EMPLOYEE WELL-BEING AS CORRELATE OF ETHICAL LEADERSHIP WITH THE MEDIATING ROLE OF JOB SATISFACTION AND EMPLOYEE VOICE – AN EMPIRICAL ANALYSIS AMONG SELECTED FINANCIAL SECTOR WORKERS IN LAGOS, NIGERIA

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ABSTRACT: This study investigates the influence of ethical leadership on employee well-being while considering the mediating roles of job satisfaction and employee voice among selected workers of financial sector workplaces in Lagos metropolis, Nigeria. Ethical leadership, characterized by integrity, fairness, and transparency, is increasingly recognized as a crucial factor in shaping positive employee outcomes. Based on the social exchange theory of George Homan, this study employs a mixed design of ex-post-facto and cross-sectional survey techniques to collect data from 372 employees across various commercial banks sampled for the study. The findings revealed a significant positive relationship between ethical leadership and employee well-being, aptly mediated by job satisfaction and employee voice. It was also established that ethical leadership enhances job satisfaction and encourages employee voice, which collectively contributes to improved well-being. This study underscores the importance of ethical leadership in fostering a supportive work environment that promotes the holistic well-being of employees in the financial sector and similar workplaces.

Keywords: Ethical Leadership, Employee Well-being, Job Satisfaction, Employee Voice

INTRODUCTION

In modern organizational literature and management practices, there is increasing interest in the topic of ethical leadership (Akinbode, 2009; Alshammari, Almutairi & Fahad, 2015). Ethical leadership is seen as a moral guide that influences how organizations behave, make decisions, and shape their culture (Lee, Kawangit, & Yazid, 2019; Eisenbeiss & Van-Knippenberg, 2019; Resick et al., 2016; O'Keefe et al, 2019). The importance of fostering ethical conduct and leadership inside organizations has gained more acknowledgement in light of the ethical breaches and corporate scandals that have profoundly impacted sectors globally, particularly the financial sector. These occurrences, often associated with the dishonest actions of leaders inside organizations, have garnered increased focus on ethics and the practice of ethical leadership (Brown, Treviño, & Harrison, 2005; Resick, Hanges, Dickson, & Mitchelson, 2016). Significantly, the financial sector has encountered a considerable number of ethical dilemmas, with prominent financial organizations implicated in misconduct, fraud, and unethical decision-making. Instances of corporate misconduct, such as the Enron case in the United States and the more recent Wells Fargo crisis, have shown severe repercussions of unethical leadership conduct (see, Xing, He, Zhang, & Jiang, 2022; Martins & Costa, 2016; Resick, et al. 2016).

Ethical leadership is a leadership style inside an organization that is influenced by moral and ethical values. Leaders who practice ethical leadership display ethical behaviour, promote fairness, and inspire trust among employees (see, Akinbode 2009; Martins & Costa, 2016). It includes ethical concepts such as truthfulness, uprightness, openness, and responsibility in the conduct of leaders (Walumbwa, Mayer, Wang, Wang, Workman & Christensen, 2011). Essentially, ethical leaders act as models who emphasize ethical principles, creating an ethical atmosphere throughout the organization. Ethical leadership is highly praised for its beneficial impact on employee attitudes, behaviour, and well-being (Rantika & Yustina, 2017). Multiple studies have emphasized the beneficial impact of ethical leadership on a range of employee outcomes. The outcomes include higher job satisfaction, heightened organizational commitment, and improved performance (Brewer et al., 2016; Tahernejad, Seyed, Raja, Ariffin & Babaei, 2015) and more recently, employee well-being (Resick et al, 2016). Nevertheless, the impact of ethical leadership on employee well-being has received little attention in research (Bosle, Fischer & Herr, 2021; Akinbide, 2022). The absence of research in this area is remarkable, given that the correlation between leadership conduct and the general welfare of employees is crucial for the achievement of organizational goals. The importance of ethical leadership in the workplace has garnered increasing attention because of its capacity to enhance well-being and provide beneficial outcomes for employees (Tahernejad et al., 2015; Bosle et al, 2021; Xing et al, 2022).

