



The impact of ethical leadership within the recruitment context: The roles of organizational reputation, applicant personality, and value congruence



Babatunde Ogunfowora¹

Haskayne School of Business, University of Calgary, 2500 University Drive NW, Calgary, AB T2N 1N4, Canada

ARTICLE INFO

Article history:

Received 17 March 2013
Received in revised form 15 November 2013
Accepted 17 November 2013
Available online 13 December 2013

Handling Editor: Ronald Riggio

Keywords:

Ethical leadership
Recruitment
Honesty–Humility
Organizational reputation
Value congruence

ABSTRACT

The present research examined the effects of corporate executive officer (CEO) ethical leadership on the job pursuit attitudes and behaviors of prospective job applicants. Furthermore, this paper tested two potential mediatory mechanisms for explaining why CEO ethicality matters to prospective applicants: perceived organizational reputation (Study 1) and perceived value congruence with the CEO or person–CEO fit (Study 2). The results of Study 1 showed that job seekers at a career fair were more likely to apply for a job with an ethical CEO's company, compared to that of a morally-questionable CEO or one whose ethicality was unknown. The results also showed that perceived organizational reputation mediated the relationship between CEO ethicality and job pursuit. These findings were replicated in Study 2. In addition, Study 2 showed that perceived value congruence with the CEO also mediated the link between CEO ethicality and job pursuit, although this effect was conditional on the Honesty–Humility personality of the prospective job applicant. These findings highlight the potential relevance of executive ethical leadership within the recruitment context.

© 2013 Elsevier Inc. All rights reserved.

1. Introduction

The ongoing global financial crises have led to renewed interests in business ethics. The ethicality of corporate executive leaders, in particular, has attracted considerable attention as a potential avenue for fostering morality in the workplace. Indeed, the research to date shows that ethical leadership positively influences employee ethical cognitions and behaviors (Mayer, Aquino, Greenbaum, & Kuenzi, 2012; Schaubroeck et al., 2012), as well as other positive outcomes, such as trust, optimism about the future, satisfaction, job performance, and citizenship behaviors (Brown, Trevino, & Harrison, 2005; De Hoogh & Den Hartog, 2008; Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009; Walumbwa, Mayer, Wang, Wang, Workman, & Christensen, 2011). However, little is known about the extent to which ethical corporate leaders influence those who are outside the organization – specifically, prospective job applicants. Research to date shows that different factors explain why job applicants are attracted to and pursue a job with an organization, including applicant fit perceptions, recruiter behaviors, organizational reputation, and job characteristics (Chapman, Uggerslev, Carroll, Piasentin, & Jones, 2005; Uggerslev, Fassina, & Kraichy, 2012). The present research represents an initial evaluation of the proposition that ethical leadership may be another potential factor that influences job applicant attitudes and behaviors.

Ethical leadership may also be important within the recruitment context for another reason. Researchers have investigated the recruitment of specific job seekers to meet specific organizational demands. There is evidence showing that job seekers with certain traits are more likely to be attracted to specific organizational cultures – extraverted applicants, for example, tend to demonstrate preference for team-oriented cultures (Judge & Cable, 1997). Recruitment researchers have also explored practical

E-mail address: tunde.ogunfowora@haskayne.ucalgary.ca.

¹ Tel.: +1 403 220 8352.

ways of attracting job applicants from diverse backgrounds. There is empirical evidence showing that organizations can attract women and minorities by exhibiting the diversity of their workforce in recruitment advertisements (Avery, 2003; Avery & McKay, 2006; Perkins, Thomas, & Taylor, 2000). In light of the ubiquity of corporate malfeasances in recent years, there is growing interest in understanding how companies can attract and develop ethically-minded workforces. Thus, this research also seeks to examine whether organizations can attract ethical job seekers through ethical leadership.

