

**Ethical Leadership Association With Workplace Conflict Telecom Sector Of  
Khyber Pakhtunkhwa**

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**Abstract**

Drawing on social learning theory (SLT), this paper examined the role of ethical leadership in conflict situations. Specifically, ethical leadership was predicted to build employees' resolution efficacy and subsequently increase employees' ability to deal with conflict situations in the workplace (i.e., relationship, task, and process conflict). This research was conducted on employees of telecom sector, as telecom sector is very volatile and all telecom prefer to use most effective strategies in better dealing, satisfying and committing employees. This research will really help the top level management in knowing the efficacy of its retention strategies worth. The data was collected through questionnaires used by other researchers for their studies before. The scale used has been mentioned in the construct of this study. This research used workplace place conflicts as dependent variable and the ethical leadership as independent variable. Reliability analysis conducted for the purpose of the reliability of the data. Thus the research achieved both of the hypotheses that the employee resolution efficacy have positively significant relation with work place conflicts. A multi-source study in emerging market like Pakistan support for this study model. These findings expand and unite existing theory on conflict and ethical leadership.

**Keywords:** *ethical leadership; resolution efficacy; relationship conflict; task conflict; process Conflict*

### ***Introduction***

Ethical leaders value trust and respect and communicate what is appropriate behavior in their interactions with employees. Ethical leadership is particularly important as respectful and valued workplace behavior is central to employees' willingness and ability to cooperate and avoid conflict escalation (Gelfand, Leslie, Keller and Dreu, 2012). A type of behavior that is an ongoing challenge for organizations to maintain respect and collaboration is workplace conflict the interactive social process that results from tensions between two or more people due to real or perceived differences in ideas or values (Wall and Callister, 1995; Jehn, 1997, To workplace types of conflict). Conflict often creates dissatisfaction due to divergent interests and values and hinders the willingness of employees to work together (Wit, Greer, and Jehn, 2012). Indeed, by creating a system of value in which employees can respect each other's ideas or values and work effectively with each other, ethical leaders provide moral guidance to employees by being workplace ethical role models (Brown and Treviño, 2006).

Previous empirical research has shown that ethical leadership is distinct from other related leadership buildings (such as authentic and transformative leadership), as it focuses specifically on the leader's own moral behavior and communicating and encouraging ethical behavior (Kalshoven, Hartog, and Hoogh, 2011). As outlined by SLT (Social Learning Theory) (Bandura, 1977, 1986), by modeling appropriate behaviors, ethical leaders promote moral behaviors in the work environment.

Brown and Treviño (2006) used SLT to explain that employees are looking for attractive and credible role models from whom they derive what is appropriate and expected in terms of workplace behaviors and then adopt these behaviors in their own work and interaction with employees. Through modeling or vicarious learning, employees become more confident not only about their ability to act in an ethical way, but also about solving challenges that may arise in their social interaction with others.

The study argues that leaders act as role models for how to deal with conflicts through ethical leadership and stimulate the effectiveness of employees on how to successfully manage conflicts, i.e. effectiveness in resolving conflicts. Resolution effectiveness refers to the belief that one has the ability to resolve issues of conflict (Jehn et al., 2008).

In addition, SLT clarifies conditions for behavioral modeling. That is, employees need to find their leader a credible, attractive and legitimate role model (which is the case for an ethical leader; Brown et al. 2006) to learn or model appropriate behaviors. Through the explicit communication of ethical leaders and the emphasis on moral workplace behavior (e.g., encouraging the development of quality social relationships by caring for others and building a trustworthy work environment), they promote the effectiveness of employees' resolution because these leaders not only listen to, value and consider the ideas of others, but are also seen as legitimate role models that demonstrate their effectiveness.

### ***Statement of the Problem:***

The research study intended in investigating the relationship between ethical leadership and workplace conflicts. The research focuses on telecom sector, operating in Peshawar

district. Till data no research has been conducted on the current topic in Pakistan. The result of this study help in adding more knowledge in service base for future studies on the same topic.

