Ethical Leadership and Employee Performance: A Case Study of Bushenyi Local Government, Uganda

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ABSTRACT

This study explores the relationship between ethical leadership and employee performance within the context of Bushenyi local government in Uganda. Ethical leadership is crucial for integrating moral values into organizational practices, influencing employees' behavior, and ultimately impacting organizational performance. Using a cross-sectional research design and structured questionnaires, data was collected and analyzed to understand how ethical leadership influences employee performance. Findings suggest a significant relationship between ethical leadership, integrity, power sharing, and employee performance. The study underscores the importance of establishing performance standards and rewarding exemplary performance to enhance organizational effectiveness. These findings contribute to the literature on ethical leadership and provide practical insights for organizational management in improving employee performance.
Keywords: Ethical Leadership, Employee Performance, Integrity, Power Sharing, Bushenyi Local Government, Uganda

INTRODUCTION

In the present world, the organizational performance and employees' attitudes have been observed in several literatures. These studies have shown that will power or motivation is always a significant factor in measuring attitude-performance dynamics. Scholars in Human Resources Management have religiously sought to understand the correlation between attitude and efficiency of human resource (HR) practices [1].

It is indicated that employee when managed appropriately can enhance human resource's efficiency. Wright, Gardner, Moynihan, Park, Gerhart and Delery argued that couple of researches have contributed to theoretical comprehension of the relationship between HR practices and employees' attitudes; and more researches that examine relationships between organizational performance and HR systems and organizational performance systems are needed [3].

Instructively, numerous attempts have been used by different Ugandan local governments to improve the attitude of their employees towards their work with the intention of fixing the problems of low productivity and strikes, low turnover rates since there is a significant relationship between employees' attitudes in the local governments and work performance in general. Of course, the success of every Ugandan organization depends on attitude despite attitude being a hidden factor. This is so because of the supersonic impact attitudes have on the performance of the Ugandan local governments, particularly in terms of direct service delivery. Thus, this paper studies how ethical leadership in Bushenyi local government of Uganda is intertwine with employee performance in the local government.

LITERATURE REVIEW

Ethical Guidance and Employee Performance
Ethical guidance pertains to the leader's communication about ethics, explanation of ethical rules, and promotion and reward of ethical conduct among subordinates [4]. With ethical guidance, the leader clearly explains integrity-related codes of conduct, integrity behaviours expected from employees, provides integrity guidelines, ensures that employees follow codes of integrity and clarifies the likely consequences of possible unethical behaviour [5]. Ethical guidance involves providing a common device for regulating conduct commonly known as the ethical codes, which is a written framework used by organisations to specify and then shape what is regarded as appropriate conduct. The leader has to communicate the ethical codes to

increase awareness of ethical principles. Also, the actions of leaders are important in promoting good conduct and fostering an ethical culture [6]. Ethical codes for workers can include respect and confidence of one's colleagues, of clients, of parents, and of the members of the community; believing in the worth and dignity of each human being, recognising the supreme importance of the pursuit of truth, devotion to excellence, and the nurture of democratic principles; and protecting clients from harm among others [8].

Adeyeye, Adeniji, Osinbanjo and Oludayo [8] examined the effects of workplace ethics on employees and organisational productivity in Nigeria using employees in government establishments, organised private sector and indigenous Asian and Lebanese companies operating in Ikeja, Oshodi, Ikorodu, Isolo and lganmu Industrial Estates of Lagos State, Nigeria. The results showed that significant relationship exists between ethical standards and organisational productivity. Bello [9] critically examined the concept of ethical leadership, the characteristics of an ethical leader and its impact on employee performance. The review revealed that leaders must create an ethically friendly work environment for all employees, communicate ethical issues, serve as role models and put mechanism in place for the development of responsible employees for better employee performance.

Kalshoven Hartog and Hoogh [10] investigated the influence ethical leadership practices task initiative of individual employee in higher education in Pakistan using faculty as units of analysis. Their findings indicated in their regression analysis that ethical guidance of leaders had a strong influence on individual task initiative. Ross [11] examined the impact of ethical behaviour on employee performance in education sector of Pakistan. Using regression, their results showed that ethical guidance had positive impact on employees' performance. Ross [11] equally analysed the relationship between ethical values, ethical leadership and employee performance using employees from different organisations in different cities of Pakistan. Their findings showed presence of a significant relationship between ethical values of leaders and employees' performance.

