

## Empowerment behavior dimension of ethical leadership and organizational commitment: The moderating effect of ethical climate

Chrisantus N. Ouma<sup>1</sup>, George O. K'Aol, Ph.D.<sup>2</sup>, and Damary Sikalieh, Ph.D.<sup>3</sup>

<sup>1</sup>Doctoral candidate, United States International University-Africa, Kenya

<sup>2,3</sup>Professor of Management, United States International University-Africa, Kenya

Corresponding Author: Chrisantus N. Ouma Email: chris.ouma@gmail.com

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**Abstract:** This study determined the effect of the empowerment behavior dimension of ethical leadership on employee commitment among senior managers in the transport sector parastatals in Kenya. The study adopted the positivism research philosophy and descriptive correlational research design. The target population consisted of 253 senior managers in the transport sector parastatals from whom a sample of 153 participants was selected using the stratified random sampling technique. Data was collected using a self-administered questionnaire. Descriptive and inferential statistics were used to analyze the data. Correlation analysis found a positive and significant relationship between the empowerment behavior dimension and employee commitment. Chi-square test revealed a significant association between the empowerment behavior dimension and employee commitment. Results of multiple linear regression indicated that the empowerment behavior dimension was a significant predictor of employee commitment, and that 48% of the variance in employee commitment was caused by the empowerment behavior.

**Keywords:** Employee Commitment, Empowerment behavior dimension, Ethical Leadership

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### I. Introduction

#### 1.1 Background of the study

Literature generated by numerous studies points to the association between employee commitment and positive organizational outcomes. Employee commitment was first described by Meyer and Allen (1997) as an employee's emotional bond to an organization that often determines the employee's choice to stay or exit an organization. However, employee commitment is unlikely to exist in organizations that lack sound leadership practices. Treviño and Brown (2005) cite the fundamentality of ethical leadership in the development of an organizational culture that cultivates high employee commitment. In recent times, the significance of ethical leadership within the public sector has generated heightened levels of interest among scholars studying public-sector organizations (Wright, Hassan & Park, 2016). This is attributed to the importance of ethical leader behavior as is being increasingly demanded by publics in various jurisdictions. Also in recent times, some researchers have proposed that positive organizational outcomes are the culmination of leader empowerment behaviors. Hawass (2016) alluded to the empowerment behavior dimension as demonstrating inclusivity among subordinates in goal setting and making decisions, encouraging them to assume challenging obligations and allowing them to practice creativity in execution of their duties. The positive effects of leader empowerment behavior have been established in various organizational and industrial settings such as hospitality, education, banking, information technology and even military sectors (Siegel, 2013). Nevertheless, some authors have argued that apart from ethical leadership itself, other variables affect the impact of ethical leader behaviors. Malloy and Agarwal (2010) stated that employee perception of leader ethical behavior heavily weighs on the outcomes of ethical behavior. This perception, described as ethical climate was proposed by the study to modify the relationship between the study variables, and was the moderating variable in the study.

#### 1.2 Statement of the Problem

Empirical studies investigating the relationships between the empowerment behavior dimension of ethical leadership and their organizational outcomes have been conducted mostly in Western settings (Namasivayam, Guchait, & Lei, 2014) or Northern African contexts (Rayan, Sebaie, & Ahmed, 2018). Other researchers have investigated the relationship between negative empowerment behavior and employee commitment (Sanecka, 2013) with results suggesting a negative correlation between the two variables. In recent times, some researchers have sought to determine how employee outcomes such as job satisfaction and employee commitment are influenced by the empowerment behavior dimension of ethical leadership. (Downe,

Cowell, & Morgan, 2016). Kumasey, Bawole, and Hossain (2017) revealed that codes of ethics significantly predicted affective, normative and continuance dimensions of employee commitment and recommended that future research be conducted using a longitudinal design. Kooskora and Mägi (2010) called for further research using larger samples and in different settings. In a recent study, Sofia, Ahmad and Hadiwidjaja Djumilah (2017) proposed that future research should use different moderating variables. Mitonga-Monga & Cilliers (2016) also recommended that further studies be conducted using broader samples across various organizations in developing countries.

