

Integrity, ethical leadership, trust and work engagement

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Abstract

Purpose – The purpose of this paper is to investigate how leader integrity and ethical leadership can influence trust in the leader and employee work engagement.

Design/methodology/approach – Data were collected using an electronic web-based questionnaire completed by 204 employees from various business organisations. Data were analysed by means of item analysis and confirmatory factor analysis conducted via structural equation modelling.

Findings – High levels of reliability were found for the measurement scales. Good model fit was demonstrated for the measurement and structural models. Empirical support was found for all the postulated relationships in the structural model.

Originality/value – This study is the first to analyse the joint relationships between leader integrity and work engagement through the mediating role of ethical leadership (i.e. moral management) and trust in the sense the key role played by ethical leaders in creating an ethical and trusting work climate conducive for employee engagement.

Introduction

Identifying the situations that foster work engagement of employees is vital for the sustainability and growth of organisations (Bakker and Demerouti, 2008; Den Hartog and Belschak, 2012; Tims *et al.*, 2011). Engaged employees are more productive, enjoy their work, and are more efficient and involved in their work (Tims *et al.*, 2011). One of the conditions that are critical in strengthening work engagement is organisational trust (Buckley, 2011). Because employees are more likely to engage in their work if they are drawn upon themselves to perform their roles, trust on the part of management is essential. Excessive monitoring and enforcement from management can hamper employees' tendency to engage in their work.

Ethical leadership is critical to a leader's credibility and his/her potential to exert meaningful influence (Den Hartog and Belschak, 2012). This credibility of ethical leaders is likely to have a significant influence on trust between a leader and followers (Eisenbeiss and Giessber, 2012).

Integrity, which refers to adherence to moral principles, captures the essence of ethical values and therefore can be seen as an important driver of ethical leadership (Palanski and Yammarino, 2011; Van Aswegen and Engelbrecht, 2009). One can also consider the impact

integrity has on the concept of trust in that followers have confidence in leaders who are perceived as high on integrity (Schoorman *et al.*, 2007).

Conceptualisation of ethical leadership

Researchers have begun to consider ethical leadership as a separate leadership style in itself rather than focusing only on the ethical elements of other leadership styles (e.g. transformational, authentic and servant leadership) (Brown *et al.*, 2005; Kalshoven *et al.*, 2011; Yukl *et al.*, 2011).

Resick *et al.* (2006) empirically distinguished various dimensions of ethical leadership, such as character and integrity, altruism, motivating, encouraging and empowering. Kalshoven *et al.* (2011) identified similar dimensions, namely fairness, integrity, people orientation, role clarification, ethical guidance and power sharing. In line with these dimensions, Eisenbeiss (2012) identified a humane orientation and a justice orientation of ethical leadership.

The definition of ethical leadership by Brown *et al.* (2005) is widely used in the literature. Based on a qualitative study, Brown *et al.* (2005, p. 120) defined 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”. The first part of this definition relates to the “moral person” facet of ethical leadership and the second part to the “moral manager” facet (Brown and Trevino, 2006).

Leaders embracing the moral person perspective value integrity and are trustworthy, caring, honest and fair. The moral manager or “ethical leadership” facet proactively manages morality, and it refers to a leader’s efforts to influence subordinates and guide their ethical behaviour, such as communicating ethical standards and disciplining employees who demonstrate unethical behaviours. These behaviours further include making fair and principled decisions, acting as role models for ethical conduct and recognising and rewarding ethical behaviour. Mayer *et al.* (2012) consider the moral manager facet as most unique to the ethical leadership construct.

Aim of the study

Work engagement is the driver behind an organisation’s competitiveness and success, in that an engaged employee demonstrates the willingness to put extra effort into the work and to reach optimal performance. Because the relationship between leaders and followers is so important in the company, trust and leadership are key aspects that should be considered, especially when it can contribute to the presence of employee work engagement. Ethical leadership is considered important, because, together with leader integrity, it promotes effective interaction between leaders and their followers. According to Brown and Trevino (2006), ethical leaders are perceived as honest and trustworthy, which is necessary for healthy working relationships.