Sabir, Iqbal, Rehman, Shah and Yameen [12] investigated the influence of ethical leadership in terms of implementation of fairness, power sharing, role clarification, people oriented behaviour, integrity ethical guidance, and concern for sustainability with employee of non-starred hotels in Bali in Indonesia as units of analysis. Using

regression, the results showed all ethical leadership constructs including ethical guidance had a positive significant effect on employee performance. The literature shows that scholars have made effort to relate ethical guidance to employee performance. However, gaps emerge at contextual and methodological levels. For instance, at contextual level, none of the studies was carried out in Uganda with studies [1, 4 , 8, 12] carried out in Asia while [8] carried out their study in Nigeria. At methodological level, the study [9] was not empirical. These contextual and empirical gaps make imperative for this study in the context of Uganda that seeks to test whether ethical guidance has a significant relationship with employee performance.

Power Sharing and Employee Performance
Arslan, Iftikhar and Zaman [17] examined the effect of empowerment on employee performance using employees in the software sector of Pakistan. The findings revealed that empowerment had a positive significant effect on employee performance. Chen, Wang, Kinshuk and Chen [18] sought to develop a model of the processes that links delegation to work outcomes used employees of a manufacturing company in Southern China. Their results revealed a positive significant relationship between delegation and employee task performance. Chen et al. [19] tested a model of bounded empowerment looking at conditions under which power sharing affected employees' psychological empowerment of employees in Beijing China. Their results showed that power sharing improved employees' performance. Gonzalez [20] in a meta-analysis on workers' direct participation at the workplace and employee quality in Europe established that workers' direct participation led to increases in labour productivity.

Undare [21] investigated delegation of authority and employee performance in Ikeja division of Lagos State, Nigeria, with employees of small scale and medium enterprises as the study sample. The findings of the study showed that delegation of authority had a significant effect on employee effectiveness. Sirisookslip [22] in a study on ethical leadership and task initiatives in Universities in Pakistan found out that power sharing had a positive and significant relationship with individuals' task initiatives. Sirisookslip [22] equally investigated the ethical leadership of school administrators that affected employee effectiveness with administrators and workers from local government in Kalasin Primary Educational Service in Thailand as units of analysis. The findings showed that participative ethical leadership significantly affected employee effectiveness. Somech and Wenderow [23]

examined the relative impact of participative leadership and directive leadership on workers' performance in northern Israel. Their analysis showed that participative leadership had a positive and significant impact on workers' performance. Shuck and Wollard [24] in their study of the influence of ethical leadership on employee performance showed that power sharing had a positive significant effect on employee performance. However, as the studies above suggest, they were carried out in the European [8] and Asian contexts [14]. These contextual gaps made it imperative for this study in the context of a developing country in Africa.

Theoretical Review

The theory that will underpin this study is the leader–member exchange (LMX) theory propounded by Dansereau, Graen and Haga [25]. LMX describes the dyadic process by which roles and expectations are developed by a leader with each subordinate. They explained that approaching leadership as an exchange relationship which develops within the vertical dyad over time during role making activities leads to high exchange relationships. LMX is a relationship-based approach to leadership that focuses on the two-way (dyadic) relationship between leaders and followers. The work-related attitudes and behaviors of those subordinates depend on how they are treated by their leader. In the relationship, the degree of latitude granted to a member to negotiate his/ her role is predictive of subsequent behaviour on the part of both superior and member [26]. Bhal and

Ansari [26] explain that in LMX, high-exchange relationships characterise high-level of trust, liking, and respect (employer-employee relationships) and involve expectations of mutual exchange. The leader provides outcomes desired by subordinates, such as interesting tasks, additional responsibilities, and larger rewards and the subordinates reciprocate with engagement to work and loyalty to the leader.

According to Shu and Lazatkhan [27], in low-quality exchange relationships, subordinates only perform the formal requirements of their employees, and the leader does not provide extra benefits. Exchange relationships develop gradually over time and reinforced by the behaviour of the leader and the subordinates. Generally, LMX proposes that ethical leadership relate to employee work performance. Good exchanges between the leader and subordinates will rest in mutual respect, trust in character and benevolence toward each other leading to more collaborative, helpful, more deeply engaged subordinates in team activities contributing more to the team's health and prosperity [28]. LMX suggests that leaders develop an exchange with each of their subordinates, and that the quality of these leader–member exchange relationships influence subordinates' responsibility, decisions, and access to resources and performance [29]. Therefore, leader–member exchange may promote positive employment experiences and augment organizational effectiveness. Therefore, LMX will be the basis for relating ethical leadership and employee performance.

