Ethical leadership of Bank Employee: Does Employee Engage?

Mohammed Bullama Gaji, Rezian-na Muhammed Kassim

Abstract—The purpose of this qualitative exploratory case study was to identify the real phenomena about employee engagement and ethical leader strengthen to provide as a framework for building potential. With the assistance of the Human resource Department, this study identified and conducted tele-conversation with 10 executives who had at least 5 years’ experience in the banking industry. Four females and six males were volunteered to participate. The conversation were recorded, resourcefully transcribed, and reviewed by an external reviewer. Focus of the interviews was driven by two major research questions: How and why does the ethical leadership important to banking sector? How and why does the ethical role model important for employee engagement. As a result, ethically accept constitutes leaders and similarities that exist in how these managers from banking sector conceptualize ethical leadership. The information uncover that to most respondents, ethically leaders is vital in light of the individual itself. Above all else, ethical leader role model are consideration to acquire particular (good) qualities, which are communicated from beginning to end and induced from the leaders’ own moral basic leadership relationship between employees. While other respondents' perspectives on why it is precisely involves being such an 'ethical individual' verified various likenesses, open communication and trustworthiness. Policy maker in the banking sectors can include the role model of good practices of leadership that increase level of ethical leadership. The policies also will have an effect on future recruitment, train and retrain which can develop ethical culture and employee engagement due to world globalization and mobility of people. Future study could focus on the other types of leadership and other industries such of self leadership at micro economic level such as the gig economic whereby entrepreneur lead-leaders themselves with ethical value in small organization that effect the employee engagement.

Index Terms—employee, banking, ethical leadership style.

I. INTRODUCTION

Employee engagement, defined as much “a positive, fulfilling, or work-related administration regarding thought so much is characterized through vigor, dedication, and combination” (5), is a unique construct into the area of organization development and leadership. Academic scholars and practitioners hold recognized to that amount employee engagement is surprisingly correlated with organizational resolution outcomes, which includes greater productiveness (2) and increased profitability (4). Employee engagement has been a challenge in banking sectors specifically in Nigeria and has been debated long time.

On the other hand, research on employee engagement carried out domestically or internationally has supported the concept so much employee engagement has an extensive affect over business performance (3). “Extensive research indicates that engagement is strongly linked in accordance with business outcomes essential after an organization’s financial success, inclusive of productivity, profitability, and customer satisfaction” (3&10). Engaged employees are often credited along increased retention, improved organizational performance, strong customer loyalty, and increased stakeholder satisfaction (4).

Organizations strive to be successful and productive in the competitive global market. Employee engagement is one of the major factors or motivators of productivity and continues improvement (5). Employee engagement is the “key to an organization’s competitiveness and success (6). When employees are really engaged in the work, they will be productive and perform well in the company. This implies that an employee enjoys the work, is committed to the work and is more efficient and involved in the work as noted (7&9).

In light of this, that is crucial because of organizations and their leaders to apprehend the impact ethical leader behavior concerning. The conceptualization of ethical leadership had emergent lately, but there is a dearth of research in understanding the real phenomena between ethical leadership and employee engagement (11&12). Such study is significant in theory since it provide insight into why ethical leaders actually do to influence employee engagement. Therefore, ethical leadership can be define as the way of leader demonstrate appropriately through personal actions and promote good example to followers through two-way communication, reinforcement, and decision-making” (1)

Ethical leadership particularly is vital to a leader's credibility and ability to exert meaningful influence. The trust between leader and subordinates can be significantly influenced by the credibility of ethical leaders (2). Therefore, it is important to consider the ethical values so as to be able to adopt an ethical leadership style. Integrity is one of the ethical values that are essential for ethical leadership and trust as noted (2).

Integrity which denotes to the adherence to moral principles encompasses the essence of ethical values and
therefore can be seen as an important driver of ethical leadership and outcome of employee engagement (3). There is limited study regarding the relation among employee engagement, integrity, ethical leadership and trust in the banking section, especially at Nigeria. Furthermore, ethical leadership is important in banking sectors because effective leaders can minimize corruption (4). On the other hand successful ethical leadership provides a predominant sense of guidance and vision, an orientation with the environment, a useful means for innovation and creativity, and a resource for revitalizing the organizational culture (2). An ethical leader has an accountability to develop a good provide model in which followers can do extremely well. Effective ethical leaders therefore have a significant influence on the employee engagement in day to day job (15). To fully understand the emergence of ethical practices, one desires to understand the phenomena of ethical leaders and employee engagement. The question of why and how individuals are effective as ethical leaders and why employee engagement due to ethical leaders. The questions that initiated this study therefore alarmed.

