The Influence of Ethical Leadership on Employee Silence

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Abstract: Differences in leadership styles influence employees' behavioural choices, and employees' attitudes towards the organization influence the development of the organization. This paper explores the mechanism between ethical leadership and employee silence , and introduces two variables, organizational identification and power distance orientation, organizational identification as mediating variables between ethical leadership and employee silence, and power distance orientation as moderating variables between ethical leadership and employee silence .The results show that ethical leadership positively influences employees' organizational identification and negatively influences employee silence .Compared with high power distance orientation, employees with low power distance orientation can effectively reduce employee silence. Thus, the mechanism clarified the connection between ethical leadership and employee silence. In this way, this paper provides some insight into the subsequent management practice of the company.

1. Introduction

In the face of a highly uncertain environment, employees' behaviors affect the organization since employees are a crucial factor in the company's development. The type of uncertain events will bring different degrees of challenges to organizational management and development .such as COVID-19, which has accelerated the use of digitalization, the boundaries between organizations are beginning to blur. Therefore, when facing emergencies, leaders need to pay attention to the organization and be responsible for employees, such as concerning the dynamics of the organization, providing necessary support and motivation to their followers. Thus, to ensure the stability of the organization's development, Focusing on employee development will help the organization respond to the problems that occur.

It was found that ethical leaders have a positive influence on employees' behaviors by taking the lead in ethical qualities and being a leader with integrity and fairness, and that ethical leaders positively influence employees' moral behaviors in part by identifying with moral role models [1], that is, the attitudes and behaviors of ethical leaders themselves affect employees' attitudes and behavioral choices to some extent. There are few studies that have examined the influence of leadership style on employees' attitudes and behaviors, but this paper argues that the mechanism of action between ethical leadership and employees' silent behaviors based on the Chinese context is still worth exploring.

Then, based on social identity theory and social exchange theory, the mediating role of organizational identification on the relationship between leadership and employee silence is

explored. The moderating variable of power distance orientation is also introduced to clarify the moderating effect between ethical leadership and employee silence. Therefore, the mechanism of action between variables is further clarified, and it plays a certain enlightening role for subsequent management.

2. Literature review

2.1 Ethical leadership

According to the concept of generalization，ethical leadership in organizations is defined as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making" (Brown et al., 2005).[2]Ethical behavior is the essence of effective leadership and is crucial to many leadership theories. Therefore, in the development of ethical leadership theories, there is an intersection between ethical leadership and other leadership styles. Bass and Steidlmeier (1990) [3] distinguished ethical leadership from transformational and authentic leadership by publishing that the main difference between ethical leadership and transformational leadership is the "ethical manager" dimension. Ethical leaders place more emphasis on influencing subordinates' ethical behavior and concern for others and society through ethical management; at the same time, they emphasize exercising ethical influence by setting ethical standards and rewards and punishments, engaging in open and two-way communication with subordinates, and focusing on guiding subordinates to comply with ethical standards and norms.

The most commonly used measure of ethical leadership is the 10-item unidimensional structured measurement scale developed by Brown et al. (2005) based on previous research and interview content. The scale has good reliability and validity. Later, with the development of the ethical leadership theory, Tian, Liu, and Fan (2015) [4] developed a 10-item scale based on employees' expectations of ethical leadership in the Chinese context. Bush, Welsh, and Baer (2021) [5] concluded that ethical leadership could be divided into facilitative and preventive and developed a 12-item scale. The scholars, as mentioned above' scales were developed in the context of a 12-item scale. All of these scales are based on Brown's (2005) scale.

Research on ethical leadership has primarily been conducted at the individual and organizational levels. At the individual level, Moss, Song and Hannah (2020) argued that ethical leadership could increase employee feedback-seeking behavior and decrease employee feedback-avoidance behavior through the mediating role of responsibility orientation. [6] Chen and You (2016) found that ethical leadership can promote employees' proactive change behaviors. [7] At the organizational level, Kim and Thapa (2019) suggested that ethical leadership can effectively promote CSR building and enhance corporate performance.[8] In addition, Joplin, Greenbaum and Wallace (2021) pointed out that ethical leadership can act as a moderating variable to influence the relationship between employee rights and workplace engagement. [9]

In summary, ethical leadership positively affects employee and organizational behavior. Although there is a small body of literature on the impact of ethical leadership on employee behavior, it is still worthwhile to explore how ethical leadership works in the Chinese context.

