Etik Liderliğin Çalışanın Psikolojik İyi Oluşu Üzerindeki Etkileri: Etkileşimsel Adaletin Aracılık Rolü

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Özet

Bu çalışma etik liderlik, örgütsel adalet, çalışanların psikolojik iyi oluşları ve performansları arasındaki bağlantıyı incelemektedir. Araştırma İSO 500 listesinde yer alan şirketlerde çalışan 290 katılımcıyla gerçekleştirilmiştir. Sonuçlar etik liderlik ile etkileşimsel adalet ve çalışanın psikolojik iyi oluşu arasında direkt ve pozitif bir ilişki olduğunu göstermektedir. Ayrıca etkileşimsel adaletin, etik liderlik ve çalışanların iyi oluş hali ile etik liderlik ve performans arasında aracılık rolü olduğunu da göstermiştir. Makale sonunda ilgili sonuçların teorik ve pratik etkilerinin analizine ve gelecek araştırmalara yönelik önerilere yer verilmektedir.

Anahtar kelimeler: Etik liderlik, örgütsel adalet, etkileşim adaleti, psikolojik iyi oluş, performans
Jel Kodu: M10**,** M12, M54

The Impacts of Ethical Leadership on the Employee Psychological Well-being: The Mediating Role of Interactional Justice

Abstract

This study examines the connection among ethical leadership, organizational justice, psychological well-being, as well as performance of employees. The research was conducted with 290 participants working in the companies listed in the ISO 500 list. The results indicate that ethical leadership has a direct and positive relation to both interactional justice and employee well-being. It is also shown that that interactional justice act as a mediator for the relationship between ethical leadership and employee well-being, and also ethical leadership and performance. The article concludes with an analysis of the theoretical and practical implications associated to the findings and recommendations of further research.

Keywords: ethical leadership, organizational justice, interactional justice, psychological well-being, performance
Jel Codes: M10, M12, M54

INTRODUCTION

Recent corporate ethical scandals have raised importance of leadership in ethical issues (Brown et al. 2005). As a result, it is increasingly being realized today that leaders of organizations should have more sensitivity regarding their moral duties expected by the general public including their own stakeholders (Mendonca, 2001). Toor and Ofori (2009) stress that leadership must be ethics-based for it to be successful and effective in the long-run. According to the authors, leaders ought to display the most decent moral principles and ethical behaviors conduct in their actions, talks, behaviors and decisions so other employees can follow suit.

Despite the large amount of study on the significance of ethical leadership, systematic academic researches on the topic have fallen short. Few empirical or theoretical study has been carried out to be able to comprehend its theoretical grounds or its relationship to relevant concepts and implications (Brown et al. 2005). Similarly, Neubert et al., (2009) and Shin et al. (2015) argued that, in spite of the prominent arguments on the significance of ethical leadership, there is a dearth of relevant theoretical and empirical work.

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The relationship between the leader and ethics has been discussed more intensively in the context of a normative perspective (i.e., May, Chan, Hodges, & Avolio, 2003). For being an ethical leader that is able to affect employee outcomes, such a person should be considered to be a credible, appealing and rightful role model who takes normatively suitable and clarifies the message of ethics (Brown et al. 2005).

Scholars have agreed upon the importance of ethical behavior in management regarding employee outcomes including commitment, satisfaction and citizenship behaviors (e.g., Ruiz-Palomino et al., 2011). Brown Treviño and Harrison (2005) determined that ethical leadership was correlated with leader consideration, justness in interactions, idealized effectiveness and leader honesty. Work by Mayer et al. (2012) focused on negative outcomes of ethical leadership (i.e., unethical behavior, conflict). They suggested that leaders may have a central position in lowering these negatives consequences. Multiple pieces of scholarly work are generally interested in the nature and effects of bad leadership, and this topic has been particularly used in the areas of occupational health psychology and organizational behavior. It is necessary to examine the negative consequences of bad leadership and its impacts to the employee, while asking whether good leadership has a positive influence on employees' well-being (Robertson & Barling, 2014).

