

Ethical Leadership and Proactive Work Behavior: Role of Psychological Safety and Chinese Traditionality

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Abstract

This study explored how ethical leadership affects employees' proactive work behavior. We proposed psychological safety as a mediator and Chinese traditionality as a moderator in the effects of superiors' ethical leadership on employees' proactive work behavior. Using matched questionnaire data of 203 supervisor-subordinate dyads from 69 teams, we found the following: (1) ethical leadership is associated positively with (a) psychological safety and (b) proactive work behavior; (2) psychological safety mediates the positive impact of ethical leadership on proactive work behavior; and (3) for those subordinates with low Chinese traditionality, ethical leadership and proactive work behavior have a stronger relationship. The implications and limitations of these findings are also discussed.

Keywords: *Ethical Leadership, Proactive work behavior, Psychological safety, Chinese traditionality*

I. INTRODUCTION

Numerous business scandals prompt people to reflect on ethical issues and the social responsibility of companies. In this social context, ethical leadership (EL) has received increasing attention. Many studies on EL have examined its impact on employees' ethical conduct and unethical conduct [1-2]; however, only a few have focused on EL effects on employees' proactive work behaviors (PWBs). PWBs are a set of work behaviors, such as voice behavior [3], problem prevention behavior [4], individual innovation behavior [5] and so on. Employees' PWBs are very important [6] and beneficial to the organization and its individuals. This raises the question: does EL improve employees' PWBs? This is the first goal to be solved in this study.

PWBs present a double-edged sword. For employees, to engage in PWBs means taking risks, such as making suggestions to one's boss that may offend, or the adopting a new working method that may bring unexpected consequences. Therefore, the second goal is to reveal the psychological mechanism of employees that engage in PWBs.

This study was conducted on full-time staff in Chinese companies, where Chinese traditionality (CT) is an important social and cultural feature. In China, CT means respect for authority [7-8]. Therefore, for Chinese subordinates who hold more traditional values, we explore whether they will engage in more

PWBs when their leaders are ethical. The introduction of the CT variable may help us understand the boundary conditions of EL impact on employees' PWBs.

II. LITERATURE REVIEW AND HYPOTHESES

Supervisors' EL helps strengthen the PS perception of subordinates. As the perception of interpersonal risk in a team or organization, PS is important for a person in the workplace. Leadership is one of the antecedents to PS [9]. Integrity, honesty, fairness, trust in subordinates, and considerate behavior are traits that instill trust and respect in subordinates for their leaders. A recent meta-analysis also shows that one of the antecedents for PS is positive leader relations [10]. EL provides a work climate of where employees can easily express their concerns or ideas. Since ethical leaders are always willing to listen to their subordinates [11], subordinates have the opportunity for upward communication with their leader. Two-way communication helps improve the effect of communication and eliminates misunderstandings. Ethical leaders exhibit a clear code of ethics, reward ethical conduct and punish unethical conduct [11], and speak out against inappropriate behaviors. Subordinates perceive that their behaviors will be held to the standards of their leaders. They believe they will be treated with dignity and respect, and that all things will be judged fairly and in accordance with an unambiguous code of ethics [11]; thus, subordinates will be confident and comfortable to go to work without such worries. Even if their risk-taking results in unintended consequences employees are confident that they will not be unfairly punished by ethical superiors [12]. Therefore, hypothesis is:

Hypothesis 1. Perception of EL is associated with PS positively.

We propose that supervisors' EL facilitates subordinates' PWBs. Leadership is an important antecedent variable that plays a key role in affecting employees' PWBs [13]. PWBs indicate that an individual can take the initiative to create and control a work situation, identify the work environment actively, and act appropriately. Leaders that are good ethical role models (e.g., ethical and appropriate behavior, openness, trust in subordinates, consideration of and respect for subordinates, and a two-way communication style), instill confidence in their subordinates. Subordinates can then make suggestions to work colleagues and leaders voluntarily without fear of reprimand. When a leader is considered to be ethical, their subordinates are willing to "report problems to management" [11] and are inspired to go beyond the "call of duty" by their ethical leaders. Voice behavior is considered to be a constructive behavior intended to improve the status quo. EL can predict and improve subordinates' voice behavior [1-2,14-15], which is a type of PWBs. EL improves the sense of organizational justice of employees and this, in turn, helps improve employees' work engagement. When a leader is an ethical leader that treats their subordinates fairly in terms of social exchange [11,16], their subordinates will be productive and energetic at work, exhibit good organizational citizenship behavior [17,18]. The "extra-role" role is a very similar concept to PWBs and EL affects directly the willingness of salespeople to engage in extra-role role [19]. EL is helpful also to promote followers' in-role performance [20]. Leaders are legitimate organizational agents and spokespeople, and ethical leaders have power over nearly all the crucial decisions involving employees, such as performance appraisals and the distribution of rewards. Employees have faith in their ethical leader to reward and