2.2 Organization identification

Organizational identification is an individual's recognition of an organization based on trust. March & Siomn (1958) were the first to propose a more refined theoretical model of organizational identification. By introducing the concept of social identification, these scholars considered organizational identity a part of social identification. Ashforth & Mael (1989) further defined

organizational identification by agreeing with March that "organizational identification is a part of social identification" and pointed out that organizational identification is the sense of responsibility and belonging that organizational members have towards the organization. [10]

Regarding the measurement of organizational identification, the scale developed by Kreiner & Ashforth (2004) [11] is widely used and has four question items. It emphasizes employees' subjective feelings about the organization.

The factors affecting organizational identification are mainly from three levels: individual, organizational, and leadership aspects. At the individual level, Bamber and Iyer (2002) conducted an empirical study on the mechanism of action between individual employees' organizational identification and their propensity to leave at the individual level. The results showed that the higher the organizational identification, the lower the propensity to leave. [12] At the leadership level, Humphrey (2012) studied the positive impact of transformational leadership on organizational citizenship behavior. He verified the mediating role of organizational identification in the mechanism of the two effects. [13] At the organizational level, Koveshnikov and Ehrnrooth (2018) studied the relationship between transformational leadership on organizational identification from the perspective of organizational culture in different contexts. [14]

In summary, organizational identification is the belonging that employees generate for the organization, and the three levels of organizational identification studied above are consistent, and organizational identification from positive influences is high, thus, introducing organizational identification as a mediating variable between ethical leadership and employees' silent behavior has positive implications.

2.3 Employee slience

The silent behavior of employees originated from the "silence effect" proposed by Rosen and Tessers (1971). These scholars found in their research that when employees reflect awful news to their leaders, they fear that they will become the makers or spreaders of bad news. In order to avoid adding extra burden on themselves, employees will adopt the practice of not communicating any news to their superiors. Thus, they call the silent behavior of these employees the "silence effect." [15] However, they only proposed a phenomenon and did not conduct a substantive study on employee silence. In a subsequent study by Morrison & Milliken, the concept of "organizational silence" was formally introduced for the first time through an organizational perspective. Organizational silence was defined as a collective phenomenon in which employees retain their opinions and views about the organization. [16] Dyne & Botero (2009) defined the boundaries of employee silence from the perspective of leader-member exchange and concluded that silent behavior is a face-to-face communication in which employees have a solution to a problem but think about it and then adopt silent behavior, and delineated three dimensions of employee silence: defensive silence, acquiescent silence, and pro-social silence [17].

The scale proposed by mainstream scholars Tangirala S & Ramanujam R. (2008) [18] on measuring employees' silence is more widely used and has four question items. Subsequent empirical tests will follow this scale.

Scholars' research on employee silence has been conducted at three primary levels: individual, leadership, and organizational. At the individual level, Jeffery & Roseanne (1988) found that the higher the employee's self-esteem level, the lower the likelihood of silent behavior. At the leadership level, Hassan, Davis and Jiang (2019) found that empowered leaders effectively reduce employee silence. [19] At the organizational level, Wang &Hsieh (2019) verified through an empirical study that the organizational ethical environment affects different dimensions of employee silence in high technology firms.[20]

In summary, scholars have given specific discussions on the causes of employee silence at the individual, leadership, and organizational levels, but little research has been done on the influence of ethical leadership on employee silence among leadership styles; therefore, this paper will focus on the mechanism of action between ethical leadership and employee silence.

3. Theory and hypotheses

3.1 Ethical leadership and Employee slience

An ethical leader is a moral person and a moral manager simultaneously. The "Moral person" aspect of the ethical leader refers to the personality characteristic and altruistic motivation characterized by honesty, integrity, and trustworthiness. Ethical leaders exhibit many excellent qualities, such as integrity, fairness, and concern for others. Ethical leadership has good qualities that influence the followers around them through dynamic management.

Ethical leaders have been known to influence many positive behavioural outcomes of employees positively, organizational citizenship behaviour[21], employee performance[22], and employee commitment [23]. Taken together, ethical leadership can effectively influence positive employee behaviour. Thus, this paper speculates that ethical leadership can effectively reduce negative employee behaviours.

The above analysis leads to the following hypothesis: ethical leadership negatively affects employee silence.

3.2 Ethical leadership and Organization identification

Organizational identification originates from the introduction of social identity theory into organizational situations, which refers to an individual's perception of self-belonging to a group, or a state of defining membership, and is also an emotional affiliation that employees show in terms of loyalty and belonging to the organization. The formation of a connection between the employee and the organization will bring the employee closer to the organization. The factors of leadership style that affect employee organizational identification have been given attention by scholars, such as, studies have shown that empowered leadership enhances employee teamwork and thus organizational effectiveness through the leader's own trust in employees [24].