More importantly, the notion of well-being has recently become more prominent in the field of organizational research and management practices. Employee well-being encompasses the holistic condition of an employee's mental and emotional health, contentment, and overall life fulfilment. Well-being in the workplace refers to having a satisfactory and committed workforce, which is marked by pleasant mental states, favourable attitudes, and enhanced performance (Bosle et al., 2021). Therefore, it is a matter of great significance to both employees and organizations, since it is strongly linked to employee productivity, job satisfaction, and overall job performance. The need to examine the correlation between ethical leadership and employee well-being becomes apparent when evaluating the present corporate environment, characterized by heightened scrutiny of ethical conduct, leadership methodologies, and employee well-being. Organizations are now assessed not only on the basis of their financial performance, but also on their ethical behaviour, which has a direct impact on employee satisfaction and the company's social standing (Davies et al., 2009). Within the realm of finance, ethical leadership is crucial for addressing ethical issues and fostering employee well-being.

Statement of Problem

The financial sector in Nigeria, similar to other areas, is currently facing a multitude of difficulties and inadequate leadership. There has been a general hue and cry about the level of corruption and sharp practices that have characterized financial sector organization in the past decade in Nigeria. This perceived leadership problem has dominated public discussion among researchers, and public and private practitioners. The workplace atmosphere is not exempted from the emerging problem of inadequate leadership. Moreover, the growing number and magnitude of corporate scandals and unethical conduct in contemporary organizations in general are valid testimonies for this emerging malady. There seems to be a general consensus among management practitioners that the ethical conduct of leaders is of utmost importance, since it has the potential to shape the company culture and subsequently impact employee attitudes and behaviours. When ethical leadership is lacking in any employees' relationships it

is an open invitation to dysfunctional behaviour with grave implications for employees' productivity, job performance, organisational commitment and job satisfaction. Specifically, a lack of ethical leadership in the workplace can lead to various behavioural problems, including increased stress and burnout, decreased job satisfaction and engagement, increased turnover rates, reduced trust and loyalty and gossip, increased absenteeism and tardiness, favouritism and discrimination. Zeroing the context of this study among the financial sector, the malady of lack of ethical leadership has the capacity to snowball into massive corrupt practices among the players. Therefore, a lack of superior accountability due to poor leadership, poor communication and transparency, poor morality and motivation, increased cynicism and scepticism combined with decreased organisational commitment is a direct antidote to poor performance in any financial sector organization.

Additionally, a lack of ethical leadership can lead to a toxic work culture, where fear and intimidation prevail, self-interest is prioritized over collective well-being, short-term gains are valued over long-term sustainability, diversity and inclusion are neglected, and ethical concerns are completely ignored or silenced. Obviously, this may result in serious consequences for both the organizations' performance and the mental and emotional well-being of the employees. The general hue and cry about organisational leadership problems in Nigerian organizations in the last decade coupled with a dearth of empirical analysis offers a compelling framework for examining the influence of ethical leadership on employee well-being in the Nigerian financial sector.

Objective of the Study

The study sought to achieve the following objectives:

1. To examine the influence of ethical leadership on the overall well-being of employees.
2. To explore the mediating role of job satisfaction in the relationship between ethical leadership and employee well-being.
3. To investigate the mediating role of job satisfaction and employee voice on the relationship between ethical leadership and employee well-being

Significance of study

The absence of ethical leadership in any workplace (i.e., organisations) has grave consequences for both employees and organizations. The financial sector, which is characterized by its demanding and high-pressure environment, imposes certain requirements on employees, which makes this study especially pertinent. Given the potential for serious repercussions, such as financial crises and scandals, and unethical practices in this business, the study's emphasis on ethical leadership is crucial in promoting a more ethical and sustainable financial sector. The study provides for management practitioners with what they stand to gain for the organization and for employees if ethical leadership is allowed to thrive. The importance of this study lies in the significance of its findings to the organizations and employees. For the employees, it amplifies increased sense of trust and psychological safety, enhances emotional well-being and life satisfaction, improves self-esteem and confidence, reduces stress, anxiety, and burnout, increases feelings of autonomy and empowerment, improves coping mechanisms and resilience, improves mental health and reduces symptoms of depression, and increase job satisfaction and work engagement. On the other hand, for organizations, the findings have implications for improved employee retention and reduced turnover, enhanced organisational

reputation and brand management, increased employee productivity and performance, better teamwork and collaboration, improved communication and feedback, and better organisational performance.