METHODOLOGY

Research design and population

The study adopted cross section survey design. And the targeted population was 100 of all government employees in Bushenyi local government of Uganda.

Sampling technique and procedure

The researchers employed a simple random sampling technique to select 28 participants (both male and female participants. Self-administered questionnaires were uses in data collection. The data were analyzed using frequencies, percentages, mean, and standard deviation.

RESULTS

Table 1: Gender of respondents

GENDER	FREQUENCY	PERCENTAGE
Male	35	**42**
Female	49	**58**
Total	84	100

Source: Field survey, 2023

Looking at sex characteristics of the respondents 42% (35) were males and 58% (49) were females.

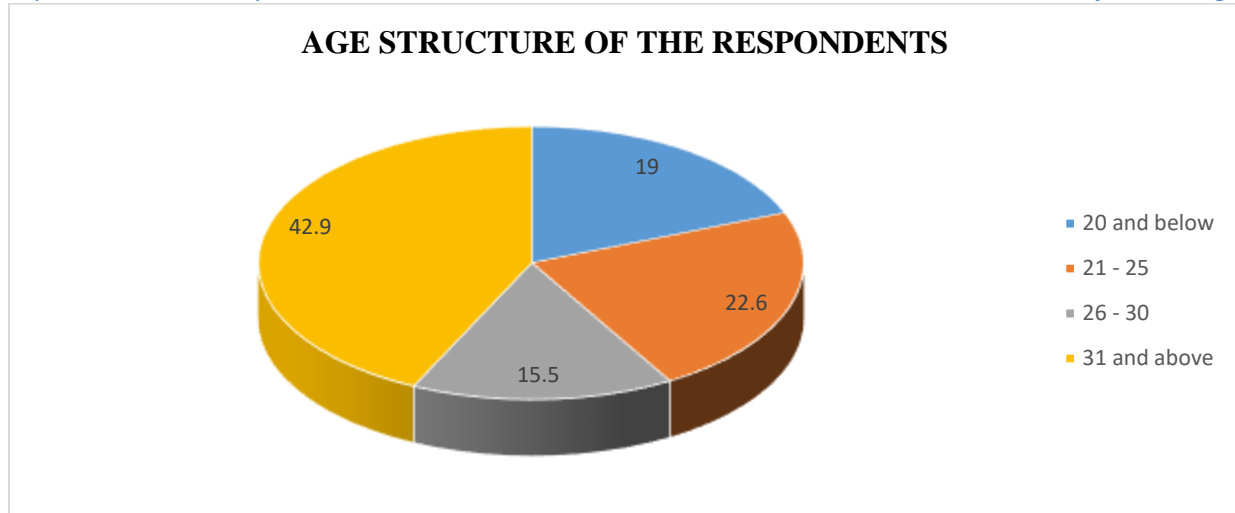This shows majority of the respondents were females.

AGE STRUCTURE OF THE RESPONDENTS

Figure 1: Age characteristics of respondents

Regarding age characteristics, 16 respondents accounting for 19.0% belonged to the age group of 20-25 years, 19 respondents accounting for 22.6% were in the age group of 26-30 years, 13 respondents representing 15.5% were in the age group of $31-35$ year while 36 respondents accounting for 42.9% were in the age group of 36 years and above.

Table 2: Marital status of the respondents

SEX	FREQUENCY	PERCENTAGE
Married	33	39
Single	51	61
Total	84	100

Source: Field survey, 2023

The table shows that 61% of the respondents were single and only 39% (33) were married. This shows that majority of the respondents were single.

Table 3: The ethical guidance and Employee Performance at Bushenyi Local Government

RESPONSES	FREQUENCY	PERCENTAGE (%)
Autocratic Ethical leadership is used at Bushenyi Local Government	24	28.6
Democratic Ethical leadership is used at Bushenyi Local Government	20	23.8
Situational Ethical leadership is used at Bushenyi Local Government	16	19.1
Laissez faire Ethical leadership is used at Bushenyi Local Government	12	14.2
Transformation Ethical leadership is used at Bushenyi Local Government	12	14.2
Total	**84**	**100**

Source: Field survey, 2023

From the study findings, it was indicated that autocratic ethical leadership is used at Bushenyi local government as supported by 28.9%. While 24.4% indicated democratic ethical leadership is used at Bushenyi local government. On the other hand, 16 respondents accounting for 19.1%, disclosed that the

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ethical leadership at Bushenyi local government is high because of the decline in mortality rates.

