued to identify the significance of

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organizations that are perceived as having ethical climates impacting organizational outcomes.

Organizational culture and organizational climate embody distinctive differences yet share attributes that influence the behaviors and attitudes of the employees (Treviño et al., 1998).

Schein (2010) described culture as an abstract that embodies powerful forces derived from social and organizational situations. This perspective is pivotal to fully understand the impact and power the organization has on all group members. Ethical climate is the espoused belief of shared ethical behaviors and the ethical disposition of the organization relative to how ethical situations are handled (Victor & Cullen, 1987).

The simplistic distinction would identify organizational culture as the personality and the climate as the prevailing disposition or tone within the organization. Although organizational culture has strong ties to the ethical climate of an organization (Schein, 2010), employees begin to make distinctions based on the context of daily operations guided by the strategic framework of the company. Due to exposure to experiential knowledge combined with the rules and procedures governing the organization employees develop a barometer for determining the ethical climate of their environment.

The three ethical criteria of ECT are shared constructs of Kohlberg (1984) which were utilized in the area of moral development. Victor and Cullen (1987, 1988) defined the three constructs of ECT as egoism (self-interest), benevolence (utilitarianism-friendship), and principled (deontology). This framework guides the ethical decisions made and research has suggested that one criterion will emerge within an organization as a dominant indicator defining the organization's culture (Martin & Cullen, 2006). Table 1 provides a stratification of the ethical climate theory premise.

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Table 1

*Theoretical Ethical Climate Types*

TABLE I  
Theoretical ethical climate types (Victor and Cullen,1988)

Ethical Criterion	Locus of analysis		
	Individual Level	Local Level	Cosmopolitan Level
Egoism	Self-interest	Company profit	Efficiency
Benevolence	Friendship	Team interest	Social responsibility
Principle	Personal morality	Company rules and procedures	Laws and professional code

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This study focused on the local-dimension of ECT: egoistic-local, benevolence-local, and principled-local. The local level draws from sociology literature and centers on the group perspective. The ECT suggests that this level of analysis (local) is focused on the organizational influences that impact individual perceptions, that is, the group influences, company policy, and company success (Victor & Cullen, 1987, 1988). Additionally, empirical research has shown that the local dimension is more prominent when trying to understand employees' perception of the organization (Parboteeah & Kapp, 2008). The local dimension provides opportunity for the organization to observe behavioral outcomes that could potentially promote change via effective solutions resulting from insightful discoveries.

Taking a closer look at the framework of the local dimension allows a focused perspective to better understand this investigation. First, ECT of egoism at the local dimension looks through the lens of the individual and their perception of the organization's ethical climate (Victor & Cullen, 1987, 1988). This dimension would assert that the primary focus being of self-interest, e.g. company profit (Martin & Cullen, 2006, Victor & Cullen, 1988). This gives the individual a sense of security that they will continue to be employed, the future is looking bright for increased wages, potential for long-term advancement, and job satisfaction (Ambrose, Arnaud, & Schminke, 2007; Goldman & Tabak, 2010; Schwepker (2001). This dimension suggests that the individual is not as concerned about others and makes personal advancement a priority potentially ignoring the type of ethical climate that truly exists and in turn providing a misconception of the climate of an organization.

The next lens examined is the ECT of benevolence at the local dimension understanding the organization from the team perspective (Victor & Cullen, 1987, 1988). This dimension allows the individual to approach the work environment from a broader perspective not

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completely relying on self-interest to consume decision-making (Gouldner, 1957; Martin & Cullen, 2006; Merton, 1957; Victor & Cullen, 1988). Looking beyond personal scope and understanding that the organization is dependent on collective performance to achieve organizational outcomes such as profit, innovation, job satisfaction, retention, and so forth. This broader perspective allows for a new vision to emerge, influencing the perceived climate of the organization (Agarwal & Malloy, 1999; VanSandt, Shepard, & Zappe, 2006).

Finally, the ECT of principled is centered on company rules and procedures. The final dimension is influenced by organizational standards and expectations communicated via company policy, employee handbook, and training. These elements assist in discerning moral judgments from an individual perspective and also allow for an effective evaluation of others and the company as a whole in terms of adherence to the rules and regulations openly defined (Stevens, 2008; VanSandt & Neck, 2003). This appears to hold significant weight in determining the ethical climate of an organization as it serves as a baseline for measurement. It could be perceived as a more on and off approach. Is the organization following policy or not? Was the PA process followed based on company standards (quality) or were there discrepancies (not-quality)?

The connection to ECT is key as this study is focused on identifying HRM as the ethical foundation to the organization and establishing the proposed need for HRM literature to expand to include ethical HRM (EHRM). This extension of research is reflective of persistent growth within the literature such that strategic SHRM is now an established area of research impacting the organization as a result of investigating the continual evolution of HRM's contribution to the organization.

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### **Performance Appraisal**

Reflecting on the origins of HRM being established facilitated by unethical behavior of organizations (Bodie, 2013) this investigation drew from that premise that ethics should be the flame that reignites a framework that the organization can identify as the cornerstone for company accountability. Practices of HRM are vital to employee relations within the organization and provide significant guidance regarding performance expectations of the employee. This is also true of managers as they play a critical role in protecting the organizations' most valuable asset, the employee (Deniz-Denix & De Saa-Perez, 2003; Galbreath, 2006; Zappala, 2004). Protecting this investment requires effective processes to monitor and evaluate performance such as the PA process. The PA process is responsible for identifying relationship quality, determining performance, and facilitating participation in the process (Pichler, 2012). Specifically, the PA process is the critical retrieval of information relative to employees' performance as related to their defined roles, feedback, and specified goals (Ford et al., 2011). Since the PA process is continually becoming subjective (Denisi & Murphy, 2017; Treadway et al., 2007) the organization must recognize the impact of the PA process on all organizational outcomes, particularly the ethical perception of key stakeholders. It is also important to consider the sensitive nature of the PA process as this is a key factor in determining the employees' position within the organization (Keeping, Levy, & Murphy, 2000).

The PA process continues to divide scholars and practitioners based on the subjective nature of the process, inconsistencies, injustice, inaccuracies, and dissatisfaction (Lawler, 1994; Thurston & McNall, 2010; Treadway, et al., 2007). Yet solid evidence points to key outcomes impacting employee performance, manager and employee relationships, communication and organizational success (Bowen, 2013; O'Boyle, 2013) as well as increased financial and

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operational performance (Kotter & Heskett, 1992). Although performance management is a critical element to establishing an effective and efficient organization the caveat of the PA process perceived as ethical strikes a chord of concern for the organization, specifically HRM (Heisler & Hannay, 2015). Research has indicated that the overall employee and manager perception of the PA process is ethical (Heisler & Hannay, 2015). However, specific items are deemed unethical, for example forced distribution ratings, predetermined rating distributions, and manipulation of appraisals based on anything other than performance.

It has been established that HRM plays a vital role in organizational outcomes specifically looking at the PA process (O'Boyle, 2013). Understanding the PA process arouses the notion of how impactful and influential the process is relative to the perception's employees have towards the organization. Building on perceptions obtained through the PA process employees have an opportunity to evaluate the organization. For these reasons, this research investigated the impact the PA process has on the ethical climate of the organization. However, because of the subjective nature of the PA process a new concept to assess more objectively was established.

Despite over 100 years of research dedicated to better comprehension of performance management and the PA process (DeNisi et al., 2017) understanding how employee performance impacts an organization still intrigues scholars and practitioners. The extensive investigations of the PA process over the past century have focused on rating scales (Cattell, 1906; Knauft, 1948; Latham & Wexley 1977; Paterson, 1922; Ream, 1921; Scullen, Bergey, & Aiman-Smith, 2005), quality of rating data (Cronbach, 1955; Kavanagh, MacKinney, & Wolins, 1971; Landy, Barnes, & Murphy, 1978; Rugg, 1921), training (Bernardin & Walter, 1977; Borman, 1975; Levine, & Butler, 1952), reactions to appraisals (Cawley, Keeping, & Levy, 1998; DeNisi, & Smith, 2014;

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Folger, Konovsky, & Cropanzano, 1992; Wexley, Singh, & Yukl, 1973), purpose of appraisals (Cleveland, Murphy, & Williams, 1988; Murphy, Cleveland, Skattebo, & Kinney, 2004; Williams, DeNisi, Blencoe, & Cafferty, 1985), rating sources (Ferguson, 1947; Greguras & Robie, 1998); Smither, London, & Reilly, 2005), demographic effects (Dejung & Kaplan, 1962; Murphy, Herr, Lockhart, & Maguire, 1986; Pulakos, White, Oppler, & Borman, 1989), and cognitive processes (DeNisi, Cafferty, & Meglino, 1984; Feldman, 1981; Kozlowski & Kirsch, 1987). Although there is an exhaustive list of empirical studies that have focused on the PA process (see Table 1), there is still room to further investigate ethical implications from a new lens that provides a more objective assessment relative to ECT.

### **Performance Appraisal Quality Concept**

The type of PA used for evaluation is dependent on an organization's leadership, so the measuring stick is somewhat subjective in terms of practitioner comparisons. Scholars have attempted to examine these variances to uncover connections and better understand the PA process (e.g. DeNisi et al, 2017; Schleicher et al., 2018). However, by utilizing ETC (Victor & Cullen, 1987, 1988), we can approach this investigation with solid criteria to assist in defining the new concept. Podsakoff, MacKenzie, and Podsakoff (2016) emphasized that developing a new concept should not be confined to the study under investigation but allow for a broader scope to be considered. In this instance, the concept is more than likely confined to HRM research and literature, which is appropriate as this was the intended goal. This research proposes PAQ as a new concept identifying clear role expectations (CRE), equitable process (EP), and alignment of organizational strategy (AOS) as the attributing characteristics (see Table 2).

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Table 2

*Performance Research Types (Denisi & Murphy, 2017)*

<b>Study-Scale Type</b>	<b>Defined</b>	<b>Research</b>
Rating Scales	Types of scales used in the performance appraisal process	Cattell, 1906; Knauft, 1948; Latham & Wexley 1977; Paterson, 1922; Ream, 1921; Scullen, Bergey, & Aiman-Smith, 2005
Quality of Rating	Reliability and validity of data collected from the performance appraisal	Cronbach, 1955; Kavanagh, MacKinney, & Wolins, 1971; Landy, Barnes, & Murphy, 1978; Rugg, 1921
Training	Training of the rater	Bernardin & Walter, 1977; Borman, 1975; Levine, & Butler, 1952
Reaction to Appraisal	Fairness and accuracy consistency of the performance appraisal process	Cawley, Keeping, & Levy, 1998; DeNisi, & Smith, 2014; Folger, Konovsky, & Cropanzano, 1992; Wexley, Singh, & Yukl, 1973
Purpose of Appraisal	Multiple reasons for utilizing the performance appraisal process	Cleveland, Murphy, & Williams, 1988; Murphy, Cleveland, Skattebo, & Kinney, 2004; Williams, DeNisi, Blencoe, & Cafferty, 1985
Rating Source	The source of information being provided for the performance appraisal process e.g. self-report, subordinates, multi-source (360 PA)	Ferguson, 1947; Greguras & Robie, 1998; Smither, London, & Reilly, 2005
Demographic Effect	PA process affected by race, gender, age	Dejung & Kaplan, 1962; Murphy, Herr, Lockhart, & Maguire, 1986; Pulakos, White, Oppler, & Borman, 1989
Cognitive Process	How raters acquire, organize, recall, and integrate information about the PA	DeNisi, Cafferty, & Meglino, 1984; Feldman, 1981; Kozlowski & Kirsch, 1987

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Table 3

*Performance Appraisal Quality: Conceptual Attributes, Identifiers, and Definition*

Attributes	Identifiers	Definition
Clear Role Expectations (CRE)	Job Description Training Feedback	Job description and role clearly defined Training provided on a regular and consistent bases Regular feedback provided other than the PA process
Equitable Process (EQ)	Consistent Timely Purpose	PA process is consistently administrated throughout the company (parameters clearly defined prior to implementation) Type of PA given is consistent for all employees PA is given in a timely manner and clearly communicated e.g. timelines Purpose of the PA process is provided i.e. goals, intent, outcomes.
Alignment of Organizational Strategy (AOS)	Mission & Vision Policies Management	PA process is clearly aligned with the vision and mission of the organization Policies and procedures have been followed throughout the PA process and observed during employment tenure Management performance is aligned with organization mission, vision, and policies

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As conceptual definitions are the foundation of theory building serving as cognitive symbols that provide the proper context for research, it is essential that the foundational development of PAQ is provided (Podsakoff, et al., 2016). Since there has been significant empirical research of the PA process (DeNisi et al., 2017), it is critical to ensure there is a distinction of terms to provide clarity to the proposed theory (Sartori, 1984). Also relevant is the notion that concepts are by nature abstract and only have meaning relative to identified relationships when operationalized (Podsakoff et al., 2016). This research identified the relationship that PAQ has with ECT. For example, PAQ (see Table 3) is not looking at quality in terms of reliability or validity of the data collected defined by prior studies (Cronbach, 1955; Kavanagh, et al., 1971; Landy et al., 1978; Rugg, 1921), therefore a thorough understanding of how PAQ is defined is necessary for distinction.

Komatsu (1992, p. 505) pointed out that concepts should be “individually necessary and collectively sufficient” whereas Wittgenstein (1953) approached concepts as having family resemblance characteristics. The concept of PAQ has been developed from the perspective of the latter and is grounded in the context of high-performance human resource practices (HPHRP). This index of HR practices has been established relative to the family resemblance perspective (Delery & Doty, 1996; Huselid, 1995; Kehoe & Wright, 2013).

The foundational premise of PAQ emerged as a result of a collective evaluation of HRM literature and HR practices (e.g., DeNisi et al., 2017; Heisler & Heannay, 2015) uncovering deficiencies often connected to the subjective nature of the PA process. Defining roles and analyzing those positions relative to the standards of the organization identifies an objective connection for CRE as well as EP (Winstanley & Stuart-Smith, 1996). Scholars first identified continuous feedback as a critical objective to the effectiveness of the PA process (Greller, 1978;

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Muchinsky, 1978). Management communication (or feedback) prior to the PA continues to be a valuable tool in assessing effective performance (Aguinis, Joo, & Gottfredson, 2011; Clarke, Harcourt & Flynn, 2013). Similarly, AOS was identified as another means of evaluating how well an organization's strategy aligns with institutional practices, that is, the PA process (Bracken, Timmreck, Fleenor, & Summers, 2001; Sillup & Klimberg, 2010).

