THE INFLUENCE OF ETHICAL LEADERSHIP AND ETHICAL CULTURE ON FACULTY ENGAGEMENT

by

Douglas J. Lange

Doctoral Study Submitted in Partial Fulfillment of the Requirements for the Degree of Doctor of Business Administration

Liberty University, School of Business

May 2019
Abstract

In this non-experimental correlational study, the researcher examined the combined influence of ethic leadership behavior and organizational ethical culture on employee engagement, where ethical behaviors acts as a mediating variable. The investigator extended the applicability of prior studies by examining a well-educated, professional working population, the faculty of colleges and universities in North and South Carolina. The study employed a survey methodology utilizing reliable and valid instruments developed by others in previous research. The findings demonstrate that ethical leadership behavior in managers acts to mediate the influence of organizational culture within the study population without regard to age, gender, or employment status (full or part-time). Although other factors, not part of the study, may influence employee engagement, the findings suggest that organizations can leverage the development of ethical leadership as a behavioral model (Yigit & Bozkurt, 2017). The study confirms that even among college and university faculty, managers who enact and uphold ethical values may have a greater likelihood to cultivate higher levels of job engagement and a greater employee connection and commitment to the organization.

Keywords: ethical leadership behavior, ethical culture, employee engagement, faculty engagement
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May 2019

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Dedication

I dedicate this doctoral study to my fathers. To my Father in heaven, my creator and savior, I give thanks and dedicate this work to He who has inspired and enabled this study through His generous gifts. I will be forever grateful for this journey of faith and enlightenment.

To my father, R.B. You taught, challenged, and loved your children. A child of the depression who came of age on the battlefields of Europe in World War II, you proved time and again that setting your sights on lofty goals and working toward those goals will lead to a rich and fulfilling life. You beamed with pride as you supported my chosen path in the Army as I retired as a Colonel. You were equally as proud of my decision to work in higher education and bring opportunities to others. But you always wanted me to be a doctor. I finally made it. As you gaze down from heaven, please know you have inspired, encouraged, and supported every adventure in my life. I love you, miss you, and thank you for being the best dad a son could ever have.
Acknowledgements

“I can do all things through Christ who strengthens me” (Philippians 4:13). Without my Lord and Savior this doctoral seed would surely have fallen on the rocks to wither and die. I acknowledge that I am but clay to be fashioned by His hand.

I could never have completed the program without the unwavering support of my bride and partner of more than 30 years, Lisa. When I think of all the things you gave up to enable this endeavor and all the extra things you did for me during the journey, I realize how blessed I am to have you as my partner. Thank you for making my life wonderful. I love you.

In January 2016, 19 people came together at Liberty University to become Cohort 6 in the DBA program. What I did not expect was to forge bonds of friendship and support with this group of wonderful people. We have laughed, cried, shared ups and downs, and supported each other as travelers on this journey. I cannot imagine this undertaking without my Cohort 6 friends. The experience has been immensely enriched because of their wit, sarcasm, and prayers.

To my committee, Dr. Mark Ellis, Dr. Jonathan Wilson, and to Dr. Edward Moore, I sincerely appreciate your patience, wisdom, and guidance.
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Section 1: Foundation of the Study

Widespread media reports of unethical corporate behaviors continue despite the introduction of legislation and governance standards designed to promote and enforce business integrity (Preiss, 2018; Cavico & Mujtaba, 2017; Crane, Henriques, Husted, & Matten, 2017). Enron, WorldCom, and Tyco suffered media criticism and government prosecution for fraudulent behavior after being hailed as some of the world’s most successful companies (Preiss; Liu, 2017). Most recently, authorities alleged that employees of Wells Fargo, the banking giant, created unauthorized customer accounts under pressure from managers, to achieve internal sales quotas (Cavico & Mujtaba). The ethical violations led to catastrophic impacts including the erosion of investor confidence, economic stability, as well as adversely influencing public and consumer well-being (Crane et al.).

The examples above underscore the importance of ethical leadership behavior in business. Beyond the highly publicized moral failures of leadership, leaders at all levels of an organization often engage in unethical practices such as favoritism, taking credit for the work of others, or blaming others for their shortcomings (Liu, 2017). The ethical lapses of leaders and managers point to the erosion of corporate values and harm to employees (Bedi, Alpaslan, & Green, 2016; Hassan, Mahsud, Yukl, & Prussia, 2013).

Background of the Problem

Huhtala, Tolvanen, Mauno, and Feldt’s (2015) study of the ethical climate found that deterioration of the organization's ethical culture leads to reduced commitment, increased intention to leave, increased turnover, and a decline in organization citizenship. This conclusion reinforced other studies that have linked perceptions of ethical leadership and employee attitudes (Loi, Lam, Ngo, & Cheong, 2015). Liu (2017) concluded leadership could influence both
positive and negative employee behavior. Eisenbeiss, Knippenberg, and Fahrbach (2015) determined ethical CEO leadership established organizational ethical culture as the underlying mediating mechanism through which CEO moral leadership can influence firm performance. The contemporary literature demonstrates that senior leadership sets the ethical culture of the organizations they serve.

A review of the organizational and business ethics literature related to ethical behaviors focused on primary leadership. Rivkin, Diestel, and Schmidt (2014) concluded that leadership shapes the employee’s perception of organizational culture. A leader who behaves in ethical ways will have a more positive impact not only on the extent to which employees build an emotional connection to their work but also the organization (Den Hartog, 2015). In developing engagement theory, Kahn (1990) and Rothbard (2001) theorized that employee engagement is role-related but occurs within a workplace context (Kaur, 2017). Scholars have published relatively little research on employee engagement, and almost exclusively from the perspective of the employee’s work or job role (Den Hartog; Loi et al., 2015). To more fully understand the influence of perceived ethical leadership on employee engagement within the context of organizational culture, more research is necessary.

Problem Statement

General problem. The general problem to be studied is how organizational ethical culture relates to managerial ethical leadership and employee engagement. A more thorough understanding of the relationship between organizational ethical culture and managerial ethical leadership and their combined, interactive influence on follower engagement to both the job and the organization is needed. The results of this study may lead to the development of strategies
for improving employee engagement in both work and organizational roles, thereby reducing and mitigating ethical lapses and enhancing performance.

A plethora of evidence links perceptions of ethical leadership to employee attitudes and both positive and negative employee behavior (Loi et al., 2015; Liu, 2017). Relatively little research, however, has centered on employee engagement, especially from an organizational member perspective (Den Hartog, 2015; Loi et al.). Some studies that have examined this relationship have focused solely on engagement from the work/job role standpoint (Saks & Gruman, 2014). Yet, Kahn (1990) and Rothbard (2001) asserted that engagement is role-related even in a work context. If leaders play a critical role in influencing engagement, it is likely that a leader who workers perceive to behave ethically will have a positive impact not only on the extent to which employees build an emotional connection to their work but also the organization.

Ethical leadership behavior helps to create and reinforce an ethical culture, an environment that reflects the moral messages and values modeled by top leaders and reinforced through other systems (Eisenbeiss et al., 2015). Culture has a powerful role in shaping employee behavior on a daily basis, including the behavior of managers (Schaubroeck et al., 2012). Ethical leadership at a managerial level, in particular, has the potential to influence and shape employee experiences at work because such actions can reinforce an environment where employees feel safe to invest their energies into their work or primary job role and their role as a member of the larger organization (Kahn, 1990). As such, it is essential to investigate how organizational ethical culture is related to perceived managerial ethical leadership and employee engagement.

Preliminary evidence suggests ethical leadership is a mechanism by which ethical culture influences the extent to which employees engage and connect to with work roles (ElKordy, 2013). Pavese-Kaplan (2013) examined that concept using a small sample drawn from the
general working population. She concluded perceived ethical leader behavior mediated the relationship between perceived organizational ethical culture and employee engagement. However, her conclusions might not apply to all levels of leadership in other types of organizations. Future studies should examine the mediating and moderating factors that influence the relationship between ethical culture and occupational well-being (Demirtas & Akdogan, 2015; Harrison & Bazzy, 2017; Mo & Shi, 2017).

**Specific problem.** The specific problem to be studied is how organizational ethical culture is related to ethical managerial leadership and faculty job and organizational engagement in the public colleges and universities located in North and South Carolina. The results of the study should validate and extend the findings of Pavese-Kaplans’ (2013) study. Within the realm of the delivery of consumer services by governmental entities, leaders must ethically conduct themselves, actively promote ethical behavior among their followers, and reinforce a culture of employee engagement (Wright, Hassan, & Park, 2016). The relationship between perceived managerial ethical leadership and employee engagement within the context of perceived organizational ethical culture within the publically-funded higher education faculty may validate the results of previous studies and extend general understanding of employee engagement.

**Purpose Statement**

The purpose of this non-experimental, correlational quantitative study is to examine the mediating effect of perceived ethical leadership behavior (PELB) in managers in the relationships between perceived organizational ethical culture (POEC) and the two constructs of faculty engagement. Using methods similar to those used in Pavese-Kaplan’s (2013) study with a different population, this researcher was attempting to validate the conclusions in the previous research, thereby strengthening the general applicability of the theory. Literature indicates that
managerial actions reinforce the overarching culture norms to further influence employees (Liu, 2017; Pucetaite, Novelskaite, & Markunaite, 2015). Because managers are employees and influenced by organizational culture, POEC acts as a predictor of ethical leadership behavior in managers (Lee & Kim, 2017). Ethical leadership behavior among managers is likely to be a byproduct of ethical culture, and would most likely play a mediating role between perceived organizational ethical culture and employee engagement (Dimitrov, 2015; Glisson, 2015). The study population for this research was the full and part-time faculty from North or South Carolina’s public institutions of higher education. The researcher compiled public directory information on college and university websites to generate the initial email recruitment list. Subjects were recruited using a snowball method of sampling to reach faculty participants where directory information was not readily available.

The study used two independent variables, perceived ethical leadership behavior, acting as a mediator, and perceived ethical organizational culture, serving the role as a predictor. Organizational engagement and job engagement are the outcome or dependent variable constructs. The study utilized the widely-used Ethical Leadership Scale to measure ethical leadership (Brown, Treviño, & Harrison, 2005). The perceived organizational ethical culture was measured using elements from Treviño, Butterfield, and McCabe’s (1998) uni-dimensional scale measuring the ethical environment. Both job engagement and organizational engagement was measured using components from the Job Engagement Survey (Rich, LePine, & Crawford, 2010).

In the prior study, Pavese-Kaplan (2013) modified the job engagement survey, replacing the word “job” with “organization” to link the questions to the subject’s institution in an attempt to create an organizational engagement study. During data collection testing and preliminary
factor analysis of the test responses, the researcher discovered that elements of the existing JES adequately address organizational roles. Feedback from the trial volunteer participants indicated the separate survey was confusing and felt redundant. The separate scale Pavese-Kaplan’s organizational engagement survey was not used in the study and organizational engagement elements were identified in the existing job engagement survey.

**Nature of the Study**

Researchers select methods and designs that were appropriate to answer the research questions posed in the study. The strength of qualitative research is typically seen as theory elaboration and theory generation rather than theory testing (Reinecke, Arnold, & Palazzo, 2016). Quantitative research methods are useful for investigating processes and events, both under certainty and under predictable uncertainty (Alia & DUȚĂ, 2017). Generally, quantitative research uses deductive reasoning to test a theory. The third type of research combines elements of both qualitative and quantitative research in the form of mixed methods research (Olivier, 2017). In the ensuing paragraphs, the primary researcher reviewed various methods and designs relative to addressing the research questions and determined the appropriate nature for this study.

**Research Method**

Academic research has traditionally involved the process of theory generation followed by rigorous theory testing. Researchers select methods that are appropriate to answer the research questions posed in the study.

**Qualitative research.** Qualitative methodology is a broad umbrella term for a diversity of data sources, ways to analyze them, and different epistemological/ontological commitments which may lead to varying standards of evaluating qualitative manuscripts (Reinecke et al., 2016). Data can be derived from interviews, video observation, and written data. Analysis
methods might include grounded theory, discourse analysis, or narrative analysis. Finally, the perspective of a realist, feminist, social constructivist, or poststructuralist may result in vastly different qualitative manuscripts (Lerner, & Tolan, 2016). Qualitative methods are well poised to understand and explain complicated and messy ethical phenomena (Reinecke et al.). Qualitative research formulates theory and explores questions that quantitative research struggles to develop hypotheses (Alia & DUȚĂ, 2017). Qualitative methods are typically underpinned by an interpretive approach to social science. Pathak, Jena, and Kalra (2013) stated that qualitative research is appropriate when non-numerical data are analyzed to comprehend individual opinions, experiences, attitudes, behavior, and relations. The qualitative methods used by developmental scientists are better suited than are quantitative methods to identify many qualities of individuals and their social worlds (Reinecke et al.). “Through qualitative research that we can best understand what makes ‘human beings human’” (Lerner, & Tolan, 2016, p. 123).

The investigator chose not to use the qualitative method because ethics theory, leadership theory, organizational ethical culture theory and engagement theory are individually well-developed. The research questions were best answered by examining the interaction of measurable variables using a sufficiently large participant sample to establish correlations among the variables. Qualitative would produce a narrative of the perceptions of the respondents but would do little to advance the understanding of the interactions of ethical leadership, organizational ethical culture, and employee engagement.

**Quantitative research.** The quantitative approach tests theories through the examination of variable relationships. This reasoning differentiates the investigation based on quantitative from qualitative research methods whose approach is of empirical-inductive nature (Alia & DUȚĂ, 2017). Quantitative research typically takes a philosophical perspective called post-
positivism, also known as the scientific method. The quantitative research method is defined by the precision of the research and the validation of the hypothesis with measurable results (Alia & DUȚĂ). Barczak (2015) posited quantitative research is more effective in establishing a correlation between multiple variables than qualitative research because of the precise measurements and logical structure that occurs in testing the hypothesis. A quantitative research design is consistent with research questions regarding the relationship between two variables of an interval level of measurement (Salmon, 2016). Additionally, the quantitative method is appropriate where the population and the sample size is relatively large (Victor & Hoole, 2017).

The quantitative research approach best answers the research question and is the most appropriate method for this research. The survey instruments measure (quantify) the perceptions of the respondents producing a significantly large data sample suitable for correlational analysis. A qualitative design would capture greater contextual detail (Buckley, 2015) but would not answer the research questions about the relationship between ethic leadership and ethical culture acting together on the job and organizational engagement.

**Mixed method research.** An important methodological trend is to integrate qualitative and quantitative research methods in a mixed methods approach. Research issues need not be quantitative versus qualitative methods, but rather how to combine the strengths of each into a mixed methods approach (Molina-Azorín & López-Gamero, 2016). Mixed method research integrates both qualitative and quantitative methods within a single study (Olivier, 2017). This researcher chose not to conduct a mixed methods study for this study due to time limitations and the alignment of the research questions to quantitative methods.
Research Design

Qualitative design. The strength of qualitative research is recognized as theory elaboration and theory generation rather than theory testing (Reinecke et al., 2016). In addition to being marked for philosophical worldviews of constructivist, advocacy, or participatory knowledge, qualitative research typically employs phenomenology, grounded theory, ethnography, case study, and narrative as strategies of inquiry (Creswell & Poth, 2018).

Phenomenology is event or phenomenon-focused with a purpose of understanding the essence of the lived experience. The phenomenological approach is the appropriate qualitative research method for understanding the experience (Finlay, 2016). The phenomenological researcher attempts to capture the essence of human experiences around a phenomenon as described by the participants (Paul, 2017). In a grounded theory study, the researcher derives a general, abstract theory of a process, action, interaction rooted in the views of the participants (Creswell & Poth, 2018). The grounded theory approach relies heavily on the researcher’s theoretical sensitivity, their ability to stay open to the data and allow theory to emerge (Reay, Bouchal, & Rankin, 2016). Ethnography is a cultural picture of people. The focus of ethnography is described and interpret the shared patterns of culture as a group (Robinson, 2014). People create narrative descriptions of their experiences for themselves and others. Additionally, people develop narratives to make sense of the behavior of others. Storytelling is a natural way of recounting an experience. Polkinghorne (2015) posited that people without narratives do not exist. Lastly, a case study is an in-depth exploration of a program, event, activity or process bounded by time and activity (Creswell & Poth).

Regardless of the qualitative inquiry strategy, these research designs limit subjects to small numbers and use non-numeric methods of analysis to arrive at their results. Although the
survey instruments ask respondents for their perceptions of ethical leader behaviors and ethical culture, the scales were designed to measure those answers and aggregate them for quantitative analysis. Individual responses are numeric without opportunity for the elaboration of personal opinion. As a result, qualitative methods of inquiry and qualitative design are not well suited to answer the research questions regarding the relationship among variables.

**Quantitative design.** The quantitative approach tests theories through the examination of variable relationships. A theory can be defined as a set of logically organized and inter-related propositions, statements, principles, rules, and assumptions of some phenomenon that can be used to describe, explain, predict, and control that event (Zyphur & Pierides, 2017). Many theories describe essential cause-and-effect relationships between variables. They posit the direction (positive or negative), the strength, and the temporal (causal) sequence between variables (Zyphur & Pierides). Quantitative researchers employ an array of strategies from experimental models to correlational studies, frequently relying on the data collected from surveys and experiments to test or verify the hypothesis using statistical procedures (Johnson, 2015). The quantitative method has two broad categories: experimental and descriptive (Watson, 2015). Two additional, widely-used designs are correlational and quasi-experimental. The choice of design will be based on quantitative research methodology and the problem to be addressed through the research (Olivier, 2017).

**Experimental.** Experimental research seeks to find a cause and effect relationship (Abdul Talib & Mat Saat, 2017). Unique to experimental research is the ability to control the environment (Köhler, Landis, & Cortina, 2017). Experimental studies manipulate experiences to observe the effect of the dependent variable on the independent variable and will impact how the data are collected, analyzed, and construed (Watson, 2015). The classic experiment consists of a
treatment group, an equivalent control group, observations before and after the treatment, and random assignment of the subjects into the treatment and control groups (Köhler et al.). One challenge in establishing causality in business and society research is the use of a randomly selected control group (Crane et al., 2017). Because a quasi-experimental or experimental quantitative design would seek to infer or imply a predictive cause and effect without considering the relationship between dependent and independent variables, it is not appropriate for this study (Köhler et al.).

Descriptive. In a descriptive study, researchers observe relationships between the variables (Kadam & Karandikar, 2017). Descriptive research involves naturalistic data, where research settings occur without manipulating the variables (Nassaji, 2015). Descriptive study is used to describe the phenomenon (Nassaji). This research focus is more on the ‘what’ of the findings than ‘how or why’ (Nassaji). Typically survey instruments and observations are the methods used to gather data for a descriptive study (Johnson, 2015). A descriptive design would not be appropriate to this research. Descriptive studies report only a percentage summary on a single variable (Kadam & Karandikar).

Correlational. Correlational research examines relationships between variables and provides a methodology for measuring the degree to which two or more variables relate without inferring cause and effect (Becker et al., 2015). This type of non-experimental research is an observational design which examines the association among variables, while interventional designs focus on cause-and-effect relationships between variables (Thiese, 2014). The non-experimental approach is appropriate for this correlational research design.

Summary of the nature of the study. The researcher performed a non-experimental, correlational quantitative study. The non-experimental design tested theory without
manipulating variables resulting in explanatory, correlational research. A cross-sectional correlational design is appropriate where the population and the sample size is large (Victor & Hoole, 2017). The non-experimental, correlational, quantitative research approach best answered the research questions and was the most appropriate research method and design for this research.

**Research Questions**

The primary research questions were: “Does ethical leadership behavior mediate the relationship between perceived organizational ethical culture and faculty job engagement?” and “Does ethical leadership behavior mediate the relationship between perceived organizational ethical culture and faculty engagement to their institution?” Because managers, like all employees, are influenced by organizational culture, perceived organizational ethical culture could serve as a predictor of ethical leadership behavior in managers (Lee & Kim, 2017). Ethical culture is likely to influence managers to role model and reinforce moral values which can foster a sense of trust in leadership and in the aspects that support the work environment (Kerns, 2017). Therefore, ethical leadership behavior in managers would most likely play a mediating role between organizational ethical culture and both types of employee engagement. The study examined the variable relationships within specific research questions.

**Hypotheses**

The hypotheses were derived from the research question.

Hypothesis 1A₀: Perceived organizational ethical culture does not influence faculty job engagement.

Hypothesis 1A: Perceived organizational ethical culture influences faculty job engagement.
Hypothesis 1B₀: Perceived organizational ethical culture does not influence faculty organizational engagement.

Hypothesis 1B: Perceived organizational ethical culture influences faculty organizational engagement.

Hypothesis 2₀: Perceived ethical leadership behavior in managers will not mediate the relationship between perceived organizational ethical culture and faculty job engagement.

Hypothesis 2: Perceived ethical leadership behavior in managers will mediate the relationship between perceived organizational ethical culture and faculty job engagement.

Hypothesis 3₀: Perceived ethical leadership behavior in managers will not mediate the relationship between perceived organizational ethical culture and faculty organizational engagement.

Hypothesis 3: Perceived ethical leadership behavior in managers will mediate the relationship between perceived organizational ethical culture and faculty organizational engagement.

Hypotheses four, five, and six use the demographic variables as covariates and represent issues secondary to the focus of the study.

Hypothesis 4A₀: The gender of the faculty member does not influence job engagement.

Hypothesis 4A: The gender of the faculty member influences job engagement.

Hypothesis 4B₀: The gender of the faculty member does not influence organizational engagement.

Hypothesis 4B: The gender of the faculty member influences organizational engagement.

Hypothesis 5A₀: The employment status of the faculty member does not influence job engagement.
Hypothesis 5A: The employment status of the faculty member influences job engagement.

Hypothesis 5B: The employment status of the faculty member does not influence organizational engagement.

Hypothesis 5B: The employment status of the faculty member influences organizational engagement.

Hypothesis 6A: The age of the faculty member does not influence job engagement.

Hypothesis 6A: The age of the faculty member influences job engagement.

Hypothesis 6B: The age of the faculty member does not influence organizational engagement.

Hypothesis 6B: The age of the faculty member influences organizational engagement.

Theoretical Framework

Philosophical approaches to ethics. Business ethics are complicated and influenced by many internal and external factors simultaneously (Bhasa, 2017). Contemporary literature on the subject draws on notions such as the general good, duty, virtue, and rights to highlight the cultural relativity of morality in their discussions of ethically charged business topics (Fryer, 2016). However, few articles overtly present ethics theory as a philosophical basis for applying business ethics (Fryer). Ethical leadership behavior represents a construct that is central to leader effectiveness, yet scholarly efforts to resolve the ambiguity of the construct definition and measurement remain incomplete (Moorman, Darnold, & Priesemuth, 2013).

The utilitarian perspective, common in business use, calls for examining the consequences of various behaviors to determine which ones lead to the greatest good for the highest number—that benefits outweigh harms (Letwin et al., 2016; Lindebaum & Raftopoulou,
The social constructionist perspective, explicitly or implicitly adopted in the discussion of ethical behavior, is the view that ethical behavior is context specific, dependent on unique groups of people, in a specific time and place. Research into social constructionism suggests that ethical behavior incorporates cultural/environmental underpinnings (Hogler, Henle, & Gross, 2013).