On the other hand, it was also revealed that situational ethical leadership is used at Bushenyi

local government as supported by 12 (14.2%). Lastly, it was revealed that transformation ethical leadership is used at Bushenyi local government as supported by 12 (14.2%) respondents.

Table 4: Power sharing and Employee Performance at Bushenyi Local Government

LEVEL OF POWER SHARING AND EMPLOYEE PERFORMANCE	FREQUENCY	PERCENTAGE (%)
There is a generational gap in decision making at the local government	18	21.2
Gender disparity acts as a barrier in promoting employee performance stability at the local government	16	19.0
Weak leaders limit workers' employee participation in management at the local government	15	17.9
Most workers at the local government delay to report problems to management and also do not perform their work on standard	17	20.2
Liberalization of human rights at the local government limit control of workers while conflict of interest at the local government make decision making slow	18	21.2
Total	84	100

Source: Field survey, 2023

From the study findings, it was indicated that respondents agreed to take part in the study and gave their views about power sharing and employee performance as discussed below; 18 (21.2%) of the total number of respondents supported that there is a generational gap in decision making at the local government. While 16 accounting for 19.0% respondents noted that Gender disparity acts as a barrier in promoting employee performance stability in the local government. On the other hand, 15 respondents accounting for 17.9%, disclosed that

weak leaders limit workers' employee participation in management at the local government. Furthermore, respondents supported that most workers at the local government delay to report problems to management and also do not perform their work on standard as supported by 17 (20.2%). Respondents also revealed that liberalization of human rights at the local government limit control of workers while conflict of interest at the local government make decision making slow as supported by 18 (21.2%) respondents.

Table 5: The relationship between integrity and employee performance at Bushenyi Local Government

RELATIONSHIP	FREQUENCY	PERCENTAGE (%)
Goodintegrity and Employee Performance in the area helps people especially the local government workers to work on a competitive behavior which improves ethical leadership which shows a positive relationship	24	28.6
Goodintegrity and Employee Performance increases demand for most things which cooperation which positively contributes to ethical leadership	27	32.1
integrity and Employee Performanceincreases employment opportunities in the area which positively contribute to better employee performance but also helps to reduce on unemployment problems which positively contributes to ethical leadership	33	39.3
Total	84	100

Source: Field data, 2023

Study findings indicate that most of the respondents supported the above factor that shows relationship and the percentages are as follows; 24 respondents accounting for 28.6% supported that good integrity and employee performance in the area helps people especially the local government workers to work on

a competitive behavior which improves ethical leadership which shows a positive relationship.

On the other hand, 27 respondents representing 32.1% supported that good integrity and employee performance increases demand for most things like

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land, food which cooperation which positively contributes to ethical leadership.

More so, 33 (39.3%) respondents in Bushenyi local government Bushenyi District reported that integrity increases employment opportunities in the area which not only positively contributing to better employee performance but also helps to reduce

unemployment problems which positively contributes to ethical leadership.

All the above factors were supported by the respondents somewhat equally and therefore proves that they are true and therefore show that there is a strong relationship integrity and employee performance in Bushenyi local government district.

DISCUSSION

It was confirmed by the findings that ethical guidance, power sharing and integrity lead to improved employee's performance. This statement was supported by the statement by [30, 31, 32, 33, 34, 35, 36] when they recognized the correlation between ethical guidance, power sharing and integrity on overall performance of organizations. Employee performance is an important component in the organization, so organizations need to pay attention to factors that can improve employee performance.

Ethical guidance and integrity can affect employee behavior significantly, which will ultimately affect employee performance. Employees with work discipline have proven to have far better performance because they feel they have a

responsibility to help achieve their organizational goals. According to Sirisookslip [22], ethical guidance and integrity in workplace entails understanding regulations, compliance and obedience to rules and timeliness of carrying out tasks.

To enforce ethical guidance in workplaces, employers have utilized query writing, reprimand, withholding of salaries or part-payment. Others include extant laws contained in the organizational policy books and bureaucratic chain of command in the structure. Without these elements, employees' performance will be affected negatively. Employees' performance could be measured in terms of work quantity, effectiveness and work commitment would be poor [3].

CONCLUSION

It is indisputable that employees are the driving force of any organization. No organization can attain its goals without sufficient performance of its employees. This study examined ethical clearance and employee performance of employees in Bushenyi local government of Uganda. Findings confirmed that there is a relationship between ethical guidance, integrity, power and job performance of the employees in Bushenyi local government.

Recommendations

The study recommends, based on the findings, the establishment of performance standards to assist the achievement of the needed performance by employees in the local government district and reward or appreciate employees that reach above standards.

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