Based on the prior discussion of the extant literature the three attributes of PAQ are defined as follows: (a) CRE defining roles, providing training, communicating feedback throughout employment and not just in an official capacity of the PA process; (b) EP providing a PA process that is consistently administered throughout and to the entire organization (parameters clearly defined prior to implementation and type of PA is consistent for all employees), PA process is given in a timely manner and clearly communicated as to those timelines, and the purpose of the PA process has been provided such as goals, intent, outcomes; and (3) the PA process is clearly aligned with the vision and mission of the organization (AOS), organizational policies have been followed not only through this process but during employment tenure, and management performance is in accordance to the expectations outlined by the organization. It is important to note that the development of a new concept is not to imply replacement of prior evaluative tactics or to insinuate PAQ would not have subjective tendencies. The concept of PAQ focuses on a more objective approach in evaluating the PA process as it relates to ECT.

### **Clear role expectations**

CRE are tied to employee job descriptions or defined roles serving as a critical benchmark of expectations and standards of the organization (Winstanley & Stuart-Smith, 1996). These in role responsibilities provide clarity to expectations identifying responsibilities, tasks,

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and duties (William & Anderson, 1991). It is considered work behavior that is expected, evaluated and rewarded (Leung, 2007, p.45; Van Dyne, Graham, & Dienesch, 1994) all necessary for supporting the success of the employee (Deniz-Denix et al., 2003). Feedback provides another layer for employees to have a clear understanding of what is expected. Employee feedback received prior to an organizations official means of performance evaluation appears to influence behavior (Aguinis et al., 2011; Clarke, et al., 2013). It could be assumed that feedback allows for incremental evaluations of responsibility aiding in communication and furthering employee relations. Finally, the aspect of training assists in facilitating CRE as it is considered one of the most adopted HR practices in organizations for employee development (Boon, Hartog, & Lepak, 2019). Additionally, there is evidence that high performers tend to have higher levels of training (Whitfield, 2000).

### **Equitable process**

Having an EP is reflective of an effective performance management system (Heisler & Hannay, 2015). Part of an effective system is ensuring that HR practices are established and efficient. Providing an EP consists of the PA being delivered in a timely manner, the expectation that all employees receive a PA, and providing a clear purpose for the PA. Having such defined standards establishes measures for accountability enhancing the integrity of the process. This allows for an easy assessment in evaluating any violations. Designating clear timelines for the PA process to be implemented aligns with this approach. Additionally, the expectation that all employees receive a PA in a consistent manner is reflective of HR practices established in organizations (Lepak, Liao, Chung, & Harden, 2006). Finally, as there are numerous types of PAs utilized to enrich employee performance (Boon et al., 2019) selecting the

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appropriate measure to achieve the desired outcome must be a priority. This includes communicating the intended purpose.

### **Alignment of organizational strategies**

Knowing the organization's strategy is vital to accurately assessing how aligned the PA process is. The relational contract between the individual and the employee should encourage making this connection (Lester, Turnley, Bloodgood, & Bolino, 2002). The first stage of strategy making is framed with identifying the organization's mission and vision to assist in the development of all rules and procedures (A. A. Thompson et al., 2018 p. 22). This is the bedrock of any organization and signals to all stakeholders the source of accountability. Individuals can evaluate whether these rules and procedures are fully embraced and adhered to throughout the PA process. As managers are vital to the implementation of the PA process (Deniz-Deniz et al., 2003) assessing their adherence to the rules and procedures is essential to identifying their alignment with the organization.

### **Performance Appraisal Quality and Egoistic-Local Climate Type**

When arguing the premise that PAQ influences the PA process it is important to understand the relationship between the egoistic-local dimension and CRE. As previously discussed, the egoistic climate type is focused on self-interest placing highest priority on doing anything for the company (Victor & Cullen, 1988). This could include decisions being influenced by seeking the greatest profit for the company or the notion that good work only matters if it benefits the organization. The concept of CRE involves understanding the defined role and responsibilities (William & Anderson, 1994) that are connected to work behaviors (Van Dyne et al., 1994). It also encompasses feedback to further assist in clarifying role responsibilities (Ford et al., 2011). This includes the aspect of training which provides a

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continuous process encouraging growth and development (Whitfield, 2000). As HRM is responsible for facilitating this knowledge, feedback, and training (Steffensen et al., 2019), not providing CRE influences the perception that the individual has on the organization. For example, if role responsibilities and expectations are not clear, the employee may feel that they are not being treated fairly. If feedback, whether through verbal communication or rewards, is not forthcoming individuals may sense a lack of care or concern in supporting their advancement within the organization. Finally, if training is perceived as insufficient or over burdening not benefiting their personal advancement there is potential for a skewed perception of the organization. These factors may make them to perceive a more egoistic climate based on how they are treated. Each employee may feel like they are on their own.

Having an EP in the PA process is a key attribute to measure when understanding the egoistic climate type. Establishing an effective HRM includes ensuring HR practices are properly implemented (Lepak et al., 2006). Developing an EP that includes defined parameters sets the tone for having a process with integrity providing transparency and allowing individuals to assess the process. For example, if timelines are designated and followed individuals perceive that the organization values everyone's time and that the PA process is important to the organization's well-being. Also, having clarity in the type of process along with a clear understanding as to the intended purpose reflects the organization's desire to communicate effectively. Furthermore, if you have an equitable process, it is likely that employees feel that the organization cares about them and is fair. That will then lead to a lower perception of egoism characterizing an organization that encourages self-interested behaviors.

The final relationship of the egoistic climate type as it relates to the PA process is the AOS. Awareness of the mission and vision are critical to understanding the values of the

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organization (Thompson, Gamble, et al., 2018). This is a key factor in making a clear connection to the PA process and identifying if the mission is being fulfilled. If the PA process is aligned with the mission and vision of the organization this signals that the company wants to carry this message throughout all company practices. Management influences the perception of alignment as well. For example, if management follows rules and procedures throughout the PA process this provides evidence that the organization invests in finding individuals who are loyal in upholding company principles and values. Therefore, if the PA process is aligned with the organizational strategy it is likely that employees feel that the organization cares about all employees and how the collective whole contributes to the organization. This would lead to a low perception of egoism and a high perception of benevolence.

In sum, based on the prior arguments the following hypotheses are proposed:

*H<sub>1a</sub>*: CRE are negatively associated with the egoistic-local type of ethical climate.

*H<sub>1b</sub>*: EP is negatively associated with the egoistic-local type of ethical climate.

*H<sub>1c</sub>*: AOS is negatively associated with the egoistic-local type of ethical climate.

### **Performance Appraisal Quality and Benevolence-Local Climate Type**

Victor and Cullen (1987, 1988) identifies Benevolence in the context of ECT as the ability of individuals to have a more utilitarian perspective accepting the premise that other individuals are involved and ultimately impacted by decisions made by other individuals. Social Identity Theory (Tajfel, 1982; Tajfel & Turner, 1985) provides fertile ground to better understand and support Victor's positioning as to why individuals desire to be part of a "group". Social Identity Theory (Tajfel & Turner, 1985) assists in better understanding who we are and where we fit in within the context of a group. Additionally, there appears to be an emotional connection associated relative to the performance of the "group" because self-esteem is

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connected to the association. This makes sense and evidence points to this type of group connectedness such as sports affiliations, memberships, and even organizations. CRE from a benevolent perspective allows an individual to understand their role responsibilities as one part of a greater whole. Acknowledging their role is not in isolation but a part of a collective effort to achieve a common goal. Training is no longer perceived as personal development but an opportunity to embrace new skills that allow for a greater contribution to the organization. Finally, there is greater interest in how personal performance impacts the organization when receiving feedback. For these reasons it is likely that individuals perceive a benevolent climate type.

When evaluating EP of the PA more consideration is given to the collective perception. More tolerance may surface relative to the timeliness of the delivery process recognizing that there may be variations between departments as individual management styles may differ. Managers may approach differently but the criteria remain with all objectives met. When more time is spent with a tenured individual than with a new employee individuals understand the collective efforts and the greater purpose is to assist in bettering the organization by investing in the PA process. Such feelings contribute to the perception of a benevolent climate type. Benevolent employees are eager to embrace company rules as they accept the notion that they are a part of something greater than themselves. The mission and vision of the organization connects individuals on a united front and provides a consistent measure to evaluate the level of commitment to the organization. They understand the importance of rules and procedures as they provide the organization, managers, and employees a playbook with which to navigate appropriately. Finally, the Benevolent individual understands the importance of AOS as it is connected to the collective success of the organization which ultimately impacts employees on

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the individual level. From the Benevolent perspective individuals view being an employee of an organization as being part of a “team”. The team approach has a deeper understanding that is not just focused on wage increase or personal advancement but understands how important the performance of all employees is to organizational outcomes e.g. profit, job satisfaction, retention.

Based on the prior discussion, and for these reasons the following hypotheses are proposed:

*H<sub>2a</sub>*: CRE are positively associated with the benevolence-local type of ethical climate.

*H<sub>2b</sub>*: EP is positively associated with the benevolence-local type of ethical climate.

*H<sub>2c</sub>*: AOS is positively associated with the benevolence-local type of ethical climate.

### **Performance Appraisal Quality and Principled-Local Climate Type**

The final relationship of interest in the local dimension of ECT is that of the principled climate type and PAQ in the PA process. As company rules and procedures embody this climate type (Victor et al., 1998) it is important to recognize that such attributes assist in effectively evaluating ethical standards and expectations (Stevens, 2008; VanSandt et al., 2003) set forth by organizations. It could be said that success means following the rules and it is understood that rules are followed to the “letter”. The principled climate type allows for a clear measure of evaluation when looking at CRE. Knowledge of job responsibilities are typically provided upon employment and consider adherence to and fulfilment of, vital to the organization’s expectations. Thus, time spent reviewing in role responsibilities along with rules e.g. the company handbook, likely gives the employee a sense of law and order. If feedback is received based on rewards and incentives individuals gain insight to their performance (Leung, 2007). Finally, if training is

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provided and employees are expected to participate this suggests that following company rules is important.

There is little doubt an equitable process is not desired by employees when receiving a PA. Employees rely on HRM for effective practices that adhere to stated policies (Heisler et al., 20115). For instance, if designated timelines are assigned for the PA process allowing no exceptions to be had employees may feel a sense of law and order but acknowledge that this contributes to being treated fairly. Additionally, if the intended purpose of the PA is clearly communicated from the top down and on multiple occasions the employee may recognize that the company wants to ensure all employees have the proper information.

AOS and principled type climate are connected by a common theme of defined principles. AOS accounts for the basic understanding of an organizations mission and vision (Thompson et al., 2018) which provides the foundation necessary to guide the company rules and procedures. This awareness allows individuals to assess the alignment of such objectives to the PA process. For example, if a company's mission statement is driven by ethical standards such as having character and integrity an employee would expect that their performance would be assessed based on the driving principles of character and integrity. Additionally, an employee would be able to assess if the PA process followed the appropriate procedures which would reflect the managers ability to adhere to the guidelines outlined for the process. Accordingly, it is argued that the AOS fosters a principled climate type.

Based on the reasons provided above this will lead to the perception that the company has a principled climate. Thus, the prior discussion provides the foundation to propose the following:

*H<sub>3a</sub>*: CRE is positively associated with the principled-local type of ethical climate.

*H<sub>3b</sub>*: EP is positively associated with the principled-local type of ethical climate.

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*H<sub>3c</sub>*: AOS is positively associated with the principled-local type of ethical climate.

### **Ethical Leadership**

The concept of EL can be defined as leadership that is directed by respect for ethical beliefs and values and for the dignity and rights of others (Brown & Treviño, 2006). It is thus related to concepts such as trust, honesty, consideration, charisma, and fairness (Ciulla, 2014). Ethical leaders signal to employees that doing the right thing is expected, encouraged, and valued. They further demonstrate these characteristics embracing the responsibility by being a role model understanding that their followers are observers taking their cues as to what is right and wrong behavior (Bandura, 1986). Leaders demonstrating ethical behavior allows employees the opportunity to make ethical decisions as they feel supported (Mayer, Kuenzi, Greenbaum, 2010). The pursuit of EL continues to demand center stage for researchers as organizations continue to engage in unethical practices leading to public humility and disgrace directed at the organization (e.g., Restrepo, 2019; Waikar, 2019). Yet CEOs and executives continue to question how such indiscretions exist claiming little if no responsibility for the condition in which they find their organization (Mayer et.al, 2010). Research attention has been on this leadership phenomena particularly focusing on the executive leadership to better understand the implications of the tone at the top setting the ethical climate for the organization (Treviño, Brown, & Hartman, 2003).

One consideration to these ethical phenomena is that today's executive leaders have different priorities. These priorities have transferable tendencies that influence the ethical outcomes and the ethical fiber of the organization whether positively or negatively (Rockey et.al., 2015). Brown, Treviño, and Harrison (2005) provided strategic insights into EL research perspectives and guides attention to what constitutes EL from a non-philosophical perspective (p.

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1). Brown, Treviño et al. (2005) postulated that EL combines individual conduct reflected through personal actions and interpersonal relationships, along with the promotion of these actions evident in communication, reinforcement, and decision-making. Based on these various assertions of EL and evolution of HRP responsibilities it seems apparent that their influence extends to the ethical health and climate of the organization.

### **Human Resource Professionals as Ethical Leaders**

Now that it has been established that HRM has the opportunity to influence the ethical climate of the organization through the PA process specifically assessing the PAQ, there is an additional factor that needs to be considered, the HRPs. Despite an organization developing an effective HRM the HRPs responsible for carrying out such functions are a contributing factor that influences employee perception of the organization's climate (Demeritas, & Akdogan, 2015). The deeper consideration for this investigation is the perception of HRPs as an ethical leader influencing organizational ethical climate by an objective evaluation of the PA process. Studies have indicated EL is essential for developing the climate and culture within an organization (Demirtas; Hansen, Dunford, Alge, & Jackson, 2016; Lu & Lin, 2014; Mayer et al., 2010; Shin, 2012, Treviño, 1998). A symbiotic relationship between culture and leadership is manifested through organizational culture. Over time the culture established within an organization is usually the materialization of leader influence upon the group members. This evolutionary process facilitates stability evident in a foundational structure molding behavior within the organizational structure (Schein, 2010, p. 3). This evidence indicates and supports the theory that HRPs as ethical leaders can influence the perceptions of group members on organizational ethical climate.