LITERATURE REVIEW

The influence of ethical leadership on various employee outcomes, such as employee well-being, has been a topic of increasing attention and research in the field of organizational behaviour and management. Effective leadership is often identified by leaders who exhibit ethical principles, establish elevated ethical standards, and foster an environment of equity and moral conduct inside the organization (Brown et al., 2005). The leadership style mentioned is seen as crucial in shaping employee attitudes and behaviours (Mayer et al., 2012). Extensive research indicates that ethical leadership has a favourable correlation with employee outcomes, particularly in terms of job satisfaction. Multiple studies have shown that employees who are led by ethical leaders tend to have increased levels of job satisfaction (Alshammari et al., 2015; Brown et al., 2005; Walumbwa et al., 2011; Solomon & Steyn, 2017). Ethical leadership cultivates a favourable work atmosphere and enhances trust, thereby leading to greater employee satisfaction with their jobs. It is vital to understand that job satisfaction is intricately linked to employee well-being, as satisfied workers are more inclined to have a positive overall experience in their work environment (Sivapragasam & Raya, 2017; Tshisa & Van der Walt, 2022; Shrivastava & Shrivastava, 2020; Deng, Huang, Cheung, & Zhu, 2021).

The concept of employee voice has been identified as a significant element in the connection between ethical leadership and employee outcomes. Employee voice encompasses employees expressing their opinions, concerns, or suggestions about their work environment or work-related matters (Holland, Pyman, Cooper, & Teicher, 2011). Research has shown that ethical leadership is linked to a greater occurrence of employee voice behaviour, as evidenced by studies conducted by Jungst, Milner & Milner (2022). Leaders who advocate for ethical principles and impartiality tend to promote a culture where employees are encouraged to voice their concerns or thoughts, creating an environment in which employees feel at ease expressing themselves. Employee voice in turn has been associated with favourable job satisfaction (Zhu, Khan, Nazeer, Li, Fu, Badulescu, & Badulescu, 2022; Holland et al., 2011) and enhanced well-being (Ejaz, Anjum, Uz, Rasheed, Waqas & Hameed, 2022).

Over the last several years, the financial sector in Nigeria has undergone significant expansion and evolution. With the growth of the sector, the significance of leadership and its ethical aspects is becoming more crucial. Ethical leadership is seen as a guiding light in a complex environment where ethical challenges might be multifaceted. The ethical guidelines established by leaders in financial organizations can influence how employees see fairness, integrity, and moral behaviour (Eisenbeiss & Van-Knippenberg, 2019).

Job satisfaction, a concept closely associated with employee engagement, is an essential component in comprehending the total welfare of workers. Studies indicate that there is a favourable correlation between job satisfaction and both individual well-being and performance (Ho & Kuvaas, 2019). Understanding the impact of ethical leadership on job satisfaction is essential in the high-pressure and stressful financial sector. This relationship may have significant effects on employees' emotional, psychological, and physical well-being.

Similarly, employee voice is gaining recognition as an essential element in the workplace, enabling the exchange of valuable ideas, concerns, and criticism. An organizational environment that encourages employees to express their opinions and ideas fosters a feeling of empowerment, which directly correlates with job satisfaction and overall well-being (Eisenbeiss & Van-Knippenberg, 2019). An important component of this study is comprehending the correlation between ethical leadership and the promotion of employee voice, as well as the subsequent impact on job satisfaction and employee well-being.

Empirical research conducted in many cultural settings has shown that ethical leadership is positively correlated with job satisfaction, employee voice behaviours, and indicators of wellbeing such as happiness, vitality, and low stress (Glisson & Green, 2011; Kacmar, Andrews, Harris, & Tepper, 2013; Walumbwa et al., 2011). Additional research should focus on clarifying the interconnected mechanisms that mediate the relationship between ethical leadership and outcomes related to well-being.