The research objective of this study therefore was to make use of sound theoretical research and logical reasoning to analyse the influence of leader integrity and ethical leadership on

trust in the leader and work engagement. The further aim was to validate a theoretical model explicating the structural relationships between these variables in the business context.

No study could be found that has examined leader integrity (i.e. moral person) as an antecedent of ethical leadership (i.e. moral management). According to Stouten *et al.* (2012), future research should determine whether moral persons and moral managers are truly perceived as such by subordinates and whether they will respond differently as a result of this. The theoretical model of this study posits that integrity motivates leaders to act in ways that demonstrate ethical behaviour. Consequences of ethical leadership were also explored, particularly trust in the leader and work engagement. No study could be found that has analysed the relationship between ethical leadership and these outcomes. This study aimed to address these gaps in the management literature.

The relationship between trust in leader and work engagement

Work engagement is present when an employee is fully committed to the work through focussed energy and a positive state of mind (Tims *et al.*, 2011). Trust in the leader can be defined as the employee's willingness to accept vulnerability on the basis of positive expectations of the intentions of the leader (Schoorman *et al.*, 2007).

Social exchange relationships depend upon trust, feelings of personal obligation and norms of reciprocity (Blau, 1964). The subordinates of ethical leaders are likely to perceive themselves as being in social exchange relationships with their leaders because of the trust they feel in their leaders (Brown and Trevino, 2006). As a result, the subordinates should be inclined to go above and beyond the call of duty for these leaders through their job dedication (Kalshoven *et al.*, 2011) and work engagement.

In a study that was done on the effect of downsizing on trust in the organisation, it was found that employees who experience an increase in trust also experience an increase in work engagement (Buckley, 2011). Wong *et al.* (2010) through their study confirmed that trust has a direct positive effect on work engagement. They indicated that increased trust includes the free exchange of knowledge, ideas and information and that this trust will lead to a climate in which employees are actively engaged in their work.

From the above assumptions and findings, the following can be postulated:

H1. Trust in the leader has a significantly positive influence on the follower's work engagement.

The relationship between ethical leadership and work engagement

When employees are treated in a fair and respectful way by their leaders, they are likely to think about their relationship with their leader in terms of social exchange (Blau, 1964) rather than economic exchange. Furthermore, they are likely to reciprocate by putting extra effort into their work, through enhanced job dedication (Brown *et al.*, 2005) and willing to become more actively engaged in work (Macey *et al.*, 2009).

When an employee has the freedom to make decisions and take action without consulting the supervisor all the time, it can result in work engagement (Macey *et al.*, 2009). Bellingham (2003) states that ethical leaders want to empower employees through training and support and they want to provide freedom to their employees to show initiative through responsibility and authority.

Ethical leaders take their followers into consideration and through open communication (Brown and Trevino, 2006) make it clear what the organisation's goals are and what is expected from subordinates, which leads to employee engagement in their work (Macey *et al.*, 2009).

Brown *et al.* (2005) found a positive correlation between ethical leadership and job dedication, which is a major element of work engagement (Schaufeli and Bakker, 2003).

Through regression analysis, Den Hartog and Belschak (2012) confirmed that ethical leadership has a positive relationship with work engagement. They found that followers tend to report higher engagement in their work when they perceive their leaders as acting ethically. Consequently, the following can be postulated:

H2. Ethical leadership has a significantly positive influence on the follower's work engagement.

The relationship between ethical leadership and trust in the leader

Social exchange theory suggests that trust grows as leaders and subordinates interact in high-quality relationships (Blau, 1964). Ethical leaders' fair and caring treatment and open communication signal trust that subordinates are likely to reciprocate.

An ethical leader's concern for the best interests of subordinates, openness to input, fair decision making and actively managing morality should result in the leader's attractiveness as a role model. The treating people fairly element of ethical leadership would particularly enhance the experiencing of ethical leaders as trustworthy by their subordinates (Brown *et al.*, 2005; Eisenbeiss, 2012).

Dadhich and Bhal (2008) found that affective trust and cognitive trust are predicted by ethical leadership. Brown *et al.* (2005) as well as Van den Akker *et al.* (2009) found that ethical leadership is significantly related to the level of trust the follower has in the leader. In addition, Johnson *et al.* (2012) reported a positive relationship between ethical leadership and organisational trust. Kalshoven *et al.* (2011) found that ethical leader behaviours, measured with the ELW as well as the ELS (Brown *et al.*, 2005), were positively correlated with trust in manager/leader. Therefore, the following can be postulated:

H3. Ethical leadership has a significantly positive influence on the trust in the leader.