A religious/spiritual perspective includes many facets of the ethical stances. Uniquely, there is ultimate authority placed in God as the Supreme Being. The Judeo-Christian tradition-based approach to ethics is relatively simple: the form and content of moral reasoning emerge from historically and culturally conditioned traditions (Kellison, 2014). God used Moses to establish the basis of modern laws, rules prescribing how individuals treat one another. Jethro, his father-in-law, instructed Moses to appoint “able men from all the people, men who fear God, who are trustworthy and hate a bribe, and place such men over the people as chiefs of thousands, of hundreds, of fifties, and of tens” (Exodus 18:21, English standard version [ESV]). Moses established an organizational framework for society. Sacred texts outline moral principles such as the Ten Commandments that enable one to judge between “right and wrong” (Harrison, 2015). Jesus Christ, the Son of God, sent to redeem humanity, perfected the commandments saying, “You shall love the Lord your God with all your heart and with all your soul and with all your strength and with all your mind, and your neighbor as yourself” (Luke 10:27, ESV). Rather than continuing with the prescriptive approach, Jesus began transforming the culture to one of duty and obligation, willing service, belonging, and support through His role as the perfect servant leader (Jaramillo, Bande, & Varela, 2015).

Jung (2017) suggested normative facts involve deontic (obligatory and permissible) and evaluative properties (good or bad). Religious people understand moral standards in the context
of human-God and human-human interactions are not necessarily treated as absolute moral codes (Deane-Drummond, 2015; Harrison, 2015). Men and women construe ethical values and messages regarding appropriate behavior based on their relationship with God and with humanity (Kaul, 2017). Some scholars also argue that a virtue-based ethics approach applies to the religious worldview. Lillicrap (2016) posited that Jesus created the Christian moral hero by focusing His teaching on the redemption of the virtuous individual.

The religious/spiritual perspective, particularly a Christian worldview, provided a foundation for the development of laws and societal norms. The Christian worldview also places the ultimate accountability for one’s behavior with God. This approach to defining ethical behaviors assumes a universal or collective view of the God-human and human-human relationship. Reliance on a single religious or spiritual perspective becomes impossible in environments composed of people with multiple religious traditions or no religious traditions (Little, 2015). Basing the interpretation of good actions on a religious perspective may lead to numerous interpretations or responses that are not universally accepted. When many religious aspects are present (Christianity, Islam, and Buddhism) or even when various sects of religious or spiritual views are present (Christian denominations, Islamic sects), issues of universal understanding and acceptance become almost impossible (Little).

The fourth ethical worldview, known as Kantian ethics, is named for the 18th Century German philosopher, Immanuel Kant. Kant's espoused the deontological moral theory that the rightness or wrongness of actions does not depend on their consequences but on whether they fulfill our duty (Fryer, 2016). Kant referred to The Categorical Imperative as a supreme principle of morality (Fryer). Moral actions are those that are universal, dutifully and according to reason followed by all people (Pellegrini, Ciappei, Zollo, & Boccardi, 2016). From a Kantian
perspective, moral behavior is one that treats humans as an end, not a means (Segon & Booth, 2015). The Kantian approach provides a compelling stance on ethics. One strength of this worldview is the clear standard from which to judge actions as universally willed standards (Jeanes, 2017; Pellegrini et al.; Segon & Booth). According to Kant, individuals through rational thought can choose actions/values that are universal and one’s duty; they are taken for their inherent rightness as reasoned. Research suggests that a subset of global values guide human behavior regardless of context (Jeanes; Pellegrini et al.; Segon & Booth).

**Leadership theory.** After decades of debate, scholars agree there is no universal definition of leadership. Emerging research emphasizes the process of leadership, how an individual influences a group of individuals to achieve a common goal, rather than further defining leadership (Fischer, Dietz, & Antonakis, 2017). The traits of ethics and values remain as essential elements of most contemporary leadership theories (Hopkins & Scott, 2016). Leadership scholars continue to embrace theories of transformational leadership, charismatic leadership while theories of servant leadership, authentic leadership, and spiritual leadership emerge in the literature (Fein, Tziner, Vasiliu, & Felea, 2015).

**Transformational leadership.** Burns (1978) described leadership as a process, stating that leadership occurs when leaders and followers engage with each other in ways that raise one another to higher levels of motivation and morality. In addition to emphasizing values, Burn’s transforming process established a co-dependent relationship where leaders tap into the values and motives of followers to advance the leader’s goals. Leadership theory expanded to encompass the corporate environment, distinct factors for transformational, transactional, and laissez-faire leadership (Jackson, Meyer, & Wang, 2013). Five general dimensions, idealized
influence, idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration typically operationalize transformational leadership (Jackson et al.).

**Charismatic leadership.** Charismatic leadership is a component of transformational leadership. The extent to which followers perceive the leader as charismatic represents the idealized influence component of transformational leadership (Jackson et al., 2013). Researchers have used the idealized influence dimension of transformational leadership to measure charismatic leadership. Charismatic leadership is identifiable through six behavioral characteristics of the leader, vision, and articulation, sensitivity to member needs, environmental sensitivity, unusual behavior, personal risk-taking, and not maintaining the status quo (Sacavém, Martinez, da Cunha, Abreu, & Johnson, 2017).

**Servant leadership.** Servant leadership puts the leader in the role of a servant. The servant leader uses nurturing principles to address followers’ needs and to help followers become more autonomous, knowledgeable, and like servants (Focht & Ponton, 2015). Greenleaf (1977) described servant leaders as motivated to serve others and view their role as one of stewardship rather than power and control. Yigit and Bozkurt (2017) listed ten characteristics of the servant leader, listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship, commitment to the growth of people, and building community. Servant leadership contains a virtue theory approach that has its roots in both philosophy and religion (Focht & Ponton). Jesus Christ is the model “servant leader” and must be included in any discussion of the philosophical foundation of servant leadership (Jaramillo et al., 2015). However, moral codes and value systems are not exclusive to Christianity but are integral to the majority of the world’s religions as well as philosophy (Yigit & Bozkurt).
**Spiritual leadership.** Ethical leadership is a construct that leads to personal transfiguration, organizational effectiveness, improved interpersonal communication, and the achievement of a joint platform for professional action (Frunzä, 2017). Christian leadership refers to those leaders who explicitly draw on their faith and Christian worldview. Leaders who develop the skills, competence and moral character required can become exceptional leaders (Kessler & Kretzschmar, 2015). Christian ethics equates to one’s overall ethical worldview encompassing moral norms and values, what is considered to be loving, right, and good, and the application of these norms in personal and social life exhibited through ethical conduct (Kessler & Kretzschmar, 2015). Conceptions of what is right and wrong and how one ought to behave in specific circumstances, exert a strong influence on human behavioral aspects and that this directly affects economic outcomes (Kame & Tshaka, 2015). Humanity today seeks leaders that should keep together and balance wisdom, religion, and ethics.

The leadership theories discussed share a foundation in moral values for the proscriptive behavior of the leader and the leaders’ relationship with followers (Hopkins & Scott, 2016). Perceived ethical leadership behavior emphasizes task- and relation-oriented behaviors both of which are core to a leader’s role. For example, it calls attention to communication and expectation-setting around ethical principles. Leaders influence followers within an ethical framework (Yigit & Bozkurt, 2017). Brown et al.’s (2005) Ethical Leadership Scale (ELS) encompassed the aspects that form the foundational of ethical leadership. The ELS highlighted potential universal principles for ethics in leadership behavior. The scale was developed from a social constructionist perspective, assessing the objective reality of individuals related to ethics.

**Perceived organizational ethical culture.** Organizational culture encapsulates the underlying norms, values, and underlying assumptions that shape organizational behavior and
influence attitudes (Liu, 2017). Organizational ethical culture is a slice of the overarching organizational culture (Pucetaite et al., 2015). The ethical component of organizational culture represents an interaction among various formal and informal systems of behavior control that are acceptable for promoting ethical behavior and influencing organization outcomes (Huhtala et al., 2015; Pucetaite et al.). The study of the ethics of organizational culture theory is in its infancy. Based on the organizational culture literature, early studies highlighted the importance of the leader’s role modeling and implementing structures and processes (Eisenbeiss et al., 2015; Schein, 1990).

Eisenbeiss et al. (2015) determined ethical CEO leadership established organizational ethical culture as the underlying mediating mechanism through which CEO moral leadership can influence firm performance. Preiss (2018) concluded leadership could affect both positive and negative employee behavior. Ethical senior leadership sets the ethical culture of the organizations they serve by indicating what is and is not appropriate conduct (Liu, 2017). Huhtala et al. (2015) reinforced the concept that perceived organizational ethical behavior relates to higher levels of job engagement. This finding supports the theory that employees are likely to be more emotionally, cognitively, and physically invested in their job when they perceive their organization to be ethical. Some recent studies provided compelling evidence using hierarchical linear modeling to support the directional flow of organizational culture influencing managerial-level behavior rather than the reverse relationship (Glisson, 2015; Schaubroeck et al., 2012). As a result, this study examined organizational ethical culture as a primary predictor.

There are few ethical culture measures. Treviño et al.’s (1998) uni-dimensional scale mirrors how business ethics literature addresses ethical culture, from the phenomenal
perspective. The phenomenal perspective focuses on the observable behavioral patterns that occur in organizations (Bedi et al., 2016; Treviño et al.).

**Employee engagement.** Employee engagement impacts an organization’s bottom line. Companies with more highly engaged employees tend to yield a higher return on assets, profitability, and shareholder value (Reijseger, Peeters, Taris, & Schaufeli, 2017; Eisenbeiss et al., 2015). Employee engagement is related to job satisfaction (Kangas, Muotka, Huhtala, Mäkikangas, & Feldt, 2017). However, employee engagement also relates to organizational commitment, task, and contextual performance (Reijseger et al.). Employee engagement can be represented through organizational citizenship behaviors and is negatively associated with intentions to quit (Demirtas & Akdogan, 2015; Rich et al., 2010).

Employee engagement is a higher-order, multidimensional construct that involves a psychological connection to work, personal investment of energy, and is subject to moderate day-level fluctuations (Handa & Gulati, 2014). It requires the active use of emotions, behaviors, and cognition during the performance of a particular role (Handa & Gulati). Examining employee engagement from both a job and organizational context will provide a more detailed view of overall work engagement while aligning to engagement theory (Kahn, 1990; Saks & Gruman, 2014).

For this study, engagement was assessed using Rich et al. (2010) scale. It fully captures the elements of employee engagement as defined by Kahn (1990) while excluding the measurement of the states for engagement (e.g., meaningfulness) contained in other scales.

**Relationships between theories and variables.**
Figure 1. Hypothesized research model and the relationships between theories and variables.

**Ethical leadership behavior and employee engagement.** Leadership at all levels, particularly in managers, is considered a primary factor contributing to employee perception of their work connection and engagement (Ali Chughtai, 2016; Demirtas & Akdogan, 2015). Few empirical studies have examined the correlation between managerial leadership and engagement (Kaur, 2017; Den Hartog, 2015; Loi et al., 2015). Using ethical leadership as a basis, employees will likely invest more physical, cognitive, and emotional energy toward their role as an organizational member just as they would in their job role (Saks & Gruman, 2014).

**Organizational ethical culture and employee engagement.** Limited research exists on how organizational ethical culture affects employee behavior and attitudes and the resulting employee engagement (ElKordy, 2013; Khalili, 2014; Ruiz-Palomino & Martínez-Cañas, 2014). At job-level, when an environment is reflective of ethical values, it can foster a sense of trust in leadership and the organization resulting in a stronger connection to the work role (Reijseger et
al., 2017). This connection can also extend to how employees invest their emotional, physical, and cognitive energies in their role as an organizational member.

**Organizational ethical culture and ethical leadership behavior.** Schaubroeck et al. (2012) found that ethical leadership behavior in immediate managers is related to the cascading of ethical culture which is a byproduct of moral leadership in senior leaders. Other studies (Jackson et al., 2013) have shown that a transformational leadership style among senior leaders has a direct impact on positive culture types. An ethical culture is a byproduct of the ethical values and behaviors of senior leaders and ethical culture influences immediate manager ethical behavior (Schaubroeck et al.).

**Summary of the theoretical framework.** Examination and verification of the theoretical influence of ethical leadership and organizational culture on employee engagement are in its infancy. The correlation between ethical leadership behaviors and employee attitudes and behaviors in the workplace has been well documented in contemporary studies (Fischer et al., 2017). The dearth of research into employee engagement, for both job and organizational roles, is only now beginning to be addressed (Saks & Gruman, 2014). Additionally, there is little research supporting the link between organizational ethical culture and ethical leadership behavior, particularly the ethical behavior of managers.

**Definition of Terms**

*Employee job engagement:* the physical, cognitive, and emotional energy and devotion that the employee invests in work (Sharoni, Shkoler, & Tziner, 2015).

*Employee organizational engagement:* a positive mindset, self-fulfillment, determination, liveliness, high levels of energy and vigor, dedication characterized by feelings of
meaningfulness, enthusiasm, inspiration, and pride (Demirtas, Hannah, Gok, Arslan, & Capar, 2017).

*Kantian ethics:* ethical actions are those that are universal, dutifully and according to reason followed by all people, and moral behavior is one that treats humans as an end, not a means (Messina & Surprenant, 2015).

*Leadership:* The process where an individual (leader) influences a group of individuals (followers) to achieve a common goal (Liu, 2017).

*Perceived ethical leadership behavior:* The essential component of many leadership theories, such as transformational, authentic, servant, and spiritual leadership (Mo & Shi, 2017).

*Perceived organizational ethical culture:* The shared values, norms, and beliefs about ethics that are upheld in an organization and which can promote ethical conduct (Huhtala et al., 2015).

**Assumptions, Limitations, Delimitations**

**Assumptions.** The instruments used to measure perceived leadership ethical behaviors, perceived ethical organizational culture, and both employee job engagement and organizational engagements are self-assessment tools. The researcher assumed that each study participant voluntarily completed each questionnaire honestly based on their perception and understanding of the context of each question within their institution. Incomplete submissions were rejected from the study population sample. Respondents answered honestly and did not attempt to manipulate the outcome of the study.

The predictor and criterion measures were collected in the hypothesized causal direction. The data about organizational ethical culture and ethical leadership behavior were gathered
before the engagement scores. Nevertheless, alternative causal direction explanations cannot be ignored. Predictor variables were not manipulated.

The researcher’s approach to ethical leadership behavior was consistent with the ethical perspective adopted for this investigation and with existing research in the ethical leadership domain (Brown et al., 2005; Demirtas & Akdogan, 2015; Mo & Shi, 2017).

The instruments used in the study were appropriate to measure and collect the variables for analysis. The instruments have been proven to be reliable and valid.

The demographic variables collected in the research were relevant to the study of ethical leadership within the context of this research.

**Limitations.** The study contains an inherent risk of common method bias (CMB) because all data were collected using self-reporting surveys. Like other non-probability sampling methods, there is the potential for sampling bias (Griffith, Morris, & Thakar, 2016). Although methodological procedures reduce the risk of CMB, there is no guarantee that it will be eliminated (Hunt, Rutledge, Malalasekera, Kennerley, & Dolan, 2016).

The snowball sampling technique might produce a less heterogeneous sample populate by age, gender, level of responsibility, particularly in cases of relatively small sample size. Initial recruits for the study should be a robust cross-section of the population to mitigate this potential limitation.

**Delimitations.** The research is limited to a population of part-time and full-time, professional employees (e.g., public college and university faculty serving North and South Carolina) engaged in the delivery of instruction (product) in the higher education business sector rather than random respondents from all business and industry.
The study used the Ethical Leadership Scale (Brown et al., 2005) and was subject to the construct and definitions of the developers. The study used elements from Treviño et al.’s. (1998) unidirectional scale measuring ethical culture and was subject to the construct and definitions of the developers. The study used elements of Rich et al.’s (2010) scale for measuring employee engagement and was subject to the construct and interpretations of the developers.

**Significance of the Study**

Reduction of gaps. A plethora of evidence has linked perceptions of ethical leadership to employee attitudes and both positive and negative employee behaviors (Johnson & Buckley, 2015; Park, Kim, & Song, 2015; Shoss, Eisenberger, Restubog, & Zagenczyk, 2013; Mo & Shi, 2017). Relatively little research has centered on employee engagement, mainly from an organizational member perspective (Huhtala et al., 2015; Khan, Mahmood, Kanwal, & Latif, 2015; Jackson et al., 2013). Studies have predominately examined this relationship have focused solely on engagement from the work/job role standpoint (Rivkin et al., 2014; Mo & Shi, 2017). However, theory and research assert that engagement is role-related even in a work context (Kahn, 1990; Rothbard, 2001; Saks, 2006; Bedi et al., 2016).

If leaders play a critical role in influencing engagement, the leader that employees perceived to behave in more ethically will have a more positive impact on the extent to which employees build an emotional connection to the organization and their work (Hopkins & Scott, 2016; Mo & Shi, 2017). Therefore, to more fully understand the influence of perceived ethical leadership on employee engagement more research is needed, specifically on organizational engagement (Saks & Gruman, 2014). This goal of this research was to increase the
understanding of the influence of ethical leadership at managerial levels on employee engagement with their job role in an organizational context.

**Implications for Biblical integration.** This study was deeply rooted in Biblical theology and Judeo-Christian literature. Perceptions of ethics and the treatment of others was a continuous theme throughout the Bible. In Genesis 3:22-23 (ESV) God cast Adam and Eve out of the Garden of Eden for eating of the tree of knowledge of good and evil. In casting Adam and Eve from the Garden of Eden, God expelled the sum of humanity to their sinful fate (Deane-Drummond, 2015). The event also altered human beings’ relationships with each other. Newly discovered feelings of power, authority, ownership, scarcity, lust, and envy entered the human psyche (Deane-Drummond). Amidst the resulting chaos, God used Moses to establish the basis of modern laws, rules prescribing how individuals treat one another. Moses created an organizational framework for society. Jethro, his father-in-law, instructed Moses to appoint “able men from all the people, men who fear God, who are trustworthy and hate a bribe, and place such men over the people as chiefs of thousands, of hundreds, of fifties, and of tens” (Exodus 18:21, ESV). Moses spent 40 days and 40 nights with the Lord without food or water, and he wrote on the tablets the words of the covenant, the Ten Commandments (Exodus 34:28, ESV). Essentially, the culture of Israelite organizations with codes and artifacts became formal. Despite efforts to create an ethical culture, people continued to succumb to power, authority, ownership, scarcity, lust, and envy. Society needed a leader to save them from their corrupt selves.

Jesus Christ, the Son of God, sent to redeem humanity, perfected the commandments saying, “You shall love the Lord your God with all your heart and with all your soul and with all your strength and with all your mind, and your neighbor as yourself” (Luke 10:27, ESV). Jesus
introduced the golden rule, "So whatever you wish that others would do to you, do also to them, for this is the Law and the Prophets” (Matthew 7:12, ESV). Rather than continuing with the prescriptive approach, Jesus began transforming the culture to one of selfless service, belonging, and support through His role as the perfect servant leader (Jaramillo et al., 2015). Philosophically, Jesus challenged humankind to live according to a deontological perspective of service to others rather than continuing with utilitarianism, egoism, or other teleological perspectives. The change in perspective impacts how individuals perceive ethical leadership, organizational ethical culture, and their propensity to engage the organization, and their role.

**Relationship to the study of leadership.** Business ethics remains a critical leadership issue. Leaders influence the corporate culture and ethical tone of the organization in their role in guiding and motivating others toward achievement of a goal (Eisenbeiss et al., 2015). Ethical leadership behavior in immediate managers is related to the cascading of ethical culture which is a byproduct of ethical leadership in senior leaders (Schaubroeck et al., 2012). A review of the organizational behavior and business ethics literature related to organizational ethical behaviors focused on leader integrity and organizational ethical culture as the primary cause of the organization’s ethical or unethical behavior (By, Armenakis, & Burnes, 2015).

**Summary of the significance of the study.** Ethics, the perception of right and wrong, has been a subject of struggle and research since humanity’s expulsion from the Garden of Eden. The Bible chronicles society’s development of organizations and communities, ethics, leaders, and followers. Humanity has learned much about leadership, culture, and engagement, but has not mastered an understanding of the interaction among those factors. The dearth of research into employee engagement, for both job and organizational roles, is only now beginning to be
addressed. Additionally, there is little research supporting the link between organizational ethical culture and ethical leadership behavior, particularly the ethical behavior of managers.

**A Review of the Professional and Academic Literature**

The following section presents a review of both the primary and contemporary literature on ethics, leadership, organizational culture, and employee engagement. First, a discussion of four worldviews on ethics examines the challenge of defining ethics and ethics theory. The study on ethics worldviews concludes with an emphasis on the ethical approach used in the construct of this research. A review of the existing literature on perceived ethical leadership behavior follows. A review of the literature concerning employee engagement at a job and organizational level follows, emphasizing the relationship between employee engagement and ethical leadership. Finally, this study discusses a review of the literature about perceived organizational ethical culture and how it relates to perceived ethical leadership behavior and employee engagement.

The focus on perceived managerial ethical leadership and employee engagement in this study warrants a discussion of what *ethical* means, particularly in organizations. Historically, psychology and business disciplines have adopted a utilitarian view of what is ethical for organizations. This perspective espouses management outcomes such as maximizing effectiveness and efficiency as ultimate ends, where actions/practices that lead to those ends are the preferred way to be or thing to do (Van Duzer, 2010). However, there are other views of ethics (e.g., social constructionist, religious/spiritual, and Kantian) that indicate a different way of being and highlight alternative ethical ends. As such, the following sections outline the ethical perspectives and conclude with the approach to defining ethical behavior adopted for this study.
Philosophical approaches to ethics. Business ethics are complicated and influenced by many internal and external factors simultaneously (Bhasa, 2017). Contemporary literature on the subject draws on notions such as the general good, duty, virtue, and rights to highlight the cultural relativity of morality in their discussions of ethically charged business topics (Fryer, 2016). However, few articles overtly present ethics theory as a philosophical basis for applying business ethics (Fryer). Ethical leadership behavior represents a construct that is central to leader effectiveness, yet scholarly efforts to resolve the ambiguity of construct definition and measurement remain incomplete (Moorman et al., 2013).

Within the Western tradition, guidance for ethical decision making comes from three frameworks: the deontological, teleological, and virtue ethics frameworks. These frameworks are substantive (stand-alone) and normative (associated with a sense of “ought” or “should”; Bhasa, 2017). Four principles distilled from these frameworks (autonomy, non-maleficence, beneficence, and justice) have historically guided ethical decision making (Walker & Lovat, 2016).

