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IMPACT OF ETHICAL LEADERSHIP ON WORK ENGAGEMENT AND EMOTIONAL EXHAUSTION: MEDIATING ROLE OF SELF-EFFICACY AND PSYCHOLOGICAL EMPOWERMENT

Rana Muhammad Zavar¹, Abdul Qayyum² & Muhibullah Nahrio³

¹Department of Management Sciences, KFUEIT, RahimYar Khan, Pakistan

²Department of Management Sciences, KFUEIT, RahimYar Khan, Pakistan

³Department of Business Administration, Shaheed Benazir Bhutto University, Sanghar Campus

KEYWORDS	ABSTRACT
Ethical Leadership, Emotional Exhaustion, Work Engagement, Self-efficacy and Psychological Empowerment	As based on social exchange theory, current study aimed to examine Effect of the moral authority over work engagement and emotional exhaustion. The mediating role of self-efficacy and psychological empowerment is examined between ethical leadership and work engagement as well. The sample size was 221, for testing the model and data analysis, SPSS 21 version, has been used for correlation analysis. The results come about of this study uncovered noteworthy positive affiliation between the moral leadership and employee's well-being (work engagement & enthusiastic exhaustion). Mediation part of Self efficacy and psychological empowerment within relationship amid moral authority and employee's well-being was too found significant. Accordingly, the recommendations and implications are provided to banking sector. The findings of this inquire about recommend that managing bank officers ought to be more sensitized whereas managing with work force, since it'll make an agreeable work environment that grounded interpersonal connections, which in turn, will decrease work put, push.
Corresponding Author	Abdul Qayyum, Email: abdulqayyumjaam@gmail.com
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INTRODUCTION

The existing literature provide significant support that unethical leaderships inadvertently expanded in numerous organizations and among the execution of their representatives, in the event that this issue is broadly found, it can be seen that representatives of the private organizations are subjected to injurious supervision as a genuine issue driving to shirking behavior, push, nonattendance of representatives from work. Experimentally tried considers shown that work burnout may be expanded through noiseless behavior of worker such as emotional exhaustion (Knoll, Hall & Weigelt, 2019). The employees are the key assets within any organization, and may be source of the competitive advantage. Employee's well-being

gets influenced by behavioral related factors of their leader, which ultimately affects overall performance of business (Rantika & Yustina, 2017; Teimouri et al., 2018). In this linking, the recent research has established and validated clear correlation between ethical leadership and employee motivation, satisfaction, positive feeling, emotional intelligence, the ethical conduct, organization ethical behavior, job performance as well as turn over intentions (Liu, Baranchenko, An, Lin & Ma, 2021).

Various enquires about expressed that moral administration is foremost vital forerunner of all sorts of organizational success (Sarwar, Ishaq, Amin & Ahmed, 2020). Moral authority may moreover be discussed in terms of correct manner to execute their course of activity with keeping the leading interface of their specific workforce in intellect (Yeşiltaş & Tuna, 2018). There are a few psychological components that show up have effect on employee's execution for occasion work engagement, organizational citizenship behavior, split working environment behavior and excited exhaustion (Chughtai & Buckley, 2011). As a result, the current study aims to examine effect of moral leadership on worker well-being indicators (work engagement and emotional exhaustion) in banking sector by mediating the impact of the psychological variables such as self-efficacy and psychological empowerment. As a result, this study is expected to add to the literature by examining the function of ethical leadership in both job engagement and emotional exhaustion, and mediation impact of personal resources on those interactions. Using ethical leadership as common forerunner of results and examining correlations while taking the border condition, self-efficacy, and psychological empowerment into account, this study is expected to add a new level of authenticity to the thesis.

LITERATURE REVIEW

By setting cases of profoundly overseen ethical values and having profound internalized ethical recognition; Moral Pioneers set the essential culture of organizations. This culture makes them empower to utilize culminate motivation (Brown et al., 2005; Walumbwa et al., 2008). Moral administration is profoundly persuasive on behavior related results. Analysts has licensed the worth of Moral Authority over follower's behavioral results in the interim supporters continuously tend to discover idealize Moral part show who can give bearings to organization to continue forward (Caldwell et al., 2007). Uncertainty can also work as a source of anxiety, which later tend to create the emotional exhaustion among employees. Such kind of uncertainties can be controlled by fairness, open communication and social trust (Lind & van den Bos, 2002). Workers locked in into their work are Proactive, they are open to association unused things, they center on either their capacities and capabilities are relate to their work requirement (Bakker & Oerlemans, 2016). As a result, Inui et al. (2010) discover that Ethical Leadership encourages followers to work harder to achieve goals and to see their work as important. As a result, followers of Ethical Leaders appear to be more enthusiastic and driven.