punish subordinates fairly and promptly. Subordinates know clearly that their positive effort at work pays off in a predictable way. Thus, aiming at getting organizational recognition, compensation, and even rewards, subordinates are willing to show “proactive idea implementation, proactive problem solving” behaviors [21] in terms of economic exchange, such as improving working procedures, adopting a more efficient way of working, taking action to prevent obstacles, and taking measures to improve team or organizational performance. Thus, it can be seen that EL can promote employees’ PWBs and may be an important predictor variable of employees’ PWBs, which may have a critical impact during the formation process of employee proactive outcomes. Therefore, we suggest the following:

Hypothesis 2. The perception of EL is associated with PWBs positively.

We propose PS as a mediator of superiors’ EL on their subordinates’ PWBs. A workplace of minimized interpersonal risk was created by EL in which subordinates can engage in their work and PWBs can be repeated at ease. PS is considered to be one of the necessary conditions for people to engage in their jobs [9-10]. EL can increase the trust of employees in their employers, which can also contribute subsequently to employee job engagement [22]. When perceiving PS in the team or organization, negative consequences of PWBs need not be worried, because subordinates do that for the interests of the team or organization, they believe that “employees’ best interests are in ethical leaders’ mind”, “will judge all things based on existing norms of behavior and ethical standards,” and “make fair and balanced decisions” [11]. Since employees’ opinions are listened to by ethical leaders [11], respect and care for their subordinates, full communication between the two sides can eliminate misunderstandings and disagreements. This improves subordinates’ PS greatly and dispels misgivings around PWBs. Subordinates believe that they are in a safe work environment and are, therefore, willing to articulate their ideas and solve workplace problems proactively. ELs make subordinates “don’t worry too much when showing oneself” [9]. EL helps employees engage in innovative work behavior. That is “directed toward the initiation and intentional introduction of new and useful ideas, processes, products, or procedures within a work role, group or organization” [23]. Thus, we propose that EL provides the subordinate with the work context of PS whereby PWBs are actioned. Therefore, the following is suggested:

Hypothesis 3. Impact of EL on PWB is mediated positively by PS.

We hold the opinion that CT moderates (increases) the positive relationship of EL and PWBs when subordinates have low CT. Some studies show that in China, CT means respect for authority [7-8]. Embodiment forms of CT between superior and subordinate is the traditional Chinese society’s recognition of the hierarchical role [7]; i.e., the junior should respect, obey and trust the senior [24]. Subordinates who hold more traditional values are influenced more deeply by Chinese traditional culture, where one’s attitudes and behaviors are predetermined by the influence of the social class role of the traditional Chinese society, and it is difficult for the external environment to change this. Taking into consideration the superiors’ rights and status, subordinates with more traditional values will abide by their social role obligations and obey their superior’s decisions and arrangements. Therefore, it is not easy to derive more PWBs from these subordinates. Conversely, subordinates with less traditional values will disregard the

junior/senior status difference and will follow the inducement–contribution balance, where they are more susceptible to the external environment, such as EL. Thus, these subordinates will exhibit more PWBs. We suggest the following:

Hypothesis 4. Relationship between the perception of EL and PWBs is moderated positively by CT. For subordinates with low traditionality, the relationship between EL and PWB will be stronger.

III. METHOD

3.1 Sample and Procedure

Team samples were obtained from South China' companies. The HR departments provided the employee IDs. We used the IDs to code and match the questionnaires of employees and supervisors. Each questionnaire was packed in an envelope with information on the research's voluntary nature and the survey process. The data collection was conducted in two phases. In phase one, 276 subordinates completed their own PS and CT, and their supervisors' EL evaluation data (response rate = 78.7%). One month later, in phase two, supervisors evaluated their subordinates' PWBs (251 responses, response rate 71.7%). After deleting invalid questionnaires, a final sample of 203 subordinate–supervisor dyads from 69 teams was assembled. The average tenure was 8.17 years (s.d. = 4.49), 77.8% were 26–35-years-old, and 55.7% were male.

3.2 Measures

A 5-point scale (strongly disagree = 1 and strongly agree = 5) was used to assess the questionnaire items.