Normative ethical theory often distinguishes between deontological and teleological perspectives (Bhasa, 2017). Deontology (from the Greek deon, meaning "duty") refers to an ethical theory or viewpoint based on duty or obligation (Khalid, Eldakak, & Loke, 2017). Applying a deontological perspective, the inherent rightness or wrongness rather than goodness of consequences forms the basis for moral evaluation (Kriegstein, 2015). Deontology focuses on the ethics of the act. Some deontologists believe that there are universal rules regarding right and wrong behavior (Mouton, Malan, Kimppa, & Venter, 2015). For example, it is wrong to kill innocent people, steal, or tell lies; it is right to keep promises. In the modern era, scholars credit Immanuel Kant with the original formulation of the deontological framework (Fryer, 2016).
Whether an act is morally right or not is intrinsic to the action itself, dependent upon its concordance with a set of rules or principles, and independent of its consequences (Walker & Lovat, 2016).

Teleology (from the Greek telos, meaning goal or end) is the ethical perspective based on the rightness or wrongness of actions determined by the goodness or badness of their consequences (Hoover & Pepper, 2015). In a strict teleological interpretation, actions are morally neutral when considered apart from their effects (Hoover & Pepper). Teleological ethics rests moral responsibility on the consequences of the act, thus its framework becomes conditional on the situation or context. Ethical egoism and utilitarianism are examples of teleological theories (Chakrabarty & Bass, 2015). In the modern era, scholars associate Jeremy Bentham and John Stuart Mill with the utilitarian formulation of the teleological framework, which is concerned with making moral decisions based upon the outcome or potential outcome which follows the act (Walker & Lovat, 2016). Whether an action is morally right or not depends on whether it brings about the best consequences, independent of the reasons for acting (Walker & Lovat).

The two theoretical perspectives are not mutually exclusive. Some rights-based theories and theories of justice appear teleological in their concern for outcomes but also espouse the inherent rightness of obligations related to human rights and justice (Khalid et al., 2017). A third framework, virtue ethics, focuses on the character of the agent, and thus its focus is more on the actor than the act (Walker & Lovat, 2016). Virtue ethics and formulations of natural law both seek goals of human happiness and fulfillment, but relative to deontological assumptions about human character and rationally derived obligations (Bright, Winn, & Kanov, 2014). A rule-based utilitarian theory labels an act wrong or unethical if it violates explicit or implicit rules
which, if followed by all, would maximize outcomes for the majority of individuals (Bright et al.).

**Utilitarianist perspective.** One approach to the teleology framework is consequentialism, a utilitarianist perspective where no action can be declared ethical or unethical without considering the results. The utilitarian version of consequentialism calls for examining the consequences of various behaviors to determine which ones lead to the greatest good for the highest number—that benefits outweigh harms (Letwin et al., 2016; Lindebaum & Raftopoulou, 2017). In business, the desired outcomes for organizations are typically the results that benefit the entire organization and the broader communities in which it operates (Lindebaum & Raftopoulou; Van Duzer, 2010). The focus is on consequences, where any action that leads to the desired outcome is ethical regardless of the behavior itself. Therefore, from this view, moral leadership behavior is good because it leads to results of effectiveness, including top management team performance (Hvastová, 2016). One strength for individuals who adopt this viewpoint is that it provides an objective standard to judge the “goodness” of actions (Bull & Ridley-Duff, 2018). This approach focuses on creating a good world, as it might prize human rights and center on improving the lives of many (Bull & Ridley-Duff). Utilitarianism does not inherently disproportionately favor one person or group over another in determining what will yield greater happiness; all human beings are treated the same in pursuit of the overall betterment of society. Despite the positive aspects of utilitarianism, there are challenges to this perspective. Utilitarianism potentially promotes social inequality by maximizing good outcomes for the majority. Scholars posit some groups might be negatively affected even if the overall average happiness of society is higher (Greenleaf, 1977). Utilitarianism may be too permissive in that any act such as discrimination can be justified as long as the outcome is the greater good for the
many (Letwin et al., 2016). Utilitarianism promotes a self-serving bias, the tendency to gather, process, and remember information in a manner that supports pre-existing beliefs (Hvastová, 2016). As determined by utilitarian calculations, the right action for the overall betterment of society and may benefit the individual decision-maker. For example, a manager who has a history of conflict with an employee terminates the employee for poor performance, with a justification that their dismissal is for the overall betterment of the team (Letwin et al.). However, the reality may be that the action was self-serving, to avoid further personal conflict with the employee, rather than for the overall good of optimizing the team. The utilitarianist perspective offers little guidance as to what good outcomes are, who decides those outcomes, and what to do when values compete (Hvastová).

Social constructionist perspective. Another perspective explicitly or implicitly adopted in the discussion of ethical behavior is the view of the social constructionist which states that ethics are socially constructed and collectively created through dialectic and relational processes (Endres & Weibler, 2017; Chandra & Shang, 2017). In other words, ethical behavior is context specific, dependent on unique groups of people, at a particular time and place. A primary strength of this approach is that it provides a historical and culturally specific view of how the world is perceived (Endres & Weibler). Research suggests that ethical behavior incorporates cultural/environmental underpinnings (Hogler et al., 2013). For example, corporate social responsibility (CSR) is becoming increasingly critical in the current business environment in which stakeholders press organizations to consider their societal responsibilities (Lueg, Lueg, Andersen, & Dancianu, 2016). The sports apparel company Nike is a prime example of how a company turned a negative public image into a success story by providing an integrated report of its business practices and making its supply chain transparent (Lueg et al.). The judgments of
others who share a similar context and system of norms are the foundation of human behavior, which makes the constructionist perspective relevant to exploring ethical systems in varying backgrounds (Ramoglou & Tsang, 2015).

The social constructionist approach is not without its challenges. Primarily, it refutes an objective moral reality such that any action, including human slavery or genocide, can be viewed as ethical given one’s context (Liu & Baker, 2016). When “corrupt” or self-serving behavior becomes common among a collective of individuals who work together to achieve an organizational goal, it constitutes the organizational culture (Armenakis & Lang, 2014; Campbell & Göritz, 2012). As in the case of Enron, sometimes leaders make decisions that favor themselves at the expense of other stakeholders, a behavior labeled egoistic consequentialism (Armenakis & Lang). The subjective nature of a socially constructed reality may cast the same action across contexts differentially as a benefit or detriment due to unique social culture. From the perspective of social constructivism, behaviors are not entirely unethical or ethical.

Religious/spiritual worldview. The third perspective toward ethical behavior originates from religious/spiritual traditions. A religious/spiritual aspect can include many facets of the ethical stances. However, there is ultimate authority placed in God as the Supreme Being. The tradition-based approach to ethics is relatively simple: the form and content of moral reasoning emerge from historically and culturally conditioned traditions (Kellison, 2014). Jung (2017) suggested normative facts involve deontic (obligatory and permissible) and evaluative properties (good or bad). Sacred texts outline moral principles such as the Ten Commandments that enable one to judge between right and wrong (Harrison, 2015). Moses spent forty days and forty nights with the Lord without food or water, and he wrote on the tablets the words of the covenant, the Ten Commandments (Exodus 34:28, ESV). God used Moses to establish the basis of modern
laws, rules prescribing how individuals treat one another. Moses developed a rule and tradition-based framework for society. Jesus told His parable of the Good Samaritan to illustrate the command to love one's neighbor. The Samaritan's actions entailed what the religious law required, a demonstration of the duty to love one's neighbor as oneself (Lillicrap, 2016).

The religious perspective can also take on aspects of utilitarianism and social constructionism. Religious people understand moral standards in the context of human-God and human-human interactions are not necessarily considered as absolute moral codes (Deane-Drummond, 2015; Harrison, 2015). Like a social constructionist, men and women construe ethical values and messages regarding appropriate behavior based on their relationship with God and with humanity (Kaul, 2017). Using practical reason, individuals have a stimulus for action (desire) thereby having an end that acting will serve (Harrison). Highly religious people value care, fairness, loyalty, respect for authority, purity, and reverence/respect for God as essential aspects of morality (Krull, 2016). People low in religiosity view morality primarily regarding care and fairness, a more teleological approach. Deane-Drummond suggested that in expelling Adam and Eve from the Garden for eating fruit from the tree of knowledge (Genesis 3:22-23 ESV), God changed His relationship with the entirety of humankind. This observation further reinforces the God-human and human-human relationship aspect of the religious/spiritual perspective.

Some scholars also argue that a virtue-based ethics approach applies to the religious worldview. Lillicrap (2016) posited that Jesus created the Christian moral hero by focusing His teaching on the redemption of the virtuous individual. As freethinkers, humans can create a deeper meaning of morality based on guiding principles. Kellison (2014) argued that among contemporary examples of tradition-based ethics, those informed by a pragmatic understanding
of tradition are best able to maintain the balance between the traditional approach and historical context. The religious/spiritual approach establishes standards for judging behavior and provides a roadmap from which to base ethical judgments, codifying a way of being and treating others. In practice, Legal-rationality represents a social arrangement in which political, legal, economic, familial, scientific, and religious institutions achieve a relative autonomy from one another on the authority of norms that are peculiar to the differentiated functions of the various institutions (Little, 2015). The ethical standards sought in business practice align with biblical teachings.

There are several challenges in applying the religious/spiritual worldview. The approach assumes a universal or collective view of the God-human and human-human relationship. Reliance on a single religious or spiritual perspective becomes impossible in environments composed of people with multiple religious traditions or no religious traditions (Little, 2015). Humanity’s inability to articulate any cross-traditional moral norms leaves little hope for mutual understanding concerning ethical issues with international implications. Basing the interpretation of good actions on a religious perspective may lead to multiple interpretations or responses that are not universally accepted. When numerous religious aspects are present (Christianity, Islam, and Buddhism) or even when various sects of religious or spiritual views are present (Christian denominations, Islamic sects), issues of universal understanding and acceptance become almost impossible (Little, 2015).

Kantian ethics. The fourth ethical worldview, known as Kantian ethics, is named for the 18th Century German philosopher, Immanuel Kant. Kant's espoused the deontological moral theory that the rightness or wrongness of actions does not depend on their consequences but on whether they fulfill our duty (Fryer, 2016). Kant referred to The Categorical Imperative as a supreme principle of morality (Fryer). Moral actions are those that are universal, dutifully and
according to reason followed by all people (Pellegrini et al., 2016). From a Kantian perspective, moral behavior is one that treats humans as an end, not a means (Segon & Booth, 2015).

Like the other ethical perspectives previously discussed (i.e., utilitarianism, the social constructionist worldview, and a religious/spiritual worldview), Kantian ethics is not without its challenges. Specifically, one issue with Kantian ethics is its inflexibility (Jeanes, 2017). There are no exceptions to rules unless those exceptions are also universal. There is also little guidance on resolving conflicting duties (Segon & Booth, 2015). Lastly, this perspective fails to account for the complexity of society and organizational contexts where applying universal laws may prove to be challenging (Hogler et al., 2013). Despite these concerns, this approach provides a compelling stance on ethics. One strength of this worldview is the clear standard from which to judge actions as universally willed standards (Jeanes, 2017; Pellegrini et al., 2016; Segon & Booth). According to Kant, individuals through rational thought can choose actions/values that are universal and one’s duty; they are taken for their inherent rightness as reasoned. Research suggests that a subset of global values guide human behavior regardless of context (Jeanes; Pellegrini et al.; Segon & Booth).

Additionally, this approach advocates for the inherent value of human beings as there is an emphasis on upholding human rights and dignity. Business practices that guard against discrimination and enhance human capability exemplify this Kantian approach (Segon & Booth, 2015). Guided by standard codes of conduct, individuals exhibit behavior demonstrating the capacity to reason and act on those universal codes in the midst of complex and ethically challenging environments.

**Ethical perspective for this study.** There are many ways to approach ethics – determining the right thing to do as well as the kind of person one wants to be. This study
adopted a Kantian approach toward ethics upon consideration of the strengths and challenges of the perspectives previously described. A Kantian perspective offers a process to universally define “ethical behavior” that are applicable in a multi-cultural context. In a work context, people are at the core of the business, working together to achieve the organizational mission. The adage “no margin, no mission” is true; business would cease to exist without its sustaining profit (Van Duzer, 2010). However, viewing people as a valued end and thinking about mission achievement from the people standpoint also has merit. Using a Kantian lens, human dignity and in this study employee engagement as well as leadership actions that uphold that dignity, are valid ends in themselves.

A Kantian perspective is not the typical worldview embraced by business. Business organizations instead focus on mission and consistency demonstrated by increased efficiency, productivity, and other management outcomes (Khalili, 2014; Van Duzer, 2010). Some business cultures mostly ignore the human element and treat humans as an expense on the financial statement, a means to other valued ends (Van Duzer). Although this perspective makes a compelling business case for leaders and organizations to care about engagement, those leaders and organizations may focus on engagement only because it leads to more valued ends (Urbaniak, 2015). Those notions invite researchers and practitioners to consider employee engagement in the context of economic gain rather than a facet of human welfare which is an end in itself. Upholding human dignity is a primary tenet of multiple ethical perspectives including utilitarian and religious/spiritual (Kaul, 2017; Bull & Ridley-Duff, 2018). From the Kantian view, duty and our ability to reason tell us that humanity is valuable outright (Deane-Drummond, 2015). People are not part of a conditional equation in pursuit of other gains or limited to a
socially constructed time and space or dependent on a single religious perspective in organizations and a world population composed of people with multiple religious perspectives.

With employee engagement as an end goal, one cannot ignore the role of managers and leaders in enhancing the employee experience. The Kantian viewpoint provides a concrete basis for those right, essential actions, whereas the other ethical perspectives leave the foundation of ethics up to ambiguous conditions. The social constructionist might argue the position that universal standards are impossible to create, given different experiences and diverse cultural or business contexts. However, research has shown that there are commonalities in the psychological foundations of moral systems across people and cultures (Little, 2015). Other research has shown that there is a widespread endorsement of using values and virtues to represent an ethical manner and expected of human behavior, especially leadership behavior (Segon & Booth, 2015). Also, research has identified many practical outcomes that ethical actions have on society such as commitment (Grandy & Silwa, 2017). These examples provide evidence of Kantian ideals, but from the Kantian perspective, the importance of these values is not because they lead to other results.

Therefore, with a focus on upholding human welfare, a valued end, Kant would argue that human beings must conduct themselves in a manner that is consistently and universally willed. Applying Kantian philosophy to this study, if ethical leadership behavior affects employee engagement, which are valuable ends themselves, there is additional support for the identification of universally applicable, ethical standards. The Kantian ethical perspective forms a clearly defined basis of what is ethical. The Kantian ethical view is the most appropriate perspective for this study.
The Kantian perspective is consistent with how ethical leadership has been traditionally defined, approached, and assessed which espouses the inherent value of humans and engaging in actions which protect human welfare (Brown et al., 2005; Grandy & Sliwa, 2017). Consistent with previous research, ethical leadership behavior is appropriate conduct (based on universal principles) through personal actions, interpersonal relationships, and the active promotion of such behavior (Brown et al.; Brown & Treviño, 2006; Treviño et al., 1998). Also, a critical theoretical basis of ethical leadership is social learning such that leaders act as role models that seek to help employees reach their full potential (Brown et al.; Cavico & Mujtaba, 2017). Leaders intentionally engage in specific ethical actions that are considered standards for behavior because they are the right thing to do and are essential to enhancing humanity.

Perceived ethical leadership behavior (PELB). Leadership ethics is about what leaders do and who leaders are (Grandy & Sliwa, 2017). Bedi et al. (2016) described perceived ethical leadership behavior (PELB) as the demonstration of appropriate personal actions and interpersonal relationships, through two-way communication, reinforcement, and decision-making that inspire followers to mimic. Despite the differences in beliefs and values across cultures, the foundations of moral systems are consistent regarding leadership behavior expectations (Hopkins & Scott, 2016; Den Hartog, 2015).

Research has provided support for a variety of behaviors that encapsulate what it means to be an ethical leader from a Kantian perspective. These behaviors include integrity, fairness, listening, empowerment, concern for others, and ethical guidance (Fischer et al., 2017; Huhtala et al., 2015). Scholars have investigated many of these behaviors from a social constructionist perspective; they have universally reasoned values and proactive actions that enhance other’s wellbeing and experience (Huhtala et al.).
PELB also emphasizes both task-oriented and relation-oriented behaviors, both of which are core to a leader’s role. Leadership behavior calls attention to communication and the setting of expectations around ethical principles. This finding is consistent with early concepts of leadership being multidimensional (Yukl; 2010). Overall, PELB is an all-encompassing construct that emerges out of a combination of perceived ethical and behavioral standards (Fischer et al., 2017; Huhtala et al., 2015). Finally, Scholars have characterized PELB by the use of both relational and task-focused actions, which stands in contrast to other ethical leadership approaches.

**Alternative ethical leadership behavior approaches.** Researchers and practitioners have conceptualized and discussed ethical leadership via several other theoretical approaches. Bass (1990) extended Burns’ (1978) work on transformational leadership. Bass identified authentic leadership in his work on transformational leadership (Liu, 2017). Greenleaf (1977) advanced the notion of servant leadership. Although these styles remain popular in leadership research, they are broader in their view of ethical conduct. Thus, a discussion of critical similarities and differences is necessary to distinguish between these conceptualizations of ethical leadership and the construct of PELB.

**Transformational leadership.** Bass (1990) envisioned transformational leadership as behavior that transforms follower motivation and performance. Specifically, a transformational leader models values, demonstrate norms, communicate vision, coach and support followers, and challenge followers to consider multiple perspectives (Fischer et al., 2017). There is an apparent overlap between transformational leadership and ethical leadership behavior as defined in the research literature on this topic (Hoch, Bommer, Dulebohn, & Wu, 2018). Both approaches appeal to follower ethics by acting with high ethical and moral standards, leading with the
welfare of followers in mind, and actively supporting followers. Primary studies and meta-analyses have consistently demonstrated that transformational leadership theory is valid and is related to a variety of employee and organizational criteria, such as commitment, trust, satisfaction, and performance (Hoch et al.). Transformational leaders capitalize on the service motivation of employees by conveying the organization’s values, thereby increasing employee commitment to organizational purposes (Pasha, Poister, Wright, & Thomas, 2017).

However, what is missing from the transformational style is how moral actions play out in more tactical ways. PELB emphasizes ethics in the tactical management aspects involving skills and behaviors which is as vital as the inspirational, visionary, and stimulating role leaders play in the lives of followers (Andersen, 2015). Research has also demonstrated that PELB is more predictive of employee and organizational outcomes than transformational leadership and is a distinct construct (Hoch et al., 2018; Andersen). In Bass’ view, the transformational style is complementary to the transactional method and is likely to be ineffective in the total absence of a transactional relationship between the leader and the subordinate (Andersen; Bass, 1990). The inclusion of transactional elements in influencing ethical behavior and employee motivation limits transformational leadership as a moral leadership approach.

Charismatic leadership. Charismatic leadership is closely related to transformational leadership. The idealized influence component of transformational leadership refers to the extent to which followers perceive the leader as charismatic (Jackson et al., 2013). Bass (1990) asserted that charismatic leaders have unique traits; they have high self-confidence and self-esteem (Yahaya & Ebrahim, 2016). Their charismatic influence enables leaders to obtain full commitment and extra effort from followers. The idealized influence behavior divides into two components: idealized influence behavior; and idealized influence attributions (Jackson et al.).
As role models for subordinates, charismatic leaders reinforce the image of competence, promote shared values and vision, arouse emotion, and enhance enthusiasm among subordinates (Yahaya & Ebrahim). Hoch et al. (2018) found little distinction in the literature between transformational leadership and charismatic leadership and averred that leader charisma is merely a factor in the transformational leaders’ ability to influence others. As a result, charismatic leadership is plagued by the same shortcomings as transformational leadership as an ethical leadership approach.

*Authentic leadership.* Authentic leadership is another approach that is similar to PELB. Authentic leaders are highly self-aware, are perceived by others as being aware of their own and others’ values/moral perspectives, and displaying high moral character (Iszatt-White, Whittle, Gadelshina, & Mueller, 2018). The core of authentic leadership is authenticity, self-awareness, openness, transparency, and consistency (Hirst, Walumbwa, Aryee, Butarbutar, & Chen, 2016). However, much like transformational leadership, authentic leadership lacks a focus on how ethics plays out in the tactical pieces of the leadership role (Sendjaya, Pekerti, Härtel, Hirst, & Butarbutar, 2016). Review of literature on authentic leadership revealed two critical differences to ethical leadership. Ethical leadership emphasizes the importance of a leader actively influencing the behavior of followers, often by using so-called transactional patterns. Authentic leadership would not employ such an influential aspect (Khokhar & Zia-ur-Rehman, 2017). Also, authentic leadership focuses on the significance of self-awareness and authenticity which are less related to ethical leadership than the capabilities and characteristics of a leader (Khokhar & Zia-ur-Rehman).

Further, leaders possessing a great deal of self-focus can be more engaged in more self-promotion and self-protection than in developing and evolving themselves which can be
damaging to their followers (Lajoie, Boudrias, Rousseau, & Brunelle, 2017). Although a self-focus may appear as an authentic action, it ignores a primary tenet of ethical leadership, virtuous behavior that benefits the society. For example, a leader who behaves authentically in his/her dictatorial needs is likely not to be viewed by followers as an authentic leader. Authentic leadership requires belief from followers as to the leader’s authenticity (Lajoie et al.). Leaders who behave in ways that conflict with more universalistic views of ethical leadership is neither ethical nor authentic. Ethical leadership, on the other hand, has a stronger focus on the others component which is essential to understanding the influence on others’ experiences (Sendjaya et al., 2016). Furthermore, Hoch et al. (2018) have shown that authentic leadership and ethical leadership behavior are distinct constructs. Overall, PELB is a more inclusive leadership approach because PELB encompasses a greater focus on both the task and relational elements of leading and influencing others rather than introspection of the self.

Servant leadership. Servant leadership is another well-researched leadership approach. Servant leadership centers on developing others to their fullest potential, by serving others before oneself (Greenleaf, 1977). Literature on servant leadership indicates that servant leaders engage in a multitude of actions to accomplish acts of self-less service including ethical/moral behavior, integrity/authenticity, honesty, caring and support of others, and empowering others (Hoch et al., 2018; Hopkins & Scott, 2016; Focht & Ponton, 2015). Servant leadership differentiates from other leadership styles on two critical aspects: the prioritization of subordinates and ethical behavior (Jaramillo et al., 2015). Servant leadership is perhaps the most similar construct to PELB as it more adequately encompasses the management component of the leadership role, compared to transformational and authentic leadership (Hoch et al.).
In contrast to transformational, charismatic, and authentic, leadership the focus of servant leadership, is directed at ethical behavioral role modeling by leaders, social learning, moral development of followers, and promotion of socially and normatively appropriate behavior (Jaramillo et al., 2015). However, even with a more comprehensive focus on both relational and task behaviors, servant leadership lacks emphasis on the explicit communication necessary to efficiently accomplish tasks. Brown et al. (2005) posited the precise communication of ethical standards and modeling ethical behavior are the primary modes of influence leaders have on followers.