Contemporary literature suggests that ethical leadership provides a practical means by which an organization can enhance commitment among its employees. Musyimi's (2016) study in the banking sector of Kenya suggested that further research be extended to other sectors. Tanui (2015) suggested that future ethical leadership research should be conducted in other parastatals to identify best practices of ethical leadership. On the other hand, the performance of parastatals in the Kenyan public sector context has raised considerable discussion in the last two decades, registering both successes and dismal failures. Minja (2011) attributes this state of affairs to poor ethical practices. Olesia, Namusonge, and Iravo (2013a) stated that the situation is attributable to poor employee commitment. Furthermore, there is a limited body of research on ethical leadership dimensions and employee commitment in the Kenyan context (Olesia, Namusonge, & Iravo, 2013b). Therefore, to bridge these gaps, this study investigated the effect of the empowerment behavior dimension of ethical leadership among senior managers in the transport sector parastatals in Kenya.

### **1.3 Research question and hypothesis**

The study was based on the following research question: How does the empowerment behavior dimension of ethical leadership affect employee commitment among managers in the transport sector parastatals of Kenya? Ensuing from the research question above, the following sub-questions guided the study: (i) What is the correlation between the empowerment behavior dimension of ethical leadership and employee commitment among managers in the transport sector parastatals of Kenya? (ii) What is the effect of demographic variables on employee commitment among managers in the transport sector parastatals of Kenya?

The study tested the following null hypotheses: (i) The empowerment behavior dimension of ethical leadership has no significant effect on employee commitment among managers in the transport sector parastatals of Kenya and (ii) Ethical climate does not moderate the relationship between the empowerment behavior dimension and employee commitment.

### **1.4 Purpose and scope of the study**

The purpose of the study was to determine the effect of the empowerment behavior dimension of ethical leadership on employee commitment among senior managers in the transport sector parastatals in Kenya. Senior managers consisting of heads of divisions, heads of departments and heads of sections in the parastatals under study were interviewed between June and September 2017.

## **II. Literature review**

### **2.1 Theoretical review**

The study was underpinned by the ethical leadership theory as described by Treviño, Hartman, and Brown (2000). Further development of the theory saw subsequent scholars describe ethical leadership constructs that outlined five pivotal dimensions of ethical leadership collectively identified as, the character dimension, the technical dimension, the empowerment behavior dimension, the moral dimension, and the empowerment behavior dimension (González & Guillén 2002).

#### **2.1.1 Empowerment behavior dimension**

The empowerment behavior dimension refers to the involving of subordinates in setting organizational goals, making decisions, encouraging subordinates to assume challenging roles and responsibilities, and allowing subordinates to exercise innovation (Hawass, 2016). It has been further defined as assigning power through tasks and delegation (Yukl, 2013) and team building (Fapohunda, 2013).

Power, a resource necessary for the success of an organization is also essential in the promotion of ethical conduct (Northouse, 2016). Recent literature has described two facets of empowerment namely, structural empowerment and psychological empowerment (O'Brien, 2010). Employees gain access to organizational resources through structural empowerment while through psychological empowerment, they gain control of their work environment. Managers can empower their subordinates by sharing their power through delegation, a distinctive type of power-sharing. Delegation is a common feature in distributed leadership environments such as occurs in teams (Al-Jammal, Al-Khasawneh & Hamadat, 2015). Givens (2008) suggested that a relational context between leader and follower (leader-member exchange) supports this process. In facilitating team members to achieve organizational objectives, distributed leadership has been found to

positively affect employee commitment. Employee empowerment aspires to optimize employee performance through the enhancement of employee competencies (Zaraket, Garios & Malek, 2018).