II. RESEARCH DESIGN AND METHODOLOGY

To understand the real phenomena of bank employee engagement of ethical leadership, it was suitable to assume a qualitative-method design for consequent purposes, as this has earlier been verified as definite in assessing facets of employee engagement and ethical leadership. The purpose of this qualitative exploratory case study was to identify the real phenomena about employee engagement and ethical leader strengthen to provide as a framework for building potential leaders for banking organizations in Nigeria (15&17).

This study solicit the voluntary participation through telephone of 10 executive to explore employee engagement and ethical leadership development at Access Bank PLC in Nigeria. Four females and Six males were volunteered to participate. The conversation were recorded, resourcefully transcribed, and reviewed by an external reviewer. Focus of the interviews was driven by two major research questions: How and why does the ethical leadership important to banking sector? And how and why does the ethical role model important for employee engagement

III. FINDINGS

The outcomes from the telephone conversation show that ethical administration is thought to be obstinately grounded in the individual either at work place or in life.

At the point where requested that what they consider be ethical authority, most respondents reacted as an important attributes and qualities that administration naturally the working environment deal with finance and monetary and ought to first and attribute in themselves. Correspondingly, in portraying cases of ethical administration, it was the ‘ethical individual itself’ perspectives that appeared to be most noticeable during the tele-conversation in describing that individual as a moral accuracy.

Moreover, two of the respondent (respondent 1 and 6), emphatically accentuated ethical administration perspectives over the good manner of the individual. In such situations where the ‘ethical administrator ‘was most noticeable in depiction of daily job and responsibility but can be, part display thought the characteristic. As ethically part displaying presumes that a man carries on in a moral way themselves, this proposes being an ethical individual is in reality observed as the key essential to ethical administrator.

As predicted, the question asked “why does the ethical leadership important to administrator” Respondent 1, 2 and 3 agreed more on individual characteristic. The uprightness, genius and great inner voice attributes that supervisors said as fundamental traits of an ethical individual. Respondents 4 and 7 and 9 - felt that leaders or manager that portrayed as being respectful, mindful, empathic, open, and responsive. More in particular, ethical administrator need “regard for others, regard for other perspectives. Follow that the question asks ‘why’. Openness... this openness by and great alluded to the ethical of being agreeable and willing to be truthiness any way and any case.

Respondents 5 and 10– more mature voice from the tele-conversation – most critical elements of good individual side of ethical influence are the leaders itself. Credibility and their “heroism” characteristic such as having capacity to be truly know and take a gander at oneself. They frequently seem at this as a fundamental characteristic. “Follow the book and standing operation procedure of the banking sector”. Obey the law and regulation. You will be safe.

IV. ROLE MODELING

Ethical leadership generally rotates around part demonstrating the correct conduct whereby staff of manager needs to display good behavior. In reality, part displaying was the regularly specified component of the administration side of ethical leadership. Also, it was by and large the initially volunteered reaction when responded were asked how they thought a leadership model could impact other staff respondents 1 and 6 had agreed that “Part displaying is the best way”, “That is 80 to 90 percent” of the attitude attribute to the role of modeling ethically. It’s also demonstrated and viewed as basic to ethical role model since it authenticates of the validity of leaders and follower.

While respondents 2 and 8 had different opinion - debilitates the communication ethically from the leaders. Respondent 8 further denoted that “Ethically role model must be able to communicate effectively and thoroughly no hidden matter” further more ethical role model demonstrating to be a additional standard and understood process of banking, that originates from inside the leader and is done rather intuitively.

Respondent 3 – role model of an ethical leaders - the conversation start with “No, you're never deliberately doing that, yet it is a touch of state of mind, a bit subliminally in what you do. You either do it or you don't. You can't make
uprightness. While respondent 7 converse “You either have honesty or you don’t”. Since the behavior of a leader is viewed as illustrative of fundamental basic standards, being a ethical good example is not just about enormous motions and vast penances nor is it exclusively about how a man demonstrates notwithstanding a reasonable ethical predicament.