The relationship between leader integrity and trust in the leader

Yukl (2013, p. 331) refers to integrity as "honesty and consistency between a person's espoused values and behaviour". Drawing on social exchange, trust in leaders is built on ethical leaders' behaviours such as integrity, and reliability behaviour, which likely result in

trust that subordinates may reciprocate. Thus, based on social learning theory, subordinates will be inclined to trust ethical leaders because of their role modelling behaviour demonstrated through their credibility and trustworthiness. Ethical leaders also have the courage to transform their moral intentions into ethical behaviours, which can be referred to as a high behavioural consistency (Zhu *et al.*, 2004). When employees perceive this consistency, followers' trust in the leader is likely to increase.

According to Colquitt *et al.* (2007), integrity offers a very logical reason to trust someone. A feeling of fairness or moral character provides a sort of predictability that can help individuals cope with uncertainty. A leader with integrity will therefore be perceived as trustworthy, which will lead to trust in that leader.

Mayer and Gavin (2005) reported integrity as positively related to trust in the plant manager and in the top management team. Both Palanski and Yammarino (2011) and Kannan-Narasimhan and Lawrence (2012) found that leader behavioural integrity has a positive impact on followers' trust in the leader. Engelbrecht and Cloete (2000) also reported a positive relationship between integrity and interpersonal trust. Furthermore, Kalshoven *et al.* (2011) found a positive correlation between integrity and trust in the manager/leader. Therefore, the following can be postulated:

H4. Leader integrity has a significantly positive influence on the trust in the leader.

The relationship between leader integrity and ethical leadership

Brown and Trevino (2006) reported that leader traits such as honesty, integrity and trustworthiness contributed to the "moral person" facet of ethical leadership. Mayer *et al.* (2012) showed that an ethical leader's personal values (e.g. integrity and altruism) are an integral part of their social identity and help them to be a moral person. Integrity shows some conceptual overlap with ethical leadership, yet is only one facet of ethical behaviour (Palanski and Yammarino, 2007). Research by Mayer *et al.* (2012) shows that leader's ethical behaviour flows from the leader's own personal moral values.

Integrity and honesty should be crucial to the legitimacy and attractiveness of a role model (Bandura, 1986) and has frequently been linked with ethical leadership (Brown and Trevino, 2006). However, because ethical leadership encompasses more than truth-telling, Brown *et al.* (2005) assert that honesty and ethical leadership will be positively related but be empirically distinguishable from one another.

Brown *et al.* (2005) propose that integrity is the foundation of ethical leadership. Integrity can therefore be described as a component of ethical leadership, but the concept of integrity is such a comprehensive construct that it in itself also has an important impact on ethical leadership. The focus of ethical leadership is on the management of ethics.

If a person is rated highly on integrity, he/she will show personal consistency in behaviour which is based on moral values (Palanski and Yammarino, 2007). This characteristic of

integrity will be a significant driver for the person to engage in ethical leadership in an attempt to influence followers.

Brown *et al.* (2005) found a positive correlation between leader honesty and ethical leadership. Kalshoven *et al.* (2011) found a positive correlation between integrity and ethical leadership measured with the ELS (Brown *et al.*, 2005). Consequently, the following can be postulated:

H5. Leader integrity has a significantly positive influence on ethical leadership.