A principal attribute of the empowerment behavior dimension lies within the precept that employee empowerment involves availing opportunities for individual development and career growth. Shoaf and Britt (2009) posit that mentorship is an effective avenue for developing employee skills. Through mentorship, senior and more experienced employees purposefully nurture and shape the competencies and behaviors of junior employees. Since learning occurs through observation and replication of the observed behavior, some authors have suggested that leaders who intend to empower their protégés must demonstrate appropriate role modeling (Northouse, 2016). Empowerment through training aims to equip employees with skills that make them more effective workers hence providing the organization with the much-needed competitive advantage necessary for survival in the market environment. Consistent with similar studies, Hanaysha (2016) demonstrated the positive relationship between empowerment, teamwork and employee commitment thus solidifying the long-held view that leader empowerment behaviors positively impact employees' organization-centric behaviors.

Another attribute of empowering leaders can be found in their propensity to organize effective production through work teams. Thus, teams become platforms through which leaders can empower employees by availing resources necessary for the completion of personal, group and organizational objectives (Russell & Stone, 2002). Through trust earned from the display of integrity, leaders can employ their influence within teams to impart ethical behaviors upon their subordinates (Choi & Kim, 2012). In teams, leaders can model ethical leader practices such as putting the needs of others before self and service to others. Seals (2013) argued that through the use of participation in decision making such as incorporating opinions sought from team members to make managerial decisions, leaders empower their followers. In this study, empowerment behavior practices of power-sharing, team building and building of staff competencies in consistence with Hawass (2016) were examined.

#### 2.1.2 Employee commitment

Employee commitment has been highly discussed in literary works since Allen and Meyer's (1990) seminal work on the subject. The authors classified commitment into three distinct types. Affective commitment is associated with employee's psychological bond to an organization, normative commitment refers to employees' obligation to be part of the organization while continuance commitment represents employees' intention to stay in the organization due to benefits accruing from the stay. Employee commitment has been theorized to predict organizational outcomes (Syed, Saeed & Farrukh, 2015).

### 2.2 Empirical review

A significant amount of research has demonstrated the importance of leader empowerment behavior as a pre-requisite for leader effectiveness and ethical leadership (Hakimi, 2010). In a study examining the structure of power-sharing, Hulpia, Devos and Van Keer (2009) established a positive relationship between participative decision making (PDM) and employee commitment. Further inquiries into the subject exposed differences in gender commitment responses to power-sharing. For example, Bell and Mjoli (2014) discovered that PDM had positive effects on values as a component of employee commitment (EC) while on females there was a significant positive effect on effort as a component of EC. Within the EC constructs, low levels of affective and normative commitment were found among respondents exposed to unequal power distribution between managers and their subordinates compared to their counterparts (Miao et al., 2013).

Inquiries into the team-building component of empowerment behavior have further shown positive relationships between the two variables. Zincirkiran, Emhan, and Yasar, (2015) found positive and significant correlations between teamwork, employee commitment, and organizational performance among health workers in Pakistan. This position was strengthened by findings of a cross-sectional study undertaken by Zia (2012) in which team building was found to have a long-term positive relationship on both employee morale and employee retention. Moreover, the positive influence of teams on individual employee normative commitment was illustrated by Jønsson and Jeppesen's (2012) study. Thus, a common agreement on the positive effect of team building on various organizational outcomes such as employee commitment exists across a wide community of researchers (Altaf & Naqvi, 2013; Hanaysha, 2016; J. Liu, X. Liu & Zeng, 2011).

Further assessment of topical literature highlights the positive association between the building of staff competencies and employee commitment. A study by Bashir and Long (2015) revealed a significantly positive relationship between training-related variables and the normative and affective commitment. Comparable results were found in other studies conducted across different cultural, organizational and professional contexts. Empirical evidence adduced from these studies suggests that building employee competencies can be used as a motivating factor for employees with reduction of negative organizational outcomes such as turnover intentions.

