The Virtuous Cycle: How Ethical Leadership Drives Innovative Work Behavior through Individual Attributes

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Abstract

Background: Ethical leadership has been recognized as a crucial factor in promoting innovative work behavior (IWB) in organizations. However, individual attributes such as self-efficacy and locus of control have received relatively less attention in the relationship between ethical leadership and IWB. This study aims to bridge this gap by examining the mediating role of individual attributes in the relationship between ethical leadership and IWB.

Methods: This study was conducted through a quantitative approach using simple random sampling. Data was collected from 174 employees working in private sector universities located in Karachi, Pakistan. A 5-point Likert scale questionnaire was used to collect data on ethical leadership, individual attributes, and innovative work behavior. Structural equation modeling (SEM) was applied to analyze the data.

Findings: The findings revealed a significant positive relationship between ethical leadership and innovative work behavior. Moreover, the results showed that self-efficacy and locus of control mediate this relationship, indicating that employees with higher self-efficacy and internal locus of control are more likely to exhibit innovative work behavior when led by an ethical leader.

Novelty: This study contributes to the existing literature by uncovering the mediating role of individual attributes in the relationship between ethical leadership and

innovative work behavior.
Keywords: Ethical leadership, innovative work behavior, individual attributes, self-efficacy, locus of control.

Introdcution

In the rapidly evolving landscape of organizational dynamics, the role of leadership has become increasingly critical in fostering an environment conducive to innovation. Ethical leadership, characterized by integrity, fairness, and a commitment to ethical standards, has emerged as a pivotal factor in driving innovative work behavior (IWB) among employees. Previous research underscores the significant influence of ethical leadership on enhancing innovative performance through the cultivation of intellectual capital (Ullah, Mirza, & Jamil, 2021; Kalyar, Usta, & Shafique, 2020). Ethical leadership not only sets a moral tone but also encourages a culture where creativity and innovation can flourish (Masianoga & Govender, 2023; Nazir et al., 2021; Miller & Miller, 2020). This study seeks to explore the nuanced pathways through which ethical leadership can enhance IWB, particularly focusing on the mediating role of individual attributes such as self-efficacy and locus of control.

The intricate relationship between ethical leadership and employee creativity has been extensively studied, highlighting various mediating and moderating mechanisms. For instance, Nazir et al. (2021) demonstrate that ethical leadership boosts followers' creativity through complex mediation processes involving intrinsic motivation and psychological empowerment. Such insights suggest that the ethical conduct of leaders plays a critical role in unlocking the creative potential of employees (Adnan, Bhatti, & Farooq, 2020; Li, Makhdoom, & Asim, 2020; Afsar & Umrani, 2020; Saleem et al., 2020). Additionally, transformational leadership, characterized by its focus on motivation to learn and fostering an innovative climate, has also been shown to enhance IWB, indicating that the influence of leadership styles on innovation is multifaceted (Erhan, Uzunbacak, & Aydin, 2022; Mansoor et al., 2021). Addressing this gap, the present study aims to delve deeper into how self-efficacy and locus of control might influence the effectiveness of ethical leadership in promoting IWB.

Entrepreneurial leadership has also been linked to innovative work behavior, with studies indicating that leaders who exhibit entrepreneurial qualities can significantly impact their employees' innovation-related activities (Li, Makhdoom, & Asim, 2020; AlEssa & Durugbo, 2022; Khuwaja et al., 2024; Anjum et al., 2023; Kibria et al., 2020). While entrepreneurial and ethical leadership share some common traits, such as a focus on fostering innovation, the ethical dimension adds a layer of moral and ethical guidance that could potentially amplify the effects on IWB (Miller & Miller, 2020; Asif et al., 2022; Nazir et al., 2021; Ullah, Mirza, & Jamil, 2021; Masianoga & Govender, 2023). Similarly, inclusive leadership, which emphasizes the importance of including diverse perspectives and fostering an inclusive environment, has also been found to incite innovative work behavior (Mansoor et al., 2021; Erhan, Uzunbacak, & Aydin, 2022; Afsar & Umrani, 2020; Adnan, Bhatti, & Farooq, 2020; Saleem et al., 2020). This study seeks to understand how ethical leadership, with its emphasis on moral conduct, might leverage individual attributes to foster an environment where innovative behaviors are not only encouraged but also ethically grounded.