1.1 Motivation

Past studies about ethical leadership hardly analyzed the link between ethical leadership and organizational justice. In addition, while it is possible to find a variety of studies on the links among different types of leadership, such as transactional or laissez-faire, according to our knowledge, there has been only one research, which was is done by Chughtai et al. (2015), examining the link between ethical leadership and employee well-being. Their study showed that the impact of ethical

leadership on emotional exhaustion and work commitment (indicators of employee well-being). Also, they showed that trust in supervisor play a mediating role in these relationships. So, the present research is one of the first to demonstrate the impact of ethical leadership on employee well-being.

This study aimed to discuss at least two necessities determined in the relevant literature regarding ethical leadership. To begin with, this research responds to the call of Mayer et al. (2012) for "in future work, it will be important to expand the nomological network of potential dependent variables by considering positive outcomes of ethical leadership". Secondly, the conduct of our study in Turkey responds to the necessity of investigating the issue of ethical leadership in a more global sense (Brown & Treviño, 2006). As Ruiz-Palomino et al. (2011) said, it is interesting to obtain data from samples in different countries as cross-cultural oversimplifications about ethical leadership cannot a guarantee every time. Leadership practices vary across cultures (Ruiz-Palomino et al., 2011). One important issue in business is diversity of culture, while considering behaving ethically within other cultures may create crucially significant outcomes for business in the global sense (Lin et al. 2018).

1.2 Contribution

In this article, we show organizational and employee outcomes of ethical leadership which include organizational justice, psychological well-being and performance of employees to better understand why ethical leadership matters.

Moreover, this present study contributes significantly to the literature by examining the direct effect of ethical leader behaviors on the perception of fairness in the organization and the well-being of employees.

The first part of this article begins with the explanation of key concepts: ethical leadership, organizational justice, well-being of employee and performance. In addition, we present our

research hypotheses. In the second part, we present the results of our empirical study. At the end of this article we argue the theoretical and practical contributions of the results, as well as recommendations for future research.

THEORETICAL FRAMEWORK AND HYPOTHESES

1.3 Ethical leadership

Much research has been carried out on leadership so far. It is necessary to define "leadership" and "ethical" before examining ethical leadership. Ethics is a concept in philosophy that comes from the Greek term "ethos" referring to moral nature or character. Ethical refers to something that is morally right and good, in contrast to legally or procedurally right (Mendonca, 2001). In an organizational framework, ethical behavior has been most commonly examined in relation to ethical principles of senior leaders and the culture that they participate in (Mihelič et al. 2010).

Moreover, Kelloway and Barling (p. 261) defined leadership to be "a process of social influence that is enacted by designated individuals who hold formal leadership roles in organizations". Some authors determined leadership to be the art of swaying a follower to want to do the activities, things that are determined as targets by the leader (e.g. Mihelič et al. 2010).

Today, one of the increasingly important types of leadership is ethical leadership. The notion was associated with several individual attributes such as honesty, fairness, altruism or trustworthiness (e.g. Brown et al., 2005; Mendonca, 2001). Besides this, ethical leaders were considered to be just and morally-fit decision-makers who have the best interest of people and society in heart who act in accordance with ethics in their lives. Researchers explained the issue as the moral aspect of ethical leadership, referring to the perceptions of observers on the individual characteristics, altruistic motivation and the overall character of the leader (Brown & Treviño, 2006). Similarly, Brown et a. (2005)

also emphasized the moral virtue of ethical leadership. Accordingly, ethical leaders are role models not only their private lives but also professional lives who take part in morally good business decisions and encourage good behavior.

Mendonca (2001) pointed to the altruistic profile of ethical leadership. She argued that the dominant urge in ethical leadership is the altruistic intent of the leader, in contrast to egoistic intent. The organization's members hope that the vision, goals and objectives of the leader will benefit the organization and its members, as well as society in general (Mendonca, 2001).

However, it is difficult to identify values that are relevant to ethical leadership because values related to ethical leadership can vary depending on the societal cultures considered. In a large study of participants from 59 countries, Resick, Hanges, Dickson and Mitchelson define six main characteristics of ethical leadership: (1) to have character and to demonstrate integrity: the character is considered here as the group of intentions and virtues that constitutes the moral base of the behavior. (2) ethical awareness: This is the ability to be sensitive to pertinent ethical affairs that require consideration when our decisions will affect others. (3) the orientation towards people (or altruism). (4) motivating others. (5) the attitude of encouragement and empowerment. (6) the management of ethical responsibility: establishment of standards and expectations of ethical behavior for subordinates. Four of the six components (character / integrity, altruism, motivate others, encourage them) were identified in the countries studied and viewed as behaviors and features that provide the effectiveness of an ethical leader. Further, cultures differed the definition of each dimensions.