**Spiritual leadership.** Ethical leadership is a construct that leads to personal transfiguration, organizational effectiveness, improved interpersonal communication, and the achievement of a joint platform for professional action (Frunzã, 2017). Christian leaders explicitly draw on their faith and Christian worldview. Those leaders develop the skills, competence and moral character of exemplary leaders (Kessler & Kretzschmar, 2015). Christian Ethics represent one’s overall ethical worldview (Kessler & Kretzschmar). Conceptions of what is right and wrong and how one ought to behave in specific circumstances, exert a strong influence on human behavioral aspects and that this directly affects economic outcomes (Kame & Tshaka, 2015). Scholars have identified links between spirituality in the workplace and outcomes including an increased commitment to organizational goals, increased honesty and trust, greater kindness and fairness, increased creativity, increased profits and morale, higher levels of productivity and performance, reduced absenteeism, connectedness with the colleagues, job satisfaction, and intrinsic motivation (Schutte, 2016). Other positive outcomes are a commitment towards the organization, job satisfaction, productivity, self-career management,
reduced inter-role conflict, reduced frustration, organizational self-esteem, employee retention, and ethical behavior (Schutte).

One of the greatest challenges facing leaders today is the need to develop new business models that accentuate leadership, employee well-being, sustainability, and social responsibility without sacrificing profitability, revenue growth and other indicators of financial performance (Schutte, 2016). Spiritual leadership represents a virtues-based approach to managing grounded in Christian traditions. Nonetheless, humanity today seeks leaders that should keep together and balance wisdom, religion, and ethics (Frunzã, 2017).

**Leadership approach summary.** PELB has much in common with the leadership above approaches. However, PELB goes beyond these approaches by explicitly calling attention to the demonstration of ethical principles, rather than merely emphasizing personal leader values (Hassan et al., 2013). Additionally, PELB focuses on the tactical and relational elements of leadership (Hoch et al., 2018). For this study, PELB is a more appropriate and holistic approach to assessing the impact of ethical leadership on employees and organizations.

**The effects of perceived ethical leadership behavior.** Within the construct of Kantian ethical philosophy, PELB is a valued end itself. A great deal of evidence that demonstrates that PELB enhances individual welfare in an organizational context appears in contemporary leadership literature. Studies show that PELB is positively related to job satisfaction, satisfaction with one’s leader, affective commitment, employee voice, psychological ownership, and organizational citizenship behaviors (Suhuan, Zhiyong, & Hongsheng, 2018; Tu, Lu, & Yu, 2017; Won Jun & Ji Hyun, 2017; Okan & Akyüz, 2015; Choi, Tran, & Park, 2015). Conversely, PELB relates negatively to counterproductive citizenship behaviors and employee misconduct or deviance (Suhuan et al.; Tu et al.; Won Jun & Ji Hyun).
This body of research supports the concept that PELB enhances the human experience specifically related to the employee work. The leadership research literature also the theory that a leader’s role is multifaceted (Yukl, 2010). Ethical leaders take proactive actions that are tactical and relational to influence others. These findings extend previous research that the influence of transformational, authentic, and servant leadership approaches on employees (Hoch et al., 2018; Khokhar & Zia-ur-Rehman, 2017; Lajoie et al., 2017; Hopkins & Scott, 2016; Andersen, 2015; Focht & Ponton, 2015). Thus, the role that PELB plays in work settings requires more research.

**Measuring perceived ethical leadership behavior.** Scholars have developed and used a variety of measures to assess PELB. Brown et al. (2005) developed a uni-dimensional approach to measuring leadership ethics including both leader behaviors and ethical practices (Engelbrecht, Heine, & Mahembe, 2017; Zhu, Zheng, He, Wang, & Zhang, 2017). Moorman et al. (2013) posited that although the leader's conduct is an essential influence on perceptions of integrity, how the perceiver comes to a judgment about a leader’s integrity will have an even more direct impact on subsequent perceiver actions and reactions. Like the earlier multidimensional scale developed by De Hoogh and Den Hartog (2008) and Kalshoven, Den Hartog, and De Hoogh (2011), multi-dimensional approaches often lack robust validity evidence due to their newness.

Conversely, the Ethical Leadership Scale (ELS) developed by Brown et al. (2005) encompasses the tactical and relational foundational aspects of ethical leadership (Zhu et al., 2017). Further, the ELS highlights potential universal principles for ethics in leadership behavior. Although the scale was developed from a social constructionist perspective, assessing the objective reality of individuals, the ELS provides a foundation to understand the formulation
of Kantian, universal principles. Subsequent cross-cultural research studies suggest that the values assessed in the ELS are universally endorsed (Engelbrecht et al., 2017; Zhu et al.; Kalshoven et al., 2011). The Ethical Leadership Scale (ELS) developed by Brown et al. is appropriate for this study because of the reasons above.

Employee engagement. Schaufeli, Salanova, Gonzalez-Roma, and Bakker (2002) defined employee engagement as a “positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption” (p. 74). Vigor denotes the employees’ high level of energy and mental resilience while working, the willingness to invest effort in one’s work, and persistence to overcome difficulties. Dedication is the sense of pride, significance and enthusiasm at work. Absorption entails being fully concentrated and deeply engrossed in one’s work whereby one has difficulty detaching oneself from work (Schaufeli et al.). Research reports that engaged employees have high levels of energy are enthusiastic about their work, perform better, and are willing to go the extra mile (Simbula & Guglielmi, 2013). The consequences of work engagement have been identified with job satisfaction, career satisfaction, wellbeing at work, high organizational commitment, and intention to remain in the organization (Simbula & Guglielmi).

Van Duzer (2010) argued the Kantian perspective that employee engagement could be viewed as an end goal itself, not solely as a means to monetary gains. Employee engagement can be represented through organizational citizenship behaviors and is negatively related to intentions to quit (Demirtas & Akdogan, 2015; Rich et al., 2010). Studies related employee engagement to job satisfaction, organizational commitment, task and contextual performance, organizational citizenship behaviors (Kangas et al., 2017; Rich et al.; Saks, 2006). Cumulatively, research findings indicated engagement shaped and enhanced the human
experience at work and that leaders play a central role. Despite some variation in conceptualization, the literature presents a set of universal concepts defining employee engagement for this study. Employee engagement is a higher-order, multidimensional construct that involves a psychological connection to work, personal investment of energy, and is subject to moderate day-level fluctuations (Handa & Gulati, 2014). Engagement requires the active use of emotions, behaviors, and cognition during the performance of a particular role (Kahn, 1990; Handa & Gulati).

Kahn (1990) and Rothbard (2001) theorized that employee engagement is role-related but occurs within an organizational context (Kaur, 2017; Saks & Gruman, 2014). Precisely, the concept of engagement reflects the extent to which an individual is psychologically present, attentive, and connected to each particular role he/she occupies (Bedi et al., 2016). Within a work context, individuals hold both job roles and organizational roles. For example, a machinist in a factory has a specific job role but may also serve in functions as a member of the safety committee, shop steward, or any number of organizational roles. Research has demonstrated that job engagement and organizational engagement are distinct constructs supporting the notion that employees do have various positions at work (Saks & Gruman).

Typically the construct and measurement of employee work engagement have primarily focused on the individual work level or job engagement (Kaur, 2017). However, Saks’ (2006) study provided compelling evidence that job engagement and organizational engagement may differentially affect organizational citizenship behavior supporting the conceptualization of two distinct sub-types of employee engagement. To more fully understand the influence of perceived ethical leadership on employee engagement more research is needed. Examining employee
engagement from both a job and organizational perspective will provide a more comprehensive view of overall work engagement while aligning to engagement theory (Saks & Gruman, 2014).

**Measuring employee engagement.** Despite what scholars know about employee engagement, most many researchers and most entities do not actually measure engagement (Victor & Hoole, 2017). Typically, organizations assess participation using a mixture of items representing other distinct employee attitudes/behaviors such as job satisfaction, organizational commitment, psychological empowerment, and job involvement (Victor & Hoole). Scholars have developed various measures for specific research investigations into employee engagement (May, Gilson, & Harter, 2004; Saks, 2006; Rich et al., 2010). The most widely used and well-known engagement measure is the Utrecht Work Engagement Scale (UWES) developed by Schaufeli et al. (2002; Won Ho, Jong Gyu, & Bora, 2017). UWES encompasses three dimensions of work (job) engagement (i.e., vigor, dedication, and absorption) which capture one’s investment of energy, sense of pride and significance, and concentration in work (Schaufeli et al., 2002; Schaufeli, Bakker, & Salanova, 2006).

Despite its popularity, the UWES is not without criticism (Saks & Gruman, 2014). The scale includes items that capture antecedent conditions to engagement like meaningfulness and challenging work resulting in a confounded assessment of engagement (May et al., 2004; Rich et al., 2010). Further, the UWES, as well as the other scales developed by May et al. and Rich et al., fail to recognize and distinguish between Saks’ (2006) concepts of engagement in various organizational roles which aligns to Kahn’s (1990) original conceptualization of the construct (Saks & Gruman). The Saks’ research was the single study to delineate and attempt to measure both job and organization engagement. However, the Saks’ approach appears limited because it does not assess the full range of emotional, cognitive, and physical investment of energies
toward each role as purported by Kahn. More research is needed to refine the idea of both job and organizational engagement and to develop reliable and valid measures of the comprehensive conceptualization of employee engagement at work (Saks & Gruman, 2014).

Within the context of this study, any measure of work engagement must encompass job engagement within an organizational setting. The Rich et al. (2010) approach fully captures the elements of employee engagement initially conceptualized by Kahn (1990) and excludes the measurement of the antecedents for engagement that the UWES and other measures include. This scale, based on individual perceptions of how one engages in their work roles, represents the best option for this study. Although Rich et al. conducted their research from a social constructionist point of view, the scale is an appropriate way to self-assess the individuals’ right and opportunity to experience engagement at work. This method is also consistent with the perspective of the construct that engagement is an individual’s self-assessment of an internal state (Rich et al.). The measure aligns with the Kantian worldview adopted in this study purporting that employee engagement is an ideal end goal.

**Perceived ethical leadership behavior and employee engagement.** Leaders and managers set the climate and influence the culture within an organization by modeling what is and is not appropriate conduct (Den Hartog, 2015; Zhou & Pan, 2015). This fundamental concept is critical to understanding the employee experience and behaviors. Ethical leaders have a duty to treat employees as inherently valued (Den Hartog). Ethical leader behavior results in a host of other effects of engagement that contribute to enhanced employee welfare. The Huhtala et al. (2015) study of the ethical climate determined that deterioration of the organization's ethical culture leads to reduced employee commitment, increased intention to leave, increased turnover, and a decline in organization citizenship. This conclusion reinforces other studies that have
linked perceptions of ethical leadership and employee attitudes (Bedi et al., 2016; Loi et al., 2015). Huhtala et al. (2015) concluded leadership could influence both positive and negative employee behavior.

Employee engagement impacts the organizations’ bottom-line such that companies with more highly engaged employees tend to yield a higher return on assets, profitability, and shareholder value (Eisenbeiss et al., 2015). Taking a more Kantian view, workers who are immersed in their tasks and exhibit high engagement with their work are physically involved and cognitively and emotionally attached while performing their tasks (Simbula & Guglielmi, 2013). However, only a few empirical studies have examined the link between managerial leadership and engagement (Suhuan et al., 2018; Tu et al., 2017; Won Jun & Ji Hyun, 2017). For example, research has linked both transformational and authentic leadership to employee engagement with the conclusion that leaders who inspire and motivate help to foster an emotional connection to one’s work role (Won Jun & Ji Hyun; Okan & Akyüz, 2015; Choi et al., 2015). These leadership approaches are consistent with the construct of ethical leadership. In practice, immediate managers model appropriate behaviors that employees observe and emulate which, in turn, influences motivation, attitudes, and behavior (Hoch et al., 2018). Previous research focused solely on the traditional approach of job engagement and had yet to explore how PELB in managers is related to engagement in the organizational role (Huhtala et al., 2015). Examining the work engagement model produces a more complete picture of the employee work experience and how PELB in managers potentially influences both elements (Pavese-Kaplan, 2013).

A comprehensive approach to exploring PELB is critical, particularly as ethical leadership relates to individual job engagement and organizational engagement. Yi-Feng (2016) found that both task and relational leadership behaviors are essential to employee engagement.
By role modeling task and relational behaviors with ethical underpinnings, a manager is more likely to engender a sense of trust in leadership (Yi-Feng; Bulatova, 2015). Kahn (1990) theorized when employees trust their leaders [managers], they will be more willing to invest themselves in their work because they feel a sense of psychological safety. To extend the previous research of Ali Chughtai (2016) and Zhou and Pan (2015), a primary goal of this study was to investigate the link between PELB in managers and employee organization and job engagement. Using ethical leadership constructs of Brown et al. (2005) and Kahn, employees will likely invest more physical, cognitive, and emotional energy toward their role as an organizational member just as they would in their job role. Employees gain a greater sense of trust in their manager’s leadership and safety in their environment when a leader intentionally acts by agreed-upon standards (Ali Chughtai; Yi-Feng, 2016; Bulatova; Zhou & Pan).

**Other influences on employee engagement.** There are a variety of factors that impact employee engagement. Research has demonstrated that multi-national corporations experience variations in employee engagement based on local cultural norms (Slack, Corlett, & Morris, 2015). Other influences can stem from employees themselves, specifically in the area of employee demographic characteristics. Ning, Xiao, and Lee (2017) found that relative to part-time workers, full-time workers tend to show less job engagement. Further, women may be more engaged than men in their work role which could potentially influence organizational engagement levels as well (Ning et al.; de Rubio & Kiser, 2015). Together, these findings of plausible alternative explanations for employee engagement levels make investigating these as covariates are of utmost importance.

**Perceived organizational ethical culture (POEC).** Organizational ethical culture is conceptualized as a slice of the overarching organizational culture. Early studies defined
organizational culture is the amalgamation of underlying norms, values, and assumptions that shape organizational behavior and influence attitudes (Schein, 1990; Treviño et al., 1998). Contemporary studies suggest organizational culture is communicated more through behavioral norms and expectations than through internalized values or assumptions which may or may not be expressed or even known to the organization’s members (Glisson, 2015). Culture represents the underlying reasons for an organizations’ behavior. Ruiz-Palomino and Martínez-Cañas (2014) reinforced the idea that people join organizations they perceive to align with their personal values and beliefs and both reinforce and are reinforced by the organizations’ culture. The ethical component of organizational culture represents an interplay among various formal and informal systems of behavior control that are acceptable for promoting ethical behavior and influencing other outcomes (Huhtala et al., 2015). Typical behavior control mechanisms include reward systems, ethics in communications, and authority structures (Hoorn, 2017). The ethical component of organizational culture guides how employees are supposed to act and how they view their work (Bedi et al., 2016). In general, the ethical part of organizational culture has largely been understudied and underdeveloped (Huhtala et al.). However, studies into catastrophic ethical organization failures like Enron or Wells Fargo highlight the importance of leader’s role modeling and implementing structures and processes to mold perceived norms for appropriate behavior (Cavico & Mujtaba, 2017; Crane et al., 2017; Hassan et al., 2013).

The day-to-day processes and systems that employees perceive reinforce cultural messages and observable aspects of the organizations’ culture, namely, deeply rooted norms and values (Bedi et al., 2016). Investigations that have focused on understanding and conceptualizing focused on observable behaviors and artifacts, which are the most conscious manifestations of culture (Glisson, 2015). Consistent with the preponderance of the literature,
the researcher for this study will approach perceived organizational ethical culture (POEC) in this manner.

*Measuring perceived organizational ethical culture.* There are two approaches to investigating POEC. Eisenbeiss et al. (2015) assessed organizational ethical culture using Kaptein’s (2008) scale for measuring the ethical culture of organizations. Kaptein theorized that by understanding the broad underlying assumptions of an organization’s culture, a researcher could assess the degree to which that culture was ethical. Huhtala et al. (2015) employed the alternative, phenomenal approach to investigating POEC, assessing the overt, formal and informal, behavioral patterns of an organizations’ culture. The phenomenal approach is consistent with how POEC has been evaluated in the business ethics literature (Kaptein, 2011). This study used the phenomenal approach for determining culture because behavioral aspects are tangible evidence of deep underlying assumptions and are a vital component of organizational culture.

Scholars have few ethical culture measures to utilize in research. Treviño et al.’s (1998) uni-dimensional scale and Kaptein’s (2008) multi-dimensional scale are two commonly used measures. Both are consistent with how ethical culture is treated in the business ethics literature. Ethical culture is measured from a phenomenal perspective, focusing on the observable behavioral patterns that occur in organizations (Eisenbeiss et al., 2015; Huhtala et al., 2015; Kaptein, 2011). The measurement of organizational ethical culture is based on perceptions and thus developed from a social constructionist perspective. Phenomenally assessing ethical culture provides a platform from which scholars can understand how individuals rationally decide and create universal ethical standards. The resulting knowledge advances the Kantian ideal that
underlies this research investigation (Kaptein, 2011). This study employed elements of the scale developed by Treviño et al. because of its simplicity and utility.

*Perceived organizational ethical culture and employee engagement.* There is limited research on the extent to which POEC affects employee behavior, and attitudes let alone employee engagement. Most research lauds employee engagement as the key to an organization’s success and competitiveness (Saks & Gruman, 2014). Little research has been published into how employee perceptions of organizational, the normative rules for behavior, influence employee engagement. One study, Huhtala et al. (2015), determined that POEC was associated with higher job engagement. However, those findings cannot be generalized across every organization without further study. Although their conclusion supports the notion that organizations with ethical standards and practices are more likely to have employees who feel more attached and committed, it implies employees are likely to be more emotionally, cognitively and physically invested in their job (Huhtala et al.). However, how POEC influences employee work engagement broken into job engagement and organizational engagement remains absent from the literature (Saks & Gruman, 2014).

*Perceived organizational ethical culture and ethical leadership behavior.* To date, there is little research supporting the link between POEC and PELB, particularly PELB in managers. One seminal study, Schaubroeck et al. (2012) found that ethical leadership behavior in intermediate managers is related to the cascading of ethical culture which is a byproduct of ethical leadership in senior leaders. Research involving other positive leadership and culture types provides some support for this inferred relationship. Studies have shown that a transformational leadership style among senior leaders has a direct impact on positive culture types (ElKordy, 2013). These findings support culture theory such that top leaders are the
primary architects of cultural norms which then influence all other organizational behavior from managers and employees alike (By et al., 2015; Eisenbeiss et al., 2015; Schaubroeck et al.). In these cases, positive leadership values/approaches result in positive culture types. The inverse has also proven correct. When senior leaders model “corrupt” or self-serving behavior, those actions can become common among a collective of individuals who work together to achieve an organizational goal (Armenakis & Lang, 2014; Won Jun & Ji Hyun, 2017). Thus, ethical culture is a byproduct of the ethical values and behaviors of senior leaders and ethical culture influences immediate manager ethical behavior (Schaubroeck et al.).

Pradhan, Panda, and Jena (2017) found that when employees identify their organizational culture as adaptive, flexible, integrative has given them a better clarity in understanding the mission and vision of their organizations while rating their immediate supervisor high in terms of transformational leadership. Studies have confirmed the mediating effect of organizational culture between transformational leadership and organizational performance (Pradhan et al.). More research is needed to explore the relationship between POEC and PELB further, specifically as it relates to employee engagement.

**Perceived organizational ethical culture: predictor or mediator?** Literature indicates that there are potentially multiple roles that POEC could play as it relates to PELB in managers and employee engagement. POEC may be a predictor of PELB in managers. Based on cultural theory and POEC research, managers, like all employees, are influenced by culture (Schaubroeck et al., 2012). Managers are embedded in the organizational system and thus more likely to be affected by high-order phenomena (Schaubroeck et al.). Some studies have demonstrated that a transformational culture, one that is likely to promote ethical practices, is related to PELB in managers (Chughtai, Bande, & Flood, 2015).
Furthermore, researchers also demonstrated that PELB in managers was a mechanism through which transformational culture affected employee extra-effort, satisfaction, and effectiveness (Den Hartog, 2015). Schaubroeck et al. (2012) found that immediate manager ethical behavior is a consequence of the flow of ethical culture throughout the organization. In total, these findings align with Schein’s (1990) culture theory that manager behavior is influenced by overarching cultural norms. Therefore, ethical leadership behavior among managers is likely to be a byproduct of ethical culture, and PELB in managers would most likely play a mediating role in POEC and employee engagement.

Although culture precedes leadership behavior, evidence supports an alternative model such that PELB is a primary predictor of POEC. Schein (1990) theorized leaders at all levels of an organization play a role in maintaining organizational values and norms. Managerial actions serve to reinforce the overarching organizational culture to influence employees further. Research has shown that perceptions of transformational leadership in immediate managers directly relates to positive organizational culture types, not just cultural norms at a team level (Dimitrov, 2015). Positive culture types mediated the relationship between transformational leadership among managers and employee commitment. Further, how an employee perceives or experiences their organization, is often a function of how he or she encounters and senses his or her manager (Dimitrov). The alternative that POEC could play a mediating role between PELB in managers and employee experiences is possible.

Despite some evidence to suggest that organizational culture can serve as a mechanism through which manager’s influence employees, the more common theory is that culture precedes leadership behavior (Dimitrov, 2015). Leadership is the mechanism through which culture influences employees. Organizational culture is a higher-order phenomenon that governs
behavioral norms. Through daily experiences of values and standards, members of an organization learn, think, and behave by those governing, embedded principles (Pucetaite et al., 2015). Schaubroeck et al. (2012) provided compelling evidence, through the use of hierarchical linear modeling, to support the directional flow of organizational culture influencing managerial-level behavior rather than the reverse relationship. For purposes of this study, POEC acts as a primary predictor.

**Gender, age, and employment status as covariates.** The model also incorporates three covariates in recognition that participant gender, age, and employment status (full-time/part-time) may affect the outcome of the study. The covariates act as independent variables. To rule out plausible alternative hypotheses in predicting employee engagement, the employment status, age, and gender data collected during the survey phase of the study were analyzed as covariates. Evidence suggests employment status may influence levels of employee engagement. van der Meer et al. (2016) found that part-time workers tend to show less job involvement, relative to full-time workers. The variance in involvement may translate into less investment physically, cognitively, and emotionally into one’s work or toward the organization (van der Meer et al.).

Rothbard (2001) had indicated that women might be more engaged than men in their work role which could potentially influence organizational engagement levels as well. More recent studies found less compelling evidence of significant gender difference in employee engagement (Wadsworth & Facer, 2016; van der Meer et al., 2016). Together, these findings call attention to plausible alternative explanations for employee engagement levels and for investigating these factors as covariates in the study.

**Analysis of complex research questions.** Structural equation modeling (SEM) is a suite of statistical techniques enabling researchers to test complex research questions such as those in
this study (Counsell, Cribbie, & Harlow, 2016). A hybrid of path analysis and factor analysis, SEM is comparable to other conventional methods, multiple regression, analysis of variance (ANOVA), and correlation (Tarka, 2018). All four procedures are general linear models, and each is subject to a specific set of assumptions. Although casual relationships are hypothesized, causality cannot be proven by the results of these techniques (Tarka, 2018). Causality is the result of sound underlying theory and research design. SEM is subject to misuse as are the other statistical procedures (Weston & Gore, 2006).

