HOW ETHICAL LEADERSHIP CAN DEVELOP CONSTRUCTIVE DEVIANCE? A SOUTH ASIAN PERSPECTIVE

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Abstract: Employees as an essential part of organizational success need to be proactive and respond according to the dynamic environmental changes. While being so, employee deviates from their given tasks and could harm their organization. Given that, we attempt to develop a model for employee positive deviance (constructive deviance). More specifically, our study aims to explore the mechanism between ethical leadership and constructive deviance through the mediating roles of self-efficacy and psychological empowerment. We collected data from 286 employees working in various organizations during COVID-19. We noted a significant effect of ethical leadership on constructive deviance, while self-efficacy and psychological empowerment was found to mediate this association. Our study contributes to the limited literature on constructive deviance and has implications for the management.

Keywords: Ethical Leadership, Constructive Deviance, Psychological Empowerment, Self-Efficacy, South Asia

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Introduction

In this modern age organizations have been reorganizing their working pattern according to the repaid technological advancements like they have become more accommodating, task oriented and operating worldwide (Ahmad et al., 2021). From this perspective, employees also need to be proactive and perform efficiently according to the changing requirements (Madjar, et al., 2011; Sattar et al., 2020). While doing so, it is possible that employees can deviate from the set procedures of organization and literature have shown that deviation can harm the operations and working conditions (Ali et al., 2021; Mitchell & Ambrose, 2007), but it can also positively effects and enable the organization to be more effective and innovative (Spritzer & Sonenshein, 2004). In the past, literature has been mainly focusing on the organizational deviance and its outcome, but recent studies have diverted their attention toward constructive deviance behavior in organization. Constructive deviance is a comprehensive term and it is used to define many positive behaviors such as whistle- blowing (Near & Miceli, 1985), prosocial behaviors (O’reilly & Chatman, 1986) and organizational citizenship behavior (Van Dyne, et al., 1994).

Along with the subordinates’ behaviors, organizations also need effective management with productive and constructive leadership skills so that organizational flourishment and success can be possible because these skills play an important role in creating positive organizational culture and structure (Ali et al., 2020; Aydemir & Egilmez, 2010; Islam et al., 2021). For the purpose of enhancing employees’ effectiveness, they need proper instructions, continuous support and motivation (Ilyas et al., 2020). Considering ethical leader as a role model, is a wise decision because of their virtuous and judicious personalities (Islam et al., 2020; Basar & Filizoz, 2015). Ethical leaders are identified as a life saver personality for the organizations who found themselves in drowning water by researcher and employees (Howell & Avolio, 1992). As organization are facing crisis due to unethical behaviors, this has even more highlighted the importance of ethical leaders and caused professionals to recruit and train their employees to develop more positive and ethical environment in the organization (Brown & Trevino, 2006; Islam et al., 2020b).

Recent studies have proved that employees who worked under the administration of ethical leaders are facing less job-related stress and have more positive attitude toward their work-related activities (Sharif &
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Scandura, 2013). As a result, ethical leadership is an essential element that can reduce job dissatisfaction, promote constructive deviance and ameliorate employee performance (Tylor & Pattie, 2014). Ethical leadership can directly or indirectly promote constructive deviance behavior among employees. According to social learning theory, people learn how to behave by watching others or through direct instructions and set standards. The verbal encouragement can enable employees to feel more empowered and self-dependent in their decisions and actions (Bandura, 1977).

De Hoogh & Den Hartog (2008) stated that ethical leaders not only emphasis on ethical standards but they also focus on briefing to employees that how they and their work is important for achieving organizational goals. Through this process employees can understand how they are contributing and how their efforts and decisions can affect their organization. Through this understanding they feel more responsible and this will enhance employee self-efficacy and in turn enhance their bonding with their leaders and organization. There are some other factors like psychological empowerment that can generate positivity in individuals and favorable organizational outcomes. Empowerment can be given in several ways like socio-structural, relational and psychological (Hassan et al., 2020; Liden, et al., 1997). Conger & Kanungo (1988) have described four conditions that are necessary to prevail to develop the state of psychological empowerment and these are supervision, reward system, job and organizational characteristics. Supervision in form of ethical leadership can generate self-efficacy and psychological empowerment (reduction in the situation of powerlessness) which in turn create favorable environment and positive behavior in organization. Given that, the main objective of this current study is to explore the relationship between ethical leadership and constructive deviance through the mediating role of psychological empowerment and self-efficacy.