Conceptual model

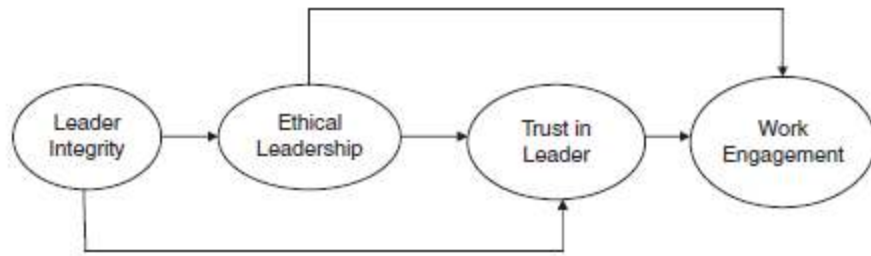
Based on the in-depth literature review and theoretical arguments presented above, a structural model was formulated showing the postulated relationships between leader integrity, ethical leadership, trust in the leader and work engagement. The structural model, illustrated in Figure 1, reflects the various paths and linkages between the different latent variables. It is clear from Figure 1 that integrity would be a significant driving force for a person to engage in ethical leadership in an attempt to influence followers (Brown *et al.*, 2005; Kalshoven *et al.*, 2011; Mayer *et al.*, 2012; Palanski and Yammarino, 2007). A leader with integrity would be perceived as trustworthy, which will lead to trust in the leader (Colquitt *et al.*, 2007; Kalshoven *et al.*, 2011; Kannan-Narasimhan and Lawrence, 2012; Mayer and Gavin, 2005; Palanski and Yammarino, 2011). An ethical leader's concern for the best interests of subordinates, openness to input and fair decision making would enhance the experiencing of ethical leaders as trustworthy by their subordinates (Dadhich and Bhal, 2008; Eisenbeiss, 2012; Johnson *et al.*, 2012; Kalshoven *et al.*, 2011; Van den Akker *et al.*, 2009). Ethical leaders want to empower employees through training and support, and they want to provide freedom to their employees to show initiative through responsibility and authority, which leads to employee engagement in their work (Den Hartog and Belschak, 2012; Macey *et al.*, 2009). When the employees perceive the leaders as fair in the distribution of rewards and treatment of their efforts, trust in the leaders will increase that would lead to a climate in which employees are engaged in their work (Buckley, 2011; Wong *et al.*, 2010).

Method

Participants

This study uses non-probability convenience sampling as a way of obtaining the sample. The research hypotheses were empirically tested using a sample size of 204 respondents which consisted of employees operating within various organisations in South Africa. The sample consisted of 123 females (60.3 per cent) and presented with an average age of 37.53 years. The race distribution was as follows: African (5.4 per cent), coloured (2 per cent), Indian (34.8 per cent) and white (57.8 per cent). The majority of respondents were from middle-level management (58.3 per cent) and from the retail industry (80.4 per cent).

Figure 1.
The structural model representing the relationships between integrity, ethical leadership, trust and work engagement



Measures

Work engagement was measured by the 17-item Utrecht Work Engagement Scale (UWES). The UWES developed by Schaufeli and Bakker (2003) contains three dimensions of work engagement, namely vigour, dedication and absorption. The UWES has demonstrated sound psychometric properties where the three-factor structure of the UWES fits well in the data of various samples and therefore confirms factorial validity. The three scales are highly internally consistent, with Cronbach's α values exceeding 0.70 (Schaufeli and Bakker, 2003). Sample items included the following: "At my work, I feel bursting with energy"; "I am enthusiastic about my job"; and "When I am working, I forget everything else around me".

Trust in the leader was measured by the 13-item Leader Trust Scale (LTS), adapted from the trust instrument developed by Bews (2000) and the Workplace Trust Survey developed by Ferres *et al.* (2004). Sample items included the following: "I feel that my manager keeps personal discussions confidential" and "I can depend on my manager".

Ethical leadership was measured by the 17-item Leadership of Ethics Scale (LES), which was specifically developed to measure the moral manager aspect of ethical leadership (Brown *et al.*, 2005). The LES items were adapted from different measures of ethical leadership (Brown *et al.*, 2005; Spangenberg and Theron, 2005; Yukl *et al.*, 2011). The LES combines different leader behaviours such as acting fairly, rewarding ethical conduct, ethical visioning and ethical practices of ethical leaders. Sample items included the following: "My manager communicates an ethical vision and inspires subordinate commitment to the vision" and "My manager recognises and rewards ethical contributions and behaviour".

Leader integrity was measured by the nine-item Behavioural Integrity Survey (BIS), specifically developed to measure the moral person dimension of ethical leadership (Brown *et al.*, 2005). The BIS was designed to measure the word-action consistency, promise fulfilment and honesty/morality dimensions of integrity (Palanski and Yammarino, 2007; Simons *et al.*, 2007). Sample items included the following: "My manager always tells me the truth" and "My manager shows a strong concern for moral values".