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It has been established that HRPs' ethical behavior shapes the organization ethical climate (Demeritis & Akdogan., 2015). This includes recognizing they are key influencers of employees' attitudes and behaviors towards occupational health and firm performance (Bowen, 2004). The most essential yet fundamental competencies required as HRPs is the implementation and consumption of HRM as they are the frontline enforces needed to effectively communicate organizations values and expectations (Geare, Edgar, & Deng, 2006; Guzzo, 1994). Despite these fundamental expectations, the role of HRPs has changed and continues to evolve with notable contributions being recognized as strategic leaders within the organization (Caldwell, et al., 2011). Additionally, HRPs provide distinct and significant contributions pivotal in leading CSR efforts satisfying critical strategic objectives designated by organizational leaders (Glad, 2008; Sharma & Tewari, 2018; Strandberg, 2009). HRPs' influence is significant and has grown substantially within the past decade. Studied have revealed that HRPs are more likely to have a place on the board of directors than previous years demonstrating a 30% increase in a 10-year period (Rockey et al., 2015). Because of this rise in status HRPs have an increasing obligation to set the ethical standard of behavior and determine how the stakeholders will be handled (Rockey et.al, 2015). This new positioning and expectation set forth for the HRPs additionally breeds opportunity for strategic interjection of ethical accountability as a cornerstone in facilitating an ethical climate within the organization.

### **Performance Appraisal Quality and Ethical Leadership**

So how does EL of HRPs influence the PA process? It is important to recall the proposed theory that PAQ can influence the type of climate that is perceived in an organization. When examining the PA process as a source that influences employee's perception of organizational climate it is noteworthy to consider key workplace actors who contribute to employee behaviors

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and attitudes, such as ethical leaders (Brown et al., 2005) Supporting this argument it is important to understand that effective HRM is only possible through the proper implementation and oversight of HRPs (Demeritis & Akdogan., 2015). This reinforces the belief that influence of HRPs extends beyond HR practices and is pivotal to employees' acceptance of organizational beliefs and norms. As such, ethical leaders are often identified as role models allowing for individuals (employees) to observe behavior and determines what is considered right and wrong (Bandura, 1988; Trevenio et al., 2003). Literature also points to leaders who are personally committed to ethics have more robust ethical programs (Weaver, Treviño, & Cochran, 1999a). If HRP leaders are perceived as ethical, employees are more likely to embrace HRM as an ethical entity. This would extend to how the climate of the organization is perceived.

**Egoistic climate type.** In an egoistic climate, the prior evaluation of PAQ considered unfair treatment to be reflective of misunderstanding role responsibilities, lack of feedback, and insufficient training. This unfair (or negative) perspective can be offset by the exposure to HRP leaders who exhibit trustworthy or honest behavior. For example, HRP leaders who have a reputation for leading successful training programs recognized by key stakeholders allow employees to have confidence and trust in their abilities to effectively fulfill their responsibilities. Thus, if employees perceive the HRP leader as trustworthy, they are more likely to respect HRM functions and view the PA process as fair. In other words, HRP leaders can attenuate the negative relationship and make things better.

**Benevolent climate type.** The influence of an ethical HRP has footing to enhance the existing perception of benevolence that employees perceive throughout the PA process. As previously noted, ethical leaders have defining characteristics (Ciulla, 2014) and identifying behaviors (Mayer et al., 2011) that contribute to the perception of others. Such behaviors and

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characteristics can be observed based on the handling of HR practices or programs for which HRPs are responsible for (Demeritis & Akdogan., 2015). For example, viewing HRP leaders as ambassadors of ethical initiatives such as corporate social responsibility (CSR) efforts (i.e., Glad, 2008) accentuates the utilitarian perspective. Employees witnessing vigorous efforts to see the program succeed provides key connections to ethical efforts translating to the leader as being perceived as being ethical. Such displays of good-faith efforts directed towards the company and the interest of all stakeholders signals that leaders are interested in the greater good which is consistent with a benevolent climate type. Thus, the ethical influence of HRP leaders enhances the positive relationship.

**Principled climate type.** The principled perspective provides the organization with one playbook to draw from (Victor & Cullen, 1988). Decisions are founded on this framework in turn guiding behaviors. This type of environment would appear to be the most fertile for objectivity. Meaning rules and regulations would aid HRPs with making moral judgments assisting in how ethical decisions are to be made in the context of organizational issues. Perceiving HRPs as ethical would be determined by the adherence to the company rules. For example, in the event that there was a dispute among employees regarding company matters how the issue was handled by the HRP based on the rules and procedures of the organization would be instrumental in determining if in fact they were ethical. In other words, the HRP adhering to the rules of the organization appears to be appropriate ethical behavior influencing employee's perception of HRM and resulting in a greater respect for HR practices.

In sum, the prior arguments propose that EL of HRPs moderates the relationship of PAQ and ethical climate.

Based on the prior discussion the following are proposed:

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*H* 4: EL moderates the relationship of PAQ and egoistic-local climate type, such that the perception of EL weakens the existent relationship between PAQ and egoistic-local climate type.

*H* 5: EL moderates the relationship of PAQ and benevolent-local type of ethical climate, such that the perception of EL strengthens the existent relationship between PAQ and benevolent-local climate type.

*H* 6: EL moderates the relationship of PAQ and principled-local climate type, such that the perception of EL strengthens the existent relationship of PAQ and principled-local climate type.

## Methods

### Sample

The banking and finance industry was the first source used to test the proposed hypotheses as key corporations contained within these industries continue to provide fertile ground for discovering critical insights to assist organizations in their efforts to strive for ethical climates. The other source selected was the healthcare industry. The recent pandemic of Covid-19 has drawn considerable attention to the healthcare industry. In crisis environments such as these, leaders are called on for guidance and their followers become observers of their behavior. Collecting data for two industries provides opportunity for rich analysis based on such reasoning strengthens the sample size needed and power required to support the proposed hypotheses. Demographic criteria (i.e., education, gender, marriage, management) was collected for all respondents. The final data collection criteria that were obtained is relative to tenure and job satisfaction. Research conducted by Cullen et al., (2003) utilized tenure and job satisfaction as

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control variables as prior studies have connected organizational commitment and job satisfaction relevant to the relationship of ethical climate and commitment (Bateman, 1984; Mathieu & Zajac, 1990). Similarly, for this study it stands to reason that tenure and job satisfaction can impact the perception of organizational ethical climate as well as the ethical perception of the HRP.

### **Sample Size**

Sample size must be considered as it is a necessary factor that impacts data analysis results. The minimum number of observations for the maximum number of attributes for a construct is 10 when considering partial least squares (PLS; R.L.) (Thompson, Higgins, & Howell, 1994; Hair, Hult, Ringle, & Sarstedt, 2016). The research model identified in Figure 1 for this investigation indicates that a minimum sample size of 180 is necessary. However, the reduction of Type II errors (Murphy & Myers, 2003) must be considered indicating the evaluation of G\*Power needed (Faul, Erdfelder, Lang, & Buchner, 2007; Cohen & Cohen, 1975).

### **Measures**

To empirically test hypotheses for performance appraisal quality, EL, and ethical climate, appropriate measures for each variable were selected. The first variable measured was ethical climate. The ethical climate questionnaire (ECQ) created by Victor and Cullen (1987, 1988) is an appropriate measure for this investigation as the questionnaire addresses all dimensions of ECT. The ECQ consists of 36 items addressing all dimensions. However, for purposes of this research only the local dimension items were used to measure ethical climate (see Appendix A). This consists of 12 items: four items for egoistic-local dimension, four items for benevolence-local dimension, and four items for principled-local dimension. Respondents were asked to assess each

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item based on a Likert-type scale where 0 is completely false and 5 is completely true.

Respondents we asked to answer the questions relative to the following statement, “To what extent are the following statements true about your company?”

To test PAQ a new scale was adapted from prior empirical studies grounded in theoretical research focused on SHRM and HR practices (Lin & Shih, 2008; Wang, Burlacu, Truxillo, James, & Yao, 2015). Such studies identify and measure key attributes of training, strategy, role responsibilities (Lin et al., 2008) and feedback (Wang et al., 2015) connecting the primary characteristics of CRE, EP, and AOS of the PAQ variable. The measures used in these studies reflect validated scales of prior work in HRM and SHRM literature (e.g. Martell & Carroll, 1995; Collins & Clark, 2003; Linderbaum & Levy, 2010). For example, Wang et al. (2015) highlighted significant work of Steelman, Levy, and Snell (2004), Elicker, Levy, and Hall (2006), and Jawahar (2010) including the development and validation of the feedback orientation scale (FOS) of Linderbaum et al. (2010). Such foundation supports the ten dimensions identified for measuring PAQ (see Appendix C). This 10-item scale is rated on a 5-point Likert-type scale indicating the degree to which the respondent agrees with the statements provided. A sample item of the PAQ scale is “Feedback on my performance is given prior to receiving company performance appraisal.”

The final variable that was measured is EL. The EL Scale (ELS) developed by Brown et al. (2005) based on the social learning theory (Bandura, 1986) provides the necessary measures for analyzing a leader’s ethical behavior on the individual level. Items are rated on a 5-point Likert-type scale where 1 is strongly disagree and 5 is strongly agree. A sample item is, “The HRP makes fair and balanced decisions.”

### **Data Collection**

The widely-used crowdsourcing platform, CloudResearch (MTurk) was used to source participants for this study. The use of crowdsourcing platforms such as Mturk is common among researchers (Chandler & Shapiro, 2016). Early adopters of MTurk originated in computer science and continues to expand across disciplines (e.g. social psychology, consumer behavior, political science, behavioral sciences). There has been consistent and extraordinary growth reflected in the number of published articles utilizing MTurk (Chandler & Shapiro, 2016, p.55). Research supports the use of MTurk as a valid subject pool (Matherly, 2019).

The questionnaire to test the proposed hypotheses was generated and distributed utilizing the Qualtrics platform. The survey collection was terminated after receiving 220 respondents. Qualtrics responses were exported to Microsoft Excel to examine and prepare data for analysis. Cleaning of the data resulted in removing 30 respondents due to incomplete surveys or low response times, leaving a sample size of 190 (N=190). Survey items were labeled, organized, and exported to SPSS for analysis.

Job satisfaction, gender, and management role were included as control variables. Demographic information was collected to gather rich information to contribute to the uniqueness of the study. In line with the proposed industry criteria, participants largely represented the finance and healthcare industries (75%). All remaining respondents (25%) were categorized as Other. Participants worked for companies with 250 or more employees. The majority of respondents had some type of university degree (86%). Of those, a bachelor's degree (38%) and master's degree (31%) accounted for the largest portion of responses. Close to half (42%) of respondents had tenure of six plus years at their current employer and 5% had been employed in their current position for less than a year.

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### **Analysis**

Frequencies of all variables were examined to observe value distributions and to specifically evaluate categorical variables such as key demographic items and control variables. All variable items were subjected to factor analysis to examine loadings necessary to identify valid factor solutions. Once factor solutions were generated in line with KMO (acceptable  $>0.6$ ), Bartlett's test of sphericity, and Eigenvalues (acceptable  $\geq 1.0$ ), each valid factor was subjected to scale reliability testing (Table 4 presents Cronbach's Alpha for all acceptable factors). Hypotheses were tested using linear regression analysis to examine the relationships between PAQ and ethical climates. The proposed model was further tested to identify the moderating effects of EL.

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Table 4

## *Descriptive Statistics and Correlations*

**TABLE 4**  
**Descriptive Statistics and correlations**

	Mean	Std. Deviation	Gender	Mgmt.	Married	Perf App Quality	Local Egoistic	Local Benevolent	Local Principled
Gender	1.542	0.500							
Management	1.474	0.501	0.322**						
Married	1.311	0.464	0.274**	0.275**					
Perf App Quality	4.079	0.829	-0.121	-0.137	-	0.264**			
Local Egoistic	3.786	0.774	-	-	-0.121	0.167*			
Local Benevolent	3.58	0.915	0.199**	0.210**	-	0.509**	0.290**		
Local Principled	3.114	1.133	0.223**	0.240**	0.252**	0.550**	0.224**	0.635**	
Ethical Leadership	3.996	0.92	-0.119	-0.040	0.219**	0.695**	0.141	0.416**	0.414**

*N*=190

\**p* < 0.05; \*\**p* < 0.01; \*\*\**p* < 0.001

<sup>a</sup>1 = male; 2 = female

<sup>b</sup>1 = married; 2 = not married

<sup>c</sup>1 = manage others; 2 = does not manage others

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### Results

Multiple forms of analysis were conducted in an effort to explore the relationship between PAQ and the local ethical climate types. Three of the six proposed hypotheses explore potential effects of the perception of EL evaluating its relationship as a moderating variable. Results of means, standard deviations, and correlations are presented in Table 4 including control variables. Of respondents, 69% were married and 54% were female. Respondents were categorized based on managerial responsibilities within the organization identified as either “I manage others or I do not manage others.” This consideration was accounted for to examine if the level of responsibility within an organization influences PAQ. Regression analysis revealed no significant findings relative to the controls.

Prior to subjecting data to linear regression analysis factor and reliability analyses was conducted. Table 5 presents KMO, Bartlett’s test of sphericity, and Cronbach’s Alpha results from performing factor and reliability analysis for all variable components. The EL scale (ELS) is a developed and validated scale (Brown et al., 2005). In line with similar studies examining perceptions of EL (Ko et al., 2018) the ELS is considered an appropriate measure for this study.

ELS items were subjected to factor analysis for purposes relative to this study. All items loaded as one component confirming validation of the ELS scale with the reliability being 0.935. Next, the local-levels of egoism, benevolence, and principled dimensions of ECQ (Victor & Cullen, 1988) was subjected to factor analysis generating a three factor solution with reliabilities of 0.704, 0.798, and 0.825 respectively. The final variables of CRE, EP, and AOS were subjected to factor analysis. Original hypotheses reflected that PAQ would factor out into three different variables.

Table 5

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### *Results for Factor Analysis and Reliabilities*

TABLE 5  
Results for Factor Analysis and Reliabilities

	PAQ	Ethical Leadership	Ethical Climate (Local)
<b>KMO</b>	0.931	0.949	0.825
<b>Bartlett's Test of Sphericity</b>			
<i>Appr Chi-Square</i>	1289.816	1725.885	794.065
<i>df</i>	45.000	45.000	66.000
<i>Sig.</i>	0.000	0.000	0.000
<b>Cronbach's Alpha</b>	0.935	0.957	0.826

#### Factor Analysis for Performance Appraisal Quality

Items	Loadings
AOS2 The performance appraisal process is aligned with the mission and vision of the company	0.838
AOS3 Management follows company rules and procedures during the performance appraisal process	0.835
CRE3 Feedback on my performance is given prior to receiving company performance appraisal	0.83
CRE1 The job description for my current role is clearly defined	0.813
EP3 I understand the purpose of the performance appraisal	0.808
CRE2 I understand the expectations of my current role	0.794
EP2 The performance appraisal process has a designated timeline	0.777
EP1 All employees are expected to receive a performance appraisal	0.765
AOS1 I understand the mission and vision of the company	0.752
CRE4 Training is provided for the current role I am in	0.749

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When running the factor analysis for CRE, EP, AOS all 10 items loaded generating a one-factor solution. Thus, it was determined that PAQ would be one variable for the model analysis. Table 5 provides PAQ items and their corresponding loadings inclusive of their reliability results.

