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Exploring the Relationship of Ethical Leadership with Job Satisfaction, Organizational Commitment, and Organizational Citizenship Behavior

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Abstract

The impact of ethics on recent leadership practices has assumed a prominent role in both practical and theoretical discussions of organizational leadership successes and failures. A leader's ability to affect followers' attitudes and behaviors is important in this pursuit because it can result in greater job performance (Tanner, Brugger, Van Schie, & Lebherz, 2010). Ethical leadership may provide an effective approach for fostering positive employee outlooks and actions. Employees respond positively to the ethical leader's principled leadership, altruism, empowerment, and reward systems, suggesting that improved employee attitudes and work-related behaviors may follow (Brown & Trevino, 2006).

Three established measures of attitudes and behaviors are employee job satisfaction, organizational commitment, and organizational citizenship behavior. The following research study examined the potential of ethical leadership to foster higher levels of these outcomes and found that employees led by highly ethical leaders reported greater job satisfaction and organizational commitment than did employees led by less ethical leaders. No significant difference was reported among employees regarding the impact of ethical leadership on their level of organizational citizenship behavior. These findings suggest both theoretical and practitioner level insights.

Introduction

Ethics has been a part of leadership study and debate for centuries. The majority of these dialogues have been normative in nature. These discussions prescribe leadership standards of behavior and are largely anecdotal. Notwithstanding a long history of discourse, there is a need for more social scientific inquiry on ethical leadership (Brown

& Trevino, 2006; Tanner, Brügger, Van Schie, & Lebherz, 2010). "Indeed, a great deal has been written about ethical leadership from a prescriptive point of view, often in the form of a philosophical discussion about what leaders ought to do" (Avey, Palanski, & Walumbwa, 2011, p. 573).

The growing complexity of organizations and their expanding influence on an increasing number of internal and external stakeholders strengthens the importance of pursuing the ethical context of these organizations. Prescriptive approaches suggest ethical contexts enhance employee job performance (Brown & Trevino, 2006) and organizational leaders are significant contributors to, and shapers of, this context (Bennis & Nanus, 2007). A leader's principal charge is the pursuit of the firm's mission and accomplishment of its primary objectives (Bennis & Nanus, 2007). Leaders affect change and goal achievement by influencing organizational members to perform at high levels (Drucker, 2001). Positive employee attitudes and behaviors are potential indicators of increased job performance (Tanner et al., 2010). This research study sought to determine if ethical leadership supports three such indicators: increased job satisfaction, organizational commitment, and organizational citizenship behavior among employees. Accordingly, the study helped move the research stream from being merely conceptual and prescriptive towards empirical description.

Ethical Leadership

The concept of ethical leadership is a timely and significant topic for study. In a comprehensive literature review on leadership ethics, Ciulla (1995) concluded that ethics should be at the center of leadership studies. According to Ciulla, it is the ethics of leadership that may help us answer the question of what differentiates effective from ineffective leadership. Northouse (2010) also described ethics as central to leadership, citing the impact of leader influence, relationship with followers, and establishment of organizational values. A definition of ethical leadership based on empirical study has been offered by Brown et al. (2005). Ethical leadership is "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" (p. 120).

Ethical leadership may present a style of leadership that can address the issue of enhanced employee outcomes (Brown & Mitchell, 2010; Brown & Trevino, 2006; Dadhich & Bhal, 2008; Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009). Corporate executives are continually pressed to make organizational improvements, measured by both internal process advances and external performance measures. Executives endeavor to fulfill organizational goals through improved effectiveness and efficiency (Burton & Obel, 2001). The success and viability of an organization are important responsibilities of the organization's leaders. Because leadership is an influential process (Ciulla, 1995; Yukl, 2002), organizational goals are partly dependent on leaders' abilities to inspire organizational members to work towards those goals through increased performance. A leader's capacity to affect employee attitudes and behaviors can be measured by a variety of factors including employee job performance, job involvement, job satisfaction, organizational citizenship behavior, and organizational commitment (Daft, 2004; McShane & Von Glinow, 2010).