Third one is, leaders positively influence their followers by demonstration and adopting ethical behavior, which lessen employee's uncertainty about group cooperation. Final and fourth one is, as leaders show steady ethical behaviors while operating in organization, it makes their followers to believe their leaders for long term trust relation. These behaviors tend to reduce uncertainty among followers about their leaders. This trust based relation is also another aspect which may reduce level of uncertainty and exhaustion (Lind & van den Bos, 2002). Hochwarter et al. (2007), Bos and Lind (2001) Proposed that, unavailability of future resources can create uncertainty amid followers which may promote emotional exhaustion. Based on their research, Brown and Treviño (2006), anticipate that the ethical leadership negatively linking to non-productive behaviors and anxiety and uncertainty. Ethical leadership helps to promote work engagement among employees by motivating them. Hartog and Belschak (2012), States that ethical leaders improve employees work engagement by motivating them and by providing them with meaningful and vigor job environment.

Inui et al. (2010) Concluded that ethical leaders motivate their followers by helping them to achieve their goals which lead them to work engagement. Thus, the ethical leadership positively linked to Work engagement. Moreover, Ethical leadership positively associates to the psychological empowerment. According to Spreitzer (1996), clear goals and role clarification helps to promote Psychological Empowerment among follower. When this role clarity vanishes, psychological empowerment also diminishes. According to Bandura et al. (1985), employees with higher level of Self-efficacy tend to show less Psychological and Psychological strain. While low Self-efficacy strongly relates to Anxiety, Depression and syndrome of burnout (Bandura, 1999; Skaalvik & kaalvik, 2010). Betoret (2006), also states that employees with higher Self-efficacy shows less Emotional Exhaustion. The self-efficacious employees tend to be more protected because they better deal the anxiety and emotional strain at workplace and they know to design their workplace environment to their comfort level (Consiglio et al., 2013).

Figure 1 Theoretical Framework



Hypothesis Development

- H1: Ethical leadership have positive and significant relationship with work engagement
- H2: Ethical leadership have positive and significant relationship emotional exhaustion
- H3: Ethical leadership have positive and significant relationship with the self-efficacy
- H4: Ethical leadership have positive relationship with the psychological empowerment
- H5: Psychological empowerment has positive relationship with the work engagement
- H6: Psychological empowerment has positive relationship with emotional exhaustion
- H7: Self-efficacy has positive and significant relationship with the emotional exhaustion
- H8: Self-efficacy has positive and significant relationship with the work engagement

RESEARCH METHODOLOGY

It is causal research in which the influence of ethical leadership on job engagement and emotional exhaustion, with the self-efficacy and psychological empowerment as mediating factors, has been examined using self-reported perceptions of respondents with relation to these factors. Current investigate is of Quantitative sort, for conducting this information is collected by utilizing essential resources for examination. The display study's populace comprises of representatives in Pakistan's banking sector. For this consider, a field study strategy has been utilized, which is the idealize apparatus for gathering suppositions from a test when time is constrained. The test respondents in 221 quantities, who work in the banking industry, has been approached on the job to answer the questionnaires in their actual work setting. Thus, to analyze the data, SPSS latest 21 version was utilized to find the correlation.

DATA ANALYSIS

This inquiries about looked at three distinctive demographics. Within the segments that take after, outline of each statistic characteristic is displayed in detail. They were moreover taken into consideration in regression analysis.

Table 1 Gender of Respondent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	102	46.2	46.2	46.2
	Male	119	53.8	53.8	100.0
	Total	221	100.0	100.0	

The examination appeared that from populace 53.8% members were male and the 46.2% were female members from add up to test estimate 221. This result was steady with what was seen all through the information gathering stage. The target gathering of people was center line representatives having a place to keeping money segment of Rawalpindi and Islamabad where lion's share of groups of onlookers were male and there were a sensible number of female representatives moreover performing their work.

Table 2 Age of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 20	21	9.5	9.5	9.5
	21-30	158	71.5	71.5	81.0
	31-40	30	13.6	13.6	94.6
	41-50	10	4.5	4.5	99.1
	50 +	2	.9	.9	100.0
Total		221	100.0	100.0	

Within the current inquire about, 9.5 percent of the representatives within the focused on gathering of people were between the ages of 20 and 30, 71.5 percent of representatives were between the ages of 31 and 40, 13.6 percent of representatives working within the organization were between the ages of 41 and 50, and 4.5 percent of the respondents were over 51.