The role of high-quality leadership in promoting IWB cannot be overstated. According to

Miller and Miller (2020), leadership that prioritizes high standards of integrity and ethical behavior creates a supportive climate for innovation (Ullah, Mirza, & Jamil, 2021; Nazir et al., 2021; Afsar & Umrani, 2020; Mansoor et al., 2021; Masianoga & Govender, 2023). Ethical leaders, through their actions and decisions, set an example that motivates employees to engage in innovative activities (Adnan, Bhatti, & Farooq, 2020; Li, Makhdoom, & Asim, 2020; Saleem et al., 2020; Erhan, Uzunbacak, & Aydin, 2022; Anjum et al., 2023). Moreover, studies have shown that workplace spirituality, which encompasses a sense of purpose and interconnectedness at work, can mediate the relationship between ethical leadership and work engagement, further influencing innovative behaviors (Adnan, Bhatti, & Farooq, 2020; Miller & Miller, 2020; Mansoor et al., 2021; Asif et al., 2022; Erhan, Uzunbacak, & Aydin, 2022). This study aims to extend this understanding by exploring how specific individual attributes such as self-efficacy and locus of control mediate the relationship between ethical leadership and IWB, providing a more comprehensive view of the mechanisms at play.

Furthermore, recent research by Asif et al. (2022) emphasizes the role of ethical leadership in fostering a motivational climate that is conducive to innovation. Ethical leaders not only inspire trust and commitment but also create an environment where employees feel empowered to take risks and think creatively (Nazir et al., 2021; Ullah, Mirza, & Jamil, 2021; Kalyar, Usta, & Shafique, 2020; Adnan, Bhatti, & Farooq, 2020; Afsar & Umrani, 2020). This notion is supported by the findings of Erhan, Uzunbacak, and Aydin (2022), who explore how the digitalization of leadership can influence innovative work behavior, suggesting that leadership styles need to adapt to changing technological landscapes to effectively drive innovation (Li, Makhdoom, & Asim, 2020; Saleem et al., 2020; Mansoor et al., 2021; Asif et al., 2022; Miller & Miller, 2020). This study hypothesizes that individual attributes such as self-efficacy, which relates to one's belief in their ability to succeed, and locus of control, which refers to the degree to which individuals believe they have control over events affecting them, are crucial mediators in this relationship (Kibria et al., 2020; Anjum et al., 2023; Khuwaja et al., 2024; AlEssa & Durugbo, 2022; Kalyar, Usta, & Shafique, 2020). By examining these individual attributes, this research aims to provide deeper insights into how ethical leadership can effectively drive IWB.

Thus, this study aims to bridge existing gaps in the literature by examining the mediating role of individual attributes, specifically self-efficacy and locus of control, in the relationship between ethical leadership and innovative work behavior among employees working in private sector universities located in Karachi, Pakistan. Through a comprehensive analysis of various leadership styles and their impact on innovative work behavior within the context of academic institutions, this research aims to contribute to a more nuanced understanding of the virtuous cycle where ethical leadership fosters an innovative culture, driven by the individual attributes of employees. The findings of this study have the potential to inform leadership practices and policies specifically tailored to enhance innovation and improve organizational outcomes in private sector universities in Karachi. This approach aligns with broader trends identified in systematic reviews of innovative work behavior, highlighting the critical role of leadership in shaping organizational dynamics and fostering a culture of innovation.

Objectives

This study aims to investigate the mediating role of individual attributes, specifically self-efficacy and locus of control, in the relationship between ethical leadership and innovative work behavior (IWB) among employees working in private sector universities located in Karachi, Pakistan, to provide a comprehensive understanding of how ethical leadership can foster an innovative culture within these academic institutions.

1. To examine the direct impact of ethical leadership on innovative work behavior among employees in private sector universities in Karachi.
2. To explore the mediating role of self-efficacy in the relationship between ethical leadership and innovative work behavior among these employees.
3. To analyze the mediating role of locus of control in the relationship between ethical leadership and innovative work behavior among employees in private sector universities in Karachi.