Results

Reliability analysis

SPSS (Version 20) was used to perform item analysis on all four measurement scales. After examination of all the scales, it was concluded that all the Cronbach's α values exceeded the

required 0.70 cut-off value, and all items presented high item-total correlations (see Table I). Each scale was therefore considered to be internally consistent and reliable.

Evaluating the measurement models

LISREL 8.80 (Jöreskog and Sörbom, 2006) was used to perform confirmatory factor analysis on all the scales used in this study.

Scale	Number of items	Mean ^a	SD	Cronbach's α	Item-total correlation
UWES: absorption	6	28.95	5.65	0.89	0.62-0.80
UWES: dedication	5	25.10	4.86	0.91	0.69-0.88
UWES: vigour	6	29.47	4.99	0.88	0.61-0.78
LTS	13	68.48	11.54	0.97	0.71-0.89
LES	17	85.87	14.71	0.97	0.63-0.88
BIS	9	46.36	8.34	0.96	0.69-0.90

Notes: UWES, Utrecht Work Engagement Scale; LTS, Leader Trust Scale; LES, Leadership of Ethics Scale; BIS, Behavioural Integrity Survey. ^aBased on total scores

Table I.
Reliability of the measurement scales

The modification indices were investigated to determine the possibility of deleting items with lower loadings on the completely standardised solution matrix. From the UWES, a poor item from the absorption subscale and one from the vigour subscale were removed in order to increase the model fit. All items included in the LTS loaded satisfactorily ($W > 0.50$) on the latent variable. Three items of the LES and one item of the BIS were deleted because of their lower factor loadings. The deletion of these items resulted in an improvement in the fit indices.

The final step in the analysis of the measurement models was to test the fit of each measurement model in terms of goodness-of-fit statistics. The fit indices of the refined subscales of the UWES are represented in Table II.

The fit indices indicate that the measurement models of absorption, dedication and vigour present acceptable fit with the data. The RMSEA suggests that the refined measurement models fit the obtained data adequately (0.00-0.055) (Hair *et al.*, 2006; Kelloway, 1998). The p -value for Test of Close Fit (RMSEA < 0.05) ranges from 0.38 to 0.69 ($p > 0.05$), supporting the conclusion that the various measurement models show close fit. The RMR and standardised RMR values are all below the 0.05 threshold, providing evidence of a relatively good model fit (Diamantopoulos and Sigua, 2000; Hair *et al.*, 2006). The GFI for each of the measurement models are close to 1 and above 0.90. This indicates that good absolute fit has been achieved for each measurement model (Kelloway, 1998).

The results of the incremental fit indices indicate that all the measurement models achieve NFI and CFI indices that are > 0.90 , which represents good fit (Hair *et al.*, 2006). These comparative indices therefore, appear to reveal a positive picture of model fit.

Overall, the reported indices indicate that satisfactory measurement model fit was also achieved for the LTS, LES and BIS measurement models (see Table II).

Evaluating the structural model

An interpretation of all the fit indices led to the conclusion that the structural model fitted the data well (see Table II). Only the GFI did not indicate good fit.

Examination of the modification indices suggested that there were no additional paths between any latent variables that would significantly improve the fit of the proposed structural model. These results therefore indicated that the structural model was successful to the extent that it explained the observed covariance amongst the apparent variables.

Discussion

The relationship between trust in leader and work engagement

A positive relationship was found between trust in the leader and employee engagement ($t = 2.33$, $p < 0.05$) (see Table III). The structural equation modelling results led to the rejection of null H_1 . The finding is consistent with the results obtained in the literature (Buckley, 2011; Wong *et al.*, 2010).