Although previous research has shown the existence of favourable connections between ethical leadership and employee attitudes and well-being, there is a need for more investigation into the specific mechanisms and limitations of these relationships. Factors such as company culture and employee moral identity may either enhance or diminish the impact of ethical leadership on results (Eisenbeiss et al., 2015; Mo & Shi, 2017). In addition, there has been little investigation into the possible adverse or unexpected effects of ethical leadership, such as employees seeing hypocrisy or experiencing ethical overload due to excessively high behavioural expectations (Eisenbeiss & van Knippenberg, 2019; Huhtala et al., 2015). This study aimed to investigate the role of job satisfaction and employee voice in mediating the relationship between perceived ethical leadership and employee wellbeing in financial organizations, which have not been extensively investigated.

Theoretical Framework of the Study

Social Exchange Theory: Central to social exchange theory is the idea that an interaction that elicits approval from another person is more likely to be repeated than an interaction that elicits disapproval. Homans suggested several propositions that theorize social behaviour as an exchange of material and non-material goods, such as time, money, effort, approval, prestige, and power. Every person provides rewards and endures costs (Homans, 1847; 1950; 1974;1983). We can thus predict whether a particular interaction will be repeated by calculating the degree of reward (approval) or punishment (disapproval) resulting from the interaction. If the reward for an interaction exceeds the punishment, then the interaction is likely to occur or continue. According to this theory, the formula for predicting the behaviour of any individual in any situation is:

- Behaviour (profits) = Rewards of interaction – costs of interaction.

Rewards can come in many forms: social recognition, money, gifts, and even subtle everyday gestures such as a smile, nod, or pat on the back. Punishments also come in many forms, from extremes such as public humiliation, beating, or execution; to subtle gestures like a raised eyebrow or a frown. While social exchange theory is found in economics and psychology, it was first developed by the sociologist George C. Homans, who wrote about it in a 1958 essay titled "Social Behavior as Exchange." Later, sociologists Peter Blau and Richard Emerson further developed the theory.

Research Questions

The following research questions were raised:

1. Does ethical leadership have a positive relationship with mployee well-being?
2. Does job satisfaction mediate the link between ethical leadership and employee well-being?
3. What is the combined mediating effect of job satisfaction and employee voice on the relationship between ethical leadership and employee well-being?

Research Hypotheses

It was hypothesized that:

1. There will be a significant positive relationship between ethical leadership and employee well-being.
2. Job satisfaction mediate the relationship between ethical leadership and employee well-being.
3. Job satisfaction and employee voice would jointly mediate the relationship between ethical leadership and employee well-being.

METHOD

Sample and sampling procedure

A total of three hundred and seventy-two (372) employees randomly selected from stratified multistage sampled commercial banks operating in the Lagos metropolis participated in the survey. These participants were drawn from both management and non-managerial positions in several departments to obtain insights from all levels of the organizational structure. Proportionate allocation ensured appropriate representation across hierarchical levels and departments in each bank. The sample size of employees chosen randomly from each stratum (level and department) was determined based on the relative proportions of the entire population distribution. This strategy enables the inclusion of diverse subgroups within the target population.

Design

The study employed a mixed design that involved a combination of cross-sectional survey technique with a correlational design to investigate the relationship among ethical leadership, job satisfaction, employee voice, and employee well-being. Because relational (or correlational) design does not involve the manipulation of variables (as is done in experiments), the data are related ex post facto (or after-the-fact) in this study.

Instruments

The data for the study were gathered using the standardized instruments listed below:

Section A: Sociodemographic Variables: This section contains information on the demographic characteristics of the participants such as sex, age, marital status, and ethnic background.

Section B: Ethical leadership Scale: Ethical leadership was measured by Brown et al.'s (2005) 10-item ethical leadership scale, which assesses the perceived behaviour of the employee's immediate supervisor. Past research (Kalshoven et al., 2011) has shown that this scale is very reliable and valid. The author reported a composite reliability of 0.93 and an average variance extracted of 0.74.

Section C: Job Satisfaction: Job satisfaction was measured by Hackman and Oldham's (1975) 4-item General Satisfaction. scale. The Items on scale measures employees' levels of job satisfaction, contentment, and overall comfort in their current position on a five-point Likert scale. The authors reported a reliability value of 0.89 and an average variance of 0.58.

Section D: Employee Well-being: Employee well-being was measured by the 4-item General Health Questionnaire (GHQ-4), as adopted by Waqas and Hameed (2021). The scale is used to assess the well-being of employees. The GHQ-4 is a well-established assessment instrument for assessing overall mental well-being. The reliability coefficient is 0.81 and the average variance is 0.59 as reported by the author.