Theoretical framework and hypotheses Ethical leadership and self-efficacy

Employees’ confidence, growth, knowledge skill and abilities (KSAs) can be enhanced when their leaders provide them continuous support, motivation and fulfill their developmental needs, hence enhancing their level of self-efficacy and self-impact through observational learning or persuasion (Zhu, May & Avolio, 2004). Bandura (1999) stated that some factors like leadership are very crucial in generating and designing efficacy values but only if the leader is ethical and trustworthy. To support this argument, some empirical evidences are quoted; for example, reliable feedback most
probably generated from ethical leaders, can surely escalate self-efficacy (Eden & Aviram, 1993). Many ethical leadership researchers have stated that as an educational tool ethical leadership has very strong impact as a role model (Detert & Trevino, 2010; Detert et al., 2007; Raza et al., 2016). In simple words employees learn from their leaders how to perform their duties effectively consequently their self-efficacy enhanced (Mitchell & Palmer, 2010).

Followers’ self-efficacy can be raised through active motivation by their leaders. Ethical leaders are always concerned about both processes and outcomes therefore, they strive to help their subordinates while they’re dealing with working processes so that their workload, anxiety and work-related stress can be released and ultimately, they will get satisfactory outcomes which in turn spark their self-efficacy level. Along with organizational goals ethical leaders also want to see their employees to perform well, achieve their best interests and work with their full potential (Brown, et al., 2005). Such behavior of inspiring leaders is very helpful in creating emotionally secure working environment for employees and this situation also enables employees to discuss their performance and get suggestions from leaders. As a result, employees feel more confidence towards their working. Based on these above-mentioned findings, there is a relation between ethical leadership and self-efficacy.

H1: Ethical leadership has an impact on self-efficacy.

**Ethical leadership and psychological empowerment**

Psychological empowerment can be described as it is a process through employees’ self-efficacy raised by reducing the conditions of powerlessness and by providing more information regarding efficacy through formal or informal organizational practices and techniques (Conger & Kanungo, 1988). It is idealized as a competent mental condition or a cluster of perceptions. Empowerment refers to the idea of giving decision-making authority to lower-level staff members and ensure that they have necessary resources to take and implement their decision with sufficient authority, it is some sort of de-centralization of authority (Barton & Barton, 2011). Ethical leadership promote such characteristics as well (Shalley & Zhou, 2008). The strengths and weaknesses of every employee also known by these leaders, likewise, they make wise decisions regarding their working positions and duties (May, et al., 2004).

Ethical leaders gave respect to every employee and they consider them as their treasure not just an ordinary
subordinate, in the other words they know the worth of every employee especially, regarding organizational yield and outcomes. Ethical leaders have mastery at increasing employees’ empowerment, self-esteem, vigor, motivation, personal best interests of both employee and organization and fulfilling the development needs and requirement of every employee (Zhu, 2008; Zhu, et al., 2004; May, et al., 2004). As a result, we can say that ethical leaders raise the voice for employees’ rights, growth and level of ownership which in turn enhance psychological empowerment. Researcher has found positive relation between ethical leadership and psychological empowerment (Chughtai, 2014; Tu & Lu, 2013).

H2: Ethical leadership has an impact on psychological empowerment.

**Ethical leadership and Constructive deviance**

Employees can get influenced by ethical leaders in various ways because these leaders are responsible for designing and application of moral values in the organizations. For the execution of such standards, they acquire the position of ethical role model and they are responsible for ethical codes to be followed by every employee (Mayer, et al., 2010; Weaver, et al., 2005). As per leader-member exchange quality, employees behave according to the quality of moral behavior of their leaders. Employee’s recognition also enhanced by ethical leaders, which in turn motivate employees to achieve their organizational goals and spread positive deviance behavior in organization (Van Knippenberg & Stikin, 2013). Hence ethical leadership on higher scale results in high moral behavior from employees and on the other side low ethical leadership results in organizational or work deviant behavior by followers (Kacmar, et al., 2011).

H3: Ethical leadership has an impact on constructive deviance.