Kacmar, Bachrach and Harris (2011). [25] argue that social exchange tends to generate feelings of personal appreciation, obligation and trust, which motivate subordinates to work with positive attitudes and beneficial behaviours and helpful work in return. These positive attitudes and behaviours enhance employees' trust in their leaders and the organization. On the other hand, these positive attitudes and behaviours enhance employees' identification with the organization.

Based on the above analysis, hypotheses are proposed: Ethical leadership positively affects employees' organizational identification.

3.3 Organization identification and Employee silence

Social identity theory explains the value and emotional significance of employees' integration into the organization. Bergami and Bagozzi (2000) [26] suggest that when individuals develop a sense of identity with the organization, they establish an emotional bond with the commitment within the organization, which makes them more loyal to the organization. Beheshtifa, Borhani and Moghadam (2012) proposed that employee silence has a destructive and negative impact on organizational success [27]. Therefore, in this paper, based on social identity theory, when employees develop a high level of recognition of the organization, employees feel responsible and obligated to

protect the organization. Based on the above analysis, the paper makes a reasonable hypothesis in this regard: Organizational identity negatively affects employee silence.

3.4 The mediating role of organization identification

According to social exchange theory, the attitudes and behaviours of leader toward employees determine the attitudes and behavioral orientation of employees. If ethical leaders provide employees with positive attitudes and behaviours, employee can reciprocate by strengthening the connection between leader and employee, and employee reaps positive effects in the current organization, employees may enhance their identification with the organization. The effect of abusive leadership on burnout and deviant behaviour is significant. When employees are treated unfairly, they will develop a psychological distance from the organization. Eventually, this "psychological distance" will grow into dissatisfaction, and employees' loyalty to the organization will be weakened, thus leading to silent behaviour.

In contrast, the ethical leader's qualities of fairness and concern for subordinates will strengthen the "bond" between employees and the organization. Therefore, it is reasonable for ethical leaders to influence employees' organizational identity positively. Social identity believes that when employees develop a sense of organizational identity, a strong "bond" is formed between employees and the organization. In turn, employees have the responsibility to pay attention to the unreasonable problems in organizational development and thus reduce their silence.

Based on the above analysis, conclusions are drawn: Employee organizational identification mediates the relationship between ethical leadership and employee silence.

3.5 The moderating role of power distance orientation

The power distance orientation varies across individuals. So individuals with different entitlement distance orientations are sensitive to the attitudes and behaviours of leaders differently. High power-distance-oriented employees and low power-distance-oriented employees react differently when confronted with the attitudes and behaviors of their leaders. Farh, Chen and Kirkman (2009) stated that the reactions of high power-distance-oriented employees to leadership behaviours do not depend on how the leader treats them or whether the leader treats subordinates fairly. None of these factors has a significant effect on high power-distance-oriented employees' psychology was not significantly affected [28]. In contrast, for employees with low power distance orientation, how the leader treats them affects them to a greater extent.

According to the above logic, leaders' attitudes and behaviours have no significant effect on the responsibility of subordinates with high power distance, and employees with low power distance are more sensitive. Ethical leadership promotes ethical standards, procedural fairness, and two-way communication. Loi, Lam and Chan (2012) [29] argue that these ethical leadership enhancements fit well with the low power distance orientation values of proactive, frequent communication and involvement in decision making. Furthermore, individuals with lower power distance want more self-determination, control over their work, and frequent communication. Therefore, when ethical leaders and employees close the distance between them through communication, they tend to feel more trusted, and low power-oriented subordinates perceive their value. When ethical leaders take the initiative to improve communication with employees. They recognize the importance of the organization to them and have a deep connection; as a result, When problems occur in the organization, they, as a member of the organization, they feel that they have a greater responsibility to advise the organization, So they will make behaviours that are beneficial to the development of the organization and try to reduce the loss caused by organizational problems. Thus, effectively reducing the silent behaviour of employees. However, the power distance orientation will deepen

the distance between leaders and employees, and employee silence will still occur.

Therefore, based on the previous analysis, this paper concludes that the mechanism between ethical leadership and employee slience. Furthermore, Farh, Hacket and Liang (2007) [30] argue that power distance is one of the important cultural values in China. Thus, In China, power distance orientation is deeply influenced by culture. It is necessary to explore the relationship between power distance orientation in the Chinese context for moderating the relationship between ethical leadership and employee silence in the context of Chinese culture.