Section E: Employee Voice: Employee voice was measured by Van-Dyne and LePine's (1998) 7-item Promotive Voice scale. This scale assesses people' frequency of speaking up with suggestions. Each scale's measures were rated using a 5-point Likert-type scale. Higher scores indicate a stronger perception of the variable's existence. The scale has a well-established reliability coefficient of 0.94 and demonstrates a high level of validity, as reported by the author. The average variance is quantified as 0.855.

Procedure

The statistics of the financial institutions operating in the Lagos metropolis were obtained from secondary sources (CBN records 2023) to identify the financial institutions in the Lagos metropolis. The employees at those financial institutions were classified into several strata based on relevant factors such as their position in the organizational structure, job responsibilities, and length of employment. A random sample of employees was chosen within each stratum to guarantee representation across all levels and roles in the sector. Our objective is to get a minimum of 350 samples for the study. The authorization to conduct the study was acquired from the management of the chosen banks. A paper-based survey was administered to employees who met the inclusion criteria in their various office locations. The participants were provided with a cover letter that outlined the purpose of the study, emphasized its voluntary nature, and assured them of the anonymity and confidentiality of their responses. Participants immediately returned the completed questionnaires. The entire survey used had an average duration of 15-20 minutes.

RESULTS

Table 1.1a: Analysis of Sociodemographic Information

Variable	Categories	N	%	Job Satisfaction	Employee Well-being	Employee Voice
				Mean (SD)	Mean (SD)	Mean (SD)
Age	18-30 years	228	61.3	11.9 (2.8)	12.6 (2.9)	22.7 (4.8)
	31-50 years	132	35.5	13 (1.5)	14.1 (1.2)	24.9 (2.1)
	51 years and above	12	3.2	8 (0.0)	20 (0)	12 (0)
Gender	male	192	51.6	11.9 (2.9)	13.1 (3.1)	22.2 (4.9)
	Female	180	48.4	12.4 (2.2)	13.2 (1.7)	24.7 (2.5)
Job Positions	Junior position	216	58.1	12.7 (1.6)	13.6 (1.8)	23.9 (2.7)
	Senior Position	156	41.9	11.5 (3.4)	22.8 (5.5)	12.5 (3.1)
Years in Service	1-5 years	228	61.3	11.8 (2.8)	12.7 (2.8)	23.1(4.9)
	6-15 years	84	22.6	13.6 (1.5)	24.4 (2.6)	14.4 (1.8)
	16 years above	60	16.1	11.4 (2.1)	23.4 (2.4)	13 (1.3)

Table 1.1 shows that most of the research participants were between the ages of 18-30 years which is indicative of a youthful population. This population accounted for 61.3% of the total participants, followed by those aged 31-50 years (35.5%), and those aged 51 years and older (3.2%). The analysis of gender also revealed that the majority of the participants were male representing 51.6% of the total participants, while the other 48.4% were female. Participants were mostly in their early years of service with the majority of them working within one to five years in their respective organisations.

Table 1.1 B.: Descriptive Analysis of the Variables of Interests

Variables	N	Maximum	Maximum	Mean	SD
Ethical Leadership	372	10	49	37.94	8.139
Job Satisfaction	372	4	16	12.16	2.595
Employee Wellbeing	372	4	17	13.13	2.489
Employee Voice	372	6	30	23.42	4.139

Hypotheses Tested

Hypothesis One: The first hypothesis states that ethical leadership will show a positive relationship with employee well-being.
To test hypothesis 1 Pearson product moment correlation coefficient was computed and the results are provided in Table 1.2.