Model	S-B χ^2	df	RMSEA	$p_{\text{close fit}}$	RMR	SRMR	GFI	NFI	CFI
Absorption	4.791	5	0.00	0.69	0.03	0.02	0.99	0.99	0.99
Dedication	6.950	5	0.044	0.48	0.03	0.02	0.98	0.99	0.99
Vigour	8.044	5	0.055	0.38	0.03	0.03	0.98	0.99	0.99
LTS	124.865*	65	0.067	0.06	0.03	0.03	0.86	0.98	0.99
LES	146.103*	77	0.067	0.052	0.04	0.04	0.87	0.98	0.99
BIS	37.558*	20	0.066	0.195	0.03	0.03	0.93	0.99	0.99
SMODEL	1,877.089*	1,170	0.055	0.052	0.06	0.05	0.68	0.97	0.99

Table II.
Goodness-of-fit indices for all the scales and subscales

Notes: S-B χ^2 , Sattora-Bentler Scaled χ^2 ; df, Degrees of freedom; RMSEA, Root-mean-square error of approximation; $p_{\text{close fit}}$, p -value for Test of Close Fit (RMSEA < 0.05); RMR, Root-mean-square residual; SRMR, Standardised root mean residual; GFI, Goodness-of-fit index; NFI, Normed fit index; CFI, Comparative fit index; LTS, Leader trust scale; LES, Leadership of Ethics Scale; BIS, Behavioural Integrity Survey; SMODEL, structural model. * $p < 0.05$

Latent variable	Ethical leadership	Trust	Integrity	Ethics, trust and work engagement
Trust	<i>0.52</i> (0.10) 5.01*		<i>0.43</i> (0.09) 4.60*	375
Work engagement	<i>0.31</i> (0.14) 2.27*	<i>0.32</i> (0.14) 2.33*		
Ethical leadership			<i>0.85</i> (0.11) 7.90*	

Table III.
The γ and β matrix of path coefficients for the structural model

Notes: Completely standardised path coefficients in italic; standard error estimates in brackets; t -values $\geq |1.96|$ indicate significant parameter estimates. * $p < 0.05$

The results support the study by Wong *et al.* (2010), which found that a climate in which employees are engaged in their work can be created through the trustworthy behaviours of the leader. If employees trust their leader, they assume that the leader will make decisions with the employees' best interest in mind, and the employees will be more willing to engage in their jobs (Buckley, 2011).

It was confirmed in the present study that a relationship expressive of trust in the leader will promote the presence of employee engagement; the employee will be driven and committed to the work on the basis of the trust he/she has in the leader to make informed and fair decisions regarding the work.

The relationship between ethical leadership and work engagement

Support was found in the present study for a positive relationship between ethical leadership and follower's work engagement ($t = 2.27, p < 0.05$) (see Table III). This subsequently led to the confirmation of *H2*.

This result offers support to similar research findings in the literature (Brown *et al.*, 2005; Den Hartog and Belschak, 2012; Macey *et al.*, 2009). The positive relationship sustains the work of Den Hartog and Belschak (2012) who found that followers are highly engaged in their work when they perceive their leaders as acting ethically.

Leaders who promote ethical behaviour empower employees by providing them with the necessary opportunities to become capable in executing their jobs. Ethical leaders treat employees equally and promote fair and principled decision making. They communicate openly to their followers about goals and expectations (Brown and Trevino, 2006). Ethical leaders inspire employees through an ethical vision and provide the freedom to employees to take initiative in the workplace. These behaviours of an ethical leader provide the environment and the opportunity for the employees to be fully engaged in their work.

The relationship between ethical leadership and trust in the leader

The hypothesised relationship between ethical leadership and trust in the leader was confirmed in this study ($t = 5.01, p < 0.05$) (see Table III), which supported *H3*. The positive relationship between these two latent variables is also well documented in the literature (Brown and Trevino, 2006; Dadhich and Bhal, 2008; Johnson *et al.*, 2012; Kalshoven *et al.*, 2011; Van den Akker *et al.*, 2009; Wong *et al.*, 2010).

The degree to which the leader is perceived as trustworthy will influence the way in which the follower places his/her confidence, trust and belief in the leader. A leader who values ethics and manages ethics in the workplace is likely to display fairness and care towards the employees (Brown and Trevino, 2006).

An ethical leader is dedicated to open communication and to involving others in decisions (Brown and Trevino, 2006). These behaviours of an ethical leaders are concurrent with leaders who are trusted by their followers.

When an employee perceives his/her leader as someone with concern for ethical behaviour and who will take employees' needs into consideration when important decisions are made, he or she will be likely to display sincere trust in the leader (Wong *et al.*, 2010).