To investigate the relationship between PAQ and all the local ethical climate types the six proposed hypotheses were subjected to regression analysis. Table 6 presents the regression results predicting the relationships. While hypothesis 1 was not supported the results of hypothesis 2, ( $\beta_2=0.433$ ,  $p<0.001$ ) as positive and significant suggesting that PAQ is positively related to benevolent-local climates and not egoist-local climates. The results of hypothesis 3, ( $\beta_3=0.453$ ,  $p<0.001$ ) as positive and significant also indicates that PAQ is positively related to principled-local climates. The interaction effect of EL moderating the relationship of PAQ and all the local climate types (i.e., egoistic-local, benevolent-local, and principled-local) are graphically represented. While hypotheses 4 (Fig. 2) and 5 (Fig. 3) were not supported the results of hypothesis 6, ( $\beta_6=0.099$ ,  $p<0.01$ ) as positive and significant suggesting support for the sixth hypothesis indicating that the perception of EL of HRP's strengthens the positive relationship between PAQ and principled-local climate (Fig. 4).

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Table 6

*Regression results predicting relationship between PAQ, local dimension of Ethical Climate*

*Types, and Ethical Leadership interaction*

	<b>Egoistic-Local</b>		<b>Benevolent-</b>		<b>Principled-Local</b>	
	<b>Model 1</b>	<b>Model 2</b>	<b>Model 3</b>	<b>Model 4</b>	<b>Model 5</b>	<b>Model 6</b>
Gender	-0.304	-0.294	-0.200	-0.165	-0.085	-0.068
Management	-0.328	-0.321	-0.213	-0.188	0.12	0.132
Marriage	-0.024	-0.004	-0.130	-0.065	-0.139	-0.107
Performance appraisal quality	0.152	-0.035	0.433***	-0.208	0.453***	0.145
PAQxEthical Leadership		0.060		0.205***		0.099*
R <sup>2</sup>	0.080	0.289	0.310	0.362	0.317	0.333
R <sup>2</sup> Adjusted	0.055	0.083	0.291	0.341	0.298	0.311
F (sig)	3.216**	2.770*	16.552***	17.296***	17.041***	15.239***

*N = 190*

*\*p < 0.05; \*\*p < 0.01; \*\*\*p < 0.001*

<sup>a</sup>*Hypothesis 1*

<sup>b</sup>*Hypothesis 2*

<sup>c</sup>*Hypothesis 3*

<sup>d</sup>*Hypothesis 4*

<sup>e</sup>*Hypothesis 5*

<sup>f</sup>*Hypothesis 6*

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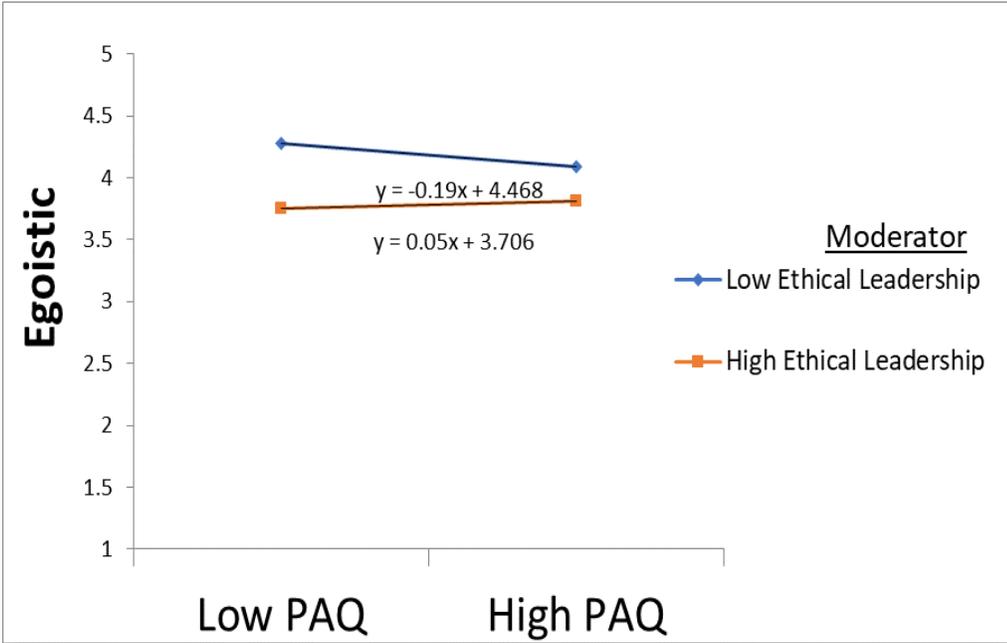


Fig. 2 Ethical Leadership dampens the negative relationship between PAQ and Egoistic.

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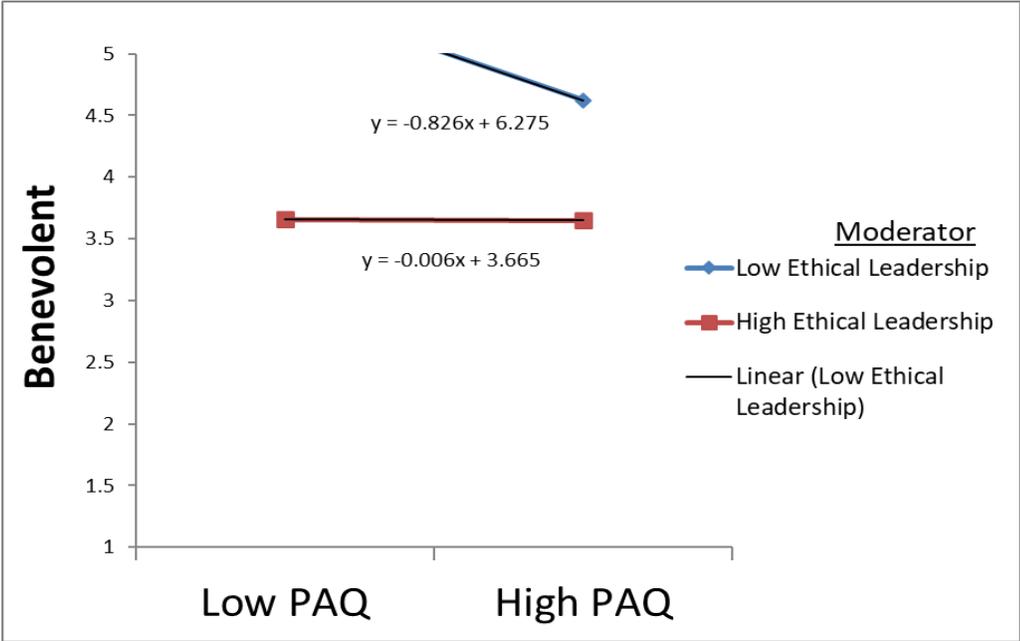


Fig. 3 Ethical Leadership dampens the negative relationship between PAQ and Benevolent.

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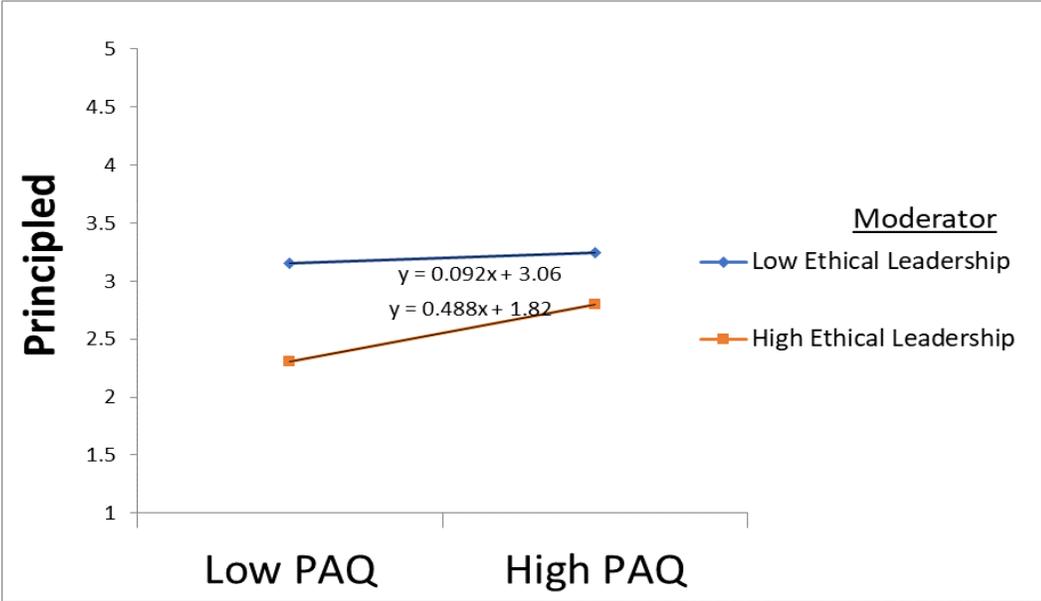


Fig. 4 Ethical Leadership strengthens the positive relationship between PAQ and Principled.

### Discussion

While businesses continue to “behave badly” despite increased regulations, financial penalties/fines, and public exposure practitioners and scholars persist in their efforts to find the source igniting unethical behavior. History signals that leaders are a critical component in determining organizational outcomes (e.g., Simha & Cullen, 2012) along with influencing behavior. Since HRM emerged as a response to unethical treatment of employees (Bodie, 2013) along with their evolving role as a significant contributor to organizational success exploring HRM as a source of resolve appears logical. This research was an attempt to explore the influence HRM has on employees’ perception of the organization. Specifically investigating the performance appraisal process and how the quality of the process influences the employees’ perception of the climate of the organization. This study also explored how HRPs are perceived as ethical leaders as they play a vital role within an organization that can contribute to behavioral outcomes that influence how the organization is perceived.

The relationship of PAQ and local ethical climate types were examined for possible effects. The effects of EL was also accessed for interaction on PAQ and the three types of local ethical climates. Three of the six hypotheses were significant in the empirical analysis. There are several key insights relative to these results. First, PAQ is positively associated with benevolent-local climate types as predicted. As previously discussed, the desire to be a part of a group (team) facilitates a sense of connectedness or belonging in turn generating emotional connections (Tajfel & Turner, 1985). Being a part of a group clarifies how vital the individual role contributes to the organization (collective whole). This perspective transfers to the enlightenment that the PA process strengthens the organization (team). Employees eagerness to embrace the

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mission and vision of the organization is a sign of unity. When employees recognize the PA process from this vantage point, they are embracing a benevolent-local climate type

Second, PAQ is positively associated with principled-climate types. This indicates there are strong ties to the company handbook. Employees see this as a valuable tool for navigating in accordance with company expectations. It is likely that this climate type facilitates employee confidence in handling company matters (i.e., PA process, promotions, conflicts). Another factor contributing to principled-local climates is observing management following the rules. This suggests that the company is successful in ensuring that their leadership is knowledgeable of the mission and vision. The final significant finding is the positive impact EL has on the relationship between PAQ and principled-local climates. This finding suggests that employees perceiving HRPs as ethical will give them more confidence that the PA process will be carried out in a manner that adheres to the rules and procedures set forth. This satisfies the belief that HRPs are a critical contributor in ensuring that such functions are carried out properly (Demeritis, & Akdogan, 2015).

### **Implications Non-supported Hypotheses**

The relationship between PAQ and egoistic-local climate did not uncover any significant findings. However, possible explanations should be considered. For example, in an egoistic-local climate assumption could be made that employees recognize the PA process as an individual assessment tool. One utilized to weed out bad employees that potentially hinder the company's bottom line. This perception would implicate such a climate. Alternatively, in light of the presence of a positive relationship between PAQ and benevolent-local climates it could be asserted that this type of climate could discourage an egoistic-local climate type.

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Additionally, the impact of EL on the relationship between PAQ and benevolent-local climates was not accurately predicted. A consideration to this outcome could be reflective of the team mentality. The team approach has a deeper understanding that is not just focused on individual perceptions. In a benevolent-local climate the assumption could be made that, “if we are all in it for the organization”, perceiving leaders as ethical would be expected therefore would not influence how the organization is perceived.

### **Conclusion**

#### **Contributions**

Several contributions have been made. First, this study has provided a new perspective in measuring the PA process by introducing PAQ as a new measure. Future work is anticipated to empirically validate this as a viable scale. This would provide a significant contribution to research in HRM. Second, this research has extended the investigation of ECT in HRM. Understanding HRP as ethical leaders contributes to the leadership literature. Investigating ECT and EL in HRM provides additional evidence that EHRM is a viable field in which HRM research can evolve. Finally, this study provided valuable information to assist organizations in providing quality human resource practices to their employees that contribute to better understanding the organization’s ethical climate. Finally, this study sought to shed light on how important leadership roles are in influencing behavioral outcomes within the organization and impacting the employees’ perception of the organization.

#### **Limitations**

Notwithstanding the significant findings there are several limitations that must be addressed. First, respondents were representative of different organizations. Although this proved to be fruitful having a multi-source study drawing from several companies would allow

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further exploration of the collective employee perception of the organization. Second, the type of PA was not identified. Although the focus of the study was attempting to explore a more objective assessment of the PA process by introducing PAQ as a new measure, knowledge of the type of PA could provide additional insight. In reference to a multi-source approach this could be beneficial for companies assessing their PA process and how it contributes to the desired ethical climate. Finally, organizational size and industry were constrained (i.e., 250 employees or more and finance and healthcare industries). Although literature does not indicate the importance of industry selection or company size unique insights could be uncovered by exploring these limitations.

### **Practical Implications**

This study provides fertile implications for practitioners to consider. First, it is important to recognize the critical role HRM plays in influencing employee perceptions of the ethical climate of the organization. This study revealed employees pay attention to how HR practices (e.g., the PA process) are handled. When employees feel connected and understand how their individual roles contribute to the collective whole to achieve organizational success, they are experiencing a benevolent-local climate. Organizations that desire this type of climate have an opportunity to effectively communicate the purpose of the PA process. This can be done in several ways. First, by highlighting how important each job at the organization is to the company's success and making sure this is reflected in the job description. Second, by ensuring that managers are providing consistent and continuous feedback prior to the official PA. Third, by allowing cross-functional training to be a part of employee development. Finally, by confirming knowledge of the mission and vision of the organization. It is important to note that the mission and vision should align with a benevolent-local ethical climate type.