### III. Research methodology

#### 3.1 Research design

The study adopted positivist philosophy and descriptive correlational research design. The study was quantitative and sought to determine the effect of the empowerment behavior dimension of ethical leadership on employee commitment among senior managers in the transport sector parastatals in Kenya.

#### 3.1 Population & Sampling

A total of 253 senior managers from the nine (9) parastatals in the Ministry of Transport, Infrastructure, Housing and Urban Development constituted the study population of this study. The following parastatals were sampled: LAPSSSET Corridor Development Authority, Kenya Railways Training Institute, Kenya Railways Corporation, Kenya Ports Authority, Kenya Maritime Authority, Kenya Ferry Services, Kenya Civil Aviation Authority & East African School of Aviation, Kenya Airports Authority, and National Transport Safety Authority. A sample size of 153 participants was determined using Fisher's (1998) formula. To select the study units from the total population, the stratified random sampling technique was used.

#### 3.2 Data analysis

Data was collected using a self-administered questionnaire and then analyzed using descriptive statistics i.e. means and standard deviations, and inferential statistics including analysis of variance (ANOVA) and Chi-square. Hypothesis testing was done using linear regression. The regression model used took the form of:

$Y = \beta_0 + \beta_1 X_1 + \epsilon$ ; where: Y = employee commitment,  $\beta_0$  = the constant term,  $\beta_1$  = the coefficient for the independent variable,  $X_1$  = empowerment behavior dimension, and  $\epsilon$  = error term. The statistical program for social sciences (SPSS) v. 24 was used as a tool for data analysis. The results were presented in tables and figures.

### IV. Findings

#### 4.1 Demographic information

A total of 153 questionnaires were distributed and 113 usable questionnaires were returned representing a 73% response rate. The results on demographic information revealed that 68% of the respondents were male and 32% were female. The results also indicated that about 16% of the respondents were aged between 25 years and 34 years. The age brackets with the highest percentage of employees were 35 to 44 years (about 33%) and 45 to 54 years (about 40%). The results, further revealed the majority (60%) of the respondents had a master's degree as their highest academic qualification.

#### 4.2 Effect of the empowerment behavior dimension on employee commitment

##### 4.2.1 Descriptive statistics

The study analyzed the mean and standard deviation of the components of the empowerment behavior dimension. The means were interpreted using the following scale interval where a mean value of 1 to 1.8 was an indication of strongly disagree; 1.8 – 2.6 indicated disagree; 2.6 – 3.4 was neutral, 3.4 – 4.2 indicated agree and a mean value of 4.2 and above was an indication of strongly agree. It was found that on average, the senior managers agreed that their leaders encouraged employees/units to work in teams, (M = 3.85, SD = 0.97), and that their leader delegated challenging responsibilities to subordinates, (M = 3.80, SD = 0.96). Concerning the effect of the empowerment behavior dimension on employee commitment, the managers had a strong sense of belonging to their organization because their leader encouraged employees/units to work in teams (M = 3.5841, SD = 0.9795); the responses were however varied. On the other hand, they were neutral as to whether they found it very hard to leave their organizations because their leader provided employees with training opportunities (M = 3.17, SD = 0.94).

##### 4.2.2 Correlation Analysis

Correlation analysis was conducted to determine the relationship between the empowerment behavior dimension of ethical leadership and employee commitment among the senior managers in the transport sector parastatals in Kenya. Table 1 shows that leaders encouraging employees/units to work in teams had a moderate positive and significant correlation with employee commitment among the managers  $r(111) = 0.53, p < .05$ .

**Table 1:** Correlation Between the Empowerment behavior Dimension and Employee Commitment

Empowerment behavior Dimension of Ethical Leadership		Employee Commitment
Leader encouraging employees /units to work in teams.	Pearson Correlation	.525**
	Sig. (2-tailed)	0.000
	N	113

Leader providing employees with training opportunities.	Pearson Correlation Sig. (2-tailed) N	.605** 0.000 113
Leader delegating challenging responsibilities to subordinates.	Pearson Correlation Sig. (2-tailed) N	.568** 0.000 113
** Correlation is significant at the 0.05 level (2-tailed).		