The relationship between leader integrity and trust in the leader

A positive relationship was found between leader integrity and trust in the leader ($t = 4.60, p < 0.05$) (see Table III). Alternative H_4 was therefore supported. Various other studies have also confirmed the positive relationship between these two constructs (Engelbrecht and Cloete, 2000; Kalshoven *et al.*, 2011; Kannan-Narasimhan and Lawrence, 2012; Mayer and Gavin, 2005; Palanski and Yammarino, 2011; Schoorman *et al.*, 2007; Simons, 2002).

Trust is widely associated with moral behaviour, such as exhibited in fairness, consistency, benevolence and integrity (Colquitt *et al.*, 2007; Schoorman *et al.*, 2007). As mentioned previously, integrity is associated with consistent and reliable behaviour, which is based on moral standards. A leader with integrity is therefore also perceived as trustworthy, which will strengthen the trust in that leader.

This study confirmed Simons' (2002) argument that behavioural integrity has a strong influence on trust in the leader. A leader who actively demonstrates integrity through honesty, consistency and moral behaviour will be successful in establishing trust in the leader/subordinate relationship.

The relationship between leader integrity and ethical leadership

A positive relationship was found between leader integrity and ethical leadership ($t = 7.90, p < 0.05$) (see Table III). This subsequently led to the rejection of null H_5 . This result supported the positive relationship between these variables found by Kalshoven *et al.* (2011).

Palanski and Yammarino (2007) proposed that a person with integrity will demonstrate behaviours that are based on moral values. The fact that integrity is part of the moral value drive behind ethical leadership may support the assumption that a leader with integrity will be encouraged to engage in ethical behaviour in an attempt to influence followers (Den Hartog and Belschak, 2012).

A leader who values ethics and manages ethics in the workplace is likely to display honesty, fairness and care towards the employees (Brown and Trevino, 2006; Van Aswegen and Engelbrecht, 2009). Behavioural integrity can therefore have a considerable effect on a leader who is dedicated to the management of ethics in the workplace.

Limitations of the study and suggestions for future research

Although this study offers valuable insights about the consequences of ethical leadership, some limitations need to be considered for the purpose of providing information on how future studies can be improved and extended. First, this study was a single-source study. Multiple sources of data could be considered in future studies, such as leader self-assessments of their own integrity and ethical leadership, and peer ratings.

Second, future studies could explore other mediating and moderating variables (e.g. integrity-related personality traits, altruism, psychological empowerment, ethical climate and organisational justice) to clarify the nomological network that may influence ethical leadership and work engagement. It

is also suggested that a longitudinal study of the proposed conceptual model should be executed to enable more substantial causal inferences.

A third limitation concerns the sampling method that was used. It is suggested, therefore, that future studies should avoid making use of a convenient sample, but could make use of a quota sampling technique. Future studies should also make use of a larger sample chosen on the basis of greater probability and randomness. This will ensure that the sample is more representative of the general business population.

Managerial implications

As confirmed through this study, mutual trust and employee engagement will strengthen when integrity behaviour and ethical leadership are present in the work environment. The good fit indices of the measurement models confirmed the postulation that moral persons and moral managers are perceived as such by subordinates (Stouten *et al.*, 2012). As stated by Brown *et al.* (2005), it remains important to be a moral manager, not just a moral person, through implementing moral values and an ethical vision, making it visible by living it out in the organisation. Practical guidelines therefore would suggest leading through ethical role modelling, developing performance criteria that reward ethical behaviour, facilitating fair and ethical solutions to problems and conflict, monitoring fraud and corruption through internal and external audit systems and promoting a code of ethical conduct (Yukl, 2013). To prepare managerial leaders for dealing with typical moral challenges and dilemmas, training programmes should be developed aimed to create ethical awareness and to develop managers' capacity to find morally justifiable solutions by using interactive learning techniques (e.g. case studies, role play and coaching).

Conclusion

Organisations should take full responsibility for ensuring that ethical leaders drive management practices and that trust in the leaders is developed through the presence of ethically based business systems and functions. By strengthening these factors, work engagement is promoted amongst employees because of the trust they have in their leaders for taking their interests into consideration, and for behaving in a fair and ethical manner when decisions are made in a changing work environment.

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