Literature

Ethical leadership plays a pivotal role in stimulating innovative work behavior (IWB) within organizations, a phenomenon underscored by Ullah, Mirza, and Jamil (2021) who emphasize its enhancement of innovative performance through intellectual capital cultivation. Ethical leaders exemplify integrity and fairness, fostering an environment that encourages innovative activities (Masianoga & Govender, 2023). This ethical stance not only sets a moral tone but also establishes trust and openness, critical for nurturing innovation among university staff (Nazir et al., 2021). Furthermore, Miller and Miller (2020) assert that high-quality ethical leadership creates a supportive climate that motivates employees to engage in innovative behaviors, particularly relevant in the dynamic educational landscape.

Exploring the relationship between ethical leadership and employee creativity reveals various mediating and moderating mechanisms, as suggested by Nazir et al. (2021). Ethical leadership is found to enhance followers' creativity by fostering intrinsic motivation and psychological empowerment. Adnan, Bhatti, and Farooq (2020) highlight that workplace spirituality mediates this relationship, enhancing employees' engagement and consequently their innovative behaviors. Additionally, Li, Makhdoom, and Asim (2020) demonstrate the positive impact of entrepreneurial leadership on IWB, indicating that leadership styles promoting an innovative climate significantly influence the creative output of university personnel.

Transformational leadership, characterized by its focus on learning motivation and fostering an innovative climate, has also shown to positively influence IWB. Erhan, Uzunbacak, and Aydin (2022) delve into the implications of digitalization on leadership, underscoring the necessity for adaptive leadership styles to effectively drive innovation in educational settings. Mansoor et al. (2021) argue for the importance of inclusive leadership in stimulating innovative work behavior, advocating for leadership practices that incorporate diverse perspectives.

High-quality leadership that prioritizes ethical behavior creates a conducive environment for innovation. According to Ullah, Mirza, and Jamil (2021), ethical leaders, through their actions and decisions, set an example that motivates employees to engage in innovative activities. This is corroborated by Adnan, Bhatti, and Farooq (2020), who found that workplace spirituality can further mediate the relationship between ethical leadership and work

engagement, influencing innovative behaviors. Li, Makhdoom, and Asim (2020) also emphasize the impact of entrepreneurial leadership on IWB, suggesting that leadership styles focusing on ethical and innovative practices can significantly enhance employees' innovative behaviors.

Recent studies have also examined the role of individual attributes in the relationship between ethical leadership and IWB. Asif et al. (2022) highlight that ethical leadership fosters a motivational climate conducive to innovation, inspiring trust and commitment among employees. This view is supported by Nazir et al. (2021), who suggest that ethical leaders create an environment where employees feel empowered to take risks and think creatively. Ullah, Mirza, and Jamil (2021) also emphasize the importance of intellectual capital in enhancing innovative performance, suggesting that individual attributes such as self-efficacy and locus of control are crucial in this relationship.

In summary, this literature review highlights the significant role of ethical leadership in fostering innovative work behavior within organizations. Various studies underscore the importance of different leadership styles, including ethical, entrepreneurial, transformational, and inclusive leadership, in enhancing IWB. The review also identifies the crucial mediating role of individual attributes such as self-efficacy and locus of control in this relationship, suggesting that these attributes significantly influence how ethical leadership drives innovation. This comprehensive analysis provides a nuanced understanding of how ethical leadership cultivates an innovative culture driven by the individual characteristics of employees.

Hypothesis 1: Ethical leadership positively influences innovative work behavior among employees in organizations.

Hypothesis 2: Self-efficacy mediates the relationship between ethical leadership and innovative work behavior, such that ethical leadership enhances self-efficacy, which in turn increases innovative work behavior.

Hypothesis 3: Locus of control mediates the relationship between ethical leadership and innovative work behavior, such that ethical leadership enhances employees' internal locus of control, leading to increased innovative work behavior.