Table 1.2: Relationship between Predictors and Criterion Variables

Variables	Mean	1	2	3	4
Ethical Leadership	(37.94)	1.0			
Job Satisfaction	(12.16)	.442**	1.0		
Employee Voice	(23.42)	.534**	.644**	1.0	
Employee Well-being	(13.13)	.635**	.728**	.651**	1.0

**. The correlation is significant at the 0.01 level (2-tailed).

The analysis of Table 1.2 is based on the results of the Pearson correlation coefficients showing the relationship between several variables. Before analysing the relationships between the independent variable (Ethical leadership) and the dependent variable (Employee well-being), it is important to address the relationships between other variables. It is also noteworthy that all relationships were valued at the 0.01 level of significance which means that the findings were significant at 99% with a 1% chance of error. There was a significant relationship between ethical leadership and job satisfaction (r= .442) while a positive relationship existed between ethical relationships and employee voice (r= .534) and as well as job satisfaction and employee voice (r = .644). For the research hypotheses, Table 1.3 shows that the relationship between ethical relationship and employee well-being (r =.636) was significant. Hence, *hypothesis one is accepted.* The relationship is positive and strong which means that an increase in ethical leadership correlates with an increase in employee wellbeing.

Hypothesis Two: Job satisfaction mediates the relationship between ethical leadership and employee well-being.

Furthermore, hypothesis 2 was examined by performing a correlation and regression analysis in which the relative contribution of the predictor variable (i.e., satisfaction) to the criterion variable (i.e., employee well-being) was examined. The results of the analysis are presented in Table 1.3a to 1.3c.

Table 1.3a. **Regression analysis of the predictor variables to the prediction of the criterion variable**

Multiple R	R^2	Adjusted R^2	Std Error Change	R^2 change
.82	.67	.64	1.44	.67

1.3b Summary of ANOVA Table

Model	Sum of Squares	df	Mean Square	F	Sig
Regression	1532.62	3	510.872	245.79	<.001
Residual	765.19	368	2.079		
Total	2297.81	371			

1.3c Relative Contribution of Predictor Variables to the Criterion Variable (Employee Wellbeing)

	β	SE	Lower Interval	Upper Interval	t	p
			95% Confidence Interval			
Constant	1.365	.46	.449	2.26	2.94	<.01
Ethical Leadership	.10	.01	.082	.124	9.42	<.01
Job Satisfaction	.45	.04	.377	.527	11.83	<.01

Outcome Variable: EWB (Employee Wellbeing)

Table 1.3c shows the contribution of the predictor variables ethical leadership, job satisfaction, and employee voice on the criterion variable (i.e., Employee well-being). For ethical leadership, results revealed a beta weight of β = .10, at p<.01, which implies that it predicted

10% of the observed variance in employee well-being. Similarly, job satisfaction and employee voice yielded beta weights of $\beta = .45$ and $\beta = .10$ at p<.01. The results also clearly indicate that nearly 45% and 10% of the observed variance in employee well-being is accounted for by job satisfaction and employee voice, respectively. The results in Table 1.3a and 1.3b show that the joint influence of ethical leadership, job satisfaction and employee voice yielded a coefficient of variance of multiple regression (R^2) of 0.64 (adjusted). The table also shows that analysis of variance of the multiple regression data yielded an F-ratio of 245.79, which is significant at the 0.01 level. This result suggests that the combination of these three predictor variables accounted for approximately 64% of the observed variance of the employee wellbeing among the sampled participants.

Table 1.4d   Mediation estimates showing the direct and indirect relationship between ethical Leadership, and employee well-being.

	B	**SE**	**Lower Interval**	**Upper Interval**	**t**	**p**
			95% Confidence Interval			
Total Effect	.19	.01	.1704	.21	15.85	<.01
Direct Effect	.12	.01	.09	.14	11.42	<.01
Indirect	.08	-	-	-	-	<.01

Outcome/Criterion Variable: EWB (Employee Wellbeing)

Table 1.4d indicates that ethical leadership has a direct effect on employee well-being (β =.12, t= 11.4, p<.01). The inclusion of job satisfaction as a mediator, had an indirect impact on employee well-being (β =.08, t= 11.4, p<.01). Hence, Hypothesis two is confirmed. This means that job satisfaction mediates the relationship between ethical leadership and employee well-being.

Hypothesis Three: Hypothesis 3 states that job satisfaction and employee voice will jointly mediate the relationship between ethical leadership and employee well-being.

Hypothesis 3 was examined through correlational and linear regression analyses in which the direct and indirect influence of the variables were explored. The results of the analysis are presented in Tables 1.6a and 1.6b, respectively.