**Constructive deviance and Self-efficacy**

Self-efficacy is related to some other factors like self-worth, self-esteem, self-confidence and self-competence. Individuals with high self-efficacy tend to be more confident, resistant and having dominant personality, they take initiatives than those with lower self-esteem. They are readily available for accepting the challenging goals of the organization especially those targets that can change the status quo (Bandura, 1986). In this way they become the participant of constructive deviant behavior. For the support of above-mentioned argument, it is noted that, employees with high level of self-esteem are more engaged in voice behaviors than those with lower self-esteem. There is another study which
was conducted by Morrison and Phelps (1999) found that taking initiatives is positively related to generalize self-efficacy. Similarly, creative performance and self-efficacy are positively related to each other (Liao, et al., 2010).

Scholars normally stated that confident person always bring about the positive change and thereby for this purpose he/she may deviate from the regular instruction and standards for the betterment of his/her team members or group (Somech & Drach-Zahayy, 2000). Self-efficacy is the effectiveness of actions, which is positive belief of potential outcomes regarding adaptive behaviors and these beliefs are related to constructive deviant behaviors.

H4: Self-efficacy has an impact on constructive deviance.

**Psychological empowerment and constructive deviance**

Constructive deviance and psychological empowerment are these concepts that have attained a recent popularity in the literature of organizational behavior studies. Constructive deviance has been defined by many scholars in different ways and according to its Nemours definitions there are three main characteristics of constructive deviance (1) deviation from usual norms (2) deviation is for the betterment (3) follow the hyper norms (Vadera, Pratt & Mishra, 2013). Hence, these behaviors are not required in job duties but these are helpful in achieving organizations’ mission and are beneficial for organizational growth (Galperin & Bruke, 2006; Robbins & Galperin, 2010). Therefore, employees with some authority and responsibility of achieving some targets are more satisfied employees and these are mostly involved in constructive or positive deviant behavior in organization. The concept of psychological empowerment is rarely studied before in past literature with the concept of constructive deviance. Although psychological empowerment is a positive concept like self-efficacy, organizational commitment, job satisfaction and positive organizational support etc. (Ali et al., 2020; Buchko, 1993; Avey, et al., 2009; Wanger, et al., 2003).

H5: Psychological empowerment has impact on Constructive deviance.

**Mediating role of self-efficacy**

Drawing from Social learning theory, individual generates information regarding his/her skill and abilities and then make decision on the basis of such information that how to behave or respond (Bandura, 1977). Employees with lower self-efficacy are not that confident to resist against system for the betterment of organization (Landau, 2009). On the other side, employees with higher level of self-efficacy have such belief in themselves that their
argument is valid and this is for the well-being of the organization so they have to take certain necessary actions to bring about change even it’s a deviant behavior yet positive (Walumbwa et al., 2010). The common problem of constructive deviant behaviors is that they generally misinterpreted and misunderstood by others and then they face the problem of credibility (Morrison & Milliken, 2000). Therefore, employees with high self-efficacy are only confident enough that they can take and bear the risk of positive deviance behavior (Liang, Farh, & Farh, 2012). As per the results of experimental studies, self-efficacy and targets to alter the status quo are closely related. Hence according to the findings self-efficacy is also the cause of positive outcomes and the level of self-efficacy can be enhanced if, managed by their ethical leaders. Thereby, this present study suggested that between ethical leadership and constructive deviant behavior, self-efficacy is an important mediator. According to the social exchange theory the relationship between ethical leadership and constructive deviant can also be mediated by some factors eg; psychological protection etc.

H6: Self-efficacy mediates the association between ethical leadership and constructive deviance.

Mediating role of psychological empowerment

Along with self-efficacy, psychological empowerment is another variable that can generates positive results in organization. Empowerment can exist in several formats, for example, relational, psychological and social structural (Linden, et al., 1997). However, ethical leaders are more concerned regarding the career’s growth, job satisfaction and training needs of their employees so that they can assign work according to their capabilities (May, et al., 2004). The perspective of these leaders is to deal with every employee with respect and dignity because these behavior results in long-term commitment of employees with their work and organization.

When employees feel self-confidence and determination in their work-related activities, involvement in decision-making process and allocation of some authorities, all these events altogether enhance the psychological empowerment of employees or they feel even more empowered when the support of their leaders is provided. All these factors have combined effect on the constructively deviant behavior. Because of their strong connection with their organization, they don’t hesitate to deviate their standards of operation for the sake of growth and well-being of their organization.