Respondents 4 and 9 had the similar conversation about role model. Agreed that Model of ethical behavior start from inside behavioral of human and determine the action. Respondent 4 voice out “It's all greater and litter things”. Indeed, it is the littler, rather commonplace practices that occur each day that appear to be the most intense of displaying good ethical behavior: Respondent 9. “It's truly in everything: by the way you respond to circumstances, in being reliable in what you say and do correctly. So it is incessantly that that law should be confirmed for all individuals”.

Finally respondents 5 and 10 added differently “they suggested that part of displaying ethical morel and it should be happens at all levels start from higher levels and top down. Part demonstrating at the hierarchical level appears to be considerably more critical when it straightforwardly identifies and controlled by the top management. It is likewise a matter of trying to do and what you say others should do”. Therefore, conduct part displayed at the departmental or hierarchical level may either reinforce or debilitate the individual pioneer's endeavors to cultivate ethical basic leadership among staffs.

Adjusting ethical, trust and engagement with system

Cross-cutting the strengthening and communication parts of ethical idea is the issue of adjusting a consistence based approach with a more ethical and trust-based approach: where does the obligation of the top management and other in relate to ethical duty start? What’s more, where lays the synchronization between having clear standards and not enduring dishonest conduct from one viewpoint and putting in to individuals engagement of day to day duty in the banking sectors.

A few tele- interviewees showed that despite everything they battle with finding the correct adjust. Yet, looking closer, all interviewees at last seem to have an inclination for a qualities or trust-based approach that stresses free judgment, sound judgment, and ethical obligation that created job engagement. Most interviewees stress that ethical leaders ought not to concentrate excessively on giving directions on what is and what is not permitted, ”in light of the fact that the truth is a great deal more ludicrous than that”. Rather, it is the banking business to contemplate what is and what is not satisfactory the ethical conduct. Ethical leaders, interviewees note, ought to underline the secreted values as divergent to the exact belief that would apply in a particular any circumstance. Furthermore, ethical leaders and trust ought to encourage an open and productive assessment about the staff’s qualities, standards and system that lead to employee engagement.

Furthermore, most respondents feel that the system plays important roles in directing the ethical and trust issues. Good system take place...Manager just led ethically. It is not necessarily the case that principles are thought to be out of date or that ethical leader ought not mediate or be strict when they feel somebody has gone too far. System and directions are viewed as basic when something goes wrong; they are wellbeing net to permit a supervisor to authorize prohibited conduct. Also, as top management to implement clear guidelines ensure both the banking and the worker engage more in the process. Having clear standards gives workers something to pass by. By underscoring standards over principles, an ethical leader leaves much open to understanding and along these lines take into consideration contrasts of elucidation. As one respondent notes, concentrating on standards and controls just makes a “feeling that all is well and good”. Also, an excessive amount of stress on existing standards and guidelines, another respondent suggest that it, can smoother the open dialog about those standards and system created the belief of trust hence employee are happy engage in the working place.

The information give an interesting verification of what ethically accept constitutes leaders and similarities that exist in how these managers from banking sector conceptualize ethical leadership. The information uncover that to most respondents, ethically leaders is immovably in light of the individual itself. Above all else, ethical leader model are thought to require particular (good) qualities, which are communicated through and induced from the leaders ‘s own particular moral basic leadership and conduct and the connection between employees. While other respondents ‘ perspectives on what it exactly involves to be such an 'ethical individual’ demonstrated numerous likenesses, some ordinary contrasts emerged between the more open communication and the more close communication. In particular, it gives the idea that banking sector to be more systematic in handle the situation. Furthermore, it fits well with the suggestion banking system lead toward ethically and trust of managers and their organization’s task and position with automatically makes ethics an important issue that needs to be addressed and accounted for to both the inside and the outside world.

As a result, for a majority of the respondents, role modelling, reinforcement, and communication feel ethical leadership is incidental from all sorts of smaller and bigger behaviours, ranging anywhere from the type of behaviour one compliments of top management and lower management. In addition, most of the managers prefer a more trust-based approach to ethical leadership that emphasize personal accountability, universal values, and open consultation over an approach that is founded upon clear and specific rules and development fulfillment of engagement

V. DISCUSSION

From the study, Ethical leadership has a significant relationship with trust meaning that Ethical leadership has greatly determined whether trust will be low or high as shown by the results obtained in this study. This shows that organizations should take full responsibility for ensuring that ethical leaders drive management practices and that trust in
the leaders is developed through the presence of ethically based business systems and functions. By strengthening these factors, work engagement is promoted amongst employees because of the trust they have in their leaders for taking their interests into consideration and for behaving in a fair and ethical manner when decisions are made in a turbulent work environment.