Moral Person

Trevino, Brown, and Hartman (2003, 2000) categorized ethical leaders under two headings: moral person and moral manager. Ethical leaders are thought to embody certain traits. Traits represent characteristics that people display consistently over time. Studies on the attributes of perceived ethical leaders recognize integrity as a central characteristic of the individual leader (Bennis & Nanus, 2007; Brown et al., 2005; Khuntia & Suar, 2004; Kouzes & Posner, 2008; Parry & Proctor-Thomson, 2002; Posner & Schmidt, 1992). Other qualities that have been associated with ethical leadership are honesty, competence, fairness, and humility (Bass & Steidlmeier, 1999; Khuntia & Suar, 2004; Posner & Schmidt, 1992).

As support for the importance of moral characteristics, much of the research on leadership relates effectiveness to leader honesty, integrity, and trustworthiness (Brown et al., 2005; Hartog, House, Hanges, Ruiz-Quintanilla, & Dorfman, 1999; Kouzes & Posner, 2008; Posner & Schmidt, 1992). Followers recognize leaders with specific traits and behaviors and then make predictions on how they will act in various situations. Those leaders whose actions are based on ethical principles are perceived as ethical leaders (Trevino, Hartman, & Brown, 2000). Ethical leaders demonstrate consistency between words and behaviors. Coupled with integrity, fairness, and a caring for others, this consistency in ethical leadership inspires trust among followers (Zhu, May, & Avolio, 2004). Employee trust in their leaders is associated with positive follower attitudes and behaviors (Den Hartog & De Hoogh, 2009). It is thus a reasonable inference that ethical leadership may be associated with increased levels of employee job satisfaction, organizational commitment, and organizational citizenship behavior.

As an extension of their behavior, ethical leaders make decisions based on value-based frameworks. They attempt to incorporate fairness and objectivity into their decision-making as well as consideration for the broader community. The moral person is a compilation of traits, behaviors, and decisions, which together, represent the leader's reputation for principled leadership. These characteristics are important in establishing a trusting relationship with followers. Employees who perceive their leaders as trustworthy exhibit increased levels of pro-social attitudes and behaviors (Den Hartog & De Hoogh, 2009). This pro-social conduct may be exhibited in greater employee work-related attitudes and actions such as citizenship behavior, organizational commitment, and job satisfaction.

The moral person is central to ethical leadership. Ethical leadership, however, depends on more than the identification of a moral leader. It depends on the leader's actions. Trevino et al. (2000) refer to the moral person as the ethical part of ethical leadership and the moral manager as the second "pillar" of ethical leadership.

Moral Manager

Actions by leaders serve to emphasize behaviors that are acceptable and appropriate within the organization. Leaders' conduct is visible to employees and reinforces their reputation and support of ethical values. It is another avenue by which organizational members can determine what is important within an organization. A leader's behavior must, therefore, be in sync with communicated ethical standards. Because these standards include honesty, integrity, and concern for others, the consistency with which

they are followed allows employees to create trusting and stable perceptions of their leader, behavior expectations, and work environment. Employees may subsequently feel more positively about their employer, leading to more optimistic and productive attitudes and behaviors (Brown & Trevino, 2006). Moral managers accentuate the importance of ethical behavior. They make values a part of organizational conversation. Ethics are spoken of often. Ethical leaders signal through consistent talk that ethics and values are vital to both the leader and the organization. "Ethical leaders are thought to be 'tenacious', 'steadfast', and 'uncompromising' as they practice *values-based management*. These basic principles . . . don't change in the wind or change from day to day, month to month, year to year" (Trevino, Brown, & Hartman, 2003, p. 18). As an extension of verbal communication, ethical leaders use rewards and discipline to telegraph preferred conduct. Reinforcement of values in meeting goals is crucial in directing followers' behavior. It serves as a reminder that meeting performance goals and adhering to ethical standards are equally important (Trevino et al., 2003; Trevino et al., 2000).

Social learning theory has been applied to ethical leadership as a means of explaining the primary method by which ethical leaders influence followers (Brown & Trevino, 2006; Brown et al., 2005; Mayer et al., 2009; Thomas, Schermerhorn Jr., & Dienhart, 2004). The premise of social learning theory maintains that people can learn both through direct experience and also through observation (Robbins & Judge, 2007). Influence is achieved through two aspects of social learning theory: attractive role modeling and positive reinforcement of behavior. Ethical leaders are particularly attractive because of their integrity and altruistic motivation. Because of their authority and status within organizations, they are also perceived as credible. Their power to affect behavior and control rewards enhances the effectiveness of the modeling process. Social learning theory is compatible with the work of scholars who have proposed over time that role modeling is an essential part of leadership and ethics (Avolio, Walumbwa, & Weber, 2009; Bass, 1999; Brown et al., 2005; Kouzes & Posner, 2008).