EL: To measure the perception of superiors' EL, we used 10 items that were developed by Brown [11], Cronbach's alpha = 0.900.

PS: Based on Kahn's (1990) work [9], we used three items to measure subordinates' PS. In May et al.'s (2004) research [25], In our study, Cronbach's alpha was 0.771.

PWBs: We used eight items to measure subordinates' PWB. These items were developed by Parker [21], Cronbach's alpha = 0.830.

CT: Five CT items were developed by Farh et al. [7], Cronbach's alpha = 0.758.

3.3 Analytical Approach

Anderson and Gerbing's [26] data analysis process was followed, the study variables' construct validity was examined. AMOS 22.0 was used to analyze the measurement model of these variables. Chi-square

statistics, TLI, CFI, and RMSEA were used to examine the model's adequacy. Finally, SPSS 20.0 was used to conduct the descriptive statistics, correlations, and hypothesis testing.

IV. RESULTS

4.1 Confirmatory Factor Analysis

The confirmatory factor analysis (CFA)'s results of EL, PS, CT, and PWBs were good. 4-factor model's fit indices ($\chi^2 = 473.68$, $df = 287$, $TLI = .90$, $CFI = .91$, $RMSEA = .06$), as TABLE I shows, were better than the alternative models.

TABLE I. Alternative model test results

Model		χ^2	df	χ^2/df	TLI	CFI	RMSEA
						I	A
Four-factor model(EL,PS,T,PB)	measurement	473.68***	287	1.65	.90	.91	.06
Three-factor model(EL,PS+T,PB)	measurement	781.02***	296	2.64	.75	.77	.09
Three-factor model(EL+PS,T,PB)	measurement	795.33***	296	2.69	.74	.76	.09
Three-factor model(EL+T,PS,PB)	measurement	846.15***	296	2.86	.71	.74	.10
Two-factor model(EL+T+PS,PB)	measurement	999.30***	298	3.35	.64	.67	.11
One-factor model(EL+T+PS+PB)		1412.00**	299	4.72	.43	.47	.14

*

EL = EL, PS = Psychological safe, T= Traditionality, PB= PWB.

*** $p < .001$.

4.2 Descriptive Statistics

Descriptive statistics is showed in TABLE II. EL is positively associated with PWBs and PS, and PS is positively associated with PWBs. The correlations are consistent with our predictions and, therefore, provide initial support for Hypotheses 1 and 2.

TABLE II. Means, standard deviations, and correlations of the study variables

Variables	Mean	SD	1	2	3	4	5	6
1.Gender	.56	.50						
2.Age	2.10	.46	.09					

3.Tenure	8.17	4.49	.09	.74**				
4.EL	3.58	.58	.15*	.08	.09			
5.Psychological safe	3.58	.64	.01	-.01	.03	.24**		
6.Traditionality	3.17	.64	.10	-.03	-.05	.32**	.27**	
7.Proactive behavior	3.36	.45	.03	.02	.05	.19**	.20**	.06

Subordinate N=203; 1=male, 0=female; 1= age under 25 years old, 2=age 26~35, 3= age 36~50.
p<.05, ** p<.01.

4.3 Hypothesis Testing

Hypotheses were tested with Hierarchical regression analysis. As reported in Model 2 of Table III, after controlling for gender, age, and tenure, EL is positively related to PS ($B = .27, p < .001$, Model 2); thus, Hypothesis 1 is supported. Next, as shown in Model 4 of TABLE 3, the perception of superiors' EL is positively related to their subordinates' PWBs ($B = .14, p < .01$, Model 4); thus, Hypothesis 2 is supported. When we considered PS, the relationship was also significant ($B = .11, p < .05$, Model 5) and the relationship of PS and PWBs remained positively related ($B = .11, p < .05$, Model 5); thus, Hypothesis 3 is supported. The bootstrap confidence intervals method was used (with 5,000 repetitions) to estimate the indirect effect between EL and PWBs. The results showed a significant outcome that a 95% bias corrected confidence interval did not contain zero. Thus, further support for the mediation effect of PS was found. Interaction between EL and CT was negatively related to PWBs (Model 7, $B = -.19, p < .05$).