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Finally, recognizing the critical role HRPs play in influencing employees' perception of the organization. Employees who value rules and procedures look to their leaders to follow company rules and administer procedures according to set standards. The HRPs should openly confirm their participation in the PA process. This transparency signals that leaders in the company are expected to follow the same rules. This in turn gives confidence that the organization is supportive of employees who follow the rules.

### **Future Research**

This study provided valuable information to assist organizations in providing quality human resource practices to their employees, contributing to better understanding the organization's ethical climate. Additionally, this study sought to shed light on how important leadership roles are in influencing behavioral outcomes within the organization that impact the employees' perception of the organization. Research in HRM and ethics needs to continue. This study has moved the needle towards closing the gap and answering the question of "What does HRM being ethical mean?" Continuing to examine how HR practices influence ethical perceptions of an organization (i.e., training, feedback) through the lens of ECT could add to prior research validating the need for a focused research stream in ethical HRM (EHRM). Until businesses and leaders stop "behaving badly" scholars and practitioners must continue to shed light on ethical issues to assist in providing solutions.

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## ETHICAL LEADERSHIP IMPACT

### Appendix A

#### Ethical Climate Questionnaire

Victor & Cullen, 1988

To what extent are the following statements true about your company?

0= Completely False, 1= Mostly False, 2 = Somewhat False 3= Somewhat True, 4 = Mostly True, 5 = Completely True

1. In this company, people are mostly out for themselves.
2. The major responsibility for people in this company is to consider efficiency first.
3. In this company, people are expected to follow their own personal and moral beliefs.
4. People are expected to do anything to Further the company's interests.
5. In this company, people look out for each other's good.
6. There is no room for one's own personal morals or ethics in this company
7. It is very important to follow strictly the company's rules and procedures here.
8. Work is considered sub-standard only when it hurts the company's interests.
9. Each person in this company decides for himself what is right and wrong.
10. In this company, people protect their own interest above other considerations.
11. The most important consideration in this company is each person's sense of right and wrong.
12. The most important concern is the good of all the people in the company.
13. The first consideration is whether a decision violates any law.
14. People are expected to comply with the law and professional standards over and above other considerations.
15. Everyone is expected to stick by company rules and procedures.
16. In this company, our major concern is always what is best for the other person

## ETHICAL LEADERSHIP IMPACT

17. People are concerned with the company's interests-to the exclusion of others
18. Successful people in this company go by the book.
19. EC The most efficient way is always the right way, in this company.
20. In this company, people are expected to strictly follow legal or professional standards
21. Our major consideration is what is best for everyone in the company.
22. In this company, people are guided by their own personal ethics.
23. Successful people in this company strictly obey the company policies.
24. In this company, the law or ethical code of their profession is the major consideration
25. In this company, each person is expected, above all, to work efficiently.
26. It is expected that you will always do what is right for the customer and public
27. People in this company view team spirit as important.
28. People in this company have a strong sense of responsibility to the outside community
29. Decisions here are primarily viewed in terms of contribution to profit.
30. People in this company are actively concerned about the customer's, and the public 's  
interest
31. People are very concerned about what is generally best for employees in the company
32. % at is best for each individual is a primary concern in this organization.
33. People in this company are very concerned about what is best for themselves.
34. The effect of decisions on the customer and the public are a primary concern in this  
company
35. It is expected that each individual is cared for when making decisions here
36. Efficient solutions to problems are always sought

## ETHICAL LEADERSHIP IMPACT

### Appendix B

#### Ethical Leadership Scale

Brown, Treviño, & Harrison, 2005

1. Conducts his/her personal life in an ethical manner
2. Defines success not just by results but also by the way that they are obtained
3. Listens to what employees have to say
4. Disciplines employees who violate ethical standards
5. Makes fair and balanced decisions
6. Can be trusted
7. Discusses business ethics or values with employees
8. Sets an example of how to do things the right way in terms of ethics
9. Has the best interest of employees in mind
10. When making decisions, asks “what is the right thing to do?”

Appendix C

Performance Appraisal Quality Scale

Adapted from prior studies (Lin & Shih, 2008; Wang, Burlacu, Truxillo, James, & Yao, 2015)

To what extent do you agree with the following statements?

1= Strongly Disagree, 2 = Disagree 3= Somewhat Agree, 4 = Agree, 5 = Strongly Agree

1. The job description for my current role is clearly defined
2. I understand the expectations of my current role
3. Feedback on my performance is given prior to receiving company performance appraisal
4. Training is provided for the current role I am in
5. All employees are expected to receive a performance appraisal
6. The performance appraisal process has a designated timeline
7. I understand the purpose of the performance appraisal
8. I understand the mission and vision of the company
9. The performance appraisal process is aligned with the mission and vision of the company
10. Management follows company rules and procedures during the performance appraisal process

CHAPTER III – ESSAY 2:

TRUST AMONG LEADERS: DOES ROLE MODELING MAKE A DIFFERENCE

**ABSTRACT**

Ethical leaders must strive to be role models in a world where divisive and corrupt behavior takes center stage distracting from the truth. Organizations rely on their leaders to serve as role models, ensuring that their behaviors are in alignment with the foundational framework established. The trust relationship between organizations and their leaders is just as crucial as the trust relationship among leaders. Social learning theory (SLT) is used as a theoretical foundation for explaining the moderating effects that ethical leadership (EL) has on the trust (cognitive and affective) relationship between faculty and administrative leaders within higher education institutions (HEIs). It is argued that the increase of leader collaborative decision making (CDM), the frequency of leader interaction (LI), and RC(RC) of leaders will positively impact the trust relationship such that the moderating effect of EL will provide a greater level of trust among leaders. Data were collected from surveys of faculty and administrators serving in leadership roles in HEIs to examine the trust relationship that exists between leaders as well as the perception of EL. Findings support two hypotheses indicating the potential for further research using a larger sample size to provide additional insight supporting theoretical positioning.

*Keywords:* trust, ethical leaders, role models

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### Chapter III: Essay2: Trust Among Leaders: Does Role Modeling Make a Difference

Leaders are an essential component to the organizational structure as they influence individuals within a group setting (Bass, 1990). Leaders have been propositioned with the responsibility of initiating trustworthy behavior so as to influence the trust relationship that exists between the organization, the group, and the individual (Whitener, Brodt, Korsgaard, & Werner, 1998). Scholars have contributed significant research focused on trust elevating the construct to a level such that leaders can no longer ignore its impact value of interpersonal relationships (Lewicki, Edward, & Gillespie, 2006). This trust relationship is key in organizational outcomes spilling over to all stakeholder relations. Although specific leadership styles have been identified as influencers of behavioral outcomes (Farahnak, Ehrhart, Torres, & Aarons, 2019) trust is also a formidable contender responsible for breeding successful individual-level outcomes such as organizational citizenship behavior, job performance, turnover, and job satisfaction (Deluga, 1995; Dirks & Ferrin, 2002; Flaherty & Pappas, 2000; Robinson, 1996). More specifically EL has been linked to employee and firm performance by influencing behavior (Bouckennooghe, Zafar, & Raja, 2014; Shin, Sung, Choi, and Kim, 2014; Walumbwa et al., 2011). Taking a deeper-dive into leader influence, there must be consideration given to the influence leaders have amongst themselves. Johnson (2014) indicates that leaders possess a unique role such that they are interested not only engaging in the needs of their followers but are concerned with other leaders' interests as well.

To investigate further this unique leader–leader perspective attention is drawn to the ,shared governance structure familiar within the context of higher education institutions (HEIs). The complex nature of the organizational structure that exists in HEIs causes questions regarding which type of leadership is most effective (Norman, 2019; Spendlove, 2007). For quite some

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time, HEIs have been identified as divided institutions (faculty and administration) such that there are two structures acting in parallel (Corson, 1960). Often this type of leadership is seen as ambiguous and contested (Bahls, 2014a; Petrov, 2006) yet the independent thought, creativity, autonomy and academic freedom is embraced as the institutions source of strength (Middlehurst, 1993). Birnbaum and Edelson (1989) attributes confused relationship as a consequence of disorganization. Burns and Mooney (2018) agree with prior studies (Norman, 2019; Spendlove, 2007), implicating the deficiencies associated with which type of leadership styles are most effective within the context of HEIs. Similar concerns surround HEIs' decision-making effectiveness impacted by traditional business-like leadership characterized by the vertical relationship indicating the need for more integration of horizontal dimensions (Bradshaw & Fredette, 2009). Burns and Mooney (2018) introduced the concept of transcollegial leadership perspective as an alternative and modern approach in HEIs indicating leadership effectiveness move towards increased horizontal dimensions such as leader–leader exchanges.

As curiosity is sparked relative to the influences, leaders have amongst each other further investigation will focus on the trust relationship that exists among leaders (faculty/administration) within the context of HEIs. Studies indicate innumerable leadership attributes, such as transactional and transformational, influence follower behaviors and organizational outcomes (Howell, & Avolio, 1993; Farahnak et al., 2019). Research has also shown when there is evidence of mutual trust among leader and subordinate task performance and interpersonal facilitation are increased (Kim, Wang, and Chen, 2018). Such research provides a logical approach to further investigate the unique relationship that exists among leaders, which appears to be a deficit in the literature. To begin resolving the debate of leadership effectiveness in the context of HEIs this research draws on the leader–follower relationship to

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investigate and further understand the relationship that exists among leaders in HEIs looking at trust as a measurable outcome.

Trust is a well-established construct as a guiding force for organizational success and as it relates to interpersonal relationships including supervisor-subordinate relationships (Tan & Lim, 2008; see also Dirks and Ferrin, 2002; McAllister, 1995). Kezar (2004) found that trust among leader relationships was key to effectiveness superseding the organizational structure (shared governance). Trust is a crucial component for any relationship to be effective (McAllister, 1995). The level of trust is equally important as there are evidence-based outcomes relative to varying levels. The concept of SLT provides the framework for understanding the ethical responsibilities that leaders have specifically looking at how leaders are role models to each other. Further, role modeling is critical to the leader-follower relationship (Bandura, 1977). For these reasons it will be established that role modeling is vital to the leader-leader relationship as well. Literature has provided evidence that increased levels of trust and EL (Chughtai, Byrne, & Flood, 2015; see also Kim, Wang, and Chen, 2018) positively impact employee performance. Organizations rely on their leaders to serve as role models ensuring that their behaviors are in alignment with the foundational framework established. The trust relationship between the organization and their leaders is just as crucial as the trust relationship between the leaders.

This in turn will enhance leadership effectiveness within the organization. Similar studies look at trust through the lens of agency theory and social exchange theory to further understand the relationship between the employee and the manager relative to economic motivators and relational interactions (Whitener, Brodt, Korsgaard, & Werner, 1998). For purposes of this research focus is on the situational influences of EL as they relate to individual level outcomes (Ko, Ma, Haney, & Kang, 2017: 112) specifically leaders in HEIs.

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The organizational complexity within HEIs (Birnbaum, et al. 1989) impacts leader relationships for a variety of reasons e.g. reporting structure not clearly defined, accountability is often unclear, or having multiple leadership roles. To address such ambiguities and drawing from previous research (Lewicki & Bunker, 1996; Lewis & Weigert, 1985; Rizzo, House, & Lirtzman, 1970) three determinants of trust are chosen proposing that the increase of CDM, the frequency of interaction, and RC among leaders will strengthen the trust relationship. Collaboration and interaction focus on the interpersonal relationship side of trust or affect (emotion) perspective attempting to capture the emotional connections or bonds (McAllister, 1995) made when leaders interact and collaborate. Hollander (1992) also points out that leaders and followers have complimentary roles such that collaboration is an essential component to be an effective leader. Role clarity taps into the cognitive side of trust McAllister proposes. This can also be supported by knowledge-based trust proposed by Shapiro, Sheppard, and Cheraskin (1992) suggesting that “knowing” someone provides opportunity to predict behavior.

Finally, this research focuses on EL as a necessary calling for leaders as university scandals, such as the “Varsity Blues” with over fifty indictments involving coaches, parents, and students (Jaschik, 2019), continue to plague HEIs. In 2012 we saw the egregious child abuse cover-up facilitated at the hands of those in power only to avoid the consequences of bad publicity (George, 2012). Duke University recently paid out \$112 million because of scientific misconduct (Osei, 2019). Leaders becoming immune to ethical indiscretions only contribute to greater adversity impacting the organization and leadership effectiveness. As such, indiscretions of leaders evolve over time often influence onlookers mimicking observed behaviors resulting in incomprehensible outcomes previously indicated. For these reasons attention is given to further understand and identify behavioral loop-holes.

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The present study attempted to answer two questions:

1. Will increased frequency of leader interaction, leader collaboration in decision-making and leader RC strengthen trust between leaders?
2. What is the moderating effect of EL on trust that exists between leaders?

These two questions provided the foundation and framework for hypotheses development and allowed for empirically testing the level of trust among leaders. This research attempted to provide insight into the influence of specific behavioral interactions of leaders. Successful contributions are considered in three areas. First, this research contributes to the body of literature for EL relative to trust, in particular by utilizing SLT (Bandura, 1977) as the framework to explain how the moderating effects of EL supports the impact that role modeling has on the effectiveness of behavioral outcomes relative to leader relationships. Second, this research provides practitioner insights that have significant utility relative to HEIs as it relates to the leader–leader relationship. Providing empirically supported evidence to encourage tenured and future leaders (faculty and administrative) to embrace the influence role modeling has among leaders. The primary outcome is to increase trust through developing effective training models as well as purposeful processes designed for increased leader engagement in an attempt to enhance leader effectiveness. Finally, and most critical is identifying the influence leaders have on each other as ethical role models in turn pushing the leadership literature into a focused direction towards further understanding the influential role leaders play amongst each other as further noted in figure 1 below (theoretical model is identified in figure 2).