The above analysis leads to the following hypothesis: Power distance orientation has a moderating effect between moral leadership and employee silence, and employees with low power orientation have a little more reduction in silence than those with high power orientation.

4. Conclusion

Based on the previous analysis, through the study of literature and the use of theory, the following conceptual model was proposed after exploring the mechanism of action between ethical leadership, organizational identity and employees' silent behavior as shown in the figure 1:
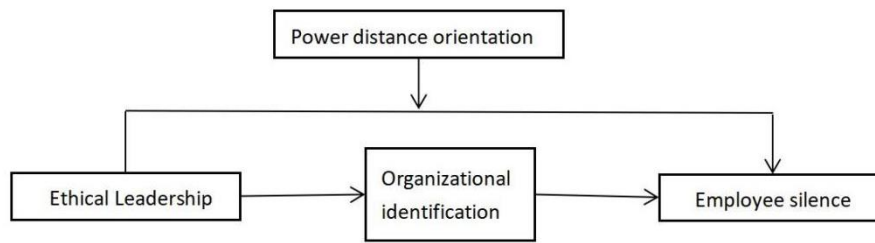

Figure 1: Conceptual model

Therefore, ethical leadership negatively influences employees' silent behavior. Thus, ethical leadership is crucial to promote employees' contribution to the organization. For business managers, giving full play to the influence of leadership is important. It is also important to create an atmosphere of ethical leadership in the company and to lead by example. The excellent organizational climate shaped by ethical leadership in a company can strengthen employees' recognition of the organization itself and thus reduce employee silence.

Ethical leadership positively influences employees' organizational identification. From this we can see that ethical leadership can reshape employees' perceptions of the organization and enhance their organizational identification. Leadership is a key force in leading the development of an organization. Leaders should give more trust to employees based on communication with them. On the one hand, it can make the psychological distance between the leadership and the staff can be shortened so that effective communication can be formed between the leadership and the staff. On the other hand, it can improve the trust of the employees in the leadership at the same time, but also can motivate the organization to better development.

Organizational identification plays a mediating role in ethical leadership and employee silence. Organizational identification is based on employees' trust in the organization. The stronger the identification of employees, the stronger the linkage with the organization, and the more likely they are to take actions that are beneficial to the organization's development. Based on the above analysis, organizational identification does exert an effective influence between ethical leadership and employee silence. It suggests that the effect of ethical leadership on employee silent behavior is not

the effect of a single mechanism. Thus, when analyzing the specific influential role of leaders in reducing employee silence, more attention should be paid to the processes played by ethical leadership in reducing employee silence.

Power distance orientation plays a moderating role between ethical leadership and employee silence. Especially in the Chinese cultural context, with low levels of power distance orientation for employees with high rights distance orientation and ethical leadership influencing employee silence more strongly. Where low power distance orientation is more effective in promoting effective communication, and employee silence is thus reduced. Therefore, in the development of business practices, leaders should strengthen the connection with employees and give them the necessary trust. This enhances the loyalty of employees and reduce employee silence.so that they can grow together with the organization under the leadership of a good leader.

5. Limitations and Future Directions

First, this paper has explored the relationship between ethical leadership, organizational identification, and employee silence in a new way, but there are still many things that could be improved in this study. First, this article only takes a literature study approach. Although in this paper. With the help of two major theories of social exchange and social identity, those theories are integrated and relevant hypotheses and theoretical models are proposed. In the future research process, this paper can use empirical tests, an empirical test with a larger sample could be adapted to explain the interrelationships among the variables better and make the research findings more convincing.

Second, this paper argues that we are now in the critical recovery period of the covid-19 epidemic. Hence, as a leader, to lead your organization and employees to seek stability in an unstable environment is necessary. Besides, the leaders should pay more attention to the psychological health of employees during the covid-19 epidemic and give more attention to employees and listen carefully to their suggestions. Combined with the author's introduction of the mediating variable of employee organizational identification in this paper to analyze the influence of ethical leadership on employee loyalty, it can provide a direction for the communication between leaders and employees.

Finally, the research area can also be expanded and other scholars in the future can introduce new mediating variables, such as Comparing the differences in employee responses to leadership behaviors across cultures or introducing new mediating variables or moderating variables for consideration from the leader's perspective, such as introducing ethical leadership as a moderating variable from a new perspective to moderate the relationship between organizations and employees.

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