TABLE III. Summary of regression analyses

Variables	Psychological safe		Proactive behavior				
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
Intercept	3.70***	2.79***	3.36***	2.87***	2.56***	2.86***	2.78***
Controls							
gender	.00	-.04	.02	.00	.01	-.00	.00
Age	-.11	-.11	-.03	-.04	-.03	-.04	-.02
Tenure	.01	.01	.01	.01	.01	.01	.00
Independent variable		.27***					
EL				.14**	.11*	.14*	.14*
Mediator					.11*		
Psychological safe							
Moderator							
Traditionality						.01	.04
Interaction							
EL × Traditionality							-.19*
R ²	.00	.06	.00	.04	.06	.04	.06

ΔR^2	.00	.06	.00	.03	.06	.03	.03
F	.23	3.22**	.22	1.91	2.55*	1.52	2.17*
ΔF	.23	12.16***	.22	6.94**	6.02**	3.46*	5.22*

* $p < .05$, ** $p < .01$, *** $p < .001$.

Following Aiken [27] recommendation, in Fig. 1 we illustrate the pattern of moderation effect to show that for those subordinates of low traditionality values, the relationship between EL and PWB is stronger. Thus, Hypotheses 4 is supported.

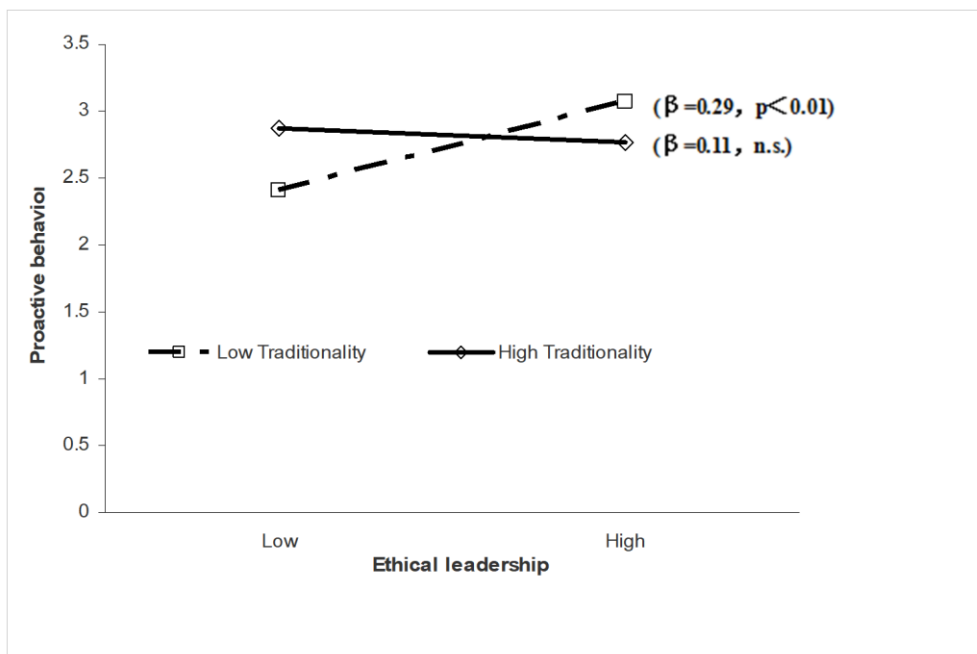


Fig. 1 EL and Traditionality interaction for Proactive behavior.

V. DISCUSSION

Interest in EL has been growing in recent years. Unlike the previous studies that focused on employees' ethical conduct [2,13-14], our research concentrated on the impact of EL on employees' PWBs and revealed the role of PS, the psychological mechanism of employees engaging in PWBs. We further verified the negative effect of high CT, same conclusions were found in previous studies. There are some theoretical contributions to the literature of EL and PWBs and some practical implication were. A leader "should be an ethical leader," organizational rules should be clear and predictable, and ethics should be emphasized since the perceptions of EL are helpful to improve employees' PWBs [20]. Leaders should pay attention to cultivate and strengthen their employees' PS so that employees can express these behaviors without sorrow or anxiety [1], which is beneficial to the organization. In addition, high-traditionality subordinates are less likely to exhibit PWBs. Although paternalistic leadership is more prevalent in China,

to maximize employees' PWBs leaders should dispel interpersonal relationship misgivings of subordinates and avoid constraining subordinates with authority.

Our research has some limitations. For example, ratings for the study variables EL, PS, and traditionality were self-reported by employees, which introduce a common method bias. However, our data were collected using a two-phase process and, to reduce this effect, PWB variable data were collected through employer sources. Future research can increase ethical leadership data of leaders' self-evaluation. Another problem in our study is that the respondents' rating data may reflect social desirability issues. However, to reduce these effects, the survey was anonymous and completed questionnaires were received immediately on the spot. Future research can increase the social desirability test to diagnose the impact of this problem.

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