Most studies on the literature on leadership in behavioral science have focused on its ethical aspects. Among these, there are some authors who pointed out that the ethical aspect of leadership has been integrated mainly within

the paradigm of transformational and charismatic leadership (Brown et al. 2005). Dion (2009) determines this situation as an ethnocentric confusion. Ethnocentric confusion implies that autocratic leadership is always unethical, and that transformational leadership is the most ethical leadership style. However, some authors stated that leaders who are transformational and charismatic may also have exposure to unethical behaviors. In this context, Howell and Avolio (1992) distinguished ethical and unethical charismatic leaders.

In addition, ethical leaders tend to utilize transformational and transactional leadership methods to direct their companions' behavior (Brown et al. 2005). They employ influencing strategies in the transactional type like performance appraisal, standard-setting and rewards or punishments to hold those that follow liable for unethical behavior, as well as strategies of transformational leadership (Treviño et al., 2003).

In summary, one type of leadership can not be categorized as ethical or unethical because the phenomenon of leadership finds its legitimacy according to the culture of the country. Autocratic leadership is not necessarily unethical: it can meet the expectations of certain cultures. For example, in many Asian countries, the autocratic leadership is very often the one that corresponds to societal expectations (Dion, 2009).

Brown et al. (2005) conducted one of the first empirical researches on this subject. The authors developed a measure of the "ethical leadership scale" and provide evidence for its construct validity. Accordingly, ethical leadership refers to "demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and promotion of such conduct to followers through two-way communication, reinforcement and decision-making."

When the literature about ethical leadership is examined, it is generally seen that several studies on this topic (i.e., Brown et al. 2005;

Brown & Treviño, 2006; Mayer et al., 2012) use social learning theory that indicates not only does ethical leadership emphasize the ethical characteristics of the leader, but people also learn from awards and punishment, and by observing the behaviors of role models (Bandura, 1977). Thus, as ethical behavior is rewarded and unethical behavior is scrutinized by ethical leaders, such leaders' employees are encouraged to show desirable behaviors (Mayer et al., 2012).

Furthermore, some research is based on institutional theory for investigating the organizational consequences of ethical leadership. For example, Shin et al. (2015) showed empirically, in Korean companies, that the ethical climate of the organization is greatly affected by ethical leadership in top management, and this brings about a climate of procedural justice that plays an intermediary role on the impacts of ethical leadership two organizational consequences as organizational citizenship behavior and firm financial performance.

1.4 Ethical leadership and organizational justice

One key behavioral characteristic of an ethical leader is that they are fair. Therefore, ethical leadership is largely linked to provision of justice in the organization.

The organizational justice concept is based on the "equity theory" developed by Adams (1963, 1965). According to this theory, people acquire beliefs on what would be fair regarding the recognition of their work, and next they compare themselves to another employee considered comparable in terms of their tasks and work statues. As a result of the comparison of effort and gains obtained, the employee's perceptions of justice are formed.

Organizational justice is widely studied in three dimensions. Distribution justice consists of perceptions of the distribution of employees' earnings or rewards in a fair manner according to performance. Another dimension of organizational justice is the process justice

developed by Thibault and Walker (1978). Process justice refers to employees' perceptions that the processes implemented by the organization are fair. Greenberg (1990) described interactional justice, the last dimension of organizational justice, as an interpersonal extension of process justice.

Donovan, Drasgow and Munson (1998) focused on interactional justice, more specifically the interpersonal treatment aspect of the concept. They created the "Perceptions of Fair Interpersonal Treatment (PFIT) scale", which includes items on behaviors of the supervisor and the co-worker. This study is based on their approach to examining organizational justice. As we study the effects of ethical leadership on employees, we will focus only on the dimension of co-workers.

Empirical research supports the idea that ethical leadership is an antecedent of organizational justice (Uğurlu & Üstüner, 2011). A leader's unjust treatment of their employees is related to adverse consequences for employees (Kelloway & Barling, 2010). So we hypothesized:

H1: Ethical leadership positively influences the treatment of co-workers.