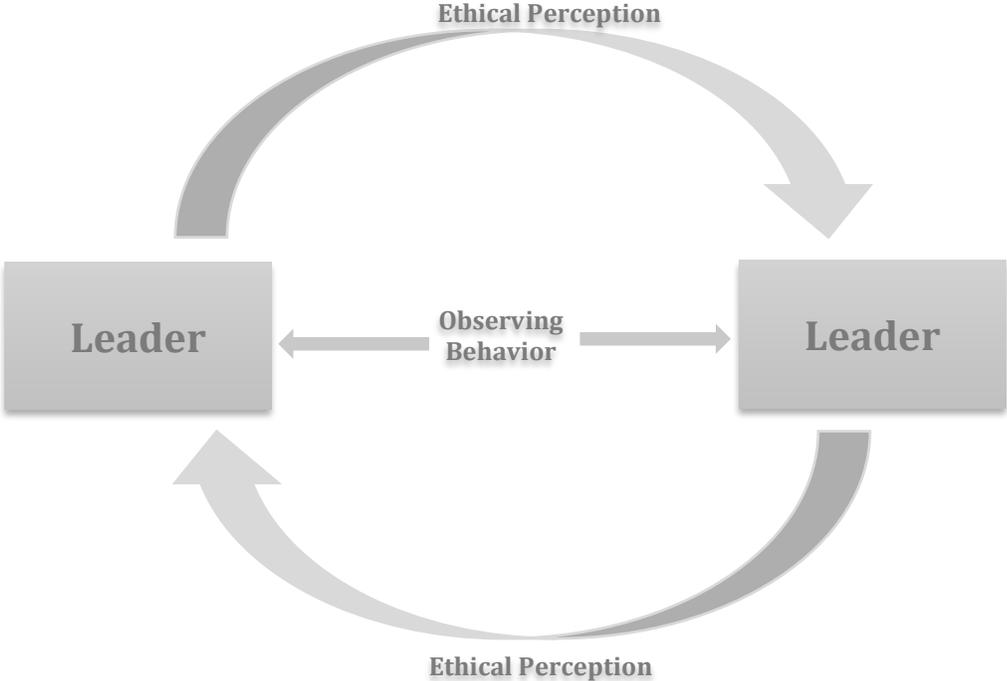


Figure 1 Leader–Leader relationship model

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This perspective has influenced a new lens with which to assist in mitigating ethical dilemmas and to further understand the potential effects of behavioral influences among leaders. Having a new frame of reference and a model to consider in assisting with leadership development specifically looking at how leaders have the potential to influence behavior and ultimately ethical dilemmas that may arise.

### **Theory and Hypotheses**

#### **Trust: Cognitive and Affective Based Trust**

Trust is a crucial component in sustaining individual and organizational relationships (Brower, Lester, Korsgaard, & Dineen, 2009; McAllister, 1995). Developing and maintaining trust relationships among specific organizational members operating in a cohesive manner contributes to efficiency and overall performance (Colquitt, Scott, & LePine, 2007; Dirks and Ferrin, 2002). Seabright, Leventhal, and Fichman (1992) argue that the trust relationship is a determining factor in effective outcomes. Yang and Mossholder (2010) also attribute perceptions of trust to effective leadership within the organization. Identifying trust as a critical element of performance outcomes and effective leadership it is essential to understand the implications trust has within leadership relationships. Additionally, understanding the cognitive and affective processes of trust will provide further understanding of the psychological implications upon leadership behavior (Yang et al., 2010).

Lewis and Wiegert (1985) identified the interpersonal foundation of trust as having both cognitive and affective aspects. Cognitive-based trust indicates that the individual determines who they will trust in what capacity and under what conditions. Affective-based trust considers the emotional bonds between individuals such as emotional investment in the relationship as well as care and concern. This emotional investment in the relationship assumes reciprocation as a

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contributing factor in the trust relationship (Lewis et al., 1985). McAllister (1995) shares similar perspectives such that cognitive-based trust is reflective of “individual beliefs about peer reliability and dependability” (p. 25) and affective-based trust is “reciprocated interpersonal care and concern” (p.25). Both Bandura (1977) as well as Davis and Luthans (1980) agree that reciprocation among individuals is dependent on both the environment and the person acting as one unit which establishes the level of reciprocated behavior. Defining the behavioral components of cognitive and affective-trust and their interdependent relationship provides insight into how the level of trust impacts the leader relationship. This provides footing to support the theory that role modeling can be an effective tool for supervisors if they view each other as dependable and reliable in their role as well as exhibiting a level of care and concern towards each other.

### **Social Learning Theory**

The foundational premise of social learning theory (SLT) (Bandura, 1977, 1986) suggests that ethical leaders act as role models influencing followers to adopt ethical practices such that their behavior will reflect moral decision-making norms. Individuals can learn and even adopt new behaviors by observing the consequences of others (McDowell, Agarwal, Miller, Okamoto, & Page, 2016). Davis and Luthans (1980) share similar views suggesting that individuals are influenced by their environment, meaning there is a reciprocal relationship. The assertion that observation and situation is foundational in influencing behaviors is critical to understanding the effects of role modeling. Additionally, Bandura (1977) posits that it is the combination of operant and cognitive learning that an individual experiences when observing an individual. This combination influences how an individual will respond.

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Prior research has examined SLT as a foundational explanation for EL as it related to future business leaders and how ethical role modeling affects behavioral outcomes. For example, Hanna, Crittenden, and Crittenden (2013) observed students from 36 different countries and while considering the influence of social influences and laws identified that role modeling influenced ethical behavioral outcomes. It is important to recognize that there are three contributing factors to consider to fully understanding the foundational premise of SLT. The concept of SLT provides insight into how observing leaders in specific situations is highly influential in similar behaviors being imitated. This brings us to the aspect of role modeling as it relates to SLT. It is often through observation of others' behavior that we are inspired to change. As ethical leaders are charged with behaving morally, we could characterize their role modeling as moral work. Hart (1992) identified moral work as not having a beginning and an end but emulating a consistent ethical behavior perspective. To truly be an effective role model consistency is a critical component for behavior outcomes.

The theoretical framework developed for this research is outlined in Figure 2. The following discusses the effect that CDM of leaders, the frequency of interaction of leaders, and RC among leaders have on the trust relationship and how EL will moderate these relationships such that they will provide a greater level of trust among the leaders.

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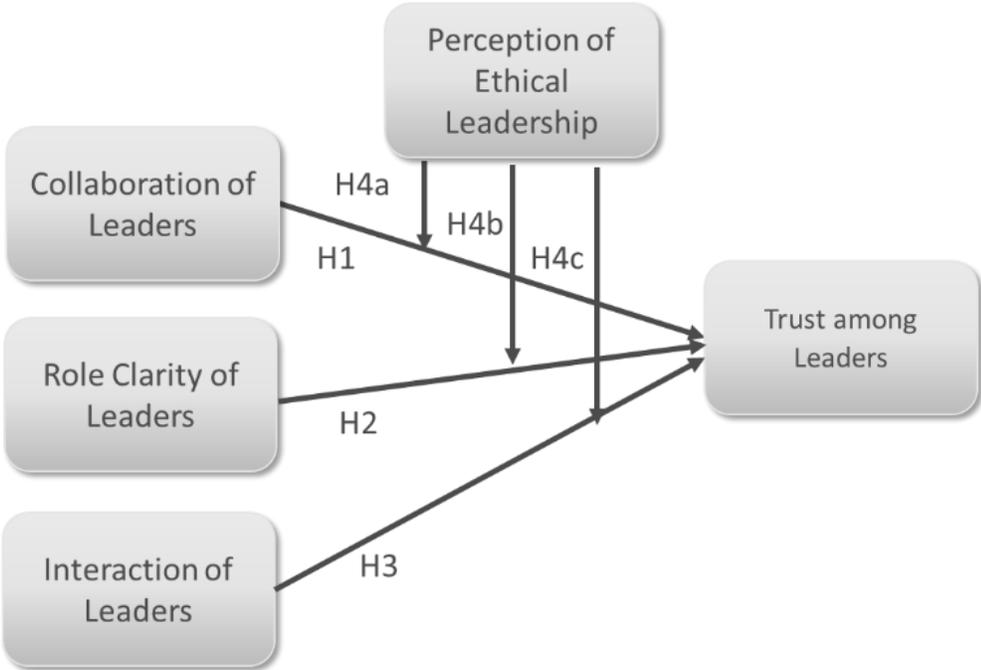


Figure 2 Trust model moderated by the perception of ethical leadership (faculty and administration) within higher education institutions.

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### **Collaboration in Decision-Making**

Willingness to collaborate is a critical component to obtain interaction necessary to make effective decisions. Collaborative behavior can be identified as a mutual relationship among leaders combining resources and perspectives to share in a common goal. Aligning expectations of accountability, level of authority, and shared responsibility (Mattessich & Monsey, 1992; Wood, D. J., & Gray, 1991). An individual's willingness to effectively collaborate in decision-making can be related to one's communication traits (Anderson, Martin, & Infante, 1998). Witteman (1988) identified that the behavior component of communication is positively related to satisfaction in problem solving. Additionally, Witteman indicated that the mutual sharing of thoughts and ideas indicated an individual's involvement in the process. Collaboration characteristics have been identified in literature as assertive and cooperative communication in decision-making or difficult situations (Anderson et al., 1998) indicating that heightened awareness of executives regarding the effectiveness in collaboration in determining key strategic alliances (Rondinelli, & London, 2003) is valid approach for achieving optimal organizational outcomes.

Watson and Foster-Fishman (2012) looked through the lens of social exchange theory and social boundaries theory (SBT) as contributing factors that impact collaboration in decision-making. They indicated that decision making is challenging within "communities" such that contributors of decision making do not have equal voice (Watson et al., 2012). SET establishes that power develops through exchange of resources to further satisfy ones needs (Emerson, 1976). Valuable resources for leaders can include more power over an individual (employee) or reporting expectations. Although leaders may have separate but similar responsibilities the level of authority varies depending on the leadership role and the context. This can reflect inequity of

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voice and in turn hinder the collaborative process. Another issue relative to my research that hinders equitable exchange in CDM is the understood power distance that each plays among leaders. SBT is grounded in the understanding that socially constructed norms or social boundaries can also determine contextual power. Over time these norms become the unspoken actions that influence behaviors (Hayward, 1998). It is also important to understand that the resources available and SLT and SBT provide insights as to the level of equitable power an individual has including the societal norms that place power (e.g. level of authority given in-role) influence CDM.

Other arguments provide insight into the need for collaboration to influence trust relationships. Collaboration in interpersonal relationships has proven to be an accepted strategy in successful alliances (Nielsen, 2004; Todeva, & Knoke, 2005) providing a platform for trust to develop in an economic exchange. The willingness for business' to engage in equitable conversations provides voice leading each exchange to increasing the trust level necessary to make effective decisions for the organization. Lewicki and Bunker (1996) identified the moderating role of trust in collaboration as an incremental process that evolves as the relationship develops. Trust in collaboration has also been a result of organizational arrangements designed to facilitate an increase in the level of trust individuals working together acquire (Zuker, 1986).

There are three things to consider relative to CDM. First, when leaders are assertive and willing to actively participate in collaboration decision-making the more likely they are willing to give equal voice in the collaboration process. Second consideration is realizing that equity of voice in collaboration allows leaders to listen and consider contributions made from all individuals despite the level of power or authority relative to defined roles. Third,

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acknowledging that the position of power does not equate to being the final decision maker even though societal norms often indicates. I argue that in order for CDM to be effective between leaders there needs to be a willingness to collaborate, equity of voice, and a shared level of contribution from all individuals thus the attainment of these three components will positively contribute to the level of trust among the leaders. Based on this argument I hypothesize the following:

*H*<sub>1</sub>: The levels of leader collaboration in decision-making are positively associated with the levels of trust.

### **Role Clarification**

Organizations rely on their leaders' expertise and experience for which they were hired with the assumption that they will be fully engaged in fulfilling their role in order to effectively contribute to organizational strategies for successful outcomes (Thompson, et al., 2018). RC is a clear understanding of the responsibilities assigned to an individual e.g. tasks, obligations, objectives, and expectations, for which the individual is responsible for (Hinkin & Schriesheim, 2008; Katz & Kahn, 1978). Ebbers and Wijnberg (2017) provide a foundational perspective regarding the conflicts that arise when organizational roles have not been clearly defined. Prior studies indicate the negative impact of organizational outcomes such as lower commitment and lower performance when role conflict and ambiguity exist (Rizzo, House, & Lirtzman, 1970). Ebbers et al. (2017) also points out the positive implications of role conflict and role ambiguity as it can facilitate the need for individuals to define their role in turn influencing others to redefine their role. The literature indicates that role responsibilities are concerned with what an individual perceives their responsibilities are within the organization based on their relationships

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(Sluss & Ashforth, 2007). The ability to clearly understand and fulfill role responsibilities is the challenging component as leaders within HEIs often have multiple leadership roles clouding the line of where one ends and the other begins. When perspectives and or interpretations differ or priorities collide role conflict can emerge. When visible authority is not present there is the potential to assert authority beyond defined role. This type of behavior diminishes trust among leaders. When roles are clearly defined and understood knowledge transfer or exchange is not as threatening. The level of confidence is increased in turn strengthening the trust relationship therefore we propose the following:

*H<sub>2</sub>*: The levels of leader RC is positively associated with the levels of trust.

### **Frequency of Leader Interaction**

Research has indicated that leader interaction positively impacts the ability for leaders to be supportive (Baker-Eveleth, Chung, Eveleth, & O'Neill, 2011). This interaction influences behaviors not only by observing but through the act of engagement via interaction (Wenger, 2000). Hegtvedt and Turner (1989) identified social interaction as “the process whereby the overt movements, overt deliberations, and basic physiology of one individual influences those of another and vice versa.” Drawing from this perspective leader interaction can be identified as purposeful actions that facilitate engagement focused on discussions in a physical environment such that the interaction influences behavior. Turner (1988) approaches the concept of social interaction as a theoretical positioning posturing that there are three fundamental properties: motivational, interactional, and structuring. Turner indicates that these constituent elements can be seen at the micro level of behavior. Derived from the social interaction theory (SIT) (Turner, 1988) leader interaction can be assessed as motivational factors contributing to the individuals

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desire to interact or engage in purposeful communication. Additionally, the interactional factors consider what the leader is actually doing to influence behavior. Structuring, the final component of SIT indicates that social interactions are often frequent occurrences inclusive of specified meeting location. Thus, it can be considered that SIT assists in understanding that the frequency of interaction between leaders provides a layer of accountability that can be linked to cognitive and affective trust. Cognitive-based trust described as reliable or dependable can facilitate a baseline necessary to establish expectations in relationships (McAllister, 1995).

Met expectations provide opportunities to further invest in the relationship indicating a level of trust is emerging. Consistent and frequent interaction provides opportunity for the expectations to be met affirming cognitive-based trust. Because affective-based trust considers the emotional bonds and motives of the others behaviors it is critical for supervisors to engage in frequent interactions where there is sufficient information to effectively determine appropriate contributions to the relationship (Lewis et al., 1985). For example, these interactions provide opportunities to discuss things as role discrepancies that arise and in turn reduce misunderstandings. Scandura, Graen and Schiemann (1978) hold true to the notion that there is a natural reaction to move away from those who are not trusted, therefor minimizing communication or interaction. This psychological reaction emerges as an emotional or cognitive response based on prior interaction. Based on these claims interactions can impact the level of trust leaders have with each other. Establishing a framework of consistent interaction assist in reducing potential conflict. Clarity in directives, effectively utilizing resources, and common goal setting strengthens the relationship such that effective levels of trust can be established. Therefore it is proposed,

*H<sub>3</sub>: The levels of leader interaction are positively associated with the levels of trust.*

### **The Impact of Ethical Leadership**

Prior discussion determined that leadership behavior is critical to follower outcomes (Johnson, 2014). Understanding EL as it relates to SLT provides additional insight into the behavioral outcomes associated with our proposed theory such that trust among leaders is impacted. Treviño and Brown (2006) indicate that EL involves ones' personal moral behavior and moral influence. This would indicate that leaders have the ability to impact others moral behavior through observing consequential outcomes of certain behaviors e.g. rewards and punishments (Ko, Bartnik, Haney, & Kang, 2018). This leads to the assumption that observing virtue on a daily basis would translate into highly moral behavior on the part of the observer. However, it could be argued that outside of the context with which the role model was being observed there may not be consistent behavior. This example provides insight and support to Bandura's position that it is the combination of observation and situation that impact behavior most effectively.

