



The Antecedents and Consequences of Ethical Leadership in Saudi Arabia Labor Market

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Abstract

This study aims to find out the antecedents and consequences of ethical leadership, and to investigate the relationships between transformational leadership, leader conscientiousness, ethical leadership, psychological empowerment, job satisfaction and turnover intention among employees in the Kingdom of Saudi Arabia. The study was carried out in the Saudi labor market in both the public and private sectors. Data was collected from employees using an online questionnaire with a sample of 230 employees which were collected for the purpose of this study and statistically analyzed using SPSS and Amos, where SPSS mainly used for statistical methods such as (standard deviation, mean, reliability analysis and correlation analysis) and for AMOS (conformity factor analysis and path analysis). The results showed that a positive relationship between transformational leadership and ethical leadership, a positive relationship between leader conscientiousness and ethical leadership, a positive relationship between ethical leadership and psychological empowerment, a positive relationship between ethical leadership and job satisfaction and a positive relationship between psychological empowerment and job satisfaction, whereas, the results showed a negative relationship between psychological empowerment and turnover intention and a negative relationship between job satisfaction and turnover intention. These findings highlight the importance of ethical leadership within organizations which is ultimately boosting job satisfaction, leading to improved performance and reducing turnover intention among employees.

Keywords: Ethical Leadership, Transformational Leadership, Leader Conscientiousness, Psychological Empowerment, Job Satisfaction, Turnover Intention..

Introduction

Business organizations play a crucial role in serving individuals and leadership is viewed as a top priority for organizations. According to Hayat Bhatti et al (2020), leadership is defined as the capacity to guide and motivate followers towards shared goals and objectives. Also, leadership should be viewed as a human behaviour that must be guided and regulated by ethical principles (Altahat Atan, 2018). From that point, the concept of ethical leadership emerged and was characterized as following ethical principles in everyday in practical life and decision making processes, in short, ethical leadership means doing what is right. In today's organizations, ethical leadership is more crucial than ever as seeking to foster a workplace environment which built on honesty and reliability. Leaders who exhibit ethical conduct and adhere to moral principles are more likely to motivate their teams, gain their respect and deliver superior results. When it comes to this matter, ethical leadership involves more than just following a set of principles; it also entails demonstrating a positive role model for others to emulate.

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The meaning of ethical leadership is focused on the operational side of business that connects culture and ethical business practices, and effective leaders play a prominent role in promoting ethics within an organization. According to Bubble (2012), ethical leadership is described as the act of guiding employees by upholding values, principles and beliefs that adhere closely to the recognized standards in organizational conduct. In 2005, Brown et al. conducted a study, and was described ethical leadership as “the display of behavior in personal actions and relationships, as well as the encouragement and reinforcement of this behavior to followers through communication, reinforcement, and decision-making”.

Ethical leadership within an organization plays an important role that contributes to the long term success of businesses. Leaders who place a high value on ethics and integrity not only create a conducive work atmosphere that promotes positivity but also establish trust with their employees which leading to a successful outcome in the long run. Employees will truly feel appreciated and motivated when they witness their leaders consistently choosing what is morally upright over what is convenient. This leads to higher levels of engagement and dedication within the organization. Ethical leadership is an important leadership style which enhances employee productivity, drives employees’ commitment, elevates the efficiency of the organization and fosters employee engagement in organizational endeavors to efficiently achieve tasks. On the other hand, the impact of unethical leadership can be detrimental which leads to distrust among employees, tarnish the image of the organization, and unethical conduct can result in financial loss or even bankruptcy. This emphasizes how ethical leadership is crucial for the success and prosperity of any organization. In all, the main aim of this study is to examine the antecedents and consequences of ethical leadership by following the illustrated model (Figure 1).