These lines of inquiry are important for a few reasons. Job applicants generally tend to have limited information about a prospective organization (Rynes, 1991), with access to unedited, publicly available information about the chief executive officer's (CEO) ethicality even scarcer. Yet, purposefully placing information about a CEO's ethicality in the public space may be beneficial to a company's recruitment efforts. When organizations genuinely cultivate ethical corporate leaders and actively make information about their ethical values and standards publicly known, such information may have a positive effect on prospective job applicants. Individuals who espouse high moral values may be particularly attracted to an organization headed by an ethical CEO. Indeed, this possibility should be quite appealing as it suggests that efforts to cultivate a more ethical workforce can start right from the recruitment phase. Yet, no research has examined the role of ethical leadership in the recruitment context. It is therefore important to determine whether the considerable resources necessary to cultivate and "advertise" an ethical CEO to prospective applicants are likely to yield greater gains over simply having an "ethically mute" CEO. Moreover, prospective applicants may, at times, be inadvertently privy to information about morally-questionable behaviors of an executive leader (see Marrs et al., 2010 for examples). Thus, the potential effects of having a morally-questionable CEO on the company's recruitment efforts also need to be established.

The present research represents an initial attempt to address the question: when available, to what extent does information about a CEO's ethicality influence the job pursuit attitudes and behaviors of job seekers? In addition, this paper explores two plausible mechanisms for understanding why CEO ethicality is likely to influence job pursuit: a) perceived organizational reputation and b) perceived value congruence with the CEO (or person-CEO fit). Lastly, this study seeks to determine whether ethically-oriented job applicants are more likely to be responsive to the ethical CEO. These research objectives were addressed in two studies. Study 1 examined the effects of CEO ethicality on job pursuit intentions and behaviors in a sample of job seekers at a career fair. This study further tested the potential mediating role of organizational reputation. A second study (Study 2) was designed to replicate the findings from Study 1. In addition, Study 2 explored whether applicants who are higher (versus lower) on a morally-oriented personality trait known as Honesty-Humility (Ashton & Lee, 2005) are more likely to show preference for an ethical CEO, and the mediating effects of perceived value congruence with the CEO in understanding this preference. Lastly, the mediatory effects of perceived value congruence and organizational reputation were simultaneously tested in order to determine which of the two better explains the impact of CEO ethical leadership on job pursuit behavior.

2. Study 1

2.1. Theoretical background

In the past decade, significant work has been conducted on Brown and colleagues' (Brown et al., 2005; Trevino, Brown, & Hartman, 2003) social learning theory of ethical leadership. They define ethical leadership 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). Brown et al. further describe two aspects of the ethical leader: the moral person and the moral manager. The moral person encompasses trait-like attributes of the ethical leader, such as integrity, honesty, and trustworthiness (Brown et al., 2005; Trevino et al., 2003). The moral manager aspect, on the other hand, refers to specific behaviors that the ethical leader engages in, such as actively communicating ethics-related messages, establishing high ethical standards, rewarding employees who engage in ethical conduct, and punishing those who engage in unethical actions (Brown et al., 2005; Trevino et al., 2003). Brown et al. have proposed that a critical attribute of the ethical leader is the ability to attract others through role modeling and proactive communication of ethical standards. Given their hierarchical status, ethical CEOs are well placed to be visible and salient figures outside the organization. Thus, their high ethics and proactive messaging may have salient effects on prospective job seekers.

2.1.1. CEO ethicality and prospective job applicants

As outsiders, job applicants tend to have limited information about prospective organizations (Rynes, 1991). As such, they have to rely on any available source of information about the company and its members in order to make job pursuit related decisions (Rynes, 1991). This paper proposes that, when available, the ethicality of the executive leader may be a useful source of information about an organization that prospective job applicants are likely to pay close attention to.

According to social identity theory (Brewer & Gardner, 1996; Tajfel & Turner, 1985), one's self-concept encompasses a personal self which is concerned with differentiating the self from others, and a social self which reflects a desire to maintain relationships with others and with larger collectives or social groups. The need to cultivate one's social self (i.e., the need to belong) is proposed to be a fundamental human motive that is central to how individuals construe the self (Brewer & Gardner, 1996). According to Brewer and Gardner, individuals define themselves in terms of their affiliation with significant social groups, and ultimately "derive much of their self-evaluations from such social identities" (p. 83). In many parts of the modern world, business organizations are an important class of social groups that many define themselves by (Ashforth & Mael, 1989). Thus, membership in an organization likely represents an important aspect of the self (Ashforth & Mael, 1989).

Download English Version:

<https://daneshyari.com/en/article/887723>

Download Persian Version:

<https://daneshyari.com/article/887723>

[Daneshyari.com](https://daneshyari.com)