Conventional regression models limit analysis to only manifest variables and only one outcome variable (Christ et al., 2017). Also, researchers cannot test complex models with multiple outcomes in a single, interactive step (Christ et al.). The advantage of SEM over the other procedures is its capacity to estimate and test the relationships among constructs. SEM allows for the use of multiple measures to represent constructs and addresses the issue of measure-specific error (Tarka, 2018). Two components comprise SEM. The measurement model describes the relationships between observed variables, the responses to the survey questions, and the constructs those variables are hypothesized to measure. The structural model describes interrelationships among constructs. The combination of the measurement model and the structural model is the composite or full structural model (Weston & Gore, 2006).

The variance of any observed measure consists of true scores and error (Gaskin & Lim, 2017). Reliable measures have less error and are considered a better approximation of the underlying construct than are unreliable measures. Dependent variables have some variance unexplained by the latent variable. Thus error variance must also be modeled. As such, in SEM, the latent variable would represent the underlying attribute associated with a true score, and error variance accounts for the variability not due to the true score (Tarka, 2018).
For example, the response for each question represents a discrete, observable, interval variable, the composite of a true value and an error value. These observable variables can be aggregated to the unobserved scale variables or constructs, POEC, PELB, JE, and OE for this study. Traditionally, researchers have used averages, means, and sums to calculate a value for the unobserved composite variable (Hayes & Scharkow, 2013). However, SEM offers the researcher a method for more accurately estimating the value of the composite variable based upon a statistical weighting of each of the response values. Where raw data are available, contemporary mediation analysis using SEM is the preferred method of hypothesis testing (Leth-Steensh & Gallitto, 2016).

The complex research questions and associated hypotheses of this study are best analyzed using SEM techniques. The 27 manifest or observed variables in the measurement model generated four distinct unobserved or latent variables for analysis in the structural model. Although more commonly used in social science research, SEM is less common in business analysis (Tarka, 2018). Based on the nature of self-report survey perceptions on ethics and engagement, the literature supports SEM as the appropriate technique for data analysis for this research project.

**Literature review summary.** Dimitrov (2015) theorized PELB as a mediator between POEC and employee engagement. There is evidence to support the direct impact of transformational culture, which may be similar to POEC, on PELB and the mediating role of ethical managerial leadership in associations between culture and employee outcomes (Den Hartog, 2015; Schaubroeck et al., 2012). Ethical culture is likely to influence managers to role model and reinforce moral values which can foster a sense of trust in leadership and in the aspects that support the work environment (Suhuan et al., 2018; Tu et al., 2017). This trust and
support relationship enables employees to more deeply connect with and invest in their immediate work role and the larger organization.

**Section One Summary and Justification for the Study**

This study focused on understanding the relationships between PELB in managers, employee engagement, and POEC. Initial research has linked employee engagement with PELB in managers and POEC (Mo & Shi, 2017; Chughtai et al., 2015). However, investigations have yet to examine the constellation of these variables together. POEC or PELB in managers analyzed separately does little to help organizations understand the influences acting on employee engagement. A primary purpose of this study was to test the relationship between POEC, PELB, and employee engagement.

This study focused on the relationship between PELB and employee engagement further. There is some research that supports that PELB is related to employee engagement (Mo & Shi, 2017). However, much like other research examining employee engagement related to a variety of variables the construct’s conceptualization is limited to a focus on job engagement alone (Reijseger et al., 2017). This variation stands in stark contrast to the original definition that engagement is role-related (Kahn, 1990; Rothbard, 2001). Preliminary evidence supports the concept that employees occupy multiple roles at work and that job and organizational engagement are distinct from one another (Saks & Gruman, 2013).

Scholars have recommended that future studies should examine the mediating and moderating factors that influence the relationship between ethical culture and occupational well-being (Demirtas & Akdogan, 2015; Harrison & Bazzy, 2017; Mo & Shi, 2015). Additionally, ethical leadership is a mechanism by which ethical culture influences the extent to which employees engage and connect to with work roles (ElKordy, 2013). Pavese-Kaplan (2013)
examined the relationships between PELB in managers, POEC, and employee engagement and concluded perceived ethical leader behavior mediated the relationship between perceived organizational ethical culture and employee engagement. However, her conclusions cannot be generalized to all levels of leadership in all types of organizations. An examination of the contemporary literature on the relationships between PELB in managers, POEC, and employee engagement reinforced the need for additional research and provided the basis for testing the multi-variate construct.

**Relationships between theories and variables.** The research model for the study represents a complex interaction of multiple variables. Initially, the link was envisioned as two independent variables, POEC and PELB, acting on two dependent variables representing job and organizational engagement. However, the literature suggests that the relationships among the variables are much more complicated. The literature suggests that PELB acts as a mediator and that POEC performs as a predictor within the hypothesized model. The relationship between those variables is grounded in theory and reinforced by research (ElKordy, 2013).

Studies have shown that organizational culture and leadership behavior impact organizational performance and employee wellbeing (Demirtas & Akdogan, 2015; Harrison & Bazzy, 2017; Mo & Shi, 2015). Although these studies imply an influence of PELB and POEC on engagement, few studies have directly addressed the relationship. Saks and Gruman (2014) posited that examining employee engagement from both a job and organizational perspective would provide a more comprehensive view of overall work engagement while aligning to engagement theory.

Both categories of employee engagement, job engagement, and organizational engagement, continue to act as dependent variables. Studies have shown that organizational
culture and leadership behavior impact organizational performance and employee wellbeing (Demirtas & Akdogan, 2015; Harrison & Bazzy, 2017; Mo & Shi, 2015). Although these studies imply an influence of PELB and POEC on engagement, few studies have directly addressed the relationship. Saks and Gruman (2014) posited that examining employee engagement from both a job and organizational perspective would provide a more comprehensive view of overall work engagement while aligning to engagement theory.

The model also incorporates three covariates in recognition that participant gender, age, and employment status (full-time/part-time) may affect the outcome of the study. The covariates act as independent variables. Evidence suggests employment status may influence levels of employee engagement. van der Meer et al. (2016) found that part-time workers tend to show less job involvement, relative to full-time workers. The variance in involvement may translate into less investment physically, cognitively, and emotionally into one’s work or toward the organization (van der Meer et al.).

Rothbard (2001) had indicated that women might be more engaged than men in their work role which could potentially influence organizational engagement levels as well. More recent studies found less compelling evidence of significant gender difference in employee engagement (Wadsworth & Facer, 2016; van der Meer et al., 2016). Together, these findings call attention to plausible alternative explanations for employee engagement levels and for investigating these factors as covariates in the study.

**Research question.** Although the relationship between POEC and employee engagement is well supported by contemporary literature, the study measured the strength of the relationship between POEC and both types of engagement. The primary research questions were: “Does ethical leadership behavior mediate the relationship between perceived organizational ethical
culture and faculty job engagement?” and “Does ethical leadership behavior mediate the relationship between perceived organizational ethical culture and faculty engagement to their institution?” Because managers, like all employees, are influenced by organizational culture, perceived organizational ethical culture could serve as a predictor of ethical leadership behavior in managers (Lee & Kim, 2017). Ethical culture is likely to influence managers to role model and reinforce moral values which can foster a sense of trust in leadership and in the aspects that support the work environment (Kerns, 2017). Therefore, ethical leadership behavior in managers would most likely play a mediating role between organizational ethical culture and both types of employee engagement. The hypotheses were derived from the research question and was well-supported by the current literature. The study examined the variable relationships within specific research questions.

**Hypotheses.** The hypotheses were derived from the research questions.

Hypothesis 1A<sub>0</sub>: Perceived organizational ethical culture does not influence faculty job engagement.

Hypothesis 1A: Perceived organizational ethical culture influences faculty job engagement.

Hypothesis 1B<sub>0</sub>: Perceived organizational ethical culture does not influence faculty organizational engagement.

Hypothesis 1B: Perceived organizational ethical culture influences faculty organizational engagement.

Hypothesis 2<sub>0</sub>: Perceived ethical leadership behavior in managers will not mediate the relationship between perceived organizational ethical culture and faculty job engagement.

Hypothesis 2: Perceived ethical leadership behavior in managers will mediate the relationship between perceived organizational ethical culture and faculty job engagement.
Hypothesis 3: Perceived ethical leadership behavior in managers will mediate the relationship between perceived organizational ethical culture and faculty organizational engagement.

Hypotheses four, five, and six use the demographic variables as covariates and represent issues secondary to the focus of the study.

Hypothesis 4A: The gender of the faculty member does not influence job engagement.

Hypothesis 4A: The gender of the faculty member influences job engagement.

Hypothesis 4B: The gender of the faculty member does not influence organizational engagement.

Hypothesis 4B: The gender of the faculty member influences organizational engagement.

Hypothesis 5A: The employment status of the faculty member does not influence job engagement.

Hypothesis 5A: The employment status of the faculty member influences job engagement.

Hypothesis 5B: The employment status of the faculty member does not influence organizational engagement.

Hypothesis 5B: The employment status of the faculty member influences organizational engagement.

Hypothesis 6A: The age of the faculty member does not influence job engagement.

Hypothesis 6A: The age of the faculty member influences job engagement.
Hypothesis 6B: The age of the faculty member does not influence organizational engagement.

Hypothesis 6B: The age of the faculty member influences organizational engagement.
Section 2: The Project

Ethical violations can have catastrophic impacts on investor confidence, economic stability, and public and consumer well-being (Crane et al., 2017). Beyond the highly publicized ethical failures of leadership, leaders at all levels of an organization often engage in unethical practices such as favoritism, taking credit for the work of others, or blaming others for their shortcomings. Liu (2017) conceptualized leadership as a process where an individual [leader] influences a group of individuals [followers] to achieve a common goal. The fundamental issue is how leaders wield their power to influence others (Bedi et al., 2016; Hassan et al., 2013). A leader at any level of the organization who is perceived to behave in more ethical ways will have a more positive impact on the extent to which employees build an emotional connection to both their work as well as the organization (Den Hartog, 2015). Ethical leadership is a mechanism by which ethical culture influences the extent to which employees engage and connect to with work roles (ElKordy, 2013). In developing engagement theory, Kahn (1990) and Rothbard (2001) theorized that employee engagement is role-related but occurs within a workplace context (Kaur, 2017). Scholars have published relatively little research on employee engagement, but primarily from the perspective of the employee’s work or job role, neglecting the organizational roles of the employee (Den Hartog, 2015; Loi et al., 2015). This study is designed to examine whether perceived ethical leader behavior mediates the relationship between perceived organizational ethical culture and employee engagement. The primary researcher will present the details of this study in the following sections: purpose statement, the role of the researcher, participants, research method and design, population and sampling, data collection, data analysis technique, and reliability and validity.
Purpose Statement

The purpose of this non-experimental, correlational quantitative study was to examine the mediating effect of perceived ethical leadership behavior (PELB) in managers to the relationships between perceived organizational ethical culture (POEC) and employee engagement to both their job and their organization. The contemporary literature indicates that managerial actions reinforce the overarching cultural norms to further influence employees (Liu, 2017; Pucetaite et al., 2015). Because managers are employees and influenced by organizational culture, POEC acts as a predictor of ethical leadership behavior in managers (Lee & Kim, 2017). Ethical leadership behavior among managers is likely to be a byproduct of ethical culture, and would most likely play a mediating role between perceived organizational ethical culture and employee engagement (Dimitrov, 2015; Glisson, 2015). The study population for this research was the faculty from North or South Carolina’s institutions of higher education. Subjects were recruited using a snowball method of sampling.

The study used two independent variables, perceived ethical leadership behavior, acting as a mediator, and perceived ethical organizational culture, serving the role as a predictor. Job and organizational engagement were the outcome variables. The study utilized the widely-used Ethical Leadership Scale to measure ethical leadership (Brown et al., 2005). The perceived organizational ethical culture was measured using elements from Treviño et al.’s (1998) uni-dimensional scale measuring the ethical environment. Both types of engagement were measured using elements from the Job Engagement Survey (Rich et al., 2010).

Role of the Researcher

Overall, the researcher of this study was responsible for the entire process. The researcher performed four primary functions in the execution of this study. First, the researcher
recruited participants from the study population using a snowball sampling method. The investigator also disseminated the survey instruments, articulated above, via a third-party, online survey platform. Third, the researcher closed the online survey when the appropriate sample size responded and collected the data from the online survey platform. Finally, the researcher analyzed the results of the surveys relative to the two primary hypotheses. An in-depth review of the roles performed by the researcher follows.

**Participants**

The study population was full or part-time faculty at public colleges and universities in North or South Carolina. Faculty represent the front-line product delivery employees in the higher education industry and were at least 18 years old. The researcher accessed the participant pool after approval from the Liberty University Institutional Review Board (IRB). Most colleges and universities publish email addresses for their faculty as public directory information on their institution’s website. Directory information was used except for commercial solicitation purposes (stated policy restriction of most institutions). The list of initial participants was mined from this source of public directory information.

The researcher established a working relationship with participants through an invitation email and a link to the online surveys which also contained the elements of informed consent without a signature line (data collection is anonymous). Those potential participants who did not consent, exited the survey. To ensure the ethical protection of participants was adequate, all data were collected anonymously from a large group of institutions so that no individual, institution, or system could come under scrutiny as a result of this study. Data were analyzed in the aggregate. The data set is stored on a password-protected, removable hard drive belonging to the principal researcher. The investigator used Survey Gizmo, a third-party survey host, to conduct
the email solicitations utilizing email lists provided by the researcher. The researcher did not know who responded to the survey or to which institution each respondent was associated. The resulting data set was anonymous. The dataset will be retained and secured for the three-year record retention period after which the data will be erased and overwritten.

**Research Method and Design**

Researchers selected methods and designs that were appropriate to answer the research questions posed in the study. Research method refers to the procedures or techniques a scholar uses to collect and analyze data (Tafuri & Junior, 2017). Standard approaches are qualitative, quantitative, and mixed method. The research design was derived from the research method. Specific details of the research method and design for this study were discussed in the following sections.

**Discussion of method.** Qualitative research explores life experiences and attempts to give them meaning. Qualitative methodology encompasses a diversity of data sources, ways to analyze them, and different epistemological/ontological biases (Reinecke et al., 2016). At the root of qualitative research is the worldview or perspective of a realist, feminist, social constructivist, or poststructuralist (Lerner, & Tolan, 2016). The goal of qualitative research is to explore the richness and complexity of an event or phenomenon (Creswell & Poth, 2018). Qualitative research is subjective and uses inductive reasoning in the analysis of words and phrases to better understand a phenomenon (Alia & DUȚĂ, 2017). Qualitative research takes a holistic approach with a broad, complex focus and is often synonymous with theory development (Pathak et al., 2013).

Quantitative research is generally associated with a post-positivist worldview, seeing the world for what it is (objective), but with an acknowledgment of incomplete knowledge
Post-positivism is synonymous with the scientific method. Business researchers typically approach their studies from a post-positivist perspective (Van Duzer, 2010). Quantitative research is objective, concise and uses deductive reasoning to determine the relationship between variables, including cause and effect (Creswell & Poth). The quantitative approach tests theories through the examination of variable relationships. The quantitative research method is defined by the precision of the research and the validation of the hypothesis with measurable results (Alia & DUȚĂ).

An essential methodological trend is to integrate qualitative and quantitative research methods in a mixed methods approach. Research issues need not be quantitative versus qualitative methods, but rather how to combine the strengths of each into a mixed methods approach (Molina-Azorín & López-Gamero, 2016). Mixed method research is the integration of both qualitative and quantitative methods within a single study (Olivier, 2017).

The investigator chose not to use the qualitative method because ethics theory, leadership theory, organizational ethical culture theory and engagement theory are individually well-developed. The research questions would be best answered by examining the interaction of measurable variables using a large participant sample to establish correlations among the variables (Barczak, 2015). Qualitative would produce a narrative of the perceptions of the respondents but would do little to advance the understanding of the interactions of ethical leadership, organizational ethical culture, and employee engagement. Qualitative design describes greater contextual detail (Buckley, 2015). This researcher chose not to conduct a mixed methods study for this study due to time limitations and the alignment to the research questions. Because of the relatively large population and sample, the topic of this study appears better suited to a quantitative design.
A quantitative research design is consistent with the research questions regarding the relationship between two variables of an interval level of measurement (Salmon, 2016). The survey instruments measure (quantify) the perceptions of the respondents producing a significantly large data sample appropriate for correlational analysis. The quantitative research approach will answer the research question and is the most appropriate method for this research.

**Discussion of design.** The quantitative approach tests theories through the examination of variable relationships. The quantitative method has two broad categories: experimental and descriptive (Watson, 2015). Two additional designs are correlational and quasi-experimental. The choice of design will be based on the research methodology and the problem to be addressed through the research (Olivier, 2017).

**Experimental.** Experimental research seeks to find a cause and effect relationship (Abdul Talib & Mat Saat, 2017). Unique to experimental research is the ability to control the environment (Köhler et al., 2017). Experimental studies manipulate experiences to observe the effect of the dependent variable on the independent variable and will impact how the data are collected, analyzed, and construed (Watson, 2015). The classic experiment consists of a treatment group, an equivalent control group, observations before and after the treatment, and random assignment of the subjects into the treatment and control groups (Köhler et al.). One challenge in establishing causality in business and society research is the use of a randomly selected control group (Crane et al., 2017). Because a quasi-experimental or experimental quantitative design would seek to infer or imply a predictive cause and effect without considering the relationship between dependent and independent variables, it is not appropriate for this study (Köhler et al.).
**Descriptive.** In a descriptive study, researchers observe relationships between the variables (Kadam & Karandikar, 2017). Descriptive research involves naturalistic data, where research settings occur without manipulating the variables (Nassaji, 2015). Descriptive research is used to describe the phenomenon (Nassaji). This research focus is more on the ‘what’ of the findings than ‘how or why’ (Nassaji). Typically survey instruments and observations are the methods used to gather data for a descriptive study (Johnson, 2015). A descriptive design is not be appropriate to this research. Descriptive research reports only a percentage summary on a single variable (Kadam & Karandikar).

**Correlational.** Correlational research examines relationships between variables and provides a methodology for measuring the degree to which two or more variables relate without inferring cause and effect (Becker et al., 2015). Non-experimental research is ideally suited for associative relationships. Non-experimental research is an observational design which examines the association among variables, and interventional designs focus on cause-and-effect relationships between variables (Thiese, 2014). The non-experimental approach is appropriate for this correlational research.

**Summary of research method and design.** The researcher performed a non-experimental, correlational quantitative study. Quantitative researchers employ an array of strategies from experimental models to correlational studies, frequently relying on the data collected from surveys and experiments to test or verify the hypothesis using statistical procedures (Johnson, 2015). The quantitative method tested the theory without manipulating variables resulting in an explanatory, correlational research design. A cross-sectional technique in gathering data from the population sample was appropriate for this study.
Population and Sampling

The study population was full and part-time faculty serving at colleges and universities in North or South Carolina. Faculty represent the front-line product delivery employees in the higher education industry and were at least 18 years old. This tenure and non-tenure population contains credentialed professionals from varied disciplines supporting general education and workforce development in North and South Carolina. Scientific research is founded on the integration and replication of results; a single study rarely makes a dramatic contribution to the advancement of knowledge (Fiske, 1983). The proposed study population can extend the generalization of Pavese-Kaplan’s (2013) prior study.

The researcher gathered data through subjects voluntarily completing an online survey. The survey included elements from the Job Engagement Survey (JES; Rich et al., 2010) to assess job engagement; the Ethical Leadership Scale (ELS; Brown et al., 2005) to assess perceived ethical leadership behavior, and elements from the Ethical Environment Scale (Treviño et al., 1998) to assess perceived organizational ethical culture. The survey also collected limited demographic items.

Discussion of population. Scholars define statistical power as the probability of detecting a treatment effect when it exists (Nuzzo, 2016; Konstantopoulos, 2010). The population of the study numbers over 10,000 faculty serving in a professional role within the colleges and universities located in North or South Carolina. In a prior study, the analyzed sample consisted of 239 valid responses of an infinite population (Pavese-Kaplan, 2013). However, that researcher recommended future studies be conducted with larger samples to increase external and statistical conclusion validity (Pavese-Kaplan). The study plan for the research called for a sample size of 384 valid responses.
**Discussion of sampling.** The snowball sampling approach was chosen for its ease in accessing a broader, more diverse sample of the target population to help improve the generalizability of this study’s findings (Byshkin et al., 2016). As a practical matter, the snowball method enables deeper penetration into a population when not all members are known to the researcher, as in the case of developing email lists from public directories. Like other non-probability sampling methods, there is still the potential for sampling bias (Valerio et al., 2016).

To maximize the potential for reaching a large, heterogeneous sample, this researcher took several steps. Initial participants were identified from publicly available directories on the websites of colleges and universities in North and South Carolina. The researcher considered initial participants’ respective school and department (professional discipline) within each college or university to solicit responses from a representative cross-section of the population. The investigator also considered the variety of age ranges, employment status, and gender of initial participants. Finally, explicit instructions were communicated to initial participants for forwarding the survey to their professional colleagues who met the inclusion criteria.

**Summary of population and sampling.** The study population for this research was full-time and part-time (adjunct) faculty from colleges and universities in North and South Carolina. The faculty represents the front-line product delivery employees in the higher education industry. The study planned for a sample size of 384 participants. The primary researcher selected a snowball sampling technique to achieve a representative, heterogeneous sample. The survey included elements of the Job Engagement Survey (JES; Rich et al., 2010), the Ethical Leadership Scale (ELS; Brown et al., 2005) and elements of the Ethical Environment scale (Treviño et al., 1998). The survey also collected demographic items.
Data Collection

The investigator for this study gathered data using a snowball sampling method to recruit participants within the study population. Three instruments previously developed and validated by others, along with demographic questions were the primary source of the data set. All respondents answered three (3) eligibility verification and demographic questions. The survey consists of 27 Likert type questions. Eight (8) questions were taken from the Ethical Environment Scale (Treviño et al., 1998). Respondents completed the 10 question Ethical Leadership Scale (Brown et al., 2005). Finally, the participants answered nine (9) questions pertaining to engagement taken from the Job Engagement survey (Rich et al., 2010). The average time to complete the survey did not exceed eight (8) minutes.

Survey Gizmo, a web-based survey application, utilizes a secure SSL encryption of survey links and associated data spreadsheets. The researcher was responsible for providing the email addresses for solicitation of initial participants from public information directories. Data were collected anonymously, and the researcher did not attempt to identify any respondent’s identity or institution.

All data are stored electronically to reduce the risk of lost data. The data set is stored on a password-protected removable hard drive and removed from a password protected computer when not in use. The hard drive is secured in a locked drawer when not in the physical possession of the principal researcher. The principal researcher alone has access to the data set. The dataset will be erased and overwritten from the removable hard drive after the three (3) year retention period.