Although the literature continues to call on scholars to further investigate EL antecedents and outcomes significant findings continue to support evidence of behavioral outcomes attributed to EL (Brown & Treviño, 2006). Brown, Trevino, and Harris (2004) review the EL literature in an attempt to uncover a distinct understanding of EL. Interviews with top executives and ethics compliance officers indicates that ethical leaders exhibit characteristics of being honest and trustworthy (Treviño et al., 2002, 2003). Ethical leaders have also been associated with being moral managers indicating their ability to identify and influence followers (Treviño, Hartman, & Brown, 2000). EL is another determining factor that increases the level of trust to even higher levels. SLT (Bandura, 1977) provides the framework for establishing the perspective that if EL is observed (leaders see each other as a role model) there is the potential for behavioral

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changes to occur. Research has established that EL is positively related to trust (Brown, Trevino, & Harris, 2005). Additionally, leader effectiveness outcomes, willingness to exert effort on the job, and reporting conflict to management have also been connected with EL. Role modeling does influence ethical behavior (Hanna, Crittenden, & Crittenden, 2013). This role modeling has been primarily within the context of the leader-follower relationship exchange. This research proposes that role modeling is vital to the leader- leader relationship as well. SLT has identified that ethical leaders act as role models influencing follower behavior (Bandura, 1968, 1977) such that these influences contribute to positive outcomes relative to the individual and the leader-follower relationship. This research proposes that there are several factors that can increase this level of trust between leaders such as CDM, RC and frequency of interaction. There is a unique and implicit connection that exists among leaders to be influencers of ethical behavior which is identified as the leader-leader relationship. The consideration of this unique leader-leader relationship if perceived to be ethical can enhance the effectiveness of leader collaboration, leader RC, and leader interaction to further develop trust amongst leaders.

**Ethical Leadership and Leader Collaboration.** Organizations rely on collaborative leadership behaviors (Burns et al., 2018) to enrich the decision-making process allowing for the full effects to be evident not only in positive organizational outcomes (Nielsen, 2004; Rondeinelli et al., 2003; Todeva et al., 2005) but in leader-leader relationships (Hollander, 1992). Expanding further, collaboration extends the trust relationship as it increases engagement deepening the level of interest among leaders (Johnson, 2014). Just as collaboration assists in the trust relationship among leaders it is noteworthy to consider leaders perceived as ethical could influence the relationship such that there is opportunity for a greater level of trust to emerge. Thus it can be regarded that collaboration engages leaders for a designated purpose allowing for

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observation to occur and behavior to be influenced. This situational context of collaboration among leaders perceived to be ethical reflects the foundational premise of SLT supporting the proposed hypothesis:

*H<sub>4a</sub>*: EL moderates the relationship between leader collaboration and trust, such that leader collaboration relates to more trust when EL is high and to less trust when leader collaboration is low.

**Ethical leadership and role clarity.** As previously discussed leaders play a critical role within HEIs especially when there are potential overlapping leadership responsibilities. Additionally, it is further established that trust is a key factor in establishing a cohesive relationship among leaders (Tan et al., 2008; Dirks et al., 2002; McAllister, 1995). This leadership role is vital in achieving optimal outcomes reflective of organizational objectives facilitated through clearly defined role responsibilities (Ebbers et al., 2017). Because of said considerations clarity in leader role responsibility in turn has the ability to influence other leaders to fully understand role expectations providing fertile ground for ethical perceptions to impact leader relationships (Treviño et al., 2000) deepening trust among the leaders (Treviño et al., 2002, 2003). For these reasons the following is hypothesized:

*H<sub>4b</sub>*: EL moderates the relationship between leader RC and trust, such that leader RC relates to more trust when EL is high and to less trust when leader RC is low.

**Ethical leadership and leader interaction.** To further discuss the impact of EL on leadership interaction as it relates to trust it is important to reflect on the prior discussion of SIT (Turner, 1988). SIT denotes the interrelated factors of motivational, interactional, and structuring

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processes that influence behaviors. Also, proposed was the notion that frequency of interacting allows for further accountability being able to observe met expectations thus allowing for the level of trust to emerge. Keeping in mind that ethical leaders have been associated as being moral managers (Treviño, Hartman, et al., 2000) interaction among leaders allows each leader to be in a position to observe and influence others behavior. Therefore interaction among leaders provides an opportunity to formulate attitudes towards other leaders as to their moral behavior ultimately developing a perception of how ethical they are. Since Brown, Trevino, et al, (2005) found that EL is positively related to trust and considering the potential influence leaders have among each other when interacting it is natural to consider the following hypothesis:

*H<sub>4c</sub>*: EL moderates the relationship between leader interaction and trust, such that leader interaction relates to more trust when EL is high and to less trust when leader interaction is low.

## Methods

### Sample and Procedure

A study was conducted surveying faculty and administrators serving in leadership roles in HEIs in the Southcentral region of Wisconsin to examine the trust relationship that exists between leaders as well as the perception of EL. Data were collected from two types of respondents using the same data-collection procedures. The first type of respondent was from the administration side of the institution selecting individuals having a leadership role as defined within HEIs. The second type of respondent was from the academic side of HEIs selecting individuals possessing faculty in leadership roles e.g. department chair, committee member. After obtaining IRB approval a formal request was made to the Human Resource Department to

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obtain an email list of currently employed faculty and administrative positions. The list obtained from the Human Resource Department did not include specific position titles therefore it was not possible to determine faculty or administrative responsibilities. For this reason our survey provided an initial qualifying question to determine role responsibility: Which of the following best describes your leadership role.

Invitation e-mails were sent explaining the study's purpose and requesting participation. The e-mail ensured that the respondents' information would be treated confidential available only to the principal investigator and research sponsor. Contact information was provided to assist with any questions or concerns regarding the research. To assist with security measures Qualtrics was used to ensure security for both the respondents and approved researchers. Respondents were made aware that the data collected could be used in future publication so participation was optional and at any point could choose to no longer participate. A URL link provided in the email message to an online instrument (Qualtrics) where respondents were first introduced to an informed consent page prior to beginning the survey. This consent provided a brief description outlining the purpose of the study. Once consent was given respondents were asked to indicate if they were in a leadership role based on the definition provided. If a respondent indicated that they were in a leadership role they were able to move forward with the survey. Nonresponse bias was assessed by sending out the invitation email at two different times within a two-week interval. Early responders were identified as those responding within the first week. The anticipated sample size was 200 respondents of which 228 responses were received. Of the 228 responses 158 had to be dropped due to incomplete responses leaving our sample size at 66. Possible reasons as to incomplete surveys could be due to not fitting the definition of a leader relative to the study or no longer wanting to participate in the research.

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### Measures

To empirically test the hypotheses validated scales for CDM, role clarity, frequency of interaction, and trust were adapted for purposes of the study (see Table 1 for variable definitions). The decision-making collaborative scale developed by Anderson et al. (1998) was used to measure the first variable. This thirteen- item scale was developed and validated based on verbal and nonverbal items surrounding a person's "willingness to participate collaboratively in decision making" (p. 247). Adapting from the forty- nine item scale from House, Schuler, and Levanoi (1983), twelve items were identified to measure role clarity. These items were measured on a seven-point scale (1 – strongly disagree, to 7 – strongly agree). Drawing from Wilson (1988) frequency of interaction were measured utilizing four items on a seven-point Likert scale ranging from 1 (once or twice in the last six months) to 7 (many times daily). To measure trust (cognitive and affective) the five items of affect-based trust and six items of the cognition-based trust from the Behavioral Response and Interpersonal Trust Measures developed by McAllister (1995) were utilized. Each item was measured on a seven-point scale (1 – strongly disagree, to 7 – strongly agree). These items are appropriate measures as they are specifically designed to measure behavioral responses associated with trust towards a specific peer.

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Table 1

### *Construct Definitions and Operationalization*

Construct	Definition/Background	Operationalized
Trust (Cognitive-based & affective-based)	Cognitive-based trust indicates that the individual determines who they will trust in what capacity and under what conditions. Affective-based trust considers the emotional bonds between individuals such as emotional investment in the relationship as well as care and concern (Lewis and Wiegert, 1985)	McAllister (1995) Behavioral Response and Interpersonal Trust measure - 5 items of affective-based trust and 6 items cognitive-based trust.
Interaction	Derived from the social interaction theory leader interaction can be assessed as motivational factors contributing to the individuals desire to interact or engage in purposeful communication (Turner, 1988)	Wilson (1988) utilizing 4 items to measure interaction of leaders.
Collaboration	Collaboration characteristics have been identified in literature as assertive and cooperative communication in decision-making or difficult situations (Anderson et al., 1998).	Anderson et al. (1998) validated 13 item scale to measure collaborative decision-making among leaders.
Role Clarification	Role responsibilities are concerned with what an individual perceives their responsibilities are within the organization based on their relationships (Sluss & Ashforth, 2007).	House, Schuler, & Levanoni (1983) 12 items out of the 49 items identified to measure role clarification of leaders.
Ethical Leadership	Ethical leadership involves one's personal moral behavior and moral influence (Trevino & Brown, 2006).	Kalshoven et al. (2011) Ethical Leadership at Work (ELW) questionnaire 38 items to measure the moderating effects of perceived ethical leadership of other leaders.

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### **Analysis**

All variable items were subjected to factor analysis to examine loadings necessary to identify valid factor solutions. Once factor solutions were generated in line with KMO (acceptable  $>0.6$ ), Bartlett's test of sphericity, and Eigenvalues (acceptable  $\geq 1.0$ ), each valid factor was subjected to scale reliability testing. Frequencies were also evaluated to review control items and account for any data entry issues. Although the literature indicates significant research on trust relationships it appears that there is no prior research reflecting the variables that were looked at for purposes of this study. The hypotheses were tested using linear regression analysis to examine the relationship that leader interaction, leader collaboration, and RC have on trust. The proposed model was further tested to identify the moderating effects of EL.

### **Results**

Similar to the prior study, multiple forms of analysis were conducted in an effort to explore the relationship that leader interaction, leader collaboration, and role clarity have on the trust relationship of leaders. Three of the six hypotheses explore potential effects of the perception of EL evaluating its relationship as a moderating variable. Results of means, standard deviations, and correlations are presented in Table 2 and includes control variables. The controls for this study were gender and role. Over half (57%) were female. Respondents were asked to identify their role as faculty (28%) or administration (72%). This consideration was accounted for to examine potential differences that exist relative to leader relationships. Regression analysis revealed no significant findings relative to the controls. Prior to subjecting data to linear regression analysis factor and reliability analysis was conducted. Table 3 presents KMO, Bartlett's test of sphericity, and Cronbach's Alpha results from performing factor and reliability analysis for all variable components. Since the leader

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Table 2

*Descriptive Statistics and Correlations*

	Mean	Std. Deviation	Gender	Leadership Role	Trust	Interaction	Collaboration	Role Clarification	Ethical Leadership
Gender	1.576	0.498							
Leadership Role	1.727	0.449	0.094						
Trust	3.879	1.156	-0.057	-0.020					
Interaction	3.523	0.741	0.110	0.088	.619**				
Collaboration Role	1.898	0.628	-0.166	-0.032	-.315**	-.266*			
Clarification	3.458	0.952	0.059	0.081	.635**	.560**	-.429**		
Ethical Leadership	3.560	0.933	0.029	0.091	.884**	.647**	-.286*	.650**	

N=66

\*Significant at the 0.05 level

\*\* Significant at the 0.01 level

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Table 3

### *Factor Analysis Supervisor Behavior and Trust*

	TRUST	INTER-ACTION	ROLE CONFLICT	COLLABORATION
AFT4 If I shared my problems with this person, I know (s)he would respond constructively and caringly.	0.939			
CGT1 This person approaches his/her job with professionalism and dedication.	0.908			
CGT2 Given this person's track record, I see no reason to doubt his/her competence and preparation for the job.	0.904			
AFT2 I can talk freely to this individual about difficulties I am having at work and know that (s)he will want to listen.	0.891			
AFT1 We have a sharing relationship. We can both freely share our ideas, feelings, and hopes.	0.883			
CGT5 Other work associates of mine who must interact with this individual consider him/her to be trustworthy.	0.876			
CGT4 Most people, even those who aren't close friends of this individual, trust and respect him/her as a coworker.	0.866			
CGT3 I can rely on this person not to make my job more difficult by careless work.	0.801			
IF3 How frequent do you interact with this person at work?		0.938		
IF1 How frequent does this individual initiate work-related interaction with you?		0.932		
IF2 How frequent do you initiate work-related interaction with this person?		0.893		
IF4 How frequent do you interact with this person informally or socially at work?		0.699		
RC5 I know what my responsibilities are			0.874	
RC3 My responsibilities are clearly defined			0.809	
RC6 I have clear planned goals and objectives for my job			0.806	
RC4 I feel certain about how much authority I have			0.802	
CO2 When there are terms I don't understand, usually I won't bother to ask what they mean				0.833
CO11 If I do not understand all the options, I keep quiet				0.825
CO7 Often I do not argue my point of view when conflicting views exist				0.673
CO4 Often I do not explore alternative solutions				0.520
KMO	0.886	0.813	0.831	0.684
Cronbach's Alpha	0.959	0.881	0.860	0.751

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behavior and trust measure are adapted from four different scales exploratory factor analysis (EFA) was used to test the validity of the newly developed scale. EFA was performed on each hypothesized construct to ensure proper loadings and reliability. Initially, the 39 items for the Leader Behavior and Trust constructs, representing the four theoretical constructs, were subjected to an exploratory principle component factor analysis. Items with low and/or multiple factor loadings were dropped from the assessment. Items of each construct were carefully examined to make sure that all items were loaded based on theory. Next, the remaining items were subjected to an item to total correlation analysis. Items with low item to total correlations were eliminated. The coefficient alpha for each of the measures were computed to estimate the reliability., The coefficient alphas range from 0.751 to 0.959, indicating satisfactory levels of reliability for the measures (Nunnally, 1978). A total of 20 items (i.e., Trust = 8, RC = 4, IF = 4, COL = 4) remained for inclusion in the measurement model.