1.5 Interactional justice and employee well-being

Organizational justice means equity in the standards and rules that are dominant in organizations, especially in connection to distribution of resources and gains that refers to distributive justice, processes and procedures in relation to this distribution related to procedural justice and finally interpersonal relationships that refers to interactional justice (Ndjaboué et al., 2012). As mentioned above, this study focuses on interactional justice.

Adams (1963) stressed that potential physical or emotional issues constitute evidence for a link between injustice and health. Today, organizational theory researchers are increasingly interested in developing the health and well-being of employees in the workplace.

Viot and Benraiss-Noailles (2018) identify well-being as a positive psychological state that stems from the way a person perceives and evaluates their life. The authors explain that there are two approaches of well-being: eudaimonic and hedonic. Eudaimonic well-being is realized when the individual achieves to make sense of his life. The hedonic well-being includes subjective assessment of life.

Organizational justice is one of the main factors for an employee's psychological health and well-being. Colquitt et al. (2001) emphasized the correlation of perception of organizational justice with mental health. Likewise, Kivimaki et al. (2006) showed that organizational injustice at work cause minor psychiatric morbidity. These studies show the importance of justice at organizations. Accordingly, we suggest that:

H2: Co-worker treatment is positively related to employee well-being.

1.6 Ethical leadership and employee well-being

The observation that leadership influences individual well-being would not surprise any employee (Gilbreath, 2004). Sivanathan, Arnold, Turner and Barling (2004) defined well-being as including physical (e.g., general health, health related behaviors, occupational safety,) and psychological (e.g., stress, mental health problems, self-esteem, self-efficacy) health at work.

Kelloway and Barling (2010) suggested that leaders affect their subordinates' health. Consistent evidence exists that there is a connection between leadership in organizations and the psychological well-being of employees (i.e., stress strain), including consequences associated with both ill-health and more positive effects of health (i.e., positive moods) (Kelloway & Barling, 2010).

In a systematic review, Skakon et al. (2010) observed particular styles of leadership to be linked to employee stress and affective well-being. In a similar way, another meta-analysis showed a moderate positive relationship

between different leadership types and employee psychological well-being; and a negative relationship with reduced sick leaves and disability pensions (Kuoppala et al. 2008). Arnold et al. (2007) presented evidence that there is a relation between transformational leadership and the positive affective well-being and psychological health of employees. These studies showed that leadership and employee well-being are related.

Robertson and Barling (2010) examined the literature and analyzed the relationship of employees' physical and psychological well-being with 3 types of leadership: abusive, laissez-faire and transformational. The authors helped us understand the significant impact of leadership on employees' well-being. In the light of the above, we consider that the ethical leadership may positively affect employee well-being. Thus, we hypothesized that:

H3: Ethical leadership behaviors positively influence employees' psychological well-being.

1.7 Ethical leadership, interactional justice and employee well-being

We argue that, by serving as role models in ethics, leaders increase the perception of justice in their organizations. In turn, employees' perception of justice will be associated with their own well-being. By doing so, we posit organizational justice as an intermediary variable between ethical leadership and employee psychological well-being through the research and theorizing on the relationship between organizational justice in leadership and employee well-being. Therefore, we hypothesized that:

H4: The relationship between ethical leadership and employee psychological well-being is mediated by co-worker treatment.

1.8 Ethical leadership, interactional justice and performance

Brown et al. (2005) proposed that ethical leadership behaviors play a key role in motivating employee attitudes and behaviors. However, as Walumbwa et al. (2011) notes,

relatively few researches have examined how and why ethical leadership is associated to performance.

In this study, we based on social exchange theory (Blau, 1963) to explain link of ethical leadership and performance. The fundamental principle of social change theory is the norm of reciprocity. Social exchange theory suggests that individuals who see a positive behavior from someone else are expected to respond positively to this behavior. In this context, it is expected that the leaders who conduct ethical behaviors will provide positive feedback by their employees.

On the other hand, Campbell (1990) argued that job performance is not only about tasks, but also that interpersonal and motivational components contribute to better conceptualization of performance structure. So, we propose that:

H5: Ethical leadership positively relates to employee performance.