Table 1.6a.   Regression analysis of the predictor variables to the prediction of the criterion variable

Multiple R	**R^2**	**Adjusted R^2**	**Std Error Change**	**R^2 change**
.66	.43	.40	1.23	.47

1.6b Summary of ANOVA Table

Model	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig**
Regression	1469.62	3	489.87	131.43	<.001
Residual	689.56	368	1.87		
Total	2159.18	371			

Table 1.6c Relative Contribution of Ethical Leadership, Employee Voice, and Job Satisfaction to Employee Wellbeing

	B	SEB	95% Interval Lower Interval	Confidence Upper Interval	T	p
Constant	1.32	.46	.44	2.26	2.93	<.01
Ethical Leadership	.10	.01	.08	.12	9.42	<.01
Employee Voice	.10	.02	.05	.15	3.95	<.01
Job Satisfaction	.45	.03	.37	.53	11.83	<.01

Outcome/Criterion Variable: Employee Wellbeing

Similarly, Table 1.6a to Table 1.6c show that the use of the three predictor variables (i.e., ethical leadership, employee voice and job satisfaction) to predict employee well-being produced a coefficient of multiple correlation (R^2) of .40 (adjusted). The linear multiple regression analysis data also yielded an associated F-ratio of 131.43, which is significant at the .01 level. Table 1.6c shows the standardized regression weight (beta = β), the standard error estimate (SEB), the T-ratio and the level at which the T-ratio was significant for each predictor variable. As indicated in the Table, the T-ratios associated with ethical leadership, employee voice and job satisfaction were all significant at the .01 level.

Table 1.6d Mediation estimates showing the direct and indirect relationships between ethical leadership, and employee well-being

	B	SE	95% Interval Lower Interval	Confidence Upper Interval	t	p
Total Effect	.19	.01	.1704	.21	15.85	<.01
Direct Effect	.10	.01	.08	.12	9.42	<.01
Indirect	.03	-	-	-	-	<.01

Outcome/Criterion Variable: (Employee Wellbeing)

Table 1.6d indicates that ethical leadership has a direct effect on employee well-being (β =.10, t= 11.4, p<.01). The inclusion of job satisfaction and employee voice as mediators, had an indirect impact on employee well-being (β =.03, p<.01). Hence, Hypothesis three is confirmed. This means that job satisfaction and employee voice jointly mediate the relationship between ethical leadership and employee well-being.

DISCUSSION

The results of the present study reveal that there is a significant positive correlation between ethical leadership and employee well-being, which is consistent with previous studies highlighting the beneficial impact of ethical leadership on employee outcomes as reported by Lee, Kawangit, & Yazid (2019), Eisenbeiss & Van-Knippenberg (2019), Resick et al,. (2016)

and O'Keefe et al,. (2019). Ethical leadership is linked to increased levels of trust, equity, and ethical behaviour inside the organization, resulting in enhanced employee well-being. The results of the study affirm that ethical leaders, through fostering a supportive and equitable work atmosphere, greatly improve the general welfare of their employees, thereby verifying hypothesis 1. The results indicated a strong and positive association between ethical leadership and employee well-being, as shown by a correlation coefficient of 0.635 ($p < 0.01$). These findings indicate that employees who view their leaders as ethical are more prone to experiencing elevated levels of well-being. This positive correlation is consistent with previous research, which highlights that ethical leadership fosters a supportive and equitable work atmosphere, reducing stress and improving overall employee welfare (Brown et al., 2005; Mayer et al., 2012). Through the establishment of clear ethical guidelines and the display of unwavering integrity, ethical leaders cultivate trust and admiration among their subordinates, thus enhancing their overall emotional, psychological, and physical well. These findings emphasize the crucial importance of ethical leadership in establishing a conducive work environment in the financial sector, where ethical issues and stress are widespread.

The second hypothesis which suggested that job satisfaction acts as a mediator in the relationship between ethical leadership and employee well-being, was confirmed. The results of the mediation analysis reveal a statistically significant indirect impact ($\beta = .08$, $p < .01$) of ethical leadership on employee well-being, mediated by job satisfaction. This study aligns with the theoretical assumption of social exchange theory (Homans, 1947; 1950; 1974; 1983), which posits that when leaders provide ethical treatment, it results in a reciprocal rise in job satisfaction, ultimately enhancing employee well-being (Homans, 1974; and Homans, 1983). This finding highlights the significance of job satisfaction as a crucial method by which ethical leadership has a favourable effect on employee well-being as reported by several studies (i.e., Sivapragasam & Raya, 2017; Tshisa & Van der Walt, 2022; Shrivastava & Shrivastava, 2020; Deng, Huang, Cheung, & Zhu, 2021).