The primary risk to participants and their institutions is a breach of confidentiality. By making the data collection process anonymous and addressing the study population as "faculty
serving in colleges and universities in North or South Carolina" without mention of any institution or group of institutions, the risk is minimal. Respondents were informed of the study using the elements of the informed consent form. Participation was voluntary. The surveys were administered by SurveyGizmo, a third-party site. Data were encrypted and available only to the principal researcher. The researcher has taken prudent measures to secure the data.

**Instruments**

**Perceived organizational ethical culture (POEC).** The perceived organizational ethical culture was assessed using Treviño et al.’s (1998) eight questions (1, 5, 6, 8, 10, 11, 13, and 14) from the 14-item Ethical Environment scale (EES; see Appendix B). The measure is intended to assess the degree to which unethical behavior is punished, the degree to which ethical behavior is rewarded, a leader’s role modeling, the extent to which ethics codes are effective in promoting ethical behavior, and ethical norms in the organization. Item responses range from 1 (strongly disagree) to 5 (strongly agree). Treviño et al. reported an internal consistency estimate of $\alpha = .94$ in two separate samples.

**Perceived ethical leadership behavior (PELB).** Perceived ethical leadership behavior in managers was measured using the ELS (Brown et al., 2005), a 10-item scale designed to tap the domain of ethical leadership that can apply to leaders at all levels of the organization (see Appendix B). Item responses range from 1 (strongly disagree) to 5 (strongly agree). Across seven studies, Brown et al. (2005) reported internal consistency estimates ranging from $\alpha = .91 - .94$.

**Engagement (JE and OE).** Engagement was assessed using elements from the Job Engagement Survey (JES; Rich et al., 2010; see Appendix B). This scale was chosen for its comprehensive assessment of engagement according to engagement theory (Kahn, 1990),
validity and reliability (Rich et al.), and lack of overlap in measuring antecedent conditions to engagement like the UWES scales include (Schaufeli et al., 2002). It is an 18-item scale that measures the extent to which an employee invests his/her physical, cognitive, and emotional energies into their job role performance. This study uses questions 1, 2, and 4 to assess the physical aspect of engagement; questions 7, 10, and 12 to address the emotional aspect of engagement; and questions 13, 16, and 17 pertaining to the cognitive elements of engagement. Item responses range from 1 (strongly disagree) to 5 (strongly agree). Sample items include (a) “I work with intensity on my job” (physical); (b) “I am enthusiastic in my job” (emotional); and (c) “At work, my mind is focused on my job” (cognitive). Rich et al. (2010) reported internal reliability estimates (Cronbach’s α) in two separate samples of .95.

**Demographic items and control variables.** Participants were asked to identify their gender, age, and employment status (see Appendix B). Reporting appropriate identification of research participants is essential to psychological practice, generalizing research findings, and comparing across analyses (American Psychological Association, 2010). Additionally, part-time or full-time employment status was required for inclusion in this study, as current employees are most relevant for gathering information related to attitudes toward leadership, organizational culture, and employee engagement. Age range, employment status, and gender were used as covariates in data analysis to rule out plausible alternative hypotheses in predicting employee engagement.

**Data collection techniques.** The primary researcher recruited participants via a snowball sampling method. The researcher chose this approach for its ease in accessing a broader, more diverse sample of the study population to help improve the generalizability of this study’s findings (von der Fehr, Sølberg, & Bruun, 2018). To maximize the potential for reaching a
large, heterogeneous sample several, the researcher took several steps. Initial participants were identified considering their respective academic discipline. The researcher issued explicit instructions to initial participants for forwarding the survey to their professional contacts and friends who meet the inclusion criteria. In this study, participants were initially recruited via formal email invitation with an embedded survey link, asking them to forward the survey link to other faculty in their institution. Once participants accessed the survey link, they were directed to the survey, hosted on Survey Gizmo, a web-based survey tool. Informed consent was presented as a “begin” button on the introduction page; those who did not consent simply closed the survey window in their browser. No incentive for participation was offered.

Due to the nature of this study, understanding personal employee experiences, self-report measures were the most appropriate to use. The survey included demographic items, the measures for PELB and POEC, as well as the assessment for engagement. Each measure was displayed on a separate page of the web-based survey. Data collection was anonymous.

**Data organization techniques.** The data set is stored on a removable hard drive belonging to the principal researcher. All recruitment emails addresses provided to Survey Gizmo were retained on a separate spreadsheet. The dataset will be retained for three years at which time it will be erased and overwritten.

**Summary of data collection.** The scholar’s research plan involved gathering information from the study population using a snowball sampling method collecting data in a single survey containing elements of three previously validated and widely used scales, along with limited demographic data. Participation in the study was voluntary, and all responses were anonymous. Data are stored on a password protected removable hard drive belonging to the principal researcher.
Data Analysis

The investigator for this study gathered data using online survey tools and performed analysis using IBM SPSS and IBM AMOS statistical analysis software. Responses from each participant of the three perception measurements, elements of the ethical environment scale (Treviño et al., 1998), the ethical leadership scale (Brown et al., 2005), and elements of the job engagement survey (Rich et al., 2010), were reviewed for completeness, and incorporated into the study model as observable interval data variables. The 27 interval variables were used to develop the four unobserved, composite, scale variables, POEC, PELB, JE, and OE. The demographic data contained nominal (categorical) and ordinal (placed in a specific order) variables. For example, a participant’s selection of gender on the demographic questionnaire had the following reporting values: male = 1, female = 2, and other, prefer not to answer = 3. Gender and employment status are nominal variables. Age is an ordinal variable. The variables age and employment status were used initially to certify study eligibility. This study also used the demographic factors of gender, age range, and employment status as covariates within the construct of the study model and tested as hypothesis sets 4, 5, and 6. The data responses collected allowed the researcher to address the hypotheses by generating composite (unobserved) variables on perceived organizational ethical culture, perceived ethical leadership behavior, both job and organizational engagement.

Perceived organizational ethical culture (POEC). Scholars have few ethical culture measures to utilize in research. Treviño et al. (1998) uni-dimensional scale and Kaptein’s (2008) multi-dimensional scale are two commonly used measures. Both are consistent with how ethical culture is treated in the business ethics literature. Ethical culture is measured from a phenomenal perspective, focusing on the observable behavioral patterns that occur in organizations.
(Eisenbeiss et al., 2015; Huhtala et al., 2015; Kaptein, 2011). Eisenbeiss et al. assessed organizational ethical culture using Kaptein’s (2008) scale for measuring the ethical culture of organizations. Kaptein (2008) theorized that by understanding the broad underlying assumptions of an organization’s culture, a researcher could assess the degree to which that culture was ethical. Scholars employ a phenomenal approach to investigating POEC, assessing the overt, formal and informal, behavioral patterns of an organizations’ culture (Huhtala et al.). The phenomenal approach is consistent with how POEC has been assessed in the business ethics literature and measures observable behavioral patterns (Kaptein, 2011). Both measures are based on perceptions. As a result, they are developed from a social constructionist perspective. This method of assessing ethical culture provides scholars a platform from which to understand how individuals rationally decide and create universal ethical standards; thus, moving toward the Kantian ideal that underlies this research investigation (Pavese-Kaplan, 2013). Treviño et al.’s uni-dimensional scale offers the researcher a simple yet valid method to measure the variable, PEOC. The study assessed perceived organizational ethical culture using items 1, 5, 6, 8, 10, 11, 13, and 14 of Treviño et al.’s 14-item Ethical Environment scale.

The response for each question represents a discrete, observable, interval variable. The eight observable variables can be aggregated to the unobserved scale variable, POEC. Traditionally, researchers have use averages, means, and sums to calculate a value for the unobserved composite variable (Hayes & Scharkow, 2013). Alternately, structural equation modeling (SEM) offers the researcher a method for more accurately estimating the value of the composite variable based upon statistical weighting of each of the response values. Where raw data are available, contemporary mediation analysis using SEM is the preferred method (Leth-Steensen & Gallitto, 2016).
**Perceived ethical leadership behavior (PELB).** Scholars have developed and used a variety of measures to assess PELB. Brown et al. (2005) developed a uni-dimensional approach to measuring leadership ethics including both leader behaviors and ethical practices (Engelbrecht et al., 2017; Zhu et al., 2017). Moorman et al. (2013) posited that although the leader's conduct is an essential influence on perceptions of integrity, how the perceiver comes to a judgment about a leader's integrity will have an even more direct impact on subsequent perceiver actions and reactions. Like the earlier multidimensional scale developed by De Hoogh and Den Hartog (2008) and Kalshoven et al. (2011), multi-dimensional approaches often lack robust validity evidence due to their newness. Conversely, the Ethical Leadership Scale (ELS) developed by Brown et al. encompasses the tactical and relational foundational aspects of ethical leadership (Zhu et al.). Further, the ELS highlights potential universal principles for ethics in leadership behavior. Although the scale was developed from a social constructionist perspective, assessing the objective reality of individuals, the ELS provides a foundation to understand the formulation of Kantian, universal principles (Pavese-Kaplan, 2013). Subsequent cross-cultural research studies suggest that the values assessed in the ELS are universally endorsed (Engelbrecht et al., 2017; Zhu et al.; Kalshoven et al., 2011). ELS developed by Brown et al. was appropriate for this study because of the reasons above.

The responses for each of the ten questions represented a discrete, observable, interval variable. The ten observable variables can be aggregated to the unobserved scale variable, PELB. Traditionally, researchers have use averages, means, and sums to calculate a value for the unobserved composite variable (Hayes & Scharkow, 2013). Alternately, structural equation modeling (SEM) offers the researcher a method for more accurately estimating the value of the composite variable based upon statistical weighting of each of the response values. Where raw
data are available, contemporary mediation analysis using SEM is the preferred method (Leth-Steensen & Gallitto, 2016).

**Faculty engagement.** Despite what scholars know about employee engagement, most many researchers and most entities do not actually measure engagement (Victor & Hoole, 2017). Instead, organizations assess participation using a mixture of items representing other distinct employee attitudes/behaviors such as job satisfaction, organizational commitment, psychological empowerment, and job involvement (Victor & Hoole). Scholars have developed various measures for specific research investigations into employee engagement (May et al., 2004; Saks, 2006; Rich et al., 2010). The most widely used and well-known engagement measure is the Utrecht Work Engagement Scale (UWES) developed by Schaufeli et al. (2002 as cited by Won Ho et al., 2017). UWES encompasses three dimensions of work (job) engagement, vigor, dedication, and absorption, which capture one’s investment of energy, sense of pride and significance, and concentration in work (Schaufeli et al., 2002; Schaufeli et al., 2006). Despite its popularity, the UWES is not without criticism (Saks & Gruman, 2014). The scale includes items that capture antecedent conditions to engagement like meaningfulness and challenging work resulting in a confounded assessment of participation (May et al.; Rich et al.). Further, the UWES fails to recognize Saks’ (2006) concept of engagement in various organizational roles (Saks & Gruman). The Saks’ research was the single study to delineate and attempt to measure both job and organizational engagement. However, the Saks’ approach appears limited because it does not assess the full range of emotional, cognitive, and physical investment of energies toward each role as purported by Kahn (1990 as cited by Victor & Hoole, 2017). More research is needed to refine the idea of the job and organizational engagement and to develop reliable and
valid measures of the comprehensive conceptualization of employee engagement at work (Saks & Gruman, 2014).

Within the context of this study, the Rich et al. (2010) approach fully captures the elements of employee job and organizational engagement conceptualized initially by Kahn (1990) and excludes the measurement of the antecedents for engagement that the UWES and other measures include. Elements 1, 2, 4, 7, 10, 12, 13, 16, and 17 of this scale, based on individual perceptions of how one engages in their work and institutional roles, represented the best option for this study. Although Rich et al. conducted their research from a social constructionist point of view, the scale is an appropriate way to self-assess the individuals’ right and opportunity to experience engagement at work. This method is also consistent with the perspective of the construct that engagement is an individual’s self-assessment of an internal state (Rich et al.). The measure aligns with the Kantian worldview adopted in this study purporting that employee engagement is an ideal end goal.

The responses for each of the nine questions represented a discrete, observable, interval variable. Six observable variables were aggregated to the unobserved composite scale variable, JE. Three observable variables were aggregated into the unobserved, composite variable, OE. Traditionally, researchers have use averages, means, and sums to calculate a value for the unobserved composite variable (Hayes & Scharkow, 2013). Alternately, structural equation modeling (SEM) offers the researcher a method for more accurately estimating the value of the composite variable based upon statistical weighting of each of the response values. Where raw data are available, contemporary mediation analysis using SEM is the preferred method (Leth-Steensen & Gallitto, 2016).
Demographic items and control variables. The model also incorporates three potential covariates in recognition that participant gender, age range, and employment status (full-time/part-time) may affect the outcome of the study. Kenny (2018) described covariates as variables that do not change and can be correlated to another variable such as outcome. Examples of covariates include age, gender, and ethnicity. Covariates are independent variables.

Table 1

<table>
<thead>
<tr>
<th>Composite Variable</th>
<th>Source</th>
<th>Value Range</th>
<th>Category</th>
<th>Type</th>
<th>Action/ Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Organizational Ethical Culture (POEC)</td>
<td>Eight question responses from the Ethical Organization Survey</td>
<td>1-5 (actual value estimated in SEM)</td>
<td>Scale</td>
<td>Independent</td>
<td>Hypothesized Predictor</td>
</tr>
<tr>
<td>Perceived Ethical Leadership Behavior (PELB)</td>
<td>Ten responses from the Ethical Leadership Survey</td>
<td>1-5 (actual value estimated in SEM)</td>
<td>Scale</td>
<td>Independent</td>
<td>Hypothesized Mediator</td>
</tr>
<tr>
<td>Job Engagement (JE)</td>
<td>Six responses from the Job Engagement Survey</td>
<td>1-5 (actual value estimated in SEM)</td>
<td>Scale</td>
<td>Dependent</td>
<td></td>
</tr>
<tr>
<td>Organizational Engagement (OE)</td>
<td>Three responses from the Job Engagement Survey</td>
<td>1-5 (actual value estimated in SEM)</td>
<td>Scale</td>
<td>Dependent</td>
<td></td>
</tr>
<tr>
<td>Age (range)</td>
<td>Demographic Survey Question</td>
<td>0-6</td>
<td>Interval</td>
<td>Independent</td>
<td>Covariate</td>
</tr>
<tr>
<td>Gender</td>
<td>Demographic Survey Question</td>
<td>1= Male, 2= Female</td>
<td>Nominal</td>
<td>Independent</td>
<td>Covariate</td>
</tr>
<tr>
<td>Employment Status</td>
<td>Demographic Survey Question</td>
<td>1= Full time, 2= part time, or 3= unemployed (disqualified)</td>
<td>Nominal</td>
<td>Independent</td>
<td>Covariate</td>
</tr>
</tbody>
</table>

Note. Ethical Organization Survey was developed by Treviño et al. (1998) and was used with permission. Ethical leadership survey was designed by Brown et al. (2005) and was used under the license of the copyright owner. Job Engagement survey was used with the developer’s permission (Rich et al., 2010).
To rule out plausible alternative hypotheses in predicting employee engagement, the employment status, age range, and gender data were collected during the survey phase of the study and were analyzed as covariates to both JE and OE. Evidence suggests employment status may influence levels of employee engagement. van der Meer et al. (2016) found that part-time workers tend to show less job involvement, relative to full-time workers. The variance in involvement may translate into less investment physically, cognitively, and emotionally into one’s work or toward the organization (van der Meer et al.).

**Data analysis methods.** Initial analysis of the adjusted dataset included descriptive statistics, means, standard deviations, inter-correlations, and Cronbach’s alphas. Responses with missing data points were discarded. Descriptive items are commonly used to demonstrate the quality of the collected data and catalog inter-correlations (Bedeian, 2015). Kenny (2018) warned that researchers must expect collinearity in a mediational analysis. Logically, if the predictor variable explained all the variance in the mediating variable, there would be no unique variance between the mediating variable and the dependent variable(s). Collinearity is a necessary condition in a successful mediation model. To address potential multicollinearity issues, Kenny suggested a larger sample size to preserve the power of the coefficients. The target sample size was 384.

Based on prior research and the hypothesis, the researcher expected a positive correlation between POEC and PELB. Although the mediation relationship relies on some level of collinearity, multicollinearity may partially influence the high magnitude of the relationship ($\beta = 0.70$). One conventional method to test for multicollinearity is to calculate the variance inflation factor (VIF), and its reciprocal, tolerance value ($1/\text{VIF}$). The VIF indicates whether an independent variable is linearly related to another independent variable. Tolerance signifies the
amount of variability in an independent variable not explained by other independent variables. Multicollinearity is an issue when VIF values exceed 10 and tolerance values are lower than 0.10 (Kock, 2015). Using an iterative regression study on the multicollinearity of the independent variable set, the researcher observed VIFs in the range of 1.02 to 2.35. The result demonstrates that multicollinearity is present at a low level. The range of computed values is below the threshold of concern for multicollinearity, VIF < 3 (O’Brien, 2007).

One potential problem with datasets is the presence of outliers. Outliers can skew and have undue influence on the results of the study. Several methods are available to determine the potential impact the cases have on the model (Ganguli, Roy, Naskar, Malloy, & Eisen, 2016). The generation of scatterplots to inspect the dataset for potential outliers was a simple, visual approach to testing for the presence of outliers (Cao, Lin, Gotz, & Du, 2018). Outliers appeared to be present in the data set. Therefore, the researcher examined Mahalanobis distance to identify exact outliers for the unobserved variables, POEC, PELB, JE, and OE in the SEM. The process involved computing centered leverage values in estimating how extreme cases are from the mean (Brereton, 2015; Leys, Klein, Dominicy, & Ley, 2018). IBM AMOS provides support of the use of Mahalanobis distance in SEM.

The single-mode collection procedure used in this research has also been shown to contribute to CMB (Disatnik & Sivan, 2016; Fuller, Simmering, Atinc, Atinc, & Babin, 2016). CMB is the greater likelihood of response patterns in results which can artificially influence observed relationships (Fuller et al.). One traditional method to mitigate potential CMB is to temporally separate the collection of exogenous and endogenous measures by some time period. This method can prove problematic for the researcher in that data collection becomes confidential rather than anonymous (email addresses are collected to invite respondents to
complete the second part of the survey). The lack of anonymity could reduce the response rate of potential participants and might require the permission of the IRB at the institution from which each participant works. The researcher discarded this method of addressing potential CMB as unacceptably onerous. An alternate method for addressing CMB is to estimate the effect of that input bias using a Common Latent Factor (CLF) process in IBM AMOS (Gaskin & Lim, 2017).

**Hypotheses testing.** Historically, the primary method for estimating meditation effect involved a causal steps regression model. When the mediation model is properly specified, the paths c, a, b, and c’ (see Figure 2) can be estimated using multiple regression, structural equation modeling (SEM), or other statistical methods. The mediation model remains consistent regardless of the statistical method used (Kenny, 2018). The product of coefficients approach to determining indirect effects developed by Sobel (1982) was also commonly used but has fallen from favor because of its conservative results (Hayes & Scharkow, 2013). Where raw data are available to the researcher, the contemporary analysis incorporates a bootstrapping approach (Leth-Steensen & Gallitto, 2016). The bootstrap approach helps to reduce the likelihood of Type II error by maximizing statistical power (Leth-Steensen & Gallitto; Mallinckrodt, Abraham, Wei, & Russell, 2006). Also, bootstrapping is not limited by data distribution assumptions. Critics of these methods suggest that the estimates of the magnitude of mediation are under-reported. Those critics recommend structural equation modeling (SEM) as a more precise way to estimate the effect of the mediating variable (Leth-Steensen & Gallitto).
Figure 2. Mediation Model.

Statistics are often used to evaluate a mediation model. Causal steps mediation testing is represented by the Mediation model (Figure 2; Hayes & Scharkow, 2013). Step one is to establish that the effect to be mediated exists by estimating path c, the total effect. Step two is to estimate path a to demonstrate the correlation between the predictor, X and the mediator, M. Step three shows that the mediator, M, affects the outcome variable, Y, path b. Step four is to estimate the effect of X on Y controlling for M, path c’. The effect estimated on path c’ is also known as the direct effect. The amount of mediation is estimated as the indirect effect and is the product of the effects of paths a and b (Kenny, 2018). For M to completely mediate the X to Y relationship, path c’ would be zero demonstrating that X no longer affects Y. Mediation can also be demonstrated when c’ is significantly reduced and is no longer significantly significant. Partial mediation occurs when c’ is reduced but c’ remains statistically significant (Bolin, 2014).

Traditionally the mediation model has been estimated using a series of multiple regression equations (Hayes & Scharkow, 2013). However, there are considerable advantages to estimate the program using a SEM program, such as IBM Amos. SEM programs provide
estimates of indirect effects and bootstrapping (Kenny, 2018). In SEM, all coefficients are estimated in a single run which more closely approximates the interaction of all variables simultaneously (Kenny). Conducting sensitivity analysis is relatively easy using a SEM program (Leth-Steensen & Gallitto, 2016). The hypothesis testing in this study was accomplished using a SEM incorporating bias-corrected bootstrap sampling approach to test for significance of the hypothesized mediated relationships (Hayes, Montoya, & Rockwood, 2017). Two thousand bootstrapped samples were created with 95% bias-corrected confidence intervals to generate bootstrap estimates of indirect, direct, and total effects.

Upon completion of the preliminary data analyses, the investigator performed a series of fit tests or indices. The literature documents three categories of fit indices: absolute fit indices, comparative fit indices and incremental or relative fit indices (Kenny, 2018). The researcher selected the individual indices base on their research support and appropriateness for evaluating the study model. The root mean square error of approximation (RMSEA) is an absolute measure of fit based on the non-centrality parameter (Kenny, Kaniskan, & McCoach, 2015). A RMSEA of 0.05 meets the minimum criteria of fit for journal publication using this statistic (Kenny et al.). The chi-square test is a practical measure of fit for models with roughly 75 to 200 cases, but not for samples that exceed 400 as the test is almost always statistically significant in those instances (Kenny, 2018). There are 324 cases in the current study. \( \chi^2 / df \), \( \chi^2 \) is an index obtained by dividing the chi-square test statistic value by the degree of freedom (Df). Cangur and Ercan (2015) stated that this ratio indicates good fit when it produces two or a smaller value. Additional examination using the comparative fit index (CFI) appeared appropriate to confirm the other fit results. The researcher utilized CFI because of its small sampling variability and
insensitivity to sample size (Xu, Payne, Horner, & Alexander, 2016). A CFI of 0.95 shows the hypothesized model describes the sample data (Perry, Nicholls, Clough, & Crust, 2015).

**Reliability.** Reliability implies that a test or procedure will produce consistent results every time it is used. Reliability points to the repeatability of research findings. Internal reliability, is the test measuring what it is intended to assess, is typically reported as a coefficient showing the proportion of variance. Cronbach’s alpha is the most widely used internal reliability coefficient and will be used in this study. The three scales used in this research have produced consistent reliability coefficients through multiple uses. The ethical environment scale reported an internal consistency of α = .94 (Treviño et al., 1998). Across seven studies, Brown et al. (2005) reported internal consistency estimates ranging from α = .91 - .94 for the ethical leadership scale. Rich et al. (2010) reported internal reliability estimates (Cronbach’s α) in two separate samples of .95 for the engagement survey.