H6: Co-worker treatment have a positive impact on employee performance.

H7: Co-worker treatment mediate the relationship between ethical leadership and employee performance.

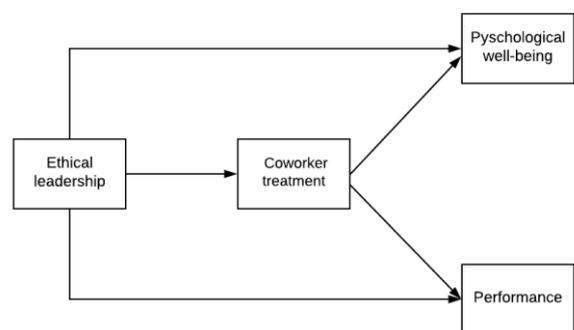**Figure 1:** Research model

METHODS

1.9 Participants and procedure

The study was conducted on first 500 industrial firms (IS0 500) of Turkey. 290 respondents working at these companies participated in the survey. However, 7 questionnaires were

eliminated due to very low filling rate. Thus, the number of participants was determined as 283.

The surveys commence with an introductory paragraph, continued by instructions to explain how to answer questions. The survey administered to subordinates and they answered a series of questions about their managers' behaviors, their perception of organizational justice and their psychological well-being. The questionnaires ended with demographic questions.

Survey responses collected in the present study were analyzed and interpreted using SPSS for Windows 22.00 and AMOS 22.0.

Table 1: Characteristics of the samples

		Column N %
Gender	Men	42,8%
	Women	57,2%
Age	18-27	13,8%
	28-37	54,8%
	38-47	25,4%
	48-57	6,0%
Diploma	Bachelor's degree	55,5%
	Graduate	23,7%
	High school	5,3%
	Associate Degree	15,5%
Sector	Public sector	13,4%
	Private sector	86,6%
Tenure	Under 1 year	6,4%
	1-5 years	48,4%
	11-15 years	11,0%
	More than 16 years	7,8%
	6-10 years	26,5%

Regarding demographic characteristics of our samples, 57.2% percent of the respondents were female and 42.8% were male. In our sample, 54.8% percent of the respondents aged 28 to 37. 55.5% percent of the respondents had bachelor's degree and 23.7% had master's or beyond master's degree. The majority of participants (86.6%) were private sector employees and 13.4% were public sector employees.

1.10 Measures

All ratings were performed on a scale ranging from 1, "strongly disagree," to 5, "strongly agree", except the scale of organizational justice. This instrument's response options were: "yes, ?, no".

Ethical leadership. This concept was measured by the scale developed by Brown et al.'s (2005). It contains ten-items. In their study, Cronbach's alpha was .92. This scale was measured by the Turkish version adapted by Tuna et al. (2012). Examples of items are: "listens to what employees have to say" and "makes fair and balanced decisions".

Organizational justice. This instrument was measured using the 18 items of Donovan, Drasgow and Munson (1998) scale. This instrument is developed to measure employees' perceptions of the equity of interpersonal treatment in a workplace. It consists of two dimensions: supervisor treatment and coworker treatment. The coefficient alpha for coworker subscale was .72. This instrument was adapted to Turkish by Wasti (2001). The main reason for the selection of the Donovan, Drasgow and Mundson (1998) scale, as Wasti (2001) points out, is the simplicity of the answer format in terms of language and use. Example of items are: "coworkers help each other out."

Psychological well-being. This scale developed by Diener et al. (2010) and comprises eight items. Telef (2013) adapted this scale to Turkish. Examples of items are: "my social relationships are supportive and rewarding" and "I am competent and capable in the activities that are important to me". The Cronbach alphas of this scale was .87.

Employee performance. This scale consists of 4 items. It was used by Sigler and Pearson (2000) and adapted to Turkish by Çöl (2008). Çöl (2008) found the Cronbach α reliability of this scale as 0.82.

1.11 Results

We performed a confirmatory factor analysis for three psychometric measures by using AMOS 22.0 maximum likelihood estimation. As a result of confirmatory factor analysis, Skewness and Kurtosis values were examined for all the remaining items in the analysis. Since these values are in the range of (-2; +2), all items are assumed to be normally distributed. Cronbach's alpha, AVE and CR values were also calculated. Finally, structural equation modeling and mediation effects were analyzed in AMOS program using bootstrap method.