Table 3 Experience of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	126	57.0	57.0	57.0
	2.00	38	17.2	17.2	74.2
	3.00	23	10.4	10.4	84.6
	4.00	30	13.6	13.6	98.2
	5.00	4	1.8	1.8	100.0
Total		221	100.0	100.0	

From the findings, it appears that from add up to populace of 221 respondents there were 57.0 % representatives who have 0-3 a long time of encounter of work, there were 17.2 % representatives in organization who have 4 to 6 a long time of work involvement, 10.4 % representatives have 7 to 10 a long time of encounter, 13.6 % representatives were lies in 10 to 20 a long time of encounter and there were as it were 1.8% representatives who are having 26 a long time of encounter. The correlation investigation is run to see that how the variables are truthfully basically related with each other. The results are mention are given below the table.

Table 4 Means, Standard Deviation, Correlation and Reliabilities:

Variables	Mean	SD	1	2	3	4	5
1. EL	3.6118	.65112	(.841)				
2. SE	3.8218	.70610	.581**	(.860)			
3. PE	3.7269	.56789	.531**	.380**	(.803)		
4. WE	3.7099	.60351	.505**	.290**	.971**	(.788)	
5. EEX	3.7104	.70539	.411**	.591**	.406**	.320**	(.780)

n=221, ** p<.01 S.D

Standard Deviation, EL = Ethical Leadership, SE= Self efficacy, PE= Psychological Empowerment, WE= Work Engagement, EEX= Emotional Exhaustion,

Cronbach's Alpha is given in parenthesis are the factors instrument's reliability show within the model. Where Ethical leadership scale having .841 Cronbach alpha unwavering quality, physiological strengthening appears .803, work engagement having .788 and self-efficacy having .860 and emotional exhaustion having .780 Cronbach alpha reliability. Table 4 show mean, standard deviation, correlation and reliability examination of the consider factors. The values have adequate reliabilities, as cited in [Gliem and Gliem, \(2003\)](#) to recover slightly low reliabilities with a smaller number of questionnaire's things against individual factors. Moreover, relationship coefficients are less than ($p < .01$), representing suitable association among consider factors, as per anticipated speculation. So, there's significant relationship between the bulk of the factors within the examination.

CONCLUSION

In spite of the fact that there are numerous thinks about conducted on Moral leadership, the mental strengthening, self-efficacy, work engagement, enthusiastic weariness in the past writing with distinctive develops. But there's generally small consideration is paid to work engagement caused by moral administration with the intervening part of self-efficacy and psychological empowerment. The current study looks at effect of moral authority on work engagement and fervent fatigue in keeping money segment of Punjab with intervening part of psychological empowerment and self-efficacy. In this connection, information was collected from the middle line workers of the banking sector of Punjab. Thus, the factual investigation was run on collected information through SPSS and appeared the significant comes about.

Recommendations/Implications

This research has some practical suggestions for businesses, counting how to make strides execution, efficiency, and goodwill, as well as perform utilitarian capacities. These findings highlight the significance of reinforcing ethical context and significance of leader selection in the banking sector:

1. Spend some time looking for businesses that highlight the importance of ethics in leadership. Workers believe their business is fair on all the aspects will be more committed to it.
2. In order for ethical leadership to thrive in banking segment, it is basic to preserve a moral setting. In the event that circumstance is corrupt or empathically wasteful, exercises will likely be more wonderful and well-received by the workers ([Erkutlu & Chafra, 2018](#)).
3. As a result, utilizing moral leadership to create an exceedingly ethical setting is very conceivable ([Ruiz-Palomino et al., 2013](#)). The self-efficacy and mental strengthening were found to be a bridge between moral authority and work engagement in this

investigate.

4. Employees generally perceive misleading, dismissive, and aggressive managers as a burden on business and office, but if the working environment is fair, they are always committed to their work (Pitaloka & Paramita, 2014). Superiors are more likely to be involved in their task when their manager is competent.
5. As a consequence, it appears that work engagement acts as buffer amid followers' negative reactions to ethical leadership. As a result, businesses must provide more guidance and knowledge interventions to staff who are performing. Psychological consultations, for example, could be provided by companies.
6. Managers can also use employee medical progress program to keep track of their employees' health. As a result, organizations need to pay close attention to the actions of managers. This is pivotal to filling management posts and engaging with current leaders.
7. Best leaders ought to be taught on compelling leadership styles (transformational authority) so that they can handle with potential benefits of moral authority within the work environment, conjointly the affect their demeanors may have on their colleagues.

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