For the extent to which the mediating variables (i.e., job satisfaction and employee voice) together influence the relationship between ethical leadership and the prediction of employee well-being, the values of the T-ratio associated with respective variables, as shown in Table 1.6d, indicate that ethical leadership, job satisfaction and employee voice each contributed significantly to the prediction of employee well-being. The values of the standardized regression weights associated with these variables (i.e., $\beta = .10$; $\beta = .10$ and $\beta = .45$) indicate that job satisfaction is the most potent contributor to the prediction of employee well-being. Ethical leadership fosters a workplace atmosphere that cultivates employees' sense of worth and attentiveness, resulting in increased job contentment and satisfaction, as well as a heightened inclination to voice their viewpoints and recommendations. This likely has improved employee well-being. Moreover, collective mediating influence emphasizes the crucial functions of job satisfaction and employee voice as channels through which ethical leadership has a beneficial influence on employee well-being. This finding is consistent with the findings reported by Alshammari et al,. (2015), and Ho & Kuvaas, (2019) that employees who see their leaders as ethical are more likely to experience job satisfaction as a result of the just and supportive work environment fostered by ethical leadership. Increased job satisfaction results in enhanced well-being as employees experience more appreciation, motivation, and fulfilment in their positions. These findings emphasize the significance of promoting job satisfaction by practicing ethical leadership as a means to improve employee well-being in the financial industry.

The third hypothesis, which examined the combined influence of ethical leadership and employee voice on the relationship between job satisfaction and employee well-being was also confirmed. Both factors had a major role in mediating this association, as ethical leadership had a favourable impact on job satisfaction ($r = 0.442$, $p < 0.01$) and employee voice ($r = 0.534$, $p < 0.01$), thereby leading to an improvement in employee well-being. Ethical leaders promote transparent communication and the articulation of viewpoints, fostering employee engagement and enhancing feelings of empowerment and job contentment (see, Jungst et al., 2022; Brewer et al., 2016; Tahernejad, Seyed, Raja, Ariffin & Babaei, 2015). The collective mediating impact emphasizes the significance of ethical leadership in cultivating an environment where employees see themselves as esteemed, listened to, and content, resulting in enhanced well-being (Eisenbeiss & van Knippenberg, 2019). The results indicate that advocating for ethical leadership practices in the financial industry may establish a favourable workplace atmosphere that fosters both job contentment and employee expression, thus improving employee welfare. Ethical leadership has a direct and indirect positive impact on well-being by promoting job satisfaction and empowering employees to express their opinions and concerns. The results underscore the need to advocate for ethical leadership strategies in order to establish a nurturing work atmosphere that bolsters employee welfare. It is essential to cater to the unique requirements of employees in various job roles and promote a culture of transparent communication to enhance well-being outcomes in the financial industry.

Conclusion

The ethical qualities of leaders such as fairness, integrity, and the ability to make ethical decisions, have a positive impact on the well-being of employees in the workplace. This stresses the need for financial sector organizations to prioritize ethical leadership to create a supportive and favourable work environment that promotes employee well-being. Second, the study confirms that job satisfaction serves as a vital intermediary factor in the correlation between ethical leadership and employee well-being. Employees who view their leaders as ethical are more inclined to have increased job satisfaction, leading to improved emotional, psychological, and physical well-being. This finding implies that interventions focused on improving ethical leadership practices might indirectly enhance employee well-being by increasing job satisfaction. Organizations may gain advantages by allocating resources to leadership training programs that prioritize ethical values and practices, hence fostering more content and efficient staff. Finally, the study demonstrates that ethical leadership has a combined effect on employee well-being via the mediating factors of job satisfaction and employee voice. Leaders who uphold ethical standards and promote transparent communication, while also empowering employees to express their viewpoints, create a work environment that not only improves job satisfaction but also enhances overall well-being. This highlights the need to establish a collaborative company culture in which employees feel appreciated and empowered to make important

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