Confirmatory Factor Analysis

Confirmatory factor analysis (CFA) were carried out to investigate the significance of measurement models for each scale. The results show that measurement models can be acceptable. Then, the significance of the full model was evaluated with the help of goodness-of-fit indices.

Table 2 presents CFA results for the scales used in the research. In the psychological well-being scale, which had 6 items in the original scale, the factor load in the PW4 item was lower than 0.50 and it was excluded from the analysis. All of the remaining items were included in the analysis because the standard factor loads were higher than 0.50.

Model test values in confirmatory factor analysis are: (P <0.05), x2=488,441, x2 / df=1,843. Consequently, CFA is significant for the measurement model. Since the goodness of fit indices of the model (GFI= 0.889, CFI=0.957, TLI=0.954, SRMR=0.0581 and RMSEA= 0.055) are within acceptable limits, the CFA of the measurement model is valid.

The reliability of the scales was identified with the help of Cronbach's Alpha. It varied from 0.81 to 0.91, thereby demonstrating good reliability.

Convergent validity can confirm by examining the composite reliability (CR) and the average variance extracted (AVE). CR values must be greater than 0.7 to be acceptable (Fornell

1987). As Table 3 shows, the composite reliability coefficient was 0.70 or better in all cases. So, this condition is satisfied.

Table 2: Confirmatory factor analysis

			Est	Std.E	C.R.	P
Interactional Justice						
OJ15	<	CT	1,000	,772		
OJ16	<	CT	1,172	,637	10,1	**
OJ17	<	CT	,844	,636	10,1	**
OJ18	<	CT	1,005	,839	12,8	**
Ethical Leadership						
EL1	<	EL	1,000	,767		
EL2	<	EL	,741	,526	8,73	**
EL3	<	EL	,958	,683	11,6	**
EL4	<	EL	1,078	,810	18,3	**
EL5	<	EL	1,160	,804	13,9	**
EL6	<	EL	1,128	,818	14,2	**
EL7	<	EL	1,003	,694	11,8	**
EL8	<	EL	1,038	,774	13,4	**
EL9	<	EL	1,072	,710	12,1	**
EL10	<	EL	,922	,648	10,9	**
Performance						
PE1	<	PE	1,000	0,74		
PE2	<	PE	1,169	0,696	8,81	**
PE3	<	PE	1,189	0,789	9,43	**
PE4	<	PE	1,021	0,597	7,86	**
Well-being						
PW1	<	PW	1,000	,733		
PW2	<	PW	,824	,679	10,4	**
PW3	<	PW	,699	,504	7,80	**
PW4	<	PW	,696	,588	9,02	**
PW6	<	PW	,773	,708	10,8	**
PW7	<	PW	,863	,580	8,96	**
PW8	<	PW	,618	,622	9,54	**

***p<0.001 **p<0.01 *p<0.05

In addition, AVE should be higher than 0.5 but 0.4 also acceptable according to Fornell and Larcker (1981). They explained that if AVE is less than 0.5, the convergent validity of the construction is always adequate provided that the composite reliability is greater than 0.6. So, this condition is also satisfied.

For confirmation of discriminant validity, AVE of a dimension must be greater than the square of each correlation between itself and other

latent concepts (Anderson and Gerbing, 1988). The square roots of the AVE values are given in parentheses in the table 3 to evaluate the discriminant validity. Since these values are higher than all correlation values in the same column, the discriminant validity is confirmed for all variables.

The correlation matrix, reliability and discriminant validity values among study variables are presented in the following table (Table 3).

1.12 Hypothesis Tests

To confirm our theoretical framework empirically, we applied structural equation modeling (SEM) with AMOS. The goodness-of-fit values of this model are within acceptable limits, χ2= *668,549*, χ2/df=*2,467 (p<0.05)*, GFI=0.856, CFI=.921, SRMR=0.078 and RMSEA=.072 (Figure 2).