***Significance of the study***

Employee ethical leadership with workplace conflicts across the company play a vital role. The study would be helpful for companies that want to apply ethical leadership in their HR policy and that face problems among their employees with regard to workplace conflicts at management. Thus the study is important throughout the organization in terms of its concept and applicability. Employee resolution effectiveness is considered the mediating variable of this study and the interest of the researcher was to evaluate the relationship between ethical leadership and workplace conflicts in the telecommunications sector, as the telecommunications sector is one of Pakistan's leading industries and has a major contribution to the country (Schau broeck et al., 2012). It has thus given many people employment and thus the aim of the researcher to check the concept of ethical leadership in this sector. The study is also very important for the telecommunications sector.

***Literature review:***

Resolution efficacy is based on the self-efficacy concept of Bandura — that is, the belief of an individual in their ability to achieve desired results. Brown et al., (2005) draw on the SLT of Bandura (1977, 1986 and 1997) to highlight how such efficacy credentials can be developed in part through modeling or vicarious experience and enactive achievement. In this study, the researcher expects specifically ethical leadership to relate to the effectiveness of employee resolution through direct modeling (vicarious experience) of behaviors that enhance conflict resolution. The importance of demonstrating care and support for others and working together to ensure employee and organizational well-being is communicated proactively by ethical leaders (Cremer and Knippenberg, 2003). Because such leaders are considered by others to be genuine and trustworthy in interpersonal relationships (Treviño, Brown, and Hartman, 2003)—attribute that enables others to feel safe in expressing their ideas and expressing potential differences of opinion (Walumbwa and Schaubroeck, 2009)—they nurture standards on how to cooperate with others and encourage their employees to model similar behaviors. SLT suggests that the behavior of ethical leaders may trickle employees down (Mayer et al., 2009; Schaubroeck et al., 2012).

Employees are therefore motivated to emulate ethical leaders and are therefore encouraged to take a more constructive approach to conflicting interests. That is, employees are encouraged to value and respect the opinions of others, listen actively to the ideas of others, and act carefully and appropriately. Because ethical leaders actively stimulate employees to engage in valued behavior, employees are reinforced and rewarded for doing so; thus, they nurture employees' resolution efficacy. Indeed, research has shown that skills such as listening and considering each other's ideas are the basis for developing higher resolution efficacy (Tjosvold, Wong and Chen, 2014).

Brown et al., (2005) defined ethical leadership as "the demonstration of normatively appropriate behavior through personal actions and interpersonal relationships, and the promotion of such behavior to followers through two-way communication, strengthening, and decision-making." Through their personal and professional lifestyles, ethical leaders set a vivid example for employees and morally guide them to avoid interpersonally harmful behaviors and instead encourage them to exhibit desirable and normatively appropriate behaviors, thereby utilizing their social power to advocate the best interests of others and their organization (Brown and Treviño, 2006).

Telecom industry plays out the capacity of soul in a financial framework. These days saving money division is the most valuable hotspot for reinforce the economy. It assumes a vital part in the financial improvement. Therefore its nonstop achievement is vital for the long haul survival of various areas of the economy and it goes about as impetus in financial improvement of the nation by giving assets to various formative undertakings of various parts of the economy. The managing an account industry is tossed open to the formal of all parts of the economy. Such budgetary organizations have an essential part in arrangement and fortifying of capital base and furthermore assume an impetus part in encouraging the development of mechanical division, lightening of neediness, and human advancement. Taint solid managing an account segment and solid world economies go together& to guarantee solid keeping money part, it critically rely on upon the very performance of sound solid faculty. Association trust is a developing idea. It has colossal pertinence to an administration part like keeping money industry. Many of the experiences that come with those jobs which are individually done these two among many others are regarded as factors on which actions and their reactions are based at a workplace first is how the performance is done and how justice is perceived by the employee (Masterson et al. 2000; Podsakoff et al 2000). Traditionally, evaluation of an performed task in terms of skill with which any individual carried out the tasks that were prescribed in his or her role descriptions (Griffin et al 2007). Impartiality is often perceived by the workers to the extent of justice a system has. Many a time's employees judge the extent of justice in a system by virtue of their outcomes with that of others (Clan, 2000, Tyler, 1994).