Reinforcement of the organizational culture can be accomplished when members watch what leaders pay attention to and measure (Schein, 2009). Reward systems are one method by which both of these are embedded within an organization's daily life. Trevino et al. (2003) verified that, although perceived ethical leaders often functioned as consideration-oriented leaders, they also utilized transactional leadership skills. Transactional leadership resembles an economic transaction in which each party receives something of value as a result of the exchange. Transactional leaders can be influential because doing what the leader wants is in the best interest of the follower (Bass, 1999; Kuhnert & Lewis, 1987). They often use a combination of contingent rewards and negative reinforcement to influence followers.

The combination of a positive role model and caring leader may lead to improved employee work-related attitudes and behaviors. Ethical leadership has the potential to affect job-related behavior and performance (Dadhich & Bhal, 2008). Empirical testing on the connection between ethical leadership and employee attitudes and behaviors is a fairly new but growing field (Mayer et al., 2009; Rubin, Dierdorff, & Brown, 2010; Trevino et al., 2003). This research project tested for differences in the outlooks and conduct of employee groups led by leaders possessing variations in ethical attitudes and behaviors.

Hypotheses

Ethical leaders encourage both ethical and job related performance (Brown & Mitchell, 2010). This study sought to address the question: Does perceived ethical leadership promote employee job satisfaction, organizational commitment, and organizational citizenship behavior? These three measures have been widely studied over time in relationship to other leadership models and serve as potential indicators of increased job performance (Herscovitch & Meyer, 2002; Judge, Thoresen, Bono, & Patton, 2001; Podsakoff, Whiting, Podsakoff, & Blume, 2009; Steyrer, Schiffinger, & Lang, 2008). Since the study of the ethical leadership model is in an early stage, it is prudent to select measures that are well tested.

Job satisfaction has been associated with employee behavior, motivation, and increased employee productivity (Piccolo, Greenbaum, Den Hartog, & Folger, 2010; Saari & Judge, 2004). Ethical leaders are concerned for others. They display trustworthiness and principled decision-making. It is therefore likely that ethical leadership may encourage increased employee job satisfaction (Brown & Trevino, 2006).

- Hypothesis H_{01}: *Employees led by highly ethical leaders are equally satisfied with their jobs as those led by less ethical leaders.*

- Hypothesis H_{a1}: *Employees led by highly ethical leaders are more satisfied with their jobs than those led by less ethical leaders.*

Employee organizational commitment is often used as a measure of follower behavior which directly influences employee work performance (Steyrer et al., 2008). Leaders who encourage participative decision-making, treat employees with consideration, are fair, and care for others, foster higher organizational commitment among employees (Cullen, Praveen Parboteeah, & Victor, 2003; Walumbwa & Lawler, 2003; Zhu et al., 2004). These characteristics are attributes of ethical leaders. Ethical leaders not only display moral traits such as honesty and integrity, but they reinforce ethical behavior in the accepted practices and policies of their organizations. It is plausible that this constancy of behavior and positive environment found in ethical leadership is consistent with increased employee organizational commitment.

- Hypothesis H_{02}: *Employees led by highly ethical leaders are equally committed to their organizations as those led by less ethical leaders.*

- Hypothesis H_{a2}: *Employees led by highly ethical leaders are more committed to their organizations than those led by less ethical leaders.*

Organizational citizenship behavior is a form of employee performance which exceeds task performance (Piccolo et al., 2010). It has been positively related to higher levels of employee performance (Podsakoff et al., 2009), making it an important employee behavior to measure. Ethical leaders establish and reinforce ethical standards. They guide the conduct and behavior of employees by making ethics a part of organizational life. Ethical leadership encourages positive behavior and discourages misconduct, theoretically supporting an environment that is conducive to organizational citizenship behavior (Avey et al., 2011).