Examining the hypotheses one by one, ethical leadership is confirmed as antecedent of interactional justice. As postulated in Hypothesis 1, ethical leadership positively impacted coworker subscale. The SEM results revealed that coworker subscale was positively linked to psychological well-being of employee, which confirmed Hypothesis 2. Ethical leadership was significantly related to psychological well-being, which confirmed Hypothesis 3.

As the ethical leadership has a significant influence on psychological well-being, the mediating effect of coworker treatment was examined in the second stage. According to Bootstrap (n = 2000, 95% Cl) results for all data, the direct effect of ethical leadership on psychological well-being is significant both directly (0.248 **) and indirectly on the coworker treatment variable (0.153 **). The mediation is partial.

Table 3: Correlation Matrix with reliability, CR and AVE

	MEAN	SD	EL	PW	CT	PE
Ethical Leadership (EL)	3.4	0.9	(0.728)			
Pyschological Well-being (PW)	4.1	0.6	0.410**	(0.677)		
Coworker Treatment (CT)	2.6	0.5	0.438**	0.429**	(0.726)	
Performance (PE)	4.3	0.6	0.064	0.471**	0.205**	(0.634)
Cronbach's Alpha	-	-	0.839	0.816	0.814	0.910
(CR)	-	-	0.917	0.770	0.815	0.823
(AVE)	-	-	0.530	0.459	0.528	0.403
***p<0.001 **p<0.01 *p<0.05						

Besides, the direct effect of ethical leadership on performance was not found significant (0.102). Therefore hypothesis 5 was rejected. However, the results supported that coworker treatment was positively related to psychological well-being of employee, which confirmed Hypothesis 6. We tested also the mediating effect of interactional justice in the relationship between ethical leadership and the performance of employees with Bootstrap (n=2000, 95% Cl) method. The effect of the ethical leadership on the performance variable

was not directly significant, but when coworker treatment included ethical leadership is a significant predictor of the employee performance (0.125 *). The results showed that the link between ethical leadership and employee performance was fully mediated coworker dimension of interactional justice.

Table 4 synthesize the direct and indirect effects between independent, dependent and mediator variables.

Table 4: Synthesis of direct and indirect effects of variables

Hypothesis	Direct effect	Indirect effect	Result
EL➔CT➔PW	0,248 p<,001**	0,153 p<0,004**	Partial Mediation
EL➔CT➔PE	0,102 p<,062	0,125 p<0,015*	Full Mediation