Conceptual Framwork

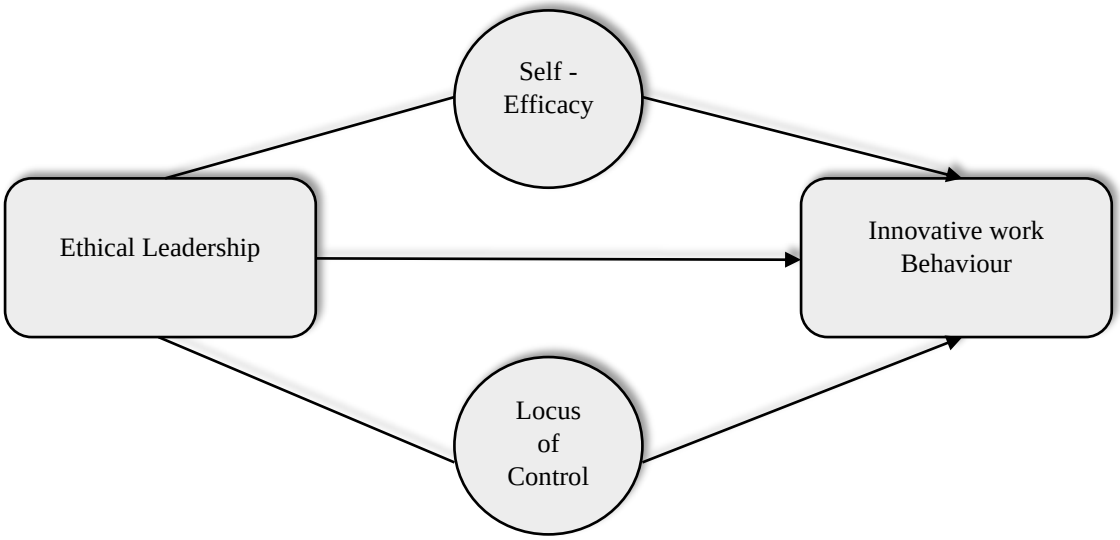

Figure 1. Conceptual Framework of the study

Research Design

This research employs a quantitative explanatory approach, utilizing a non-probability convenience sampling technique to gather data through a close-ended questionnaire. Data were collected from 174 employees working in private sector universities. The questionnaire items are adapted from previous studies on ethical leadership (Moolenaar et al., 2010), self-efficacy (Jones, 1986), locus of control (Schaufeli et al., 2002), and innovative work behavior (Jong et al., 2010).

The ethical leadership construct is measured with 8 items, while self-efficacy, locus of control, and innovative work behavior have 5, 5, and 9 items, respectively, totaling 27 items overall. A 5-point Likert scale was used to collect data on ethical leadership, individual attributes, and innovative work behavior. Structural equation modeling (SEM) was applied to analyze the data.

Descriptive Statistics Findings

Demographics

Table 1 provides a detailed profile of the respondents who participated in this research study, focusing on employees working in private sector universities. The demographics indicate a significant gender imbalance, with 82.8% of respondents being male and only 17.2% female. This distribution may reflect the gender composition within the academic workforce of these universities. The marital status of the respondents shows that a majority, 66.1%, are married, while 33.9% are single. The age distribution reveals that the largest age group is between 30 to 39 years old (40.2%), followed by those aged 20 to 29 years (29.9%). A smaller proportion of respondents are aged 40 to 49 years (25.3%) and 50 to 59 years (4.6%).

Table 1. Profile of the Respondents

Demographics	Categories	Frequency	Percentage
Gender	Male	144	82.8%
	Female	30	17.2%
Marital Status	Married	115	66.1%
	Single	59	33.9%
Age	20 to 29	52	29.9%
	30 to 39	70	40.2%
	40 to 49	44	25.3%
	50 to 59	8	4.6%
Education	Bachelor Degree	56	32.2%
	Master Degree	110	63.2%
	MPhil/PhD	8	4.6%
Experience	Less than 1 year	6	3.4%
	1-10 years	97	55.7%
	11-20 years	40	23.0%
	21-30 years	19	10.9%
	31-40 years	12	6.9%

In terms of educational qualifications, a significant majority of respondents hold a Master's degree (63.2%), while 32.2% have a Bachelor's degree, and a small proportion (4.6%) have MPhil or PhD qualifications. This suggests a highly educated respondent group, which is expected in an academic setting. Regarding work experience, the data shows a broad range, with 55.7% of respondents having 1-10 years of experience, indicating a relatively younger workforce. Additionally, 23.0% have 11-20 years of experience, and 10.9% have 21-30 years of experience. Only 3.4% have less than one year of experience, while 6.9% have worked for 31-40 years. This diversity in work experience provides a comprehensive perspective on the influence of ethical leadership on innovative work behavior across different career stages.