H7: Psychological empowerment
mediates the association between ethical leadership and constructive deviance.

**Figure 1: Conceptual Model**

Research methods Participants and procedure

We collected data from the students of MBA executive working in various service sectors. The rationale behind collecting data from the professionals is that the country is facing the issue of lockdown because of new pandemic (COVID-19). Because of lockdown, people are working from home and in such situations; they are most likely to depend upon their supervisors’ style. Based on item-response theory with the criteria of ten responses against each item, a sample of 400 was selected. We used google forms to collect the data and 286 responses were used in the final analysis. We followed all the ethical considerations while collecting data, where respondents were assured about their anonyrnity.

Based on demographical aspects, 76.3% respondents were male, holding a graduation degree (100%), within the age bracket of 30- 40 years (63.4%), with the current experience of more than 3 years (59.6%).

**Measures**

This study has used scales from previous studies and respondents were asked to report their responses on 5-point Likert scale that is ranging from “1- strongly disagree to 5- strongly agree”.

**Ethical leadership**

Ten-item Scale developed by Brown, et al., (2005) was used to measure the ethical leadership. Authors have stated that this short scale can easily be used for research purpose and literature has shown this scale as highly reliable and stable uni-dimensional. Sample item includes “My leader listens to what employees have to say”.

**Constructive deviance**

For the measurement of underlying dimensions of constructive deviance, a brief scale is used in this study. There are two reasons for selecting this brief scale firstly; short scale can easily be demonstrated and effective assessment
of dimensions (Waston, et al., 1988). Secondly, to avoid the carelessness of employees because of lengthy questionnaire they got frustrated and then they provide responses thoughtlessly (Donnellan, et al., 2006). Galperins’ ten-item scale is used to measure the constructive deviance and sample item includes, “I violated company procedure to solve the customer’s problems”.

**Self-efficacy**

Eight-items scale from the study of Jones (1986) has been used for the measurement of self-efficacy and sample items includes, “I feel confident that my skills and abilities equal or exceeds those of my future colleagues”.

**Psychological empowerment**

For the measurement of psychological empowerment 12-item scale has been used from the study of Spreitzer (1995). Sample items for each of the 4 subscale includes, “the work I do is very important to me” (meaning), “I’m confident about ability to do my job” (competence), “I have significant autonomy in determining how I do my job” (self-determination), and “my impact on what happens in my department is large”, (impact).

**Results**

We received 286 responses, which were examined regarding outliers and normality. There were no missing values in the data because it was collected through google forms and respondents could proceed to next question only once answer the first one. The data, then was examined regarding descriptive statistics (see Table 1). The values in the table show that the mean score of ethical leadership (EL), self-efficacy (SE) and psychological empowerment (PE) were near to agree (i.e. 4.01, 3.67 & 3.85 respectively), however, the mean values of constructive deviance (C_dev) was near to neutral (i.e. 3.34).

We followed Hair et al., (2018) regarding the values of Cronbach Alpha (α) with the criteria of greater than 0.70 and noted all the scales fulfilled this criterion (range between 0.76- 0.84).

<table>
<thead>
<tr>
<th>Table 1: Correlational and Descriptive Analysis</th>
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<tbody>
<tr>
<td>Variables</td>
</tr>
<tr>
<td>EL</td>
</tr>
<tr>
<td>PE</td>
</tr>
<tr>
<td>3-SE</td>
</tr>
<tr>
<td>4-C_dev</td>
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<tr>
<td>Mean</td>
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<tr>
<td>SD</td>
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</table>
“Note: EL = ethical leadership, PE = psychological empowerment, SE = self-efficacy, Cdev = constructive deviance, SD = standard deviation, ** P < 0.01, () = Cronbach Alpha”

We also noted a positive correlation of ethical leadership with psychological empowerment ($r = 0.46, P < 0.01$), self-efficacy ($r = 0.52, P < 0.01$) and constructive feedback ($r = 0.37, P < 0.01$). Similarly, psychological empowerment and self-efficacy were also noted to have a significant correlation with constructive development ($r = 0.48, 0.33, P < 0.01$ respectively).

We test the hypotheses using hierarchical regression (see table 2). Ethical leadership was noted to impact self-efficacy ($\beta = 0.35, SE = 0.038$), psychological empowerment ($\beta = 0.29, SE = 0.034$) and constructive deviance ($\beta = 0.22, SE = 0.047$) positively.