- Hypothesis H_{03}: *Employees led by highly ethical leaders will engage in organizational citizenship behavior at equal levels as those who are led by less ethical leaders.*

- Hypothesis H_{a3}: *Employees led by highly ethical leaders are more likely to engage in organizational citizenship behavior than those led by less ethical leaders.*

Method

This research study employed a quantitative method using a cross-sectional survey design to assess the effect of ethical leadership on the job satisfaction, organizational commitment, and organizational citizenship behavior of employees. The independent variable, ethical leadership, was categorized into two groups: less ethical leaders and highly ethical leaders. The study sought to determine if differences existed between these two groups in relation to the dependent variables. A t-test was used to examine the data. The purpose of the research design was to ascertain if employees of ethical leaders were more satisfied with their jobs, were more committed to their organizations, and displayed higher levels of organizational citizenship behavior than employees of less ethical leaders.

The population for this study consisted of adult employees. A non-probability, convenience sample was obtained from this population group and was based on availability and accessibility. The study surveyed employees who were also enrolled as master and undergraduate students in a private college and a state university in Oregon. A set of four survey instruments was chosen for data collection in this study.

The questionnaires included the Ethical Leadership Scale (ELS) developed by Brown et al. (2005). The ELS is a 10-item questionnaire measuring perceived ethical leadership behavior. Participants were asked to rate their top management executive using a five-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree). The survey instructions explained that organizations' senior-most leaders may have a title of President, Chief Executive Officer, owner, or similar high-ranking designation within the management team.

Items on the ELS included such statements as, "My organization's top leader sets an example of how to do things the right way in terms of ethics," and "My organization's top leader disciplines employees who violate ethical standards" (Brown et al., 2005). Exploratory and confirmatory factor analysis for validity of the ELS were conducted by Brown et al. with a finding that a one-dimensional model using ethical leadership as the single factor fit the data well. Comparative Fit Index (CFI) was .98, validating its measurement of the ethical leadership construct. This outcome was confirmed in a study by Mayer et al. (2009) with results of x^2 = 1489, df = 169, and p < .001. Confirmatory factor analysis was also performed in this study with a result of CFI = .91.

The Minnesota Satisfaction Questionnaire Short Form (Weiss, Dawis, England, & Lofquist, 1967) (MSQ) was used in this study to measure employee job satisfaction. The MSQ Short Form is a 20-item questionnaire using a 5-point Likert scale (1 = Not Satisfied, 5 = Extremely Satisfied). Using their job position as the point of reference, participants responded according to their satisfaction on survey items such as "The feeling of accomplishment I get from the job" and "The chance to do different things

from time to time." The MSQ Short Form measuring job satisfaction required employee job titles in order to properly score the survey using the appropriate table by job classification. Study participants were asked to include their job titles as part of the questionnaire. For the purposes of this study, a score was obtained from the MSQ Short Form on general job satisfaction (which includes intrinsic and extrinsic factors), with higher scores reflecting greater satisfaction. The MSQ's long and short form construct validity was substantiated using validation studies based on the Theory of Work Adjustment (Ghazzawi, 2010; Weiss et al., 1967). The instrument's validity was found to perform according to the supporting theory. Concurrent validity was established by studying group differences which were statistically significant at p < .001. Reliability was established using Hoyt's coefficient of reliability. Median reliability coefficients of the tested groups using the MSQ Short Form resulted in .86 for intrinsic satisfaction, .80 for extrinsic satisfaction, and .90 for general satisfaction (Weiss et al., 1967).

The Organizational Commitment Questionnaire (OCQ) developed by Mowday et al. (1982) was used to measure employee organizational commitment. The instrument contains 15 questions employing a 7-point Likert scale, ranging from strongly disagree to strongly agree. The results were totaled and divided by 15 to obtain a numeric indicator of employee commitment. Original testing of the OCQ instrument occurred in both public and private organizations. Internal consistency was calculated using an alpha coefficient, item analysis, and factor analysis. The alpha coefficient ranged from .82 to .93 with a median of .90 (Mowday et al., 1982). Item analysis demonstrated positive correlation between individual items and the total OCQ score with a median of .64. Factor analysis ranged from 83.2 to 92.6, supporting the conclusion that the items measured a common underlying construct. Convergent validity was confirmed after testing six varied samples, producing a median result of .70.