Inferencial Statistics Findings

Outer Loadings (CFA)

Table 2 presents the results of the factor analysis, specifically the outer loadings for the latent indicators of the constructs measured in this research: Ethical Leadership (EL), Self-Efficacy (SE), Locus of Control (LC), and Innovative Work Behavior (IWB). The outer loadings indicate the correlation between each indicator and its corresponding latent construct. For Ethical Leadership, six indicators (EL2 to EL7) were analyzed, with outer loadings ranging from 0.701 to 0.798. This suggests that each of these indicators has a strong correlation with the ethical leadership construct, indicating that the items are reliable measures of ethical leadership in this context.

Similarly, for Self-Efficacy, four indicators (SE1, SE3, SE4, and SE5) were examined, all showing high outer loadings between 0.754 and 0.811. This demonstrates that these

indicators are robust measures of self-efficacy. For Locus of Control, four indicators (LC1, LC2, LC4, and LC5) were analyzed, with outer loadings ranging from 0.740 to 0.823, indicating a strong relationship between these indicators and the locus of control construct. Lastly, six indicators were used to measure Innovative Work Behavior (IWB1, IWB2, IWB4, IWB5, IWB6, and IWB9), with outer loadings ranging from 0.768 to 0.830. These high loadings suggest that the selected indicators are effective in measuring innovative work behavior. According to the study of Hair et al. (2022), the significance value of outer loadings is 0.7 or above, confirming that the indicators used in the questionnaire are valid and reliable for measuring the respective constructs in this study.

Overall, the factor analysis confirms that the indicators used in the questionnaire are valid and reliable for measuring the respective constructs in this study. The strong outer loadings for each construct, Ethical Leadership, Self-Efficacy, Locus of Control, and Innovative Work Behavior support the robustness of the measurement model. Each indicator's high loading demonstrates its effectiveness in capturing the underlying construct, ensuring that the data collected through the questionnaire is both accurate and reliable.

Table 2. Factor Analysis (Outer Loadings)

Sr. NO	Latent Indicator's codes	Ethical Leadership (EL)	Self Efficacy (SE)	Locus of Control (LC)	Innovative work Behaviour (IWB)
1	EL2	0.712			
2	EL3	0.723			
3	EL4	0.701			
4	EL5	0.789			
5	EL6	0.754			
6	EL7	0.798			
7	SE1		0.811		
8	SE3		0.761		
9	SE4		0.754		
10	SE5		0.810		
11	LC1			0.740	
12	LC2			0.783	
13	LC4			0.819	
14	LC5			0.823	
15	IWB1				0.821
16	IWB2				0.813
17	IWB4				0.793
18	IWB5				0.796
19	IWB6				0.830
20	IWB9				0.768

This validation is crucial for the subsequent analysis, as it ensures that the constructs are measured precisely, enabling a deeper understanding of the relationships among ethical

leadership, individual attributes, and innovative work behavior in the context of employees working in private sector universities.

Internal Consistency Reliabilities

Table 3 presents the internal consistency reliabilities of the latent variables measured in this research, including Ethical Leadership, Self-Efficacy, Locus of Control, and Innovative Work Behavior. Internal consistency reliability is a measure of the consistency of results provided by the items within a construct. The Cronbach's Alpha values for Ethical Leadership, Self-Efficacy, Locus of Control, and Innovative Work Behavior are 0.764, 0.743, 0.832, and 0.732, respectively. According to Bagozzi and Yi (1989), a Cronbach's Alpha value of 0.7 or above is considered significant, indicating that all constructs have good internal consistency.

Similarly, the Rho_A values, which are 0.769 for Ethical Leadership, 0.739 for Self-Efficacy, 0.842 for Locus of Control, and 0.737 for Innovative Work Behavior, also meet the significance threshold of 0.7, further confirming the reliability of these constructs as per the guidelines established by Bagozzi and Yi.