**Validity.** A test is valid when it accurately measures what it is supposed to. Statistical conclusion validity is a challenge in all research. For this study, the researcher employed structural equation modeling in the analysis of the data. The researcher demonstrated the model statistically fit the research model and the data and represented a valid solution. The researcher utilized existing scales with reasonable reliability estimates. Finally, the investigator performed a power analysis to determine a preliminary sample size of 384 will detect significant effects.

**Summary of reliability and validity.** The researcher acknowledges that with a planned sample size of 384 participants and a random sampling method, the sample might exhibit non-normal distributions of participants in areas of age and gender. Skewed participant profiles may reduce external validity (generalizability) of the study results. The investigator will report on any recognized validity limitations to the study.
Transition and Summary of Section 2

Beyond the highly publicized breaches of business ethics like ENRON, Tyco, or Wells Fargo, lapses of ethical behavior at all leadership levels impact productivity and morale. Ethical leadership behaviors in conjunction with organizational ethical culture have each been shown to affect the employee’s level of engagement with both their job and the organization. The researcher conducted this study and compared the results to Pavese-Kaplan’s (2013) prior study to extend those results. This study also examined whether perceived ethical leader behavior mediates the relationship between perceived organizational ethical culture and employee job and organizational engagement. The researcher selected a quantitative, non-experimental, correlational design using elements of three instruments, the EES, ELS, and JES, in addition to a demographic questionnaire to test the hypothesis. Through research and past studies, the researcher determined the instruments to be both reliable and valid. The surveys were completed by professors teaching at any college or university located in North or South Carolina via an online survey tool. The results of the survey were analyzed in the aggregate in IBM SPSS and IBM AMOS using SEM methods.
Section 3: Application to Professional Practice and Implications for Change

Overview of the Study

The purpose of this non-experimental, correlational quantitative study was to examine the mediating effect of perceived ethical leadership behavior (PELB) in managers in the relationships between perceived organizational ethical culture (POEC) and faculty engagement to both their jobs and their organizations at colleges and universities located in North and South Carolina. Contemporary literature in employee engagement indicated ethical leadership behavior mediates the relationship between organizational ethical culture and job and between organizational ethical culture and organizational engagement. This study examined the relationship above in a population segment characterized as college-educated, credentialed, professional employees, working in stable job environments to determine if the results of prior studies extend to this population. The results of the investigation confirm that for the study population, PELB mediates the relationship between POEC and both JE and OE, thereby proving the primary hypotheses and extending the results of previous studies.

Presentation of the Findings

Initial analysis of the adjusted dataset included descriptive statistics, means, standard deviations, inter-correlations, and Cronbach’s alphas. These items are commonly used to demonstrate the quality of the collected data and catalog inter-correlations (Bedeian, 2015).
Table 2  
**Means, Standard Deviations, Inter-Correlations, and Cronbach’s Alphas**

<table>
<thead>
<tr>
<th>Study</th>
<th>Variables</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>POEC</td>
<td>3.54</td>
<td>0.79</td>
<td>0.94</td>
<td>0.69**</td>
<td>0.40**</td>
<td>0.39**</td>
<td>0.04</td>
<td>0.17</td>
<td>-0.05</td>
</tr>
<tr>
<td>2</td>
<td>PELB</td>
<td>3.77</td>
<td>0.83</td>
<td>0.95</td>
<td>0.45**</td>
<td>0.37</td>
<td>0.05</td>
<td>0.10</td>
<td>-0.02</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>JE</td>
<td>4.40</td>
<td>0.58</td>
<td>0.89</td>
<td>0.75**</td>
<td>0.14**</td>
<td>0.05</td>
<td>-0.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>OE</td>
<td>4.23</td>
<td>0.67</td>
<td>0.86</td>
<td>0.08</td>
<td>0.12</td>
<td>0.11**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Covariates</strong></td>
<td></td>
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</tr>
<tr>
<td>5</td>
<td>Gender</td>
<td>1.53</td>
<td>0.53</td>
<td></td>
<td></td>
<td>0.03</td>
<td></td>
<td></td>
<td></td>
<td>-0.14</td>
</tr>
<tr>
<td>6</td>
<td>Emp Stat</td>
<td>1.11</td>
<td>0.36</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>7</td>
<td>Age</td>
<td>4.08</td>
<td>1.20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note.** Cronbach’s alphas are presented in bold. Employment status was coded 1 = full-time, 2 = part-time. Gender was coded 1 = male, 2 = female. Age was coded 18-24=1, 25-34=2, 35-44=3, 45-54=4, 55-64=5, 65 and over=6.  
\(n = 324, **p < .01.\)

Kenny (2015) warned that researchers must expect collinearity in a mediational analysis. Logically, if the X variable explained all the variance in the M variable, there would be no  
unique variance in the M to Y relationship. Collinearity is a necessary condition in a successful mediation model. To address potential multicollinearity issues, Kenny suggested a larger sample  
size to preserve the power of the coefficients for \(b\) and \(c'\). The effective sample size is  
approximately \(n(1-r^2)\). The effective sample size for the study is 248 based on the analysis of JE,  
OE, and PELB. The inverse square root method yielded a minimum sample size of 157 (Kock &  
Hadaya, 2018). To confirm the study sample was large enough to preserve the statistical power  
of the model, the researcher used a post hoc power calculator based on observed \(R^2\), the number  
of predictors, and a 95 percent probability (Soper, 2019). The observed statistical power was  
1.0.
Based on prior research and the hypothesis, the researcher expected a positive correlation between POEC and PELB. Although the mediation relationship relies on some level of collinearity, multicollinearity may partially influence the high magnitude of the relationship ($\beta = 0.75$). One conventional method to test for multicollinearity is to calculate the variance inflation factor (VIF), and its reciprocal, tolerance value ($1/VIF$). The VIF indicates whether an independent variable is linearly related to another independent variable. Tolerance signifies the amount of variability in an independent variable not explained by other independent variables. Multicollinearity is an issue when VIF values exceed 10 and tolerance values are lower than 0.10 (Kock, 2015). Using an iterative regression study on the multicollinearity of the independent variable set, the researcher observed VIFs in the range of 1.02 to 2.35. The result demonstrates that multicollinearity is present at a low level. The range of computed values is below the threshold of concern for multicollinearity, $VIF < 3$ (O’Brien, 2007).

Outliers can skew and have an undue influence on the results of the study. Several methods are available to determine the potential impact the cases have on the model (Ganguli et al., 2016). The generation of scatterplots to inspect the dataset for potential outliers was a simple, visual approach to testing for the presence of outliers (Cao et al., 2018). Outliers appeared to be present in the data set. Therefore, the researcher examined Mahalanobis distance to identify exact outliers for the unobserved variables, POEC, PELB, JE, and OE in the SEM. The process involved computing centered leverage values in estimating how extreme cases are from the mean (Brereton, 2015; Leys et al., 2018). IBM AMOS provides support for the use of Mahalanobis distance in SEM. The researcher examined the dataset for outliers based on the results. Of the 325 responses in the original data set, one (1) record appeared as an outlier with a
Mahalanobis distance, \(d^2\), outside the cluster of results. This outlying record was discarded from the dataset, leaving 324 records for hypothesis testing.

The single-mode collection procedure used in this research has also been shown to contribute to CMB (Disatnik & Sivan, 2016; Fuller et al., 2016). CMB is the greater likelihood of response patterns in results which can artificially influence observed relationships (Fuller et al.). One traditional method to mitigate potential CMB is to temporally separate the collection of exogenous and endogenous measures by some time period. This method can prove problematic for the researcher in that data collection becomes confidential rather than anonymous (email addresses are collected to invite respondents to complete the second part of the survey). The lack of anonymity could reduce the response rate of potential participants and might require the permission of the IRB at the institution from which each participant works. The researcher discarded this method of addressing potential CMB as unacceptably onerous.

An alternate method for addressing CMB is to estimate the effect of that input bias using a Common Latent Factor (CLF) process in IBM AMOS (Gaskin & Lim, 2017). The results of this analysis indicated that seven of the nine engagement factors exhibited low levels of CMB ranging from 6% to 16% (above 20% requires action; Gaskin & Lim, 2017). Because the prior study employed the traditional method for addressing CMB (temporal separation of the collection of exogenous and endogenous measures), the researcher elected to use a CMB adjusted composite data set for the analysis of the hypotheses. Although the method of addressing CMB varied between the prior and current studies, both researchers took input bias into account in their research.

**Hypothesis testing.** Historically, the primary method for estimating meditation effect involved a causal steps mediation model (Figure 2). Where raw data are available to the
researcher, the contemporary analysis incorporates a bootstrapping approach (Leth-Steensen & Gallitto, 2016). The bootstrap approach helps to reduce the likelihood of Type II error by maximizing statistical power (Leth-Steensen & Gallitto; Mallinckrodt et al., 2006). Also, bootstrapping is not limited by data distribution assumptions. Structural equation modeling (SEM) is a more precise way to estimate the effect of the mediating variable (Leth-Steensen & Gallitto). The hypothesis testing in this study used a SEM incorporating bias-corrected bootstrap sampling approach to test for significance of the hypothesized mediated relationships (Hayes et al., 2017). Two thousand bootstrapped samples were created with 95% bias-corrected confidence intervals to generate bootstrap estimates of indirect, direct, and total effects.

Table 3

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<tr>
<th>Hypothesis Testing Summary</th>
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<tr>
<td><strong>Hypothesis</strong></td>
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<tr>
<td>H1A. Total effect POEC to JE</td>
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<td>H1B. Total effect POEC to OE</td>
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<td>H2. PELB mediates POEC to JE</td>
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<td>H3. PELB mediates POEC to OE</td>
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<td>H4A. Gender to JE</td>
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<td>H5A. Emp Status to JE</td>
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<td>H6A. Age to JE</td>
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<td>H6B. Age to OE</td>
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The designation of small, medium, or large effect sizes is fundamentally arbitrary and application dependent. Cohen (1988) proposed standards of 0.01 for small effect, 0.03 for medium effect, and 0.05 for large effect (Shrout & Bolger, 2002). With the mediation model, this standard can be used for total and direct effects. However, because the indirect effect is the product of two effects (path a and path b in the mediation model), Kenny (2015) argued that the Cohen effect standard should be squared for determining indirect effect size. Using Kenny’s definition, a small indirect effect size would be 0.01, medium would 0.09, and large would be 0.25.

**Hypothesis 1 testing.** Hypothesis set 1 relates to step one of the mediation model (figure 2). The researcher must establish there is an effect to be mediated. Hypothesis 1A predicted that POEC influenced faculty job engagement (JE). Using the CMB adjusted data within SEM with bootstrap sampling, the bivariate path between POEC and JE was estimated (Font, 2016). As shown in Tables 3 and 4, the total effect between POEC and JE (β = .44, p=0.000) and was statistically significant. Therefore, Hypothesis 1A₀ can be rejected, and hypothesis 1A is supported. POEC affects JE, and that effect can potentially be mediated. Hypothesis 1B predicted that POEC influences faculty organizational engagement (OE). Using the CMB adjusted data within SEM with bootstrap sampling, the bivariate path between POEC and OE was estimated (Font, 2016). As shown in Tables 3 and 4, the total effect between POEC and OE (β = .44, p=0.000) and was statistically significant. Therefore, Hypothesis 1B₀ can be rejected and hypothesis 1B is supported. POEC affects OE and that effect can potentially be mediated.

**Hypothesis 2 testing.** Hypothesis 2 predicted that PELB in managers would mediate the relationship between POEC and JE. As the literature above suggested, the indirect effect was estimated using 2,000 bias-corrected bootstrap records. Results (see Tables 3 & 4, and Figure 3)
also indicated that the test of the indirect effect of POEC to JE, through PELB, was statistically significant \( (\beta = .26, p = .000) \). Additionally, the unique or direct effect of POEC on JE, when controlling for PELB, was smaller but significant \( (\beta = .15, p = .016) \). Collectively, this analysis indicates that PELB partially mediated the relationship between POEC and JE. Therefore, Hypothesis 2 can be rejected and hypothesis 2 is supported. The perceived ethical behaviors of manager-level leaders are a mechanism through which ethical culture influences the extent to which faculty members engage and connect to with their job role.

**Hypothesis 3 testing.** Hypothesis 3 predicted that PELB in managers would mediate the relationship between POEC and OE. The indirect effect was estimated using 2,000 bias-corrected bootstrap records using SEM. Results (see Tables 3 & 4, and Figure 3) indicated the indirect effect of POEC to OE, through PELB, was statistically significant \( (\beta = .11, p = .000) \), although smaller than the direct effect of POEC to OE when controlling for PELB \( (\beta = .33, p = .000) \). Hypothesis 3 can be rejected and hypothesis 3 is supported. These results show PELB partially mediates the relationship between POEC and OE. The weaker effect of POEC indicates there are probably other factors, outside the purview of the study, affecting the relationship between POEC, PELB, and OE.

**Hypothesis 4 testing.** Hypothesis set four (4) examined the effect of gender on both JE and OE. Hypothesis 4A predicted that the gender of the faculty member influences JE. The relationship between gender and JE was significant \( (\beta = .15, p = .004) \). Hypothesis 4A is supported, and the null can be rejected. 15% of female faculty have higher levels of job satisfaction than their male counterparts. Hypothesis 4B predicted that the gender of the faculty member influences OE. The relationship between Gender and OE was not significant (see
Tables 3 & 4, and Figure 3). Hypothesis 4B$_0$ cannot be rejected, and therefore Hypothesis 4B is not supported.

**Hypothesis 5 testing.** Hypothesis set five (5) examined the effect of employment status (full-time or part-time) on both JE and OE. Hypothesis 5A predicted the employment status of the faculty member influences job engagement. Hypothesis 5B predicted the employment status of the faculty member influences organizational engagement. The relationships between employment status and either JE or OE was not significant ($\beta = 0.01$ and 0.03, respectively). Hypotheses 5A$_0$ & B$_0$ cannot be rejected making hypotheses 5A and 5B not supported. Employment status did not demonstrate an effect on either JE or OE.

**Hypothesis 6 testing.** Hypothesis set six (6) examined the effect of age on both JE and OE. Hypothesis 6A predicted that the age of the faculty member influenced JE. The relationship between age and JE was not significant. Hypothesis 6A$_0$ cannot be rejected, and hypothesis 6A is not supported. The age of the faculty member did not affect their level of JE. Hypothesis 6B predicted that the age of the faculty member influenced OE. With a $\beta$ of 0.15, $p=0.005$, the relationship between age and OE was significant (see Tables 3 & 4, and Figure 3). For every age increase of 10 years, OE increases by 15%. Hypothesis 6B is supported, and the null can be rejected.

The evidence supports the research model and hypotheses 2 and 3. PELB is a mechanism through which ethical culture influences the extent to which faculty engages and connects to their job and their organization. By definition mediation is partially supported when the direct effect, $c'$, is less than the total effect, $c$, but does not meet the criteria for total mediation $c'=0$ or $c'$ becomes non-significant, $p>0.05$ (Bolin, 2014).
The SEM analysis of the overall mediated model indicated a good fit to the data. The literature documents three categories of fit indices: absolute fit indices, comparative fit indices and Incremental or relative fit indices (Kenny, 2015). The researcher selected the individual indices based on their research support and appropriateness for evaluating the study model. The root mean square error of approximation (RMSEA) is an absolute measure of fit based on the non-centrality parameter (Kenny et al., 2015). The RMSEA for the study model is 0.05. A RMSEA of 0.05 meets the minimum criteria of fit for journal publication using this statistic (Kenny et al.). The chi-square test is a practical measure of fit for models with roughly 75 to 200 cases, but not for samples that exceed 400 as the test is almost always statistically significant in those instances (Kenny, 2015). There are 324 cases in the current study. \( \chi^2 / df \); \( \chi^2 \) is an index obtained by dividing the chi-square test statistic value by the degree of freedom (Df). Cangur and Ercan (2015) stated that this ratio indicates a good fit when it produces two or a smaller value. The calculated value for this model is 1.83 supporting a good model fit. The comparative fit index (CFI; 0.96) met the 0.95 threshold for good fit, showing the hypothesized model describes the sample data (Perry et al., 2015). The preponderance of evidence substantiates the
fit of the model.

**Figure 3.** Research model with standardized $\beta$ coefficients.

**Comparison to the prior study.** Previous research has demonstrated a relationship between PELB in managers and employee engagement and POEC and employee engagement (Demirtas & Akdogan, 2015; Harrison & Bazzy, 2017; Mo & Shi, 2017). The purpose of the current study was to explore the mediating effect of perceived ethical leadership behavior (PELB) in managers in the relationships between perceived organizational ethical culture (POEC) and faculty engagement to both their job and their organization. Although Pavese-Kaplan’s (2013) prior studied examined the relationship between the variables within a general working population, the current study looked specifically at college and university faculty as a well-educated, professional and stable population. Partial support was found for the research hypotheses, indicating that POEC and PELB influenced job engagement and organizational engagement and the PELB is a mechanism through which POEC affects job and organizational engagement.
Both the current and Pavese-Kaplan’s (2013) collected data using the ethical environment scale (Treviño et al., 1998), the ethical leadership scale (Brown et al., 2005), and the job engagement survey (Rich et al., 2010). Also, Pavese-Kaplan modified the job engagement survey to focus on organizational engagement and used that additional survey to generate data to measure OE. The added instrument appeared redundant, cumbersome, and confusing based on direct feedback from test respondents used for quality control testing of the data collection system. Because elements of the existing job survey (Rich et al., 2010) specifically address workplace engagement perceptions, the researcher opted not to use the Pavese-Kaplan survey.

To address potential CMB (Fuller et al., 2016), Pavese-Kaplan temporally separated the collection of exogenous and endogenous measures by a period of at least 24 hours. In doing so, the data collection effort could no longer be anonymous, resulting in a potentially lower response rate for that prior study of 239. The current study collected data anonymously in a single survey, resulting in 325 valid and complete responses. The current researcher used statistical methods to estimate CMB in the unobserved, composite variables and adjusted the dataset to account for input bias including CMB. As a result, both studies addressed CMB, but used different methods.

The overall result of the analysis mirrored the result of Pavese-Kaplan’s (2013) research. The total effect of POEC and JE was significantly stronger in the current study (β= 0.44) compared to β= 0.23 in the previous study. The indirect effect of POEC and JE was also significantly stronger in the current study (β= 0.26) compared to β= 0.20 in the prior study. The unique or direct effect of POEC on JE, when controlling for PELB, was smaller and non-significant (β = .15, p = 0.016) in the current study. Pavese-Kaplan (2013) reported a non-significant β = 0.03, p = 0.708. PELB partially mediated the relationship between POEC and JE in the current study but fully mediated the relationship in the prior study. Overall, PELB is a
mechanism through which ethical culture influences the extent to which employees engage and connect to work role.

The profile of the population of the current study may have influenced the increased magnitude of the effects in the current study and the significance of the effect. Although Pavese-Kaplan studied a population containing skilled, semi-skilled, and unskilled workers, the current research focused on highly-skilled subject matter experts in their respective areas of study. As such, the two populations may tolerate the impact of workplace ethics to different degrees. Additional research is needed to examine the effects of education, social status, and other factors as they relate to JE.

The result of the analysis of OE mirrored the result of Pavese-Kaplan’s (2013) study. The total effect of POEC and OE was similar in the current study (β = 0.44) compared to β = 0.40 in the previous study. The indirect effect of POEC and OE was weaker in the current study (β = 0.11) compared to β = 0.18 in the prior study. The unique or direct effect of POEC on OE, when controlling for PELB, was smaller but significant (β = 0.16, p = 0.000) in the current study as was Pavese-Kaplan’s (2013) finding of β = 0.22, p = 0.007. In both studies, PELB partially mediated the relationship between POEC and OE. PELB is a mechanism through which ethical culture influences the extent to which employees engage and connect to organizational roles.

Both studies demonstrated support for research hypothesis 2 and 3, indicating that POEC and PELB influenced both job and organizational engagement and the PELB is a mechanism through which POEC influences faculty engagement. The results of the current study confirm and further generalize the results of Pavese-Kaplan’s (2013) prior study.

**Relationship of the hypotheses to the research questions.** The primary research questions were: “Does ethical leadership behavior mediate the relationship between perceived
organizational ethical culture and faculty job engagement?” and “Does ethical leadership behavior mediate the relationship between perceived organizational ethical culture and faculty engagement to their organization?” The concept of employee engagement is complex and influenced by multiple variable relationships (Lee & Kim, 2017). Based on the literature, the researcher expected that POEC would be positively related to both job and organizational engagement (Kerns, 2017). Results from this investigation supported previous research such that employees have increased job and organizational engagement to the extent that they perceive their organizational culture to be ethical (Saks & Gruman, 2014). Additionally, past research predicted that PELB in managers would be positively related to employee engagement (Bedi et al., 2016; Loi et al., 2015). Results aligned with past findings, indicating that faculty is likely to have higher levels of job engagement and more fully engage their institutions when they perceive their manager’s behavior to be ethical.

**Relationships with employee job engagement.** The researcher examined several associations related to employee job engagement. First, the investigator anticipated that POEC would be positively related to employee job engagement. Results of this investigation supported previous research such that employees have increased job engagement to the extent that they perceive their organizational culture to be ethical (Saks & Gruman, 2014). Past research also suggested that PELB in managers would be positively related to employee job engagement (Ali Chughtai, 2016; Demirtas & Akdogan, 2015). The results of this research aligned to past findings, indicating that highly skilled employees (faculty) are likely to have higher levels of job engagement when they perceive their manager’s behavior to be ethical (Saks & Gruman, 2014).

Culture theory (Schein, 1990) and past investigations provided evidence that POEC plays a role as a primary predictor in the relationship between PELB and employee outcomes (Hopkins
& Scott, 2016; Mo & Shi, 2017). Results from the current study indicated that despite a positive association with job engagement, when PELB in managers is considered, POEC has little effect on the extent to which employees invest their energies into performing their work role. Thus, PELB mediates the relationship between POEC and employee job engagement. This finding is like Schaubroeck et al.’s (2012) and Saks and Gruman’s (2014) research that established that perceptions of ethical managerial leadership provide one conduit through which moral-cultural messages influences employee outcomes.

PELB is a mediator in the relationship between POEC and employee job engagement, thus further supporting the tenets of how leaders establish organizational culture and perpetuate values and behaviors throughout the organization (Schein, 1990; Schaubroeck et al., 2012; Huhtala et al., 2015). Despite the powerful influence that culture has on shaping employee behavior and, in this case, job engagement, managers are critical in the day-to-day experience and reinforcement of cultural expectations (Schaubroeck et al., 2012; Bedi et al., 2016). When enacting ethical values such as listening, fairness, and active communication of moral principles, managers foster a greater sense of trust in leadership (Kahn, 1990). The trust (reliance) in leadership provides employees with the opportunity to fully connect with and invest their energies into their work role (Fischer et al., 2017).