(15:11&12) considered this relationship and found that workers, who saw their leaders as acting ethically, likewise tend to report improved engagement as far as feeling more lively, devoted and absorptive at work. It was additionally found that ethical leadership is positively related with work engagement since they all have the principle drive of significant value leadership (14&15). It emphasizes the way that subordinates are exceedingly occupied with their work when they see their leaders as acting morally and ethically.

Work engagement is conceivable when distinctive work-related variables contribute to a situation where the worker can feel free and urged to be engaged with his/her job (13&15). The relationship between ethical leadership and work engagement is important because leadership is a critical variable that can add to how a worker feels towards their work and to the probability that he/she will show work engagement. The qualitative result of this study reveled that the role model of ethical value facilitated the employee engagement in the banking sector. Moreover the staff propose that work engagement consequences when ethical leaders make easy employees to have the ability, the incentive, the liberty and the information to engage in their work.

Leaders who promote ethical behavior authorize employees by only if those by means of the essential opportunity happen to be competent in execute their task. Ethical leaders pleasure employees likewise and endorse fair and righteous in making decision. Qualitative result reveled that communication plays vital roles and has to be openly to their followers about goals and expectations. This study therefore had been support by (10&14) and the findings that ethical leaders not only inspire employees through an ethical vision, mission and goals but also provide the freedom for employees to take initiative to continue create growth at workplace. These varieties of behavior in an ethical leader provide the surroundings and the chance for employees to be entirely engaged in their work. The policy can add the role model of good practices of leadership that increase level of ethical leadership. The policies also will affect in term of future recruitment, train and retrain, develop culture and ethical leadership. The policies also will affect in term of ethical leadership and subordinates’ optimism: A fairer and righteous in making decision. Qualitative result reveled that communication plays vital roles and has to be openly to their followers about goals and expectations. This study therefore had been support by (10&14) and the findings that ethical leaders not only inspire employees through an ethical vision, mission and goals but also provide the freedom for employees to take initiative to continue create growth at workplace. These varieties of behavior in an ethical leader provide the surroundings and the chance for employees to be entirely engaged in their work. The policy can add the role model of good practices of leadership that increase level of ethical leadership. The policies also will affect in term of future recruitment, train and retrain, develop culture

One of the recommendations of this study is to replicate this subject area using different setting populations such as service industry, university and or government employees. Future studies could focus on the other types of leadership such as self leadership at micro economic level such as gig economic whereby entrepreneur lead themselves in small organization and effect towards employee engagement.

VI. LIMITATIONS

During the field study, the researcher faced some difficulties such as being limited by the reluctance of some respondents to answered few questions via tele-conversation. Another challenge was the busy schedule of the respondents who was working at the field study time. This made it difficult to get them to respond in a timely manner. In this case, there was a call for persistence in making appointments that provided great help.

Limited trust availed to the researcher was another challenge experienced during the study. Some respondents were hesitant to reveal as well as avail the researcher with information they believed to be confidential. To this end, the researcher had to first assure the respondents of utmost confidentiality and secrecy of each one’s details, and that the information they gave would be held with utmost concealment and strictly for academic purposes.

REFERENCES

Mr Mohammed Bullama Gaji Shamil is currently a PhD candidate in the area of management, Post Graduate Canter, Limkokwing University of Creative and Innovation, Cyberjaya, Malaysia. He is the CEO of Swiftmogajib & Son which involved in interacting with employees, clients, the media and other stakeholders. His research involves in the areas management specifically on HR & leadership.

Dr. Rezian-na Muhammed Kassim is a Senior Lecturer at Faculty of Sport Science and Recreation, Universiti Teknologi Mara., Malaysia. She holds a DBA from Universiti Teknology Mara Universiti Malaysia. She also served Limkokwing University of Creative and Innovation, as visiting lecturer for Post Graduate Canter. Her major area is management and sport management. She used to attend and shared her works in many conferences at local and international level. She has also involved in doing consultations for public and private organisation and research works with grants awarded from the Ministry of Education, University and another External Agency.