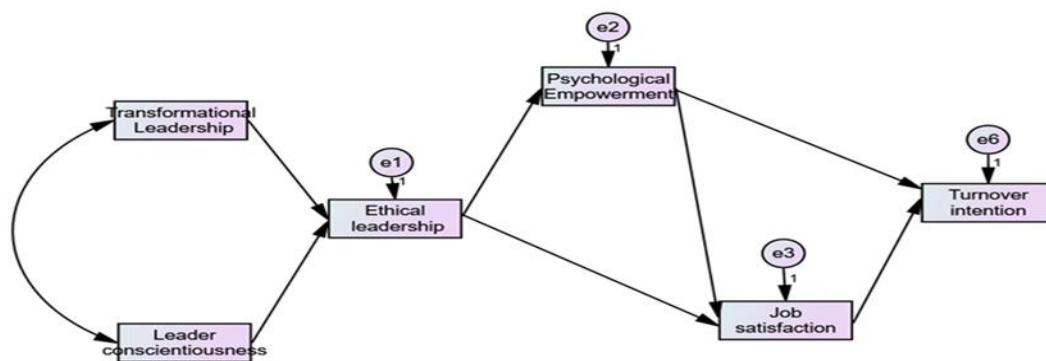


Figure 1. The Research Model

Literature Review and Hypothesis Development

The Relationship between Transformational Leadership and Ethical Leadership

Transformational leadership is characterized by the act of inspiring and motivating individuals to work towards shared objectives by employing charisma, intellectual stimulation, personalized attention, and idealized influence. Transformational leadership inspires followers to accept and participate in order to achieve the vision or perspective offered by the leader, where followers’ motivations go beyond exchanges and rewards and lead to a good teamwork environment (Afshari, 2012). Ethical leadership, on the other hand, can be described as seeking to spread justice by respecting individual characteristics of others, as well as a combination of other qualities such as integrity, trustworthiness, faithfulness, purity, democratic decision-making, and encouraging participation, compassion, and compassionate (Yilmaz & Bokeoglu, 2008). Transformational leadership and ethical leadership are strongly connected concepts within organizational environments. Studies have indicated that transformational leadership with its ability to inspire and motivate followers towards a shared vision, it has been proven to have a positive impact on the ethical behavior of subordinates. Also, the research conducted by Toor and Ofori (2009) clearly demonstrates the correla-

tion between ethical leadership and transformational leadership. Furthermore, ethical leadership serves as a fundamental component of transformational leadership, prioritizing values and actions above mere adherence to rules. Therefore, drawing from these valuable insights, the following hypothesis is proposed:

H1: It is expected that transformational leadership has a positive relationship with ethical leadership.

The Relationship between Leader Conscientiousness and Ethical Leadership

Leader conscientiousness refers to the level at which a leader demonstrates traits such as being self-driven, hardworking, and well-organized in their role. It is characterized by a leader's capacity to be accountable, reliable and concentrated on achieving goals effectively. In 2004, Horn describes a person's conscience as an essential basis for making moral decisions which means that leader conscientiousness is positively associated with ethical leadership. Also, research has shown that leader conscientiousness is linked to their moral reflection which in turn affects employees' perception of ethical leadership. Leader conscientiousness is extremely important in promoting ethical leadership behavior and decreasing turnover intention among employees in organizations. The research conducted by Kalshoven et al (2000) demonstrated that big five personality traits affect ethical leadership, with conscientiousness having the most significant impact on ethical leadership, followed by neuroticism, and lastly, agreeableness. Also, the investigate studies conducted by Özbağ (2016), Nguyen and Tran (2020) indicated that leader conscientiousness has a positive impact on ethical leadership. The positive association between leader conscientiousness and ethical leadership emphasizes the significance of having conscientious traits in promoting ethical leadership in teams and organizations. Thus, considering the impact of leader conscientiousness on ethical leadership, the following hypothesis is formulated:

H2: It is expected that leader conscientiousness has a positive relationship with ethical leadership.

The Relationship between Ethical Leadership and Psychological Empowerment

Psychological empowerment is a subjective process that involves cognition and attitudes that enable individuals to feel capable, efficient and empowered to complete tasks. It is important in organizations that the employees feel psychological empowered to achieve higher levels of performance. Research emphasized that ethical leadership practices play a crucial role in boosting employees psychological empowerment, resulting in higher job satisfaction and decreased turnover intentions. Also, ethical leadership has a positive impact on psychological empowerment by creating a workplace culture centered on trust, fairness and ethical decision-making. In the present study, it has been shown that ethical leaders lead to psychological empowerment in employees. Previous research by Zhu (2008) offers substantial evidence that ethical leadership has a positive impact on psychological empowerment. Ethical leaders are more likely to prioritize the developmental needs of their employees and place them in roles that allow them to experience a sense of meaning at work (May et al 2004). Overall, ethical leadership is absolutely crucial for driving psychological empowerment within an organization, leading to improved outcomes and greater success for employees. Therefore, based on previous studies, the following hypothesis is formulated:

H3: It is expected that ethical leadership has a positive relationship with psychological empowerment.

The Relationship between Ethical Leadership and Job Satisfaction

Job satisfaction is characterized by the extent of fulfillment that employees experience in their roles. It encompasses more than just their daily tasks, extending to include satisfaction with colleagues and supervisors, contentment with organization policies and the influence of their job on their personal well-being. Effective ethical leadership is absolutely essential for the success of every organization, since ethical leaders serve as the cornerstone of trust within the organization by reassuring that employees feel supported (Zaim, Demir, & Budur, 2021). Also, it inspires employees to strive harder for the growth of the organiza-

tion. Whereas an effective organization can ensure employee satisfaction by promoting high levels of work performance within them (Sendjaya, Pekerti, Cooper, Zhu, 2019). Moreover, Brown et al (2005) strongly advocated the significant correlation between ethical leadership and employees' job satisfaction. Overall, ethical leadership is essential for boosting job satisfaction among employees through creating a positive workplace atmosphere, fostering trust in supervisors and organizational commitment, ultimately leading to improved performance and overall satisfaction levels among employees. Thus, considering the influence of ethical leadership on job satisfaction, the following hypothesis is formulated:

H4: It is expected that ethical leadership has a positive relationship with job satisfaction.