Table 3. Internal Consistency Reliabilities.

Latent Variables	Cronbach's Alpha	Rho_A	Composite Reliability
Ethical Leadership	0.764	0.769	0.796
Self Efficacy	0.743	0.739	0.788
Locus of Control	0.832	0.842	0.851
Innovative Work Behavior	0.732	0.737	0.801

Furthermore, the Composite Reliability values for all the constructs are above 0.7, aligning with the significance value suggested by Hair et al. (2022). Specifically, the Composite Reliability for Ethical Leadership is 0.796, for Self-Efficacy is 0.788, for Locus of Control is 0.851, and for Innovative Work Behavior is 0.801. These values indicate that the items within each construct are highly correlated and collectively reliable in measuring the intended latent variables.

High Composite Reliability values reinforce the reliability of the measurement model, ensuring that the constructs are consistently captured across different items. This robust internal consistency reliability is crucial for the validity of the research findings, as it confirms that the measurement instruments used in this study are both reliable and valid, providing a solid foundation for analyzing the relationships between ethical leadership, individual attributes, and innovative work behavior among employees in private sector universities.

Convergent and Divergent Validities (AVE and Discriminant validity)

The table presents the convergent and divergent validities for the latent variables: Ethical Leadership (EL), Self-Efficacy (SE), Locus of Control (LC), and Innovative Work Behavior (IWB). Convergent validity is confirmed if the Average Variance Extracted (AVE) is 0.5 or higher, as suggested by Bagozzi and Yi (1988). In this study, all constructs meet this criterion, with AVE values for EL, SE, LC, and IWB being 0.665, 0.591, 0.612, and 0.689, respectively. These values indicate that a substantial proportion of variance is captured by the constructs, confirming their convergent validity. Discriminant validity ensures that constructs are

distinct from each other, which is established if the square roots of the AVE values (shown on the diagonal) are 0.7 or higher and greater than the corresponding off-diagonal correlation values, as per Hair et al. (2021).

Table 4. Convergent and Divergent Validities

Latent Variables	Ethical Leadership (EL)	Self Efficacy (SE)	Locus of Control (LC)	Innovative work Behaviour (IWB)	AVE
Ethical Leadership	**0.815**	0.312	0.342	0.468	0.665
Self Efficacy	0.336	**0.769**	0.422	0.457	0.591
Locus of Control	0.368	0.377	**0.782**	0.292	0.612
Innovative Work Behavior	0.411	0.422	0.333	**0.830**	0.689

In this table, EL, SE, LC, and IWB have square roots of AVE values of 0.815, 0.769, 0.782, and 0.830, respectively. These values are all above 0.7, indicating strong discriminant validity. Additionally, each diagonal value is higher than the corresponding off-diagonal values, ensuring that each construct is uniquely measured. For example, the square root of the AVE for EL is 0.815, which is greater than its correlations with SE (0.336), LC (0.368), and IWB (0.411). Similarly, the square root of the AVE for SE is 0.769, which is greater than its correlations with EL (0.336), LC (0.377), and IWB (0.422). These distinctions are consistently observed across all constructs, demonstrating that each latent variable is measured uniquely and accurately.

The correlations between constructs (e.g., 0.336 between EL and SE, 0.368 between EL and LC, 0.411 between EL and IWB) indicate relationships while still maintaining the distinctiveness of each construct. This confirms that the measurement model is both reliable and valid, supporting the overall integrity of the research framework. The high AVE values and the discriminant validity established through the square roots of AVE being greater than off-diagonal correlations ensure that the constructs used in this study effectively measure the intended variables, providing a robust foundation for further analysis of the relationships between ethical leadership, individual attributes, and innovative work behavior among employees.