### **Ethical leadership, Organizational Justice and work place conflict**

Podsakoff, (1997) led a review that exploring the connection between authoritative justice and hierarchical citizenship conduct the review was directed dissecting the representatives of the telecom division. The consequence of the review recorded that association justice. Coleman and Borman (2000) said that authoritative justice and hierarchical citizenship conduct have Two essential focuses ought to be underlined about citizenship practices. To begin with, as you have presumably acknowledged, citizenship practices are applicable in practically any employment, paying little heed to the specific way of its errands, (Motowidlo, 2000) and there are clear advantages of these practices as far as the adequacy of work units and associations (Podsakoff and others, 2000). As cases, research led in a paper process found that the amount and nature of team yield was

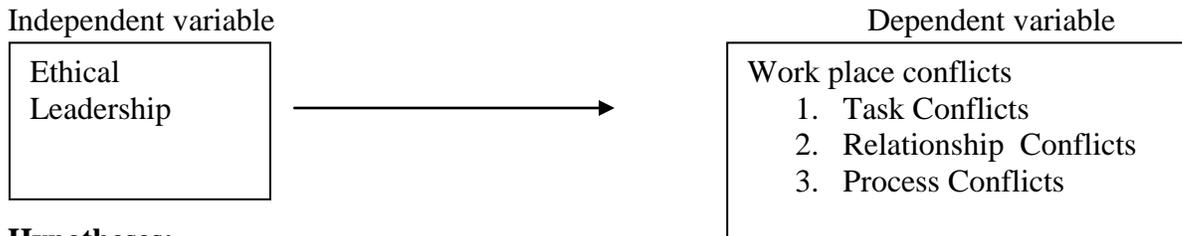
higher in groups that included all the more great subjects (Podsakoff, and others, 1997). Research of 30 eateries likewise demonstrated that more elevated amounts of citizenship conduct advanced higher income, better working productivity, higher consumer loyalty, higher execution quality, less nourishment wastage, and less client dissensions (Walz and Neihoff, 1996). Along these lines, it appears to be evident that citizenship practices impact the main issue of the authoritative justice and hierarchical citizenship conduct.

### **Ethical Leadership and Employee performance**

Marlowe & Nyhan, (1997); Mayer, Davies, & Schoorman, (1995); Nooteboom & Six, (2003) asserted that the organizational behavior show the loyalty and trust as faith to the leaders of an organization. Faith is a vital calculates the transformational initiative process. A transformational leader essentially needs to activate adherents' dedication toward the leader's vision. In this way, the leader should merit the trust of the devotees for him to prevail with regards to assembling them. This is on the grounds that a leader who is not trusted by the adherents won't have the capacity to get similar supporters to submit their selves for the leader's vision, not matter what the vision is. Adherents of transformational leaders are generally anticipated that would bolster the leader in the leader's endeavors to change the present state of affairs and be prepared to go out on a limb. Confide in, along these lines, is said to be a critical predecessor of hazard conducting conduct (Mayer et al.; Hartog, 2003). In organizational conduct writing, trust is been divided in three different types: (a) reliability, that is reasonable trust and involves appraisal of the dependability of the additional group in light of direct confirmation or notoriety with an attribution of that gathering's ability and his or her intensions to adjust to understandings; (b) confidence in the leader, which identifies with the mental wellsprings belief in the leader; (c) faithfulness toward leader, that identifies with recognizable proof, effect, and schedules created in particular relations (Hartog; Marlowe & Nyhan; Nooteboom & Six).

### **Ethical Leadership, Trust and work place conflict**

Manz and Neck (2002), explained that if there will be corporation and unity among the members of an organization, then it will lead to a high and best performance of the team. Trust is the main mediator. An organization should build the trust level of the employees' which will positively affect the performance of the employees', which will be beneficial for an organization. (Mickan & Rodger, 2000) in order to judge and evaluate the performance of a team, some factors like, the satisfaction of customers, bringing the best productivity, decreasing and removing of mistakes and bring best quality outputs, should be used among the team members to built strong relationship between them. If there is high level of trust among those members as according to (Edmondson, 1999). Trust is a base of any team, if trust exist in any team all members would be able to openly share their problems and express their feelings, and would except the criticism and mistakes as a result it will bring better changes.



**Hypotheses:**

**H<sub>1</sub>:** Employee resolution efficacy has significant relation with Workplace conflicts.

**H<sub>0</sub>:** Employee resolution efficacy has insignificant relation with Workplace conflicts.

**1.1 Methodology**

**Research Approach**

This part of the study will deal with the different approaches available to the researcher among which the study defines the framework for conducting the study. The study will include deductive approach for this study based on the quantitative aspect of the study. Furthermore, the study will include deductive approach.

**Type of research:**

The present study is descriptive and correlational in nature and will use the deductive approach because of the quantitative nature of the study.