It was further shown that leaders providing employees with training opportunities was moderately positive and significantly correlated with employee commitment among the managers,  $r(111) = .61, p < .05$ .

The study determined the correlation between the empowerment behavior dimension index and employee commitment and found a positive and significant correlation between the empowerment behavior dimension of ethical leadership and employee commitment among senior managers of parastatals in the transport sector of Kenya  $r(111) = .69, p < .05$ . The results are highlighted in Table 2.

**Table 2:** Correlation Analysis of the Empowerment behavior Dimension Index and Employee Commitment

		<b>Employee Commitment</b>
Empowerment Behavior Dimension	Pearson Correlation Sig. (2-tailed) N	0.690** 0.000 113
** Correlation is significant at the 0.05 level (2-tailed).		

#### 4.2.3 Chi-square Test

A Chi-square test of independence was conducted to test the association between the empowerment behavior dimension of ethical leadership and employee commitment. The study findings revealed that the empowerment behavior dimension was significantly associated with employee commitment,  $\chi^2(10, N = 113) = 50.83, p < .05$ . The results implied that the empowerment behavior dimension of ethical leadership was likely to improve employee commitment among managers in the transport sector parastatals in Kenya.

#### 4.2.4 One-way ANOVA

One-way ANOVA was carried out to establish if there were significant differences between the means of employee commitment with the managers' demographic variables (gender, age, management position, years worked in the parastatal and highest level of education). This sought to determine if there was greater variability in the rating between groups and within groups. The study found no significant differences in the mean values for employee commitment across the managers' demographic variables. Thus, it was concluded that the effect of the respondents' demographic variables on employee commitment was insignificant.

#### 4.2.5 Regression Analysis and Hypothesis Testing

Multiple linear regression analysis was carried out to determine the effect of the empowerment behavior dimension of ethical leadership on employee commitment. The results are presented in Table 3(a), Table 3(b), and Table 3(c).

**Table 3(a):** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.690a	0.476	0.471	0.603571
a Predictors: (Constant), Empowerment behavior Dimension				
b Dependent Variable: Employee Commitment				

The results in Table 3(a) indicate that the empowerment behavior dimension explained a significant proportion (69%) of variance in employee commitment among these senior managers,  $R^2 = .62$ . This implies that 69% of the changes in employee commitment among the managers was attributable to the empowerment behavior dimension.

**Table 3(b):** Regression ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	36.666	1	36.666	100.649	.000b
	Residual	40.437	111	0.364		
	Total	77.103	112			
a Predictors: (Constant), Empowerment behavior Dimension						
b Dependent Variable: Employee Commitment						
** Correlation is significant at the 0.05 level (2-tailed).						

The regression ANOVA results in Table 3(b) show that the effect of the empowerment behavior dimension of ethical leadership on employee commitment was found to be significant,  $F(1, 111) = 100.65, p < .05$ .

In the regression coefficients model, the results showed that the empowerment behavior dimension significantly predicted employee commitment,  $\beta = 0.70, t(112) = 10.03, p < .05$ . This means that one unit of increase in the empowerment behavior dimension increases the unit of employee commitment by .698 units, with the influence of the moderating variable. Table 3(c) displays the results of the regression coefficients.

**Table 3(c): Regression Coefficient**

Model			Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
1	(Constant)		0.739	0.268		2.756	0.007
	Empowerment Dimension	behavior	0.698	0.07	0.69	10.032	0.000

a. Dependent Variable: Employee Commitment  
 \*\* Correlation is significant at the 0.05 level (2-tailed).