The final variable measured was EL. There are several EL scales but for purposes of this research Kalshoven et al. (2011) ethical leadership at Work (ELW) questionnaire was utilized to measure the perception of EL. The scale was developed to further understand the implications of ethical behavior has on both the leaders and the organization (p.51). The ELW questionnaire measures fairness, RC, ethical guidance, people orientation, power sharing, integrity and concern for sustainability all applicable to the descriptive variables that this research is concerned about.

Initially, the 38 items representing EL were subjected to an exploratory principle component factor analysis. Items with low and/or multiple factor loadings were dropped from the assessment. Items of each construct were carefully examined to make sure that all items were loaded based on theory. Next, the remaining items were subjected to an item to total correlation analysis. Items with low item to total correlations were eliminated. A three-component factor

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was generated with a total of 15 items remaining for the measurement model. The coefficient alpha for the measure was computed to estimate the reliability (Cronbach's Alpha = 0.958).

To investigate the relationship of leader interaction, leader collaboration, and RC have on trust the six proposed hypotheses were subjected to regression analysis. Table 4 presents the regression results predicting the relationships. While hypothesis 1 was not supported the results of hypothesis 2, ( $\beta_3=0.375$ ,  $p<0.01$ ) as positive and significant also indicates that RC is positively related to the trust relationship of leaders. The three proposed hypotheses examining the interaction effect of EL moderating the relationship of leader interaction, leader collaboration, and RC on trust were not supported. The results of hypothesis 3, ( $\beta_1=0.521$ ,  $p<0.01$ ) as positive and significant suggesting that leader interaction is positively related to the trust relationship of leaders.

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Table 4

*Regression results predicting relationship between leader interaction, leader collaboration, RC, and Ethical Leadership interaction.*

	Model 1 <sup>c</sup>	Model 2 <sup>f</sup>	Model 3 <sup>a</sup>	Model 4 <sup>d</sup>	Model 5 <sup>b</sup>	Model 6 <sup>e</sup>
Gender	-0.288	-0.326	-0.300	-0.318	-0.244	-0.251
Leadership Role	-0.281	-0.272	-0.266	-0.279	0.270	-0.247
Interaction	0.521**	1.305				
Interaction*EL		-0.228				
Collaboration			-0.344	-0.081		
Collaboration*EL				-0.099		
Role Clarification					0.375**	0.494
Role Clarification*EL						-0.039
R <sup>2</sup>	0.61529***	0.633	0.571***	0.574	0.596***	0.598
R <sup>2</sup> Adjusted	0.590	0.603	0.542	0.538	0.570	0.564
F (sig.)	24.390***	20.736***	20.300***	16.173***	22.582***	17.843***

N=66

\*Significant at the 0.05 level

\*\* Significant at the 0.01 level

\*\*\*Significant at the 0.001 level

<sup>a</sup>Hypothesis 1

<sup>b</sup>Hypothesis 2

<sup>c</sup>Hypothesis 3

<sup>d</sup>Hypothesis 4c

<sup>e</sup>Hypothesis 4b

<sup>f</sup>Hypothesis 4c

### Discussion

Ethical scandals continue to uncover questionable behavior of organizations where blame is often laid at the feet of their “esteemed” leaders. Such adversity surrounding ethical indiscretions impacting organizations presents evidence that leaders are becoming immune to questionable behavior of the leaders they are surrounded by. All too often unethical conversations among leaders left unchecked evolve into out of control admission scandals (Jaschik, 2019), hidden child abuse for decades (George, 2012), and scientific misconduct (Osei, 2019). The purpose of this study was to understand the factors that contribute to the trust relationship that exists between leaders. Specifically, the study examined the effects of leader interaction, leader collaboration, and role clarity on the trust relationship of leaders. As scholars continue to look at critical outcomes influenced by the leader follower relationship (e.g. Brown & Trevino, 2006; Bouckennooghe et al., 2014; Farahnak, et al., 2019). This study provides a new lens to measure behavioral outcomes by focusing on the relationships that exist among leaders.

The three independent variables of leader interaction, leader collaboration, and role clarity were examined for possible effects with trust as the dependent variable. EL was also accessed for interaction effects with the prior stated relationships. Two of the six hypotheses were significant in the empirical analysis. There are several key insights relative to these results. First, leader interaction is positively associated with trust as predicted. Drawing from Hegtvedt and Turner (1989) social interactions provide an opportunity for leaders to influence one another. Turner (1988) also highlights the elements of motivation as a contributing factor in individuals wanting to interact. This interaction also facilitates communication in turn developing the relationship. If interaction between leaders is consistent a bond is generated and over time trust emerges based on measured behavior. Interaction allows for these behaviors to be evaluated. The

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absence of interaction limits the opportunity for leaders to observe behavior and verify information firsthand. It could be assumed that the absence of leader interaction diminishes the trust relationship.

RC was the second variable that showed promise in influencing the trust relationship of leaders. As previously discussed, RC is the foundation of ensuring leaders are properly equipped to fulfill desired expectations. If understanding one's role facilitates trust within the leader relationship it is likely that leaders would equally benefit from understanding the role of other leaders. This mutual understanding of roles allows leaders to thrive in their defined capacity having confidence to trust others to lead according to their defined role. The opposite could hold true in the leader relationship. The lack of understanding or clarity moves one towards defining their own role and level of responsibility.

### **Implications Non-supported Hypotheses**

Collaboration between leaders was not supported as originally predicted. The context of the study in HEIs may be a contributing factor. This suggests that in the contextual setting of HEIs collaboration may not be identified as a critical contributor to the trust relationship of leaders. In HEIs autonomy is viewed as an asset valuing independent thought looking for valuable contributions based on area of expertise. This perspective may recognize collaboration as a "back and forth" contributing ideas that leads to independent action and not an agent of developing the trust relationship. For example, scholars researching together on a specific subject matter for publication requires collaboration to ensure fit relative to their individual contribution. Trust is relevant to the contribution being adequate but may not necessarily spill over to the leadership relationship.

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This study also revealed that EL did not support our hypotheses as predicted. Several implications can be considered. Most importantly the limited sample size constrained the ability to have adequate power to determine legitimate effect. For this reason, negating the possibility that EL has an impact on the proposed relationships should not be eliminated for future consideration. Another consideration is the context of the study. The unique structure of a “shared governance” that exists in higher education contributes to behavioral outcomes. There are assumptions made within this type of divided structure that impact leader relationships (i.e., reporting structure, multiple leadership roles, accountability unclear). Yet the idea that autonomy is embraced and encouraged may cause conflict when individuals are asked whether they perceive other leaders as ethical. A final factor to consider is the premise of examining leader relationships. When employees possess a leadership role there is an expectation to behave ethically. This expectation can be transferred to other leaders assuming they will behave ethically too.

### **Conclusion**

#### **Contributions**

Key contributions are uncovered in this investigation. First, trust continues to turn the heads of scholars and practitioners alike. The notion that trust is a fundamental contributor to strengthening relationships, specifically the trust relationship of leaders, broadens the lens for empirical studies to continue. Identifying leader interaction and RC as influencers in developing trust adds to the literature of behavioral outcomes. Second, looking at the leader to leader relationship from a role modeling perspective extends consideration to SLT (Bandura, 1977) being applicable to the leader follower relationship. The final contribution provides a valid framework for organizations to consider when developing leader relationships. This allows

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organizations to incorporate strategies that prioritize leader interaction along with ensuring role expectations are clearly and consistently communicated.

### **Limitations**

There were several limitations to this study that should be addressed. First, the number of respondents that participated (228) versus the final sample size (N=66) that was used for analysis was diminished significantly. Cleaning the data revealed a significant number of respondents completed less than fifty percent of the survey. The other contributing factor was relevant to the qualifying question presented prior to taking the survey. This accounted for the largest number of respondents to not continue with the survey. Second, respondents were limited to employees in higher education specifically identifying as faculty or administration. The final constraint is attributed to the impact of Covid-19 hindering further data collection. Institutions having to prioritize efforts along with strict protocol prevented data collection despite prior IRB approval.

### **Practical implications**

There are some practical implications that must be considered. Organizations must recognize that leadership development is a critical component to the success of the company. It is a continuous process that should be included as a measurable criterion outlined within the context of the company's organizational strategy. This study has identified two key elements (i.e., leader interaction and role clarity), that can provide a solid framework in developing measurable criterion. Ensuring that leaders meet at the group level and the individual level provides valuable opportunities to engage in meaningful interaction. These interactions need to be consistent and regular for the trust relationship to be strengthened.

Organizations need to consider the implications of leaders clearly understanding their role. Role clarity cannot be compartmentalized as a "job description" defined in the contents of a

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document provided during the on-boarding process. A job description provides a road map that guides and defines expectations thus giving clarity. However, just as organizations adapt their strategic efforts because of situational demands, leaders must have opportunities to make similar adjustments. Bandura (1977) emphasizes the combination of observation and situation is what influences behavior. Leaders sharing situational issues with other leaders nurtures the trust relationship. Leaders are able to recognize others role allowing more clarity of their own role.

### **Future Research**

Although the focus of this study was to investigate leader relationships within the context of HEIs, future work should expand to different industries. This could be done at the organizational level or even at the group level depending on industry selection. Healthcare, for example is broad in scope and dependent on team interaction. Focusing on cross-functional teams within this context could provide fertile information to further support the importance of role modeling in developing the trust relationship of leaders. The leader to leader relationship needs further investigation. Exploring the trust relationship of leaders provides fertile ground to explore other factors that contribute to the leader relationship.

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**Appendix A**

Ethical Leadership at Work Questionnaire (ELW)

Adapted from Kalshoven, Den Hartog, & De Hoogh, 2011

People orientation

1. Is interested in how I feel and how I am doing.
2. Takes time for personal contact.
3. Pays attention to my personal needs.
4. Takes time to talk about work-related emotions.
5. Is genuinely concerned about my personal development.
6. Sympathizes with me when I have problems.
7. Cares about his/her followers.

Fairness

1. Holds me accountable for problems over which I have no control.
2. Holds me responsible for work that I have no control over.
3. Holds me responsible for things that are not my fault.
4. Pursues his/her own success at the expense of others.
5. Is focused mainly on reaching his/her own goals.
6. Manipulates subordinates.

Power sharing

1. Allows subordinates to influence critical decisions.
2. Does not allow others to participate in decision making.
3. Seeks advice from subordinates concerning organizational strategy.

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4. Will reconsider decisions on the basis of recommendations by those who report to him/her.
5. Delegates challenging responsibilities to subordinates.
6. Permits me to play a key role in setting my own performance goals.
7. Would like to work in an environmentally friendly manner.
8. Shows concern for sustainability issues.
9. Stimulates recycling of items and materials in our department.
10. Clearly explains integrity related codes of conduct.
11. Explains what is expected from employees in terms of behaving with integrity.
12. Clarifies integrity guidelines.
13. Ensures that employees follow codes of integrity.
14. Clarifies the likely consequences of possible unethical behavior by myself and my colleagues.
15. Stimulates the discussion of integrity issues among employees.
16. Compliments employees who behave according to the integrity guidelines.
17. Indicates what the performance expectations of each group member are.
18. Explains what is expected of each group member.
19. Explains what is expected of me and my colleagues.
20. Clarifies priorities.
21. Clarifies who is responsible for what.

### Integrity

1. Keeps his/her promises.
2. Can be trusted to do the things he/she says.

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3. Can be relied on to honor his/her commitments.
4. Always keeps his/her words.

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### Appendix B

#### Supervisor Behavioral and Trust Measure

Adapted from the following four scales:

Anderson, Martin, & Infante, 1998; McAllister, 1995; Cervoni, & DeLucia-Waack, 2011

#### Affect-based trust

1. We have a sharing relationship. We can both freely share our ideas, feeling, and hopes.
2. I can talk freely to this individual about difficulties I am having at work and know that (s)he will want to listen.
3. We would both feel a sense of loss if one of us was transferred and we could no longer work together.
4. If I shared my problems with this person, I know (s)he would respond constructively and caringly.
5. I would have to say that we have both made considerable emotional investments in our working relationship.

#### Cognition-based trust

1. This person approaches his/her job with professionalism and dedication.
2. Given this person's track record, I see no reason to doubt his/her competence and preparation for the job.
3. I can rely on this person not to make my job more difficult by careless work.
4. Most people, even those who aren't close friends of this individual, trust and respect him/her as a coworker.
5. Other work associates of mine who must interact with this individual consider him/her to be trustworthy.

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6. If people knew more about this individual and his/her background, they would be more concerned and monitor his/her performance more closely.

### Interaction Frequency

1. How frequently does this individual initiate work-related interaction with you?
2. How frequently do you initiate work-related interaction with this person?
3. How frequently do you interact with this person at work?
4. How frequently do you interact with this person informally or socially at work?

### Collaboration

1. When others tell me I should do something, I insist upon knowing why.
2. When there are terms I don't understand, usually I won't bother to ask what they mean
3. I bargain with others when I think it's needed.
4. Often, I do not explore alternative solutions.
5. I take charge when decisions have to be made.
6. I enjoy participating in decision making.
7. Often, I do not argue my point of view when conflicting views exist.
8. I do not ask about alternative solutions.
9. I tend to avoid offering suggestions for options.
10. Most of the time I initiate suggestions.
11. Usually, I speak frankly about how I feel.
12. If I do not understand all the options, I keep quiet.
13. I look others in the eyes when I disagree.

### Role Conflict (Ambiguity)

1. My authority matches the responsibilities assigned to me.

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2. I don't know what is expected of me.
3. My responsibilities are clearly defined.
4. I feel certain about how much authority I have.
5. I know what my responsibilities are.
6. I have clear planned goals and objectives for my job.
7. The planned goals and objectives are not clear.
8. I work with two or more groups who operate quite differently.
9. I often get myself in situations in which there are conflicting requirements.
10. I receive incompatible requests from two or more people.
11. I have to do things that should be done differently under different conditions.
12. I do things that are apt to be accepted by one person and not by others.

### VITA

Dawn A. Shearrow completed her undergraduate work at Judson University, where she received a Bachelor of Arts in Management and Leadership (2013). She completed a master's degree in Business Administration (2015) and a master's degree in Organizational Leadership from Judson University (2015). Although Dawn has a rich heritage of family members who have acquired academic achievements, Dawn is the first family member to receive a terminal degree. Dawn began teaching at the graduate and undergraduate level in 2016 and continues to do so domestically and internationally. Currently, Dawn is focused on publishing her 2 Essay Dissertation as she continues to pursue opportunities as an Assistant Professor.