Further, self-efficacy and psychological empowerment were noted to effect constructive deviance ($\beta = 0.43$ & $0.36, SE = 0.032$ & $0.042$) positively. These results support suggested hypotheses H1-H5.

### Table 2: Hypotheses Testing

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>$\beta$</th>
<th>SE</th>
<th>P</th>
<th>Bootstraps</th>
<th>@ 95%</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: EL→SE</td>
<td>0.35</td>
<td>0.038</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H2: EL→PE</td>
<td>0.29</td>
<td>0.034</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H3: EL→C_dev</td>
<td>0.22</td>
<td>0.047</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H4: SE→C_dev</td>
<td>0.43</td>
<td>0.032</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H5: PE→C_dev</td>
<td>0.36</td>
<td>0.042</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Indirect Effects**

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>$\beta$</th>
<th>SE</th>
<th>P</th>
<th>LL CI</th>
<th>UL CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>H6: EL→SE→C_dev</td>
<td>0.15</td>
<td>0.041</td>
<td>0.001</td>
<td>0.864</td>
<td>1.017</td>
</tr>
<tr>
<td>H7: EL→PE→C_dev</td>
<td>0.10</td>
<td>0.052</td>
<td>0.031</td>
<td>0.736</td>
<td>0.934</td>
</tr>
</tbody>
</table>

“Note: EL = ethical leadership, PE = psychological empowerment, SE = self-efficacy, C_dev = constructive deviance, SD = standard deviation, ** P < 0.01, () = Cronbach Alpha”

respectively. We examined the mediating roles of self-efficacy and psychological empowerment through 5000 bootstraps at 95% confidence and examined the values of upper and lower limits. The values in table 2 reveal an indirect effect of ethical leadership on constructive deviance through self-efficacy was 0.15 with no zero between upper and lower limit.

So hypothesis no H6 of the study is accepted. Similarly, the indirect effect of ethical leadership on constructive deviance through psychological empowerment was 0.10 with no zero between upper and lower limit. So hypothesis no H6 of the study is also accepted.
Discussion and Implications

The purpose of this study was to explore the mediating roles of self-efficacy and psychological empowerment between ethical leadership and constructive deviance among the employees working in service sectors during COVID-19. First, we noted a significant impact of ethical leadership on subordinates’ self-efficacy, psychological empowerment and constructive deviance. These findings are in line with the findings of previous researchers, for example, Deterand & Trevino (2010) inculcates that, employee consider their ethical leaders as role model which positively enhance their belief to do task (self-efficacy). Barton and Barton (2011) noted that, ethical leaders consider their subordinates while taking decision, and care their working positions and duties (May et al., 2004), which psychologically empower the employees (Chughtai, 2014). As ethical leaders demonstrate ethical values and fulfill their duties ethically, therefore, employees in any organization, by following their leaders, learn and behave similarly (constructive deviance). We also found self-efficacy and psychological empowerment as predictors of constructive deviance. Literature is scant about such associations. Past studies have noted positive outcomes of self-efficacy and psychological empowerment such as greater, job satisfaction, commitment with the organization and performance (Ayey et al., 2009). Constructive deviance is a similar kind of positive job outcomes. It can be, therefore, assume that when employees feel psychologically empowered and have self-efficacy, they try to respond with constructive deviance which is in favor of their organization. Finally, our study also explores the mechanism between ethical leadership and constructive deviance. These results can further be justified with the help of social exchange perspective, which states that, employee when receive favorable treatment from their organization (ethical leadership), feel more empowered and confident about their abilities to perform tasks, thereby reciprocate by returning back to their organization (through constructive deviance). Our study has many managerial implications. First, the findings of our study suggest management the important of ethical leadership in favor of the organization. Second, management of any organization must train their leaders as leaders demonstrates their organizational vision and considered as role models to be followed by the employees. Third, our study highlights the importance and benefits of psychological empowerment. Despite implications, our study also has few limitations. First, we collected data when workers were working from home.
(because of lockdown in the country) which can raise a question on contrived study setting. Second, in the study most of the participants were male which can raise a question on gender biased results. Finally, we collected data at one point of time which can raise a question on causality. Therefore, future researchers need to conduct a longitudinal study by considering equal number of male and female respondents.

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