# Creating safer workplaces: The role of ethical leadership

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## ARTICLE INFO

## ABSTRACT

This study explored the effects of ethical leadership on two dimensions of safety performance: safety compliance and safety participation. Additionally, it sought to examine the mediating role of job autonomy and self-efficacy in these relationships. Sample for this study comprised of 179 doctors who were working on a full-time basis in a large public sector hospital located in Pakistan. Results showed that as theorized, job autonomy and self-efficacy fully mediated the effects of ethical leadership on safety compliance and safety participation. The implications of these findings for research and practice are discussed.

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## 1. Introduction

Every year millions of workers suffer disabling injuries and thousands lose their lives at workplaces (Seo, 2005; Christian et al., 2009). Occupational injuries and accidents can have devastating consequences for both organizations and their employees (Inness et al., 2010). Thus, gaining an understanding of the factors that influence employees' safety performance can prove vital for reducing the incidence of job-related injuries (Neal and Griffin, 2006). Neal et al. (2000) have highlighted two dimensions of safety performance: safety compliance defined as "adhering to safety procedures and carrying out work in a safe manner" and safety participation, defined as "helping co-workers, promoting the safety programme within the workplace, demonstrating initiative and putting effort into improving safety in the workplace" (p. 101). Specifically, safety compliance consists of behaviours that are viewed as part of employees' formal job description, while safety participation includes behaviours, which are discretionary and extend beyond employees' formal work role (Neal et al., 2000; Neal and Griffin, 2006). In other words, safety compliance and safety participation parallel two types of general work performance: task performance and contextual performance, respectively (Inness et al., 2010).

Previous studies have shown that positive leader behaviours can play a key role in enhancing workplace safety (Christian et al., 2009; Nahrgang et al., 2011). Specifically, research in this area has primarily focused on examining the effects of transformational leadership behaviours on various safety outcomes (e.g. Barling et al., 2002;

Kelloway et al., 2006; Hoffmeister et al., 2014). Because of this almost exclusive focus on transformational leadership, the role of other leadership styles in fostering workplace safety has received scant empirical attention (for exceptions see Hofmann and Morgeson, 1999; Zohar, 2002; Kelloway et al., 2006). Clarke and Ward (2006) note that "apart from research on transformational leadership, there is very limited understanding of the impact of leadership style on safety outcomes" (p. 1175). Thus, in order to gain a deeper insight into the leadership-workplace safety relationship, it is important to examine the impact of a broader range of leader behaviours on safety-related outcomes (Clarke, 2013). The present study attempts to fill this gap by exploring the effects of ethical leadership on the two dimensions of safety performance, that is, safety compliance and safety participation.

Ethical leadership is different from transformational leadership because "it has a sole and explicit focus on the ethical aspects of leadership" (Mayer et al., 2009, p. 1). Specifically, ethical leadership involves providing participation in decision-making, showing concern for subordinates' well-being and building trust-based relationships with the followers (Brown and Trevino, 2006). Previous research has shown that these behaviours are highly relevant to improving employees' safety performance (Barling et al., 2002; Zacharatos et al., 2005). However, despite its theoretical significance and potential to enhance workplace safety, no study to-date has explored the relationship between ethical leadership and safety outcomes. Thus, the main purpose of this study was to develop and test an integrative model that connects ethical leadership to safety compliance and safety participation.

Although, it is now generally acknowledged that leaders can exert a profound impact on safety-related outcomes, relatively less

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is known about the underlying processes through which they influence these outcomes (Zohar, 2010; Eid et al., 2012). To fill this void, the present study sought to identify the psychological mechanisms through which ethical leadership relates to safety compliance and safety participation. Previous research has shown that ethical leaders encourage their subordinates to work autonomously on their job tasks (Piccolo et al., 2010) and through their actions increase employees' sense of self-efficacy (Walumbwa et al., 2011). Higher levels of job autonomy (Clarke, 2008) and self-efficacy (Parker et al., 2001) in turn, have been shown to promote safety behaviour in the workplace. In view of this evidence, it is proposed that the effects of ethical leadership on safety compliance and safety participation will be mediated by job autonomy and self-efficacy. Fig. 1 depicts the conceptual model examined in this study.

## 2. Literature review and hypothesis development

### 2.1. The concept of ethical leadership

Ethical leadership is defined as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement and decision making" (Brown et al., 2005, p. 120). Trevino et al. (2003) in their qualitative study showed that ethical leaders were best described along two related dimensions: *moral person* and *moral manager*.