Based on the findings of the study, the null hypothesis that the empowerment behavior dimension of ethical leadership has no significant effect on employee commitment among managers in the transport sector parastatals of Kenya was rejected. The model equation for the empowerment behavior dimension of ethical leadership was:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon;$$

$$Y = 0.739 + 0.698 \text{ Empowerment behavior Dimension} + 0.268$$

### 4.3 Ethical climate moderation of the empowerment behavior dimension of ethical leadership and employee commitment

#### 4.3.1 Descriptive statistics

The study analyzed the mean and standard deviation of the components of the egoism, benevolence and principle ethical climates. The scale interval described above was used to interpret the means. For egoism ethical climate, the findings revealed that on average, the respondents were neutral as to whether people were mostly out for themselves in their organizations ( $M = 3.12, SD = 1.10$ ). On average, the respondents disagreed that they had a strong sense of belonging to the organization since in their organization people were mostly out for themselves ( $M = 2.58, SD = 1.07$ ). Additionally, the findings reveal that on average, the managers were neutral as to whether it was difficult to leave their organization because employees were expected to do anything to further the organization's interests ( $M = 2.65, SD = 0.99$ ).

Concerning the benevolence climate, the managers had a neutral opinion as to whether in their organization, people looked out for each other's good ( $M = 3.16, SD = 1.07$ ). The findings further showed that on average, the managers were neutral as to whether they had a strong sense of belonging to their organizations because of employees looking out for each other's good ( $M = 3.11, SD = 0.96$ ).

As for the principle ethical climate, the managers agreed that all employees were expected to abide by organizational rules and procedures, ( $M = 4.26, SD = 0.86$ ). They, however, were neutral as to whether successful people in the organizations were those who strictly obeyed the organization's policies ( $M = 3.11, SD = 1.17$ ). On average, the managers agreed that they had a strong sense of belonging to their organizations because all employees were expected to adhere to organizational rules and procedures ( $M = 3.56, SD = 0.98$ ).

#### 4.3.2 Inferential Statistics

The study determined the correlation between ethical climate index and employee commitment. With the significance value set at  $p \leq 0.5$ , the study's significance of estimates was tested, revealing a strong positive and significant correlation between the ethical climate and employee commitment among the respondents,  $r(111) = .76, p < .05$ . Chi-square test was also conducted to show whether there existed an association between ethical climate and employee commitment. The findings revealed that the two variables were associated,  $\chi^2(20, N = 113) = 51.84, p < .05$ .

A one-way analysis of variance (ANOVA) was conducted to establish if there were significant differences in the mean of ethical climate based on the managers' demographic variables. No significant differences were found in the mean values for ethical climate across the managers' gender, age brackets, management position, years worked in the organization or their highest educational level.

#### 4.3.3 Regression Analysis and Hypothesis Testing

Multiple regression analysis was conducted to first, to show the effect of the empowerment behavior dimension on employee commitment among the respondents and to test the moderating effect of ethical climate

on the relationship between the empowering behavior dimension of ethical leadership and employee commitment. The results presented in Table 4(a) showed that a strong linear relationship existed between the variables with 65.3% of the variations in employee commitment being due to changes in the empowerment behavior dimension.

**Table 4(a): Model Summary before Moderation**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.808a	0.653	0.637	0.43381
a Predictors: (Constant), Empowerment Behavior Dimension				
b Dependent Variable: Employee Commitment				

As presented in Table 4(b), the results reveal that there was an improvement in the R2 from 0.653 before moderation to 0.671 after moderation. This implies that 67.1% of the variations in employee commitment among the respondents could be explained by changes in the empowerment behavior dimension of ethical leadership moderated by the ethical climate in the parastatals.

**Table 4(b): Model Summary after Moderation**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.819a	0.671	0.649	0.4267
a Predictors: (Constant), Empowerment Behavior Dimension				
b Dependent Variable: Employee Commitment				

Analysis of variance was done after moderation to determine the significance of the model used to link ethical climate to employee commitment. The model was found to be statistically significant,  $F(7, 105) = 30.56$ ,  $p < .05$ . The findings showed in Table 3(c) depict that the significance p-value was less than the conventional probability of 0.05 significance level ( $p \leq .05$ ) set for this study, and thus establish the statistical significance of the model.