To test the relationship between ethical leadership and organizational citizenship behavior, an instrument developed by Smith et al. (1983) was utilized. Using a 5-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree), the instrument measures 16 items which participants will answer as self-reports. Items include statements such as, "Volunteers for things that are not required" and "Helps others who have heavy workloads" (1983). In the development of the instrument, results were consistent with the causal models. It has subsequently been used in a number of studies (Koh, Steers, & Terborg, 1995; Mayer et al., 2009; Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008) demonstrating consistency and validity with p < .001 and a corresponding coefficient alpha reliability of .91 for altruism and .81 for generalized compliance (Smith et al., 1983).

Data Analysis

Completed data were recorded and processed using the software, Statistical Package for the Social Sciences (SPSS) (*SPSS 16.0 brief guide*, 2007). Total scores of the ELS, job satisfaction, organizational commitment, and organizational citizenship behavior surveys were calculated. To test the impact of participants' personal characteristics on the outcome variables, these demographic elements were collected at the end of the study. These included gender, age, industry, and degree program. Questions addressing the length of time in the participant's job, industry, and employment under the organization's top executive, were also included at the end of the survey questionnaire. The time-

related questions were incorporated to take into consideration the impact that experience with a profession, company, or leader might have on the study results.

To test for differences in outcome variables among groups led by highly ethical and less ethical organizational leaders, scores obtained from the ELS questionnaire were divided into two groups based on the Likert scale scores: less ethical ($\leq$ 3.00 score) and highly ethical (> 3.00 score). McCann and Holt (2009) employed a similar grouping in a study of ethical leadership in the manufacturing sector, although a different survey instrument was used, the Perceived Leader Integrity Scale. The participant Likert scale responses were totaled and divided into groups for analysis.

To determine if there were significant differences among the low and high ethical leadership groups and the demographic variables, against each dependent variable, an independent samples t-test was performed. The goal was to determine if perceived ethical leadership fostered higher job satisfaction, organizational commitment, and organizational citizenship behavior among employees. Findings were considered significant at $p < .05$. The assumption of equal population variances was tested using the Levene test which was considered significant at $p < .05$.

The variables of interest -- ethical leadership, job satisfaction, organizational commitment, and organizational citizenship behavior -- all appeared to present a unimodal shape and normal distribution with slight, or very slight, left skewing. The respective measures of skewness for the variables of interest were -.590, -.604, -.415, and -.574. This reflects the tendency for the scores to cluster toward the upper end of the scale. If the skewness is not substantial then the distribution can be considered to be approximately normal (Price, 2000).This interpretation was confirmed by comparing the mean and median values of each variable and by representing the data in histogram graphs.

Table 1: *Descriptive Statistics for Independent and Dependent Variables*

Variable	M	SD
Ethical Leadership	3.5765	0.8690
Job Satisfaction	3.7361	0.6649
Organizational Commitment	4.7939	1.2448
Organizational Citizenship Behavior	4.1423	0.4191

Before testing each hypothesis, further investigation of the data was performed. A Pearson's Coefficient of Correlation test was conducted to determine if an association existed among the various variables, including the demographic variables. This process offered further insight regarding the data. Ethical leadership demonstrated a positive and moderate correlation with job satisfaction, $r(199) = .59$, $p < .001$, and organizational commitment, $r(200) = .62$, $p < .001$. These findings indicated support for Hypothesis H_{a1} and Hypothesis H_{a2} that employees led by highly ethical leaders exhibit greater job satisfaction and organizational commitment. Ethical leadership was positively,

but weakly, correlated with organizational citizenship behavior, $r(199) = .18$, $p < .001$. A negative, weak relationship between years in the job or profession and job satisfaction was also demonstrated, $r(199) = -.16$, $p < .05$, as well as between years in the job or profession and organizational commitment, $r(199) = -.16$, $p < .05$. Ethical leadership demonstrated a positive but weak correlation to age, $r(199) = .17$, $p < .05$. The correlation values suggest support for rejecting all three null hypotheses in the study and supporting the alternative hypotheses. Ethical leadership was positively associated with each dependent variable, although to differing degrees.