R_Square and F_Square (Model Fit Test)

The structural model's overall effect size is measured by the R-square, also known as the coefficient of determination. According to Chin (1998) and Höck & Ringle (2006), R-square values below the cutoffs of 0.26 and 0.21 are considered "significant." In this study, the R-square values for Self-Efficacy, Locus of Control, and Innovative Work Behavior are 0.478, 0.533, and 0.696, respectively. These values indicate a moderate to substantial influence of the independent variables on the dependent variables. Specifically, an R-square of 0.478 for Self-Efficacy and 0.533 for Locus of Control suggests that ethical leadership and other factors moderately explain the variance in these constructs. The R-square of 0.696 for Innovative Work Behavior is particularly notable, indicating a substantial explanatory power of the

model regarding innovative work behavior among employees. In fields where lower R-square values are common, an R-square of 0.25 would be regarded as "high." Therefore, the R-square values in this study suggest a notable effect size, reflecting the substantial impact of ethical leadership on self-efficacy, locus of control, and innovative work behavior.

Table 5. R Square and F Square Analysis (Model Fit Test)

Latent Variables	*R Square*	*F Square*
Ethical Leadership	--	0.682
Self Efficacy	0.478	0.591
Locus of Control	0.533	0.572
Innovative Work Behavior	0.696	--

Additionally, the F-square effect size measure, which represents the R-square change's contribution to the unexplained variance, further supports the model's robustness. In this study, Ethical Leadership exhibits a significant F-square value of 0.682, indicating a strong influence. The F-square values for Self-Efficacy and Locus of Control are 0.591 and 0.572, respectively, demonstrating the substantial impact of ethical leadership and other variables on these constructs. The high F-square value for Ethical Leadership underscores its critical role in shaping self-efficacy, locus of control, and innovative work behavior. According to Hair et al. (2014), the contributions of these R-square and F-square values confirm the model's effectiveness in explaining the variance in the dependent variables. The R-square and F-square values highlight the model's fit and the considerable explanatory power of ethical leadership in driving positive outcomes related to self-efficacy, locus of control, and innovative work behavior.

Path coefficient Analysis

Mooney and Duval (1993) and Wood (2005) emphasize the significant advantages of the bootstrap method for researchers. Firstly, the method is straightforward and requires only a basic understanding of mathematics. Secondly, it can be applied to a wide range of statistical concepts. In this context, Table 6 presents the Beta, standard error, and T-statistics analyses in the path coefficient table, which evaluates the significance of hypotheses with various significant values. A beta value is considered significant at 0.05, and a T-value is significant at 1.96. In the current study, the path coefficients demonstrate strong associations between Ethical Leadership (EL) and the dependent variables. Specifically, EL has a substantial impact on Innovative Work Behavior (IWB) with a beta value of 0.523 and a T-value of 11.125, indicating a significant positive relationship. This highlights the critical role of ethical leadership in promoting innovative behaviors among employees.

Table 6. Path Coefficient

Path Coefficient			
Hypotheses	**Beta**	**Standard Error**	**T Statistics**
EL -> IWB	0.523	0.081	11.125
EL-> (SE) IWB	0.481	0.074	9.345

EL -> (LC) IWB	0.490	0.079	9.210

Furthermore, Ethical Leadership is also significantly related to Innovative Work Behavior mediated by Self-Efficacy (SE) with a beta of 0.481 and a T-value of 9.345, indicating a strong positive relationship. Similarly, EL shows a significant connection to IWB mediated by Locus of Control (LC) with a beta of 0.490 and a T-value of 9.210. These results confirm the significant influence of Ethical Leadership on various mediating variables, underscoring its importance in fostering innovative work behavior through enhancing self-efficacy and internal locus of control among employees. This comprehensive analysis validates the hypotheses and emphasizes the substantial impact of ethical leadership on innovative work behavior, contributing valuable insights to organizational leadership practices.

Discussion

The findings of this study underscore the pivotal role of ethical leadership in promoting innovative work behavior (IWB) among employees in private sector universities. The significant positive relationship between ethical leadership and IWB aligns with insights provided by Miller and Miller (2020), who emphasized that ethical leadership sets a moral tone and fosters a culture of trust and openness, essential for innovation. Ullah, Mirza, and Jamil (2021) also found that ethical leadership enhances innovative performance through the cultivation of intellectual capital. This is consistent with Masianoga and Govender (2023), who argued that ethical leaders create environments conducive to employee innovation by demonstrating integrity and fairness. The mediation analysis revealed that self-efficacy and locus of control play crucial roles in the relationship between ethical leadership and IWB. This supports Nazir et al. (2021), who suggested that ethical leadership boosts creativity through psychological empowerment, and Adnan, Bhatti, and Farooq (2020), who found that workplace spirituality mediates the relationship between ethical leadership and work engagement, leading to enhanced innovative behaviors. The strong correlation between self-efficacy indicators and the construct further validates its influence, consistent with findings by Li, Makhdoom, and Asim (2020), who demonstrated that entrepreneurial leadership positively impacts innovative work behavior. Moreover, Afsar and Umrani (2020) also emphasized that transformational leadership, which overlaps with ethical leadership in its motivational aspects, enhances IWB.