**Table 4(c): ANOVA after Moderation**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	38.947	7	5.564	30.559	.000b
	Residual	19.118	105	0.182		
	Total	58.065	112			
a Predictors: (Constant), Moderating composite, Empowerment Behavior Dimension, Ethical Climate						
b Dependent Variable: Employee Commitment						
** Correlation is significant at the 0.05 level (2-tailed).						

The study sought to find if ethical climate had a moderating effect on the relationship between the empowerment behavior dimension of ethical leadership and employee commitment. The findings supported the presence of this moderating relationship,  $\beta = .235$ ,  $t(111) = 2.611$ ,  $p < .05$ . This finding implies that a unit increase in ethical climate leads to an increase in employee commitment among the respondents by 0.235 units. Thus, the null hypothesis that ethical climate does not moderate the relationship between the empowerment behavior dimension and employee commitment was not supported. The results are displayed in Table 3(d).

**Table 4(d): Regression Coefficient for the Multiple Model after Moderation**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.015	0.654		0.023	0.982
	Empowerment behavior Dimension	0.171	0.085	0.180	2.033	0.041
	Ethical Climate	0.278	0.217	0.289	2.279	0.020
	Moderating composite	0.235	0.057	0.215	2.611	0.034
a Dependent Variable: Employee Commitment						
** Correlation is significant at the 0.05 level (2-tailed).						

Thus, the model equation for the empowerment behavior dimension of ethical leadership after moderation was:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_2 * X_3 + \epsilon$$

$$Y = 0.015 + 0.171 X_1 + 0.278 X_2 + 0.235 X_3 + \epsilon;$$

$$\text{Employee Commitment} = 0.015 + 0.171 \text{ Empowerment Behavior Dimension} + 0.278 \text{ Ethical Climate} + 0.235 \text{ Moderating composite} + 0.654$$

## V. Discussion

The purpose of this study was to determine the effect of the empowerment behavior dimension of ethical leadership on employee commitment among senior managers in the transport sector parastatals in Kenya. The discussion of the results in this section is based on the research questions that were used to guide the study.

### 5.1 Effect of the empowerment behavior dimension on employee commitment

About the effect of empowerment behavior dimension on employee commitment, the results revealed a positive and significant correlation between the two variables,  $r(111) = .69, p < .05$ , thus suggesting that the empowerment behavior dimension of ethical leadership had a strong effect on employee commitment among the respondents. The finding supports Hakimi's (2010) argument that leader empowering behavior was positively correlated with, leadership effectiveness. In that study, leadership effectiveness was an important criterion for managers' employee commitment and was hypothesized to increase employee commitment among the respondents.

Results of One-way ANOVA established that there were no significant differences in the means for employee commitment across the respondents' gender, age, management position, years worked in the organization and highest educational level. This implied that in relation to the independent variable, the demographic variables did not significantly affect the level of employee commitment among the respondents.

To test the significance of the association between the dependent and independent variable, a Chi-square test was conducted. The test revealed a significant association between the empowerment behavior dimension and employee commitment,  $\chi^2(10, N = 113) = 50.83, p < .05$ . This finding is supported by Ling, Qing and Shen (2014) who found that employee training was positively associated with both organizational commitment and employability. In further support of this finding, another study by Jehanzeb, A. Rasheed and M. Rasheed (2013) revealed a significant association between employee training and both organizational commitment & turnover intentions.

Multiple linear regression results illustrated that empowerment behavior dimension significantly predicted employee commitment,  $R^2 = .48, F(1,111) = 100.65, p < .05; \beta = .70, p < .05$ . Thus, the findings suggest that 48% of the variations in employee commitment can be explained by the empowerment behavior dimension of ethical leadership. The finding supports Bulut and Culha's (2010) study which noted the presence of a positive association between training and employee commitment. The study suggested that empowering employees through training may induce feelings of employee indebtedness to the organization hence triggering commitment.