The *moral person* dimension highlights the personality characteristics of ethical leaders. Ethical leaders are fair, honest and trustworthy. These leaders make fair and balanced decisions, are genuinely concerned about the well-being of their followers and behave ethically both in their personal and professional lives.

The *moral manager* dimension refers to the strategies used by ethical leaders to influence the ethical conduct of their followers. Specifically, these leaders proactively try to transform their followers by modelling ethical behaviour, setting clear ethical standards and using rewards and punishments to ensure that these standards are followed.

In recent years, the importance of ethical leadership has been enhanced because it has been linked to several important follower outcomes. For instance, research has shown that demonstration of ethical leadership behaviours can lead to greater job satisfaction and organizational commitment (Toor and Ofori, 2009), willingness to report problems to supervisors (Brown et al., 2005), improved health and well-being (Chughtai et al., 2014) and higher levels of performance (Piccolo et al., 2010; Walumbwa et al., 2011).

### 2.2. Ethical leadership and job autonomy

Job autonomy refers to the freedom individuals have in carrying out their work, including freedom regarding work methods, decision making and scheduling work (Hackman and Oldham, 1980; Humphery et al., 2007). Job autonomy is a vital feature of job design and has been found to be positively related to valued outcomes such as job satisfaction, intrinsic motivation and job performance (Humphery et al., 2007). In the present study it is proposed that ethical leadership behaviours will increase employees' sense of autonomy. Research has shown that ethical leaders encourage their subordinates to participate in the decision-making process and are willing to listen to their ideas and concerns (Brown et al., 2005; De Hoogh and Den Hartog, 2008). Furthermore, Resick et al. (2006) highlight the empowering aspect of ethical leadership and note that shared power provides employees more control over their own work and helps them to become more confident and self-reliant. These features of ethical leadership are likely to enhance employees' perceptions of job autonomy (Seibert et al., 2011). Numerous studies have empirically demonstrated that ethical leadership is positively associated with job autonomy (De Hoogh and Den Hartog, 2008; Piccolo et al., 2010). Thus it is predicted:

**Hypothesis 1.** Ethical leadership is positively related to job autonomy.

### 2.3. Ethical leadership and self-efficacy

Self-efficacy is defined as the "belief in one's capabilities to organize and execute the courses of action required to produce given attainments" (Bandura, 1997, p. 3). A high sense of self-efficacy increases the effort and persistence towards challenging tasks, and as a result increases the probability that they will be completed (Axtell and Parker, 2003). There is ample evidence linking self-efficacy to job performance. For instance, a meta-analysis of 114 studies by Stajkovic and Luthans (1998) demonstrated that self-efficacy was positively correlated with work-related performance ($r = 0.38$).

Bandura (1986) highlighted four techniques for enhancing self-efficacy: (1) enactive mastery (successful accomplishments); (2) vicarious modelling (observational learning); (3) verbal persuasion; and (4) physiological arousal. It is expected that ethical leadership will have a positive influence on all the four sources of self-efficacy. For instance, Zhu et al. (2004) argue that ethical leaders' concern for their employees' developmental needs should lead them to place employees in situations that facilitate their growth and confidence. Such behaviours make it more likely that employees will have successful *enactive mastery* experiences, which subsequently can increase their self-efficacy (Gong et al., 2009).

Furthermore, previous research suggests that ethical leaders serve as attractive and credible role models for their followers (Brown and Trevino, 2006; Mayer et al., 2009; Walumbwa et al., 2011). Social learning theory (Bandura, 1986) contends that individuals learn by observing and then striving to emulate the values
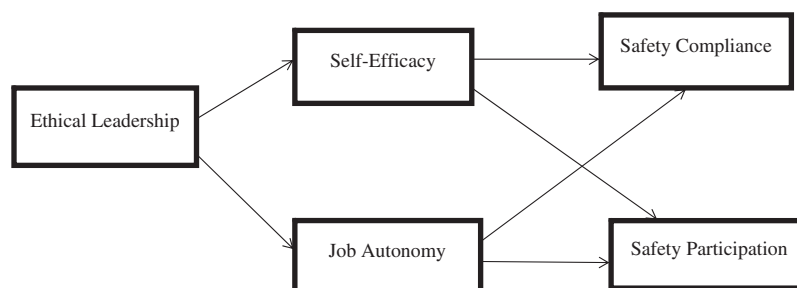


**Fig. 1.** Hypothesised model.