Table 2: *Correlation Testing*

Variable	EL	JS	OC	OCB	Gender	Age	Industry	Yrs Org	Yrs Job	Yrs Ex	Degree
	1	2	3	4	5	6	7	8	9	10	11
EL	-	.592**	.621**	.178**	.058	-.159*	-.036	-.051	-.133	-.065	-.042
JS		-	.735**	.322**	-.024	-.088	-.055	-.007	-.158*	.023	-.086
OC			-	.240**	.040	-.057	-.023	-.029	-.157*	.011	-.107
OCB				-	.070	-.020	.101	-.029	-.021	.032	-.104
Gender					-	.011	-.169*	-.065	.128	-.021	.051
Age						-	-.030	.385**	.404**	.178*	.008
Industry							-	.015	.053	.079	-.016
Yrs Org								-	.382**	.639**	-.057
Yrs Job									-	.330**	.031
Yrs Ex										-	-.044
Degree											-

*p < .05. **p < .01

In order to test the hypotheses, the independent variable was divided into two groups based on low and high perceived ethical leadership. Survey scores of < 3.00 were categorized as low and scores of > 3.00 as high. The two independent groups of ethical leadership scores resulted in groups of 58 (low ethical leadership) and 153 (high ethical leadership). A t-test was performed to compare the means between the two groups. The t-test requires normally distributed group populations and the assumption that variances between the two groups are equal (Newton & Rudestam, 1999). In comparing ethical leadership with each of the three dependent variables, none of the Levene's statistics were found to be significant, indicating that the assumption of homogeneity of variance can be made. Levene's statistics for job satisfaction, organizational commitment, and organizational citizenship behavior were 0.405, 0.618, and 0.631 respectively, $p < .05$.

Hypothesis H_{01} posited that employees led by highly ethical leaders are equally satisfied with their jobs as those led by less ethical leaders. Employees in the group of highly ethical leaders ($M = 3.96$, $SD = .54$) reported a higher job satisfaction than did the participants with less ethical leaders ($M = 3.16$, $SD = .61$), $t(209) = -9.26$, $p = .001$ (two-tailed). Therefore, the null hypothesis was rejected and Hypothesis H_{a1} was supported. The data suggest that employee job satisfaction is greater when employees are led by highly ethical leaders.

The second null hypothesis, which stated that employees led by less ethical leaders would have an equal level of organizational commitment as those led by highly ethical leaders, was also rejected. The Likert scale for the organizational commitment questionnaire ranged from one to seven. Employees led by highly ethical leaders recorded a higher score on organizational commitment (M = 5.20, SD = 1.03), $t(210)$ = -9.13, p = .001 (two-tailed) than employees led by less ethical leaders (M = 3.72, SD = 1.14). The second alternative hypothesis was, therefore, supported. The data suggest that organizational commitment is greater when highly ethical leaders lead employees.

The third null hypothesis which stated that employees led by highly ethical leaders will engage in organizational citizenship behavior at equal levels as those who are led by less ethical leaders, was supported. Differences between groups were not significant at p < .05, resulting in a failure to reject the null hypothesis. Organizational citizenship behavior among employees did not differ in relationship to high or low ethical leadership.

This study was conducted to examine the differences between low and high levels of ethical leadership on employee job satisfaction, organizational commitment, and organizational citizenship behavior. Based on the degree of ethical leadership among top executives, results not only demonstrated significant differences in employee job satisfaction and organizational commitment, but also found that employees led by highly ethical leaders were more satisfied and committed to their organizations than those led by less ethical leaders. Contrary to expectations, organizational citizenship behavior did not demonstrate significant differences based on the perceived ethical leadership of top executives. Studies previously performed using similar normative leadership theories -- transformational, servant, and authentic leadership -- demonstrated positive and significant associations with organizational citizenship behavior among employees, suggesting support for a positive relationship between ethical leadership and OCB (Jaramillo et al., 2009; Koh et al., 1995; Walumbwa et al., 2008; Walumbwa et al., 2010). However, these findings were not replicated in this project.

Discussion

The study contributes valuable insight into the practical application of ethical leadership theory in the workplace. Early research on ethical leadership concentrated on defining the theoretical model and describing ethical leaders (Brown & Mitchell, 2010). More recently, study of this leadership model has moved forward into the empirical phase of discerning whether or not a relationship exists between ethical leadership and employee performance. These studies (Avey et al., 2011; Khuntia & Suar, 2004; Mayer et al., 2009; Piccolo et al., 2010; Toor & Ofori, 2009; Walumbwa & Schaubroeck, 2009) have found significant associations between ethical leadership and measures of employee and organizational outcomes (Brown & Mitchell, 2010). This study offers further insights for the practitioner by testing to see if followers of ethical leaders have positive employee job satisfaction, organizational commitment, and organizational citizenship behavior — all precursors to employee performance.