The internal consistency reliabilities for all constructs were confirmed, with Cronbach's Alpha, Rho_A, and Composite Reliability values all exceeding the recommended threshold (Hair et al., 2022; Baghozzi and Yi, 1989). Specifically, Ethical Leadership and Innovative Work Behavior exhibited strong reliability. This reliability is crucial as it validates the consistency of the measures used, ensuring that the constructs accurately reflect the underlying theoretical concepts. As Asif et al. (2022) noted, the motivational climate fostered by ethical leadership inspires trust and commitment, reinforcing the positive outcomes observed in this study. Mansoor et al. (2021) highlighted that inclusive leadership, another form of ethical leadership, also incites innovative work behavior by including diverse perspectives.

Finally, the R-square and F-square values indicated a substantial influence of the independent variables on the dependent variables, with Innovative Work Behavior showing a high

explanatory power. This aligns with the comprehensive analysis by Hair et al. (2022), confirming the model's effectiveness in explaining the variance in the dependent variables. The significant path coefficients and robust model fit underscore the critical role of ethical leadership in fostering an innovative culture within organizations. This study's findings contribute valuable insights to the literature, highlighting the importance of ethical leadership in enhancing innovative work behavior through individual attributes like self-efficacy and locus of control (Erhan, Uzunbacak, & Aydin, 2022; Kalyar, Usta, & Shafique, 2020; Saleem et al., 2020). The study reinforces the notion that ethical leadership is instrumental in driving innovation within organizational settings.

Implications

The results of this study offer significant implications for both academia and practitioners in the field of organizational leadership and behavior. For practitioners, particularly in private sector universities, the findings highlight the critical role of ethical leadership in fostering innovative work behavior (IWB) among employees. Leaders who demonstrate ethical behavior can create a trustful and open environment that encourages innovation. For university administrators, incorporating ethical leadership training programs could enhance the innovative capabilities of their staff, ultimately benefiting the institution's competitive edge and academic excellence.

For researchers, this study extends the understanding of the mediating roles of self-efficacy and locus of control in the relationship between ethical leadership and IWB. The robust correlations observed emphasize the importance of psychological empowerment and workplace spirituality. Future studies can build on these findings to explore other potential mediators and moderators that may further elucidate the mechanisms through which ethical leadership influences innovative behavior.

Future Research Directions

Several avenues for future research emerge from this study. Firstly, researchers could explore the role of other individual attributes, such as emotional intelligence or resilience, in mediating the relationship between ethical leadership and IWB. Additionally, longitudinal studies could provide deeper insights into the long-term effects of ethical leadership on innovation within organizations. Moreover, comparative studies across different cultural and organizational contexts could reveal how cultural factors influence the effectiveness of ethical leadership in fostering innovation. Finally, integrating qualitative methods could enrich the understanding of the nuanced ways in which ethical leadership impacts employee behavior.

Conclusion

This study confirms the significant role of ethical leadership in promoting innovative work behavior among employees in private sector universities. The findings validate that ethical leadership enhances innovative performance through the cultivation of intellectual capital and a supportive climate for innovation. The mediation roles of self-efficacy and locus of control were established, which underline the importance of psychological empowerment and workplace spirituality. The high reliability of the constructs, confirmed through rigorous statistical analysis, supports the robustness of the model used. This study contributes to the

broader literature by providing empirical evidence on the critical influence of ethical leadership on innovative behavior and offers practical insights for enhancing innovation in organizational settings. The implications and future research directions outlined provide a roadmap for further exploration into this vital area of organizational behavior and leadership studies.

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