**Population Size**

Employees working in the telecom sector organizations operating at Peshawar district are considered as the population available for this research study. Approximately size of the population is around 2000 with following breakups

- Ufone: 600
- Mobilink: 500
- Warid: 300
- Zong: 300
- Telenor: 300
- Total: 2000

Owing to the heterogeneity of the population with least degree of variability and the population size of approximately 2000 ([http://www.finance.gov.pk/survey/chapter\\_10/16\\_population.pdf](http://www.finance.gov.pk/survey/chapter_10/16_population.pdf)).

**Sample Size**

the researcher plans to have sample of 333 with plus/minus 5% precision and 95% confidence level and for this using formula of Cochran (1963) and table of Yumai (1967) is used (Cited in Singh and Masuku, 2014). According to the table sample size of the given population with plus/ minus 5% precision and 95% confidence level is as follows:

<b>Population:</b>	<b>precision +/- 5%</b>
50	222
600	240
700	255
800	267
900	277
1000	286
2000	333
3000	811

Source: Singh and Masuku (2014)

According to the above tables, the present study consists of 2000 employees as population and the sample size will be 333.

#### **Sampling Technique**

Since the availability of the exact number of the employees in each company is not known, therefore, the researcher intends to follow purposive sampling technique for collection of data.

#### **Statistical test**

The study is correlational in nature and the study will analyze the data using regression and correlation test on the primary data to infer. Furthermore, the descriptive test will be brought in use and the regression test

#### **Questionnaire/Measure**

Ethical leadership: it will be measured by using the Brown et al., (2005)10-item scale. Employees provided ratings of their supervisors' ethical leadership. Sample items are "My supervisor sets an example of how to do things the right way in terms of ethics" and "My supervisor discusses business ethics or values with employees".

#### **Discriminant Validity Analysis**

To evaluate the validity of discriminant, conflicts i.e, (Relationship Conflict, Task Conflict, and Process Conflict), we conducted a confirmatory factor analysis. The rest results shows that the factor model indicates good fit which acceptable fit— $\chi^2 = 167.91$ ,  $df = 74$ ,  $p < .001$ , comparative fit index (CFI) = .95, root mean square error of approximation (RMSEA) = .07 (RMSEA values no greater than .08 suggest an acceptable fit; Hu & Bentler, 1999). Whereas a one-factor model ( $\chi^2 = 778.23$ ,  $df = 77$ ,  $p < .001$ , CFI = .65, RMSEA = .18) or an alternative two-factor model in which RC and PC were set to load on one factor ( $\chi^2 = 655.27$ ,  $df = 76$ ,  $p < .001$ , CFI = .71, RMSEA = .17) did not match the data well, thus providing additional evidence for the distinguishing validity of RC, TC and PC steps. To minimize the probability of specific process bias, we gathered data from multiple sources — employees and their direct superiors "(Podsakoff et al., 2003). Yet following a number of past research on leadership and organizational behavior (e.g., Greenbaum, Mawritz & Piccolo, 2015; Mitchell & Ambrose, 2007), we have taken further measures to determine how our findings could be influenced by common method bias by conducting a Harman's one-factor test. In an exploratory factor

analysis (EFA) we loaded all of the items assessed by employees onto one factor using an unrotated main component analysis to determine whether a single factor accounted for most of the variance.

**Means, Standard Deviations, Scale Reliabilities, and Inter correlations**

	1	2	3	4	M	SD
1. Ethical leadership (.91)					3.78	0.50
2. Relationship conflict (.92)	-.04				1.72	0.69
3. Task conflict (.91)	-.19*	.51**			2.40	0.68
4. Process conflict (.90)	-.16*	.42**	.66**		2.36	0.71

We contrasted our hypothesized model with a model that included an uncorrelated factor in process. The findings showed that the model with the method factor enhanced the model fit and that the method factor accounted for a total variance of 6.56%, which is less than half of the 25% method variance recorded in previous studies (Podsakoff et al.). Therefore, both tests support the fact that traditional process bias is less likely to play a role in the interpretation of our findings, and unlikely to confuse.

**Regression Results**

Relationship	conflict	Task conflict
Process conflict		

Note: Study 1: N = 165; Study 2: N = 131. Reliabilities are presented on the diagonal.

\*p < .05.

\*\*p < .01.

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