GENERAL DISCUSSION AND CONCLUSION

Ethical leadership has become increasingly important in recent years as part of the new leadership theories. In this context, there is confusion about the definition and the nature of "ethical leadership" in the literature. Our review of the literature shows that this is not a leadership style whose particularity is to be "ethical". The belief that autocratic leadership can not be ethical is neither theoretically nor even empirically corroborated by the studies that adopt it. Transformational leadership can also lead to unethical behavior. We could conclude by adopting the arguments of Dion (2009) that building ethical leadership is a system that connects a variety of processes and that, therefore, the important thing is not so much to know what makes this leadership theoretically ethical, but how ethics is concretely embedded in leadership practices.
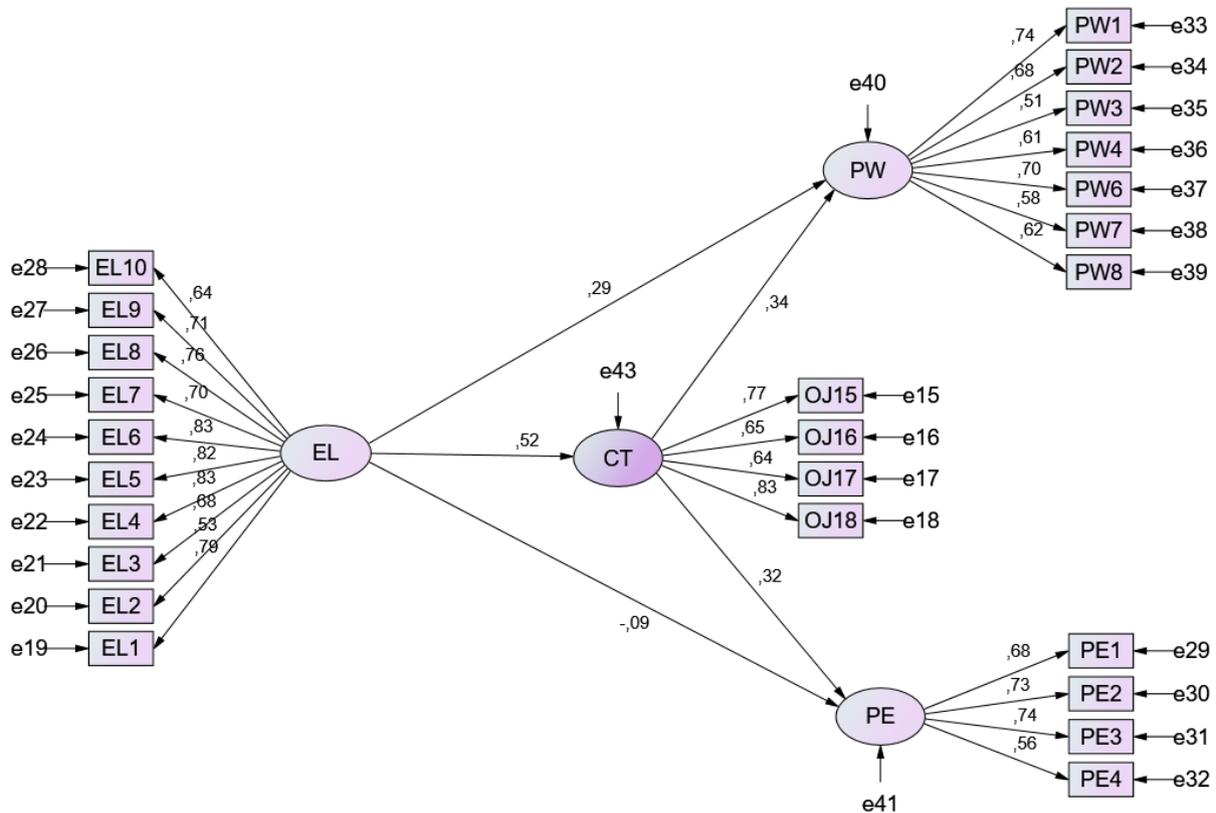

Figure 2: Structural modeling analysis results

The main objective of this research was analyzing the impacts of ethical leadership on organizational justice, employee performance and well-being. We used a sample of Turkish subordinates for testing our research hypotheses by conducting structural equation modeling.

Our research offers some theoretical and practical implications for the concept of ethical leadership. Several researches have helped determine the negative consequences of bad

leadership. Nevertheless, it does not allow us to know if exposure to positive leadership behaviors improves the well-being of employees (Robertson and Barling, 2014). These results contribute in the business ethics literature by studying a positive consequence of the ethical leadership. The results of the study show the link between ethical leadership, organizational behavior and employee consequences. Also, we presented empirical prove for the fact that ethical leadership positively influences employee psychological well-being. Our results support the study of Chughtai et al. (2015). This research contributes to the literature by supplying a better comprehension of the importance of ethical behavior in terms of organization and employee. At the same time, this study allows to an understand the impacts of ethical leadership on the well-being of employees in Turkey.

This research also contributes to organizational justice literature in two ways. First, ethical leadership behaviors impact the subdimension of interactional justice, that is, coworker treatment. Second, our results demonstrate that coworker interactions play a mediating role between the ethical leadership and well-being of the employee. In addition, coworker treatments have a positive effect on employee performance.

This research has also several practical implications. First, ethical leadership matters for both organizational and employee level. In other words, leaders who behave ethically provide positive consequences to their companies. Indeed, the ethical behavior of leaders positively influences interpersonal relationships and the perception of justice in the organization. Ethical leadership is also an important determinant of employee well-being. So, organizations can hire more leaders who behave ethically or train existing leaders.

In addition, this research shows that perception of the interaction as honest and reliable is another necessary condition for the well-being and high performance of the employees. Thus, organizations can increase practices to improve and strengthen relationships between employees and leaders (interactional justice).

Like all study, this research has some constraints. First, in this study we investigate a limited consequence of ethical behavior. Future studies could develop the research model by adding more antecedents and consequences of ethical leadership. Second, psychological well-being is a complex construct with many possible antecedents and dimensions. Future research should also examine that concept more comprehensively. Finally, It is necessary to test the results on a larger number of participants.

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