**Relationships with employee organizational engagement.** One key aspect of this research study was to examine employee engagement beyond that of an employee’s primary work or job role. Theory (Kahn, 1990) and existing research (Saks, 2006; Saks & Gruman, 2014) suggested that engagement is role-related, where employees occupy multiple roles in the workplace. Specifically, this study examined organizational engagement to explore the extent to
which POEC and PELB influences employees to invest themselves in their position as a member of their organization.

The researcher anticipated that POEC would be positively related to employee organizational engagement. As predicted by the literature, results from the prior and current indicated that employees had increased organizational engagement to the extent that they perceive their organizational culture to be ethical (Saks & Gruman, 2014; Pavese-Kaplan, 2013). The investigator also predicted that PELB in managers would be positively related to employee organizational engagement. The results supported this hypothesis. Employees (faculty) who perceive their manager’s behavior to be ethical are more likely to be engaged in performing their role as an organizational member (Saks & Gruman, 2014). This finding is like previous research on managerial ethical behavior and job engagement and consistent with results from Pavese-Kaplan’s (2013) study (Den Hartog, 2015; Zhou & Pan, 2015).

Findings from this study indicated that PELB in managers plays a mediating role in the relationship between POEC and employee organizational engagement. This finding aligns to results from previous research (Pavese-Kaplan, 2013; Schaubroeck et al., 2012; Ali Chughtai, 2016) linking culture perceptions to employee outcomes. Succinctly, an ethical culture leads to ethical leadership behavior to influence employee organizational engagement. In both the current study and the prior study, the direct relationship between POEC and organizational engagement was stronger than the mediated relationships and statistically significant. Because managerial behavior did not have as strong of a mediating effect, this may be indicative of other influences that affect ways in which ethical culture impacts employees’ investment in and commitment to their organizational role (Slack et al., 2015). Additional research, in this area, is warranted.
These findings suggest that organizations that value and perpetuate ethical norms will help foster an employee’s emotional, cognitive, and physical engagement in their role as a member of the organization (Glisson, 2015). In application, managers who act by ethical principles will positively influence employee organizational engagement. As employees observe and experience daily processes and systems guided by ethical organizational norms, they are more likely to gain a sense of trust, safety, and regard for the organization (Huhtala et al., 2015). The organization becomes a place where employees can and want to fully invest in their roles as a member of the organization and contribute to the organization (Bedi et al., 2016). However, given the strength of the relationships, how employees perceive their culture may be more influential in shaping their engagement with the organization than how they understand their manager’s actions (Saks & Gruman, 2014). Saks (2006) found that while job engagement and organization engagement shared some of the same predictors, there were differences in the magnitude of the effect as well as differences in the variables that predict these employee experiences. Perhaps the differences are due to the target of both concepts, the leader or manager behaviors. Even though one’s manager is an essential piece to the work environment and influence on employee attitudes and behaviors, how one invests in his/her role as an organizational member is likely to be influenced by many more expansive factors beyond their immediate, daily experiences (Saks & Gruman, 2014).

**Summary of the Findings**

The result of analysis supports the hypotheses that PELB is a mediator in the relationship between POEC and faculty job engagement as well as engagement to their institution. These findings are supporting the tenets of how organizations establish a culture, both formally and informally, using values and behaviors to perpetuate and reinforce the corporate system and
generalize the results of Pavese-Kaplan’s (2013) prior study (Glisson, 2015). Organization ethical culture exerts a powerful influence in shaping employee behavior and engagement (Schein, 1990; Treviño et al., 1998). Managers are critical in the day-to-day experience and reinforcement of cultural expectations (Schaubroeck et al., 2012). When enacting ethical values like listening, fairness, and active communication of moral principles, managers foster a greater sense of trust in leadership itself as well as in the aspects of the work environment for which they are a part (Kahn, 1990). Faculty members then possess the opportunity to connect with and invest their energies into their job and institutional roles.

**Applications to Professional Practice**

The faculty represents a highly-educated workforce who are academic experts in their chosen field. Many faculty members enjoy relative autonomy and are secure in their employment due to tenure or other long-term contractual provisions. Tenure critics argue that faculty has no incentive to manage and it is difficult to weed out under-performing faculty (Jackson, Latimer, & Stoiko, 2017). Conversely, faculty point to increased academic freedom, learning outcomes and performance due to tenure systems (Jackson et al.). In the environment of keen competition for top faculty, colleges and universities where the faculty is engaged with the institution may have a competitive edge.

**Recommendations for Action**

**Ethics-based leader development.** The results of this study indicate that organizations can leverage the development of ethical leadership as a behavioral model (Yigit & Bozkurt, 2017). For example, if care or concern for others is a universal foundation, organizations and institutions can develop programs to cultivate and reinforce this behavior in its leaders (Ali Chughtai, 2016; Demirtas & Akdogan, 2015). A starting point to designing such programs could
be using items in Brown et al.’s (2005) Ethical Leadership Survey (ELS). Many of the elements provide key behavioral cues that could help managers shape and focus their behavior toward being better ethical models and leaders. Some examples for consideration include, “Has the best interest of employees in mind, listens to what employees have to say, considers how his/her actions will impact employees, and acknowledges employee emotions.” The study confirms that even among college and university faculty, managers who enact and uphold ethical values may have a greater likelihood to cultivate higher levels of job engagement and a greater employee connection and commitment to the organization.

The purpose of the leader development programs is the application of new knowledge and skills on the job (Packard & Jones, 2015). Successful leadership development needs to encompass the development of collective leadership beliefs and practices as part of individual growth and maturation (Packard & Jones). Leadership development includes several components. Programs typically include off-site training/development programs, the use of instruments filled out by participants on their management styles or characteristics, or 360-degree feedback (Pavur, 2013). Executive and leadership coaching has become popular in the corporate world as a method to improve leadership behaviors, particularly at managerial levels (King & Nesbit, 2015). Coaching resulted in some significant benefits for learning and performance outcomes. Jones, Woods, and Guillaume (2016) concluded that executive coaching was effective in improving performance and results for organizations. Regardless of the mode of delivery, institutions should direct leadership training in shaping and modeling ethical leadership behaviors.

**Reinforce ethical culture.** The result of this research indicated that moral messages embedded in the organizational culture influence the cultivation of faculty engagement. These
findings call attention to the importance of designing an organizational context around moral principles. Cultural norms are established and reinforced through a variety of mechanisms, not only through senior leader behavior but through the daily actions of ethical managers (Saks & Gruman, 2014). Organizational culture (shared values, beliefs, and assumptions) can energize employees by supporting ethics and virtuous behavior and enhance various employee and organizational outcomes (Ruiz-Palomino & Martínez-Cañas, 2014).

Dempsey (2015) succinctly defined organizational culture as the intrinsic values that are shared by organization members and underpin organizational goals. Organization members habitually engage in value-laden practices and behaviors. In doing so, they tacitly enter into agreements to promote those values. When individual beliefs are robust enough to generate normative commitments, they become essential in determining moral responsibility for organizational outcomes (Dempsey). Formal processes and systems such as performance management systems indicate which behaviors and ways of working are valued and serve to reinforce those messages as norms (Pavur, 2013).

Thus, organizations can use the model of ethical leadership as part of what managers and leaders are held accountable to from a performance perspective; they are held accountable to the process of their influence, not just what they are achieving. A fundamental tenet of ethical leadership behavior is a focus and emphasis on how leaders obtain results, not only the outcomes (Brown et al., 2005). By incorporating standards for ethical action into reinforcing processes, such as performance management, organizations can more readily shape the environment not only to continue to guide actions but foster the conditions for enhancing employee wellbeing. When considering the employee point of view and how to protect employee welfare in organizations, organizations should encourage employee communication upward through the
system. Organizations find upward communication is particularly challenging regarding unethical actions or practices. Organizational scientists have begun analysis of corrupt organizations and found, as Dempsey (2015) theorized, unethical behavior becomes the cultural norm in corrupt organizations. In the absence of moral actions in managers and leaders, organizations should have procedures and systems in place like whistleblowing channels or employee relations reporting procedures for employees to safely express their concerns to ensure the institution addresses those instances. These elements of ethical culture are essential to perpetuating and upholding moral principles and safeguard employee welfare. Noble leadership actions are a crucial facilitator to employee voice (Yigit & Bozkurt, 2017).

**Improve employee engagement.** One other practical application of the result of this research relates to the expansion of the employee engagement domain. The faculty enjoys the public’s regard as subject matter experts in their chosen field of study. As such, the general population assumes that faculty is highly engaged in their job roles of instruction and research. The current study did not specifically explore the validity of the public’s job engagement assumption. However, expanding on previous research, there are similar and different influences that help to shape engagement with one’s job and involvement in one’s organizational role (Saks & Gruman, 2014). The organization’s own culture has an important role to play in creating and improving ethical behavior and in concretizing the ethical values of the organization. The finding suggests that organizations managers’ moral behavior (the rightness, justice, and fairness of their acts) is important to organizations and their long-term success (Riivari, & Lämsä, 2014). When managers act as role models and show other members of the organization how to behave ethically, employees trust and respect the management and engage better with the organization. Ethical behavior indicates that the organization is a respected and trustworthy place to work, and
this contributes to workers’ feelings of pride, purposefulness, motivation, and inspiration (Riivari, & Lämsä). Therefore, it would be prudent for organizations to ensure the alignment of ethical culture and managerial ethical behavior to more readily harness employee capability (Jackson et al., 2013). Additionally, organizations should not ignore the multiple roles employees occupy at work and should seek to understand the various factors that influence the holistic employee experience.

**Recommendations for Further Study**

Kahn (1990) and Saks (2006) developed engagement theory recognizing that employees perform job roles and organizational roles. The researcher already discussed the scarcity of reliable instruments to measure engagement. No data collection methods have yet been developed or tested to measure the individual elements, job, and organizational engagement discretely. Additional research, including the development of more, focused, discrete scales for both job engagement and organizational engagement is essential to this effort. The current self-report of perceptions method appears appropriate given the subjective nature of POEC, PELB, and engagement. Understanding job engagement in the context of an organization could shed light on the extent to which institutional leaders embed ethical values in their culture and develop systems to promote moral leadership development. Understanding engagement could also influence the degree to which organizations center on upholding employee well-being.

Although a primary focus of this research was to test prior work using a specific professional population by robustly assessing engagement and examining ethical leadership behavior and organizational ethical culture as key predictors, it was not intended to exhaust the nomological network of these domains. There are likely many other influences at play on employee engagement that the researcher did not address in this investigation.
One area for future research to explore is how organizational contextual factors shape the relationships examined in the current study. For example, there may be differences in the relationships explored depending on an organization’s external environment. Perhaps results would differ between an organization that faces more uncertainty and operates in a more volatile market than one that runs in a more stable, predictable environment. Ethical conduct and a focus on employee well-being may be more apt to fall to the wayside in situations where leaders face constant and extreme changes in their marketplace. Or perhaps in an environment where there are consistent change and volatility, there is a much greater emphasis on doing the right thing and upholding ethical conduct because any act otherwise would have even more adverse effects.

Developing a universal understanding of ethical behavior outside of a contextual realm is essential for the success of future research. Care or concern for others is a global tenet that is essential for human or even organizational behavior; it is a principle that upholds human or employee welfare and thus important itself. The measure of perceived ethical leadership behavior used in this research, the ELS developed by Brown et al. (2005), consists of a few behavioral statements that target an assessment of care or concern for others (listens to what employees have to say and has the best interest employees in mind). These are specific, concrete examples for operationalizing ethical principles, not relying on contextualized perceptions. Although there are other attempts to assess beliefs in action, there is still a reliance on judgments versus objective evaluation against universal, global criteria. To continue to examine ethics in individual leadership behavior and at an organizational level, the actual review could use taxonomy to indicate whether the leader demonstrates global tenets.

The researcher acknowledges that at least one competing model exists and could potentially be supported by the literature. That competing model would suggest that PELB acts
as the predictor and POEC serves as the mediator in the model. Because the competing model would require new, or additional, research questions, hypotheses, based on an exhaustive literature review supporting that causal direction, it would require a separate study beyond the scope of the current research.

**Reflections.** The researcher began this study with the notion that leader behavior establishes the ethical culture of an organization and that ethics and ethical behavior are universally defined and understood. During the investigation, the researcher learned the relationship between ethical leadership behavior and the ethical organization is much more complicated. Leaders are also employees and shaped by the cultural norms of the organization especially at the managerial level (Schaubroeck et al., 2012). Prior studies examined the issue using a general working population (Pavese-Kaplan, 2013). The researcher questioned whether the results of those studies applied to university faculty, a professional, well-educated population. Early notions of this study sought to replicate prior studies using a population in which the researcher might have a conflict of interest. By reshaping the population and excluding faculty from the system in which the researcher works, the investigator removed a potential conflict of interest and bias. The researcher also discovered that senior leaders of organizations are wary of research on ethics involving their employees. Despite assurances of anonymity for both the members and their institution, many institutions expressed concern about an “ethical climate survey” and directed their employees not to participate.

The issue of a universal definition of ethics and ethical behavior was the most significant source of enlightenment for the researcher. The investigator possesses strong Christian values and beliefs and, as a result, has a strong personal bias toward a Biblical worldview. However, by extensively studying literature on ethics and the philosophy of ethics, the researcher realized that
a Biblical worldview is not universally understood or embraced and presents a potential bias in academic research. The investigator attempted to address the personal bias by adopting a more secular, Kantian perspective which communicates a definable standard to describe ethics and ethical behaviors. Like a Biblical worldview, the Kantian perspective espouses the inherent value of humans and the ethical duty to protect human welfare. The researcher concedes that the Kantian philosophy is not complete and lacks the essential influence of a Supreme Being but can be universally understood and applied.

**Insights toward ethical ideals at work.** The Kantian ethical perspective adopted in this investigation is consistent with how scholars have defined, approached, and assessed ethical leadership in the past (Brown et al., 2005; Pellegrini et al., 2016). The current research evaluated ethics in leadership and the organizational context by assessing employee perceptions. This approach was appropriate because only by understanding the perceived reality of individuals, can one begin to compare various populations and experiences using a universal metric. Results from this investigation indicated that, how employees perceive ethics in their immediate managers and work contexts, impacts their employee experience (Huhtala et al., 2015; Eisenbeis et al., 2015). The more ethically a manager behaves, the more employees perceive that ethics are part of the organizational culture. The result is that employees are more willing to connect with and invest in their job/work role and role as a member of the larger organization. Whether labeled a Biblical worldview or a Kantian perspective, there is a shared understanding as to what people view as being an ethical approach to leadership despite any individual differences in the psychological foundations of their moral systems (Fryer, 2016). In the pursuit of Kantian ideals, leading in a manner that upholds and protects employee welfare will unlock possibilities for employees to truly invest themselves in their work roles and work to their fullest capabilities.
The Kantian ethical perspective endorses the creation of a grouping of global ethical tenets, which could be used to define organizational ethical cultures and leader behaviors. Business and education disciplines have long avoided delimiting what constitutes good and moral action for fear of imposing these values on others. Instead, they have focused on utilitarian outcomes, primarily management outcomes, to define what is right and ethical, ignoring human behavior and action (Letwin et al., 2016; Lindebaum & Raftopoulou, 2017; Van Duzer, 2010). To meaningfully make progress on understanding, defining, and acting on ethical principles, organizations must adopt a perspective that moves beyond determining and assessing ethics in context or as part of conditional processes. Although personally inspiring to the researcher, a Biblical or other spiritual or religious worldview is not universally translated and accepted throughout the world. In the absence of a universal Christian church, the Kantian ethical approach approaches the universal nomenclature necessary for thoroughly understanding and studying ethics in our global society.

**Summary and Study Conclusion**

From prominent cases highlighting unethical organizational practices and leader transgressions (NewsCorp and Enron) to managers who lie, cheat, and mistreat employees, ethics in leadership is an issue for organizations. It is increasingly crucial for businesses, practitioners, and researchers to continue to understand the basis and influences of ethical behavior so that preventative processes and developmental programs can be put into place to ensure ethics are the norm. The goal of this study was to expand the understanding of the effects of organizational ethical culture and ethical leadership behavior in managers on employee engagement. The researcher drew the specific employee population for the study from full-time and part-time faculty in colleges and universities in North and South Carolina. The nature of the community
differentiated it from the general working, at large, and required specific examination to validate
the findings from the prior study. From a practical standpoint, results suggest that organizations
should consider the various facets of employee engagement and how the environment and
managerial behavior affect how employee commit to and invest in their different roles.
Moreover, alignment between cultural messages and leadership behavior is critical, and
organizations can embed ethics in their environments through leadership development and
performance management.

Although several interesting findings have emerged from the current investigation, there
are still many areas to explore within the realm of ethical leadership behavior and employee
engagement. Although self-report measures are the most appropriate methodology to capture the
employee experience, future research should consider more objective evaluations of ethical
behavior in organizations and their influence. Furthermore, future investigations may consider
other unmeasured variables not included in the current study. Additional research in this area
will not only extend the findings from this research but will help organizations fashion the
conditions by which they can ensure ethical behavior and practices and enhance employee
potential in their roles in an organization.
References


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Van Duzer, J. (2010). *Why business matters to God (And what still needs to be fixed).* Downers Grove, IL: InterVarsity Press.


Appendix A: Permissions

You replied on 5/21/2018 10:15 AM.

Sure.
Good luck with your research

Sent from my iPhone

On May 20, 2018, at 8:33 PM, Lange, Douglas <dlange1@liberty.edu> wrote:

Dr. Trevino,

I am pursuing a Doctor of Business Administration (DBA) degree at Liberty University. I am working on my dissertation, The influence of ethical leadership and ethical culture on the organizational and job engagement of employees. In the course of the study I would like your permission to use the scale you developed in "The Ethical Context in Organizations: Influences on Employee Attitudes and Behaviors" (Treviño, Butterfield, & McCabe, 1998). I expect a minimum sample size of 250-300 participants.

I am in the process of preparing my research application to the university's institutional review board and am required to document permissions to use scales and surveys developed by others.

Thank you for considering my request and replying to this email.

Respectfully,

Douglas J. Lange
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Re: Request for permission to use Job Engagement Survey in doctoral student research

Bruce Louis Rich <brich@csusm.edu>
Tue 5/22, 8:43 PM

You replied on 5/22/2018 8:44 PM.

Dear Douglas,

Yes, you may use the JES for your research.

Best,

Bruce

From: "Lange, Douglas" <dlange1@liberty.edu>
Date: Sunday, May 20, 2018 at 8:09 PM
To: Bruce Rich <brich@csusm.edu>
Subject: Request for permission to use Job Engagement Survey in doctoral student research

Dr. Rich,

I am pursuing a Doctor of Business Administration (DBA) degree at Liberty University. I am working on my dissertation, The influence of ethical leadership and ethical culture on the organizational and job engagement of employees. In the course of the study I would like your permission to use the Job Engagement Survey (Rich, LePine, & Crawford, 2010). I expect a minimum sample size of 250-300 participants.

I am in the process of preparing my research application to the university's institutional review board and am required to document permissions to use scales and surveys developed by others.

Thank you for considering my request and replying to this email.

Respectfully,

Douglas J. Lange

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Jun 02, 2018

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Editor of portion(s): Colquitt
Author of portion(s): Rich, B. L., Lepine, J. A., & Crawford, E. R.
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Institution name: Liberty University
Expected presentation date: Apr 2019
Appendix B: Study Survey

What is your age?

______

What is your employment status?
- Currently employed as full-time faculty for a college in the SC tech system
- Currently employed as part-time faculty for a college in the SC tech system
- Not currently employed as a faculty member of a college in the SC tech system

What is your gender?
- Male
- Female
- Other or prefer not to answer

Extract from Ethical Environment Scale (Treviño et al., 1998)

The following instructions, items, and response scale will be presented in the survey.

Please rate the extent to which you agree with the following statements. There are no right or wrong answers; be as open and honest as possible.

(strongly disagree, disagree, neither disagree nor agree, agree, strongly agree)

1. Management in this organization disciplines unethical behavior when it occurs.
2. The top managers of this organization represent high ethical standards.
3. People of integrity are rewarded in this organization.
4. Top managers of this organization regularly show that they care about ethics.
5. Ethical behavior is the norm in this organization.
6. Top managers of this organization guide decision-making in an ethical direction.
7. Ethical behavior is rewarded in this organization.
8. Ethics code requirements are consistent with informal organizational norms.
Ethical Leadership Scale (ELS; Brown et al., 2005)

The following instructions, items, and response scale will be presented in the survey.

Following the items below, please rate the extent to which you agree with the following statements. There are no right or wrong answers; be as open and honest as possible.

(strongly disagree, disagree, neither disagree nor agree, agree, strongly agree)

My manager…

9. Listens to what employees have to say.
10. Disciplines employees who violate ethical standards.
11. Conducts his/her personal life in an ethical manner.
12. Has the best interest of employee in mind.
14. Can be trusted.
15. Discusses business ethics or values with employees.
16. Sets an example of how to do things the right way in terms of ethics.
17. Defines success not just by results but also the way that they are obtained.
18. When making decisions, asks “what is the right thing to do?”
Excerpts from Job Engagement Survey (JES; Rich et al., 2010);

The following instructions, items, and response scale will be presented in the survey.

Please rate the extent to which you agree with the following statements. There are no right or wrong answers; be as open and honest as possible.

(strongly disagree, disagree, neither disagree nor agree, agree, strongly agree)

19. I work with intensity on my job.
20. I exert my full effort to my job.
21. I try my hardest to perform well on my job.
22. I am enthusiastic in my job.
23. I am proud of my job.
24. I am excited about my job.
25. At work, my mind is focused on my job.
26. At work, I am absorbed by my job.
27. At work, I concentrate on my job.
Appendix C: Liberty University IRB Approval

October 19, 2018

Douglas J. Lange
IRB Exemption 3438.101918: The Influence of Ethical Leadership and Ethical Culture on Faculty Engagement

Dear Douglas J. Lange,

The Liberty University Institutional Review Board has reviewed your application in accordance with the Office for Human Research Protections (OHRP) and Food and Drug Administration (FDA) regulations and finds your study to be exempt from further IRB review. This means you may begin your research with the data safeguarding methods mentioned in your approved application, and no further IRB oversight is required.

Your study falls under exemption category 46.101(b)(2), which identifies specific situations in which human participants research is exempt from the policy set forth in 45 CFR 46.101(b):

(2) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless:
   (i) information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and (ii) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation.

Please note that this exemption only applies to your current research application, and any changes to your protocol must be reported to the Liberty IRB for verification of continued exemption status. You may report these changes by submitting a change in protocol form or a new application to the IRB and referencing the above IRB Exemption number.

If you have any questions about this exemption or need assistance in determining whether possible changes to your protocol would change your exemption status, please email us at irb@liberty.edu.

Sincerely,

G. Michele Baker, MA, CTII
Administrative Chair of Institutional Research
The Graduate School

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