### 5.2 Ethical climate moderation on the relationship between the empowerment behavior dimension and employee commitment

In determining the correlation between ethical climate and employee commitment, the study established that there existed a strong positive and significant correlation between ethical climate and employee commitment among the respondents  $r(111) = .76, p < .05$ . This supports Demirtas and Akdogan (2015) who revealed mediation by ethical climate of the relationship between ethical leadership and affective commitment.

The study assessed the strength of the association between ethical climate and employee commitment. The results revealed that the ethical climate was strongly associated with employee commitment,  $\chi^2(20, N = 113) = 51.84, p < .05$ . The finding supported Moore and Moore (2014) whose study revealed a significant association between respondent's perceived ethical climate and their self-reported levels of employee commitment among academic staff in higher education establishments. A study with supporting findings is that of Cemberci and Civelek (2016) whose which revealed the meditation effect of ethical climate on the relationship between ethical leadership and organizational commitment,  $R^2 = .21, F(2,173) = 22.77, \beta = .38, p < .05$ .

The results in Table 4(d) indicate that an increase in ethical climate increases employee commitment by about 0.278 units among the respondents hence, it was concluded that ethical climate explains employee commitment. Further, the results of multiple linear regression revealed a statistically significant coefficient for ethical climate,  $R^2 = .67, F(7,105) = 30.559, p < .05; \beta = .22, p < .05$  thus establishing significant moderating effect of ethical climate on the relationship between ethical leadership and employee commitment. These results did not support the null hypothesis that the ethical climate does not mediate the relationship between the empowerment behavior dimension and employee commitment among managers in the transport sector parastatals of Kenya.



## VI. Conclusion

The study established that the empowerment behavior dimension of ethical leadership had a significant effect on employee commitment among the managers,  $R^2 = .48$ ,  $F(1,111) = 100.65$ ,  $p > .05$ ;  $\beta = .70$ ,  $p < .05$ . Additionally, the study established that ethical climate significantly moderated the relationship between ethical leadership and employee commitment among managers in the transport sector parastatals of Kenya,  $R^2 = .67$ ,  $F(7,105) = 30.559$ ,  $p < .05$ ;  $\beta = .24$ ,  $p < .05$ . Based on this finding, the study concluded that parastatal leaders should consider adoption of the aspects of the empowerment behavior dimension of ethical leadership since they impacted on the level of commitment among the parastatal managers. Upon the findings on the moderating effect of ethical climate, the study further concludes that parastatal leaders should cultivate benevolence and principle ethical climates as they were found to positively affect the relationship between the empowerment dimension of ethical leadership and employee commitment; ethical egoism should be applied only with a cosmopolitan focus aimed at sustaining organizational efficiency

### 6.1 Recommendations

#### 6.1.1 Recommendations for Improvement

The study found that the empowerment behavior dimension of ethical leadership had a significant effect on employee commitment among the respondents. These include teamwork, training, and staff development. The study recommends that parastatal leaders should create teamwork among their employees, provide training for their workers and put in place mechanisms that nurture staff development as this was likely to significantly improve employee commitment while maintaining a critical mass of manager leaders. With the finding that ethical climate strongly moderates the relationship between the empowerment behavior dimension and employee commitment, the study recommends that parastatal leaders should create and support progressive ethical climates within their organizations to catalyze the application of their leadership principles and practices, and promote employee commitment among their managers.

#### 6.1.2 Recommendations for Further Studies

This study availed knowledge on how the empowerment behavior dimension of ethical leadership can improve employee organizational commitment among the transport sector parastatals in Kenya. The quantitative methodology was applied in the study applied to arrive at the conclusions. A replication of the study in private sector settings would reveal the effects of the application of the ethical leadership theory in the African private-sector organizational context. The researcher thus recommends such a replication across all employee levels in the private transport-sector organizations using a mixed-method approach.

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