The findings from this study support the theoretical notion that ethical leadership does make a difference in employee job satisfaction and organizational commitment. There is still much to learn, however, about ethical leadership in organizations. Conducting longitudinal research would take into consideration the impact of change both within the

organization and the external environment. This could shed light on the long-term effect that ethical leaders may have on their organizations. Building and studying predictive models is also essential to the next phase of ethical leadership research.

It would be helpful for future researchers to conduct similar testing with some modifications, such as other-rating rather than self-rating instruments. Additionally, an extended population sample that is not restricted to higher education participants or one geographic area is recommended for future studies. Further research is needed to clarify study findings on ethical leadership and organizational citizenship behavior. This study did not find a significant difference in groups led by highly ethical and less ethical leaders. However, in previous studies, significant correlations were established between ethical leaders and positive organizational citizenship behavior among followers (Avey et al., 2011; Toor & Ofori, 2009; Walumbwa et al., 2008).

The macroeconomic environment in which this study took place is a variable that was not measured. The location of the study was the Portland, Oregon metropolitan area which, like much of the rest of the country, has been in a severe economic slowdown for three years ("Executive summary: Oregon economic forecast," 2011). Participants who reported low job satisfaction and organizational commitment might very well change jobs in a better economy. Since unemployment is high in Oregon, they may not be able to do so. However, if they have innate, strong citizenship behaviors, they may still display those to some degree while they wait for the opportunity to change organizations. This could account for a disconnect between the data results on OCB and the data results on job satisfaction and organizational commitment. Employees may also fear that they could be subject to future reductions in the workforce. This could prompt them to display greater organizational citizenship behaviors than would be their normal tendency in an effort to avoid such action. Future researchers should consider replicating the study in a more robust economic environment. It is certainly possible that employees' gratitude in having a job may influence their attitude toward their work and their organizations.

In pursuing additional research on ethical leadership, it will also be valuable to look at intervening variables. Culture might be one such variable. The relationship between ethical leadership and job satisfaction and organizational commitment may be stronger in highly ethical organizational cultures (Neubert et al., 2009).

The success of a leader in achieving the organization's goals is often measured in terms of objective organizational outcomes. Specifically, these are frequently in the form of financial measures including return on investment, return on assets, profit, growth, and increased sales. As research on the effectiveness of ethical leadership continues, it will be useful to include these outcomes as well as those at the employee level. Gelade and Young (2005) were able to demonstrate that positive employee attitudes were associated with increased customer satisfaction and sales, further strengthening the importance of extending the study of ethical leadership from employees' attitudes and behaviors to organizational objective outcomes.

Conclusion

The ethical leader, as a moral person and a moral manager, has the ability to affect followers' attitudes and behaviors. Ethical leaders can, through the impact of leader influence and relationships with followers, foster positive employee attitudes and

behaviors. These, in turn, are potential indicators of employee performance (Tanner et al., 2010). This study found differences in two such indicators, employee satisfaction and organizational commitment, supporting the premise that ethical leadership leads to positive employee attitudes and behaviors.

Given today's complex and dynamic competitive environment, there is an increased emphasis on leadership in organizations and a need to develop leaders who can inspire followers to perform at high levels. It is the combined efforts of many followers that support these leaders in their pursuit of organizational goals and objectives. Ethics is an important aspect of this process. "Ethical leadership pays dividends in employee pride, commitment, and loyalty" (Trevino et al., 2000, p. 142). Ethical leaders can improve follower and organizational performance. "If the leadership of the company reflects [ethical] values . . . people will want to work for that company and will want to do well" (Trevino et al., 2000, p. 136). In addition to increased employee performance, ethical leadership can help attract and retain talented people.

Ethics does not need to come at the expense of effectiveness. Ethical leadership theory supports the premise that ethics and performance are compatible concepts. Ethical leaders actively encourage both the achievement of work-related goals and adherence to ethical standards (Brown & Trevino, 2006). This study demonstrated that ethical leadership promotes positive employee attitudes and behaviors, specifically job satisfaction and organizational commitment

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