The Relationship between Psychological Empowerment and Job Satisfaction

Organizations consistently focus on improving employees' job satisfaction levels as they firmly believe in the direct correlation between workers' productivity and their job satisfaction, and this can be significantly enhanced by offering a range of facilities to the employees (Wan Omar, Hussin, 2013). Employee job satisfaction is widely recognized by numerous researchers as a crucial dependent variable within human resource management. It is imperative to acknowledge that a lack of satisfaction among employees can lead to various detrimental outcomes such as heightened rates of absenteeism, tardiness, employee turnover and acts of sabotage. By fostering psychological empowerment, organizations can greatly enhance job satisfaction, leading to improved overall employee well-being and performance. Research has consistently shown that when employees feel empowered, they are more likely to experience higher levels of job satisfaction. In the majority of research papers, it has been consistently demonstrated that fostering employee empowerment yields a significant and beneficial influence on enhancing employee job satisfaction (Bordin, Bartram, Casimir, 2006; Holdsworth, Cartwright, 2003; Pelit, Öztürk, Arslantürk, 2011). Overall, fostering psychological empowerment in the workplace is crucial as it can result in heightened job satisfaction and stronger organizational commitment. This, in turn, plays a vital role in enhancing employee retention rates and driving overall organizational success. Thus, acknowledging the impact of psychological empowerment on job satisfaction, the following hypothesis is proposed:

H5: It is expected that psychological empowerment has a positive relationship with job satisfaction.

The Relationship between Psychological Empowerment and Turnover Intention

Employee turnover is a critical issue that arises when an employee decides to depart from an organization. In some literature, turnover intention is influenced by two key factors: external and internal factors (Garkovich, 1994). One crucial internal factor influencing employee turnover intentions is psychological empowerment, as highlighted by various researchers (Islam, Munawar, & Bukhari, 2015; Griffeth, Hom & Gardner, 2000; Meyerson & Kline, 2008; Nawawi, Hussain, Ramli, Sulaiman, & Razali, 2015). When employees feel psychologically empowered, this will motivate them to stay in the organization which leads to decrease the turnover intention. Employees who possess a high level of psychological empowerment are equipped with a powerful mindset that significantly influences their satisfaction, dedication, productivity, service delivery, commitment to the organization and retention (Bester, Stander, Van Zyl, 2015). This relationship is significant as it highlights the importance of psychological empowerment in the workplace that enhances the productivity and employee retention. Therefore, based on these insights, the following hypothesis is formulated:

H6: It is expected that psychological empowerment has a negative relationship with turnover intention.

The Relationship between Job Satisfaction and Turnover Intention

In order for the company to successfully reach its goals, it is crucial for the company to prioritize and effectively support its employees. This will ensure that highly qualified employees within the company are

motivated to stay and are not inclined to seek opportunities elsewhere (reduce turnover intention). Job satisfaction is crucial for attracting and retaining employees and maintaining job satisfaction not only boosts employee loyalty but also helps prevent turnover intention. In addition, enhancing job satisfaction has the power to alleviate work-related stress, ultimately resulting in a decrease in the employee's intention to leave his or her job. (Manurung and Ratnawati 2012) argue convincingly that maintaining high job satisfaction levels is key to reducing turnover rates, conversely, when job satisfaction is low, turnover rates are likely to be high. Understanding and improving job satisfaction are essential strategies for organizations to reduce turnover rates and minimize related expenses. Thus, based on these insights, the following hypothesis is formulated:

H7: It is expected that job satisfaction has a negative relationship with turnover intention.

Methodology

The chosen methodology to achieve this study employs a set of powerful techniques: comprehensive details on the research design, target population, questionnaire design, statistical analysis, content validity, and a preliminary pilot study.

Population and Sample

The study's population encompasses all employees across governmental and private sectors in Saudi Arabia. Every questionnaire sent to the research sample has been promptly received. A total of 230 employees from diverse governmental and private sectors in Saudi Arabia were randomly selected.

Data Collection

To obtain the necessary information for this study, we rely on secondary sources like books, journals, statistics and web pages. Furthermore, apart from the initial sources that were not found in secondary sources, we gather data by distributing questionnaires to the target population to get their insights on the "antecedents and consequences of ethical leadership". The research methodology depends on analyzing the data through descriptive and analytical methods utilizing poll and the main software program (SPSS V26).

Measures

All the variables were carefully assessed using a five-point Likert scale, encompassing opinions from strongly disagree to strongly agree. The questionnaire consisted of 27 items, all of which were drawn straight from reliable, valid questionnaires that had been used in previous studies.

- 1- **Ethical Leadership:** Ethical leadership was measured using the Ethical Leadership Scale (ELS) adopted from Brown et al, (2005). This questionnaire assesses ethical leadership behaviors using a 6-item scale.
- 2- **Transformational Leadership:** Transformational leadership was measured in accordance with the guidelines provided by Schwab (1980) and Churchill (1979). This questionnaire assesses various transformational leadership behaviors using a 4-item scale.
- 3- **Leader Conscientiousness:** Leaders conscientiousness which is under the (Big Five personality traits) was measured through a 5-item scale based on the NEO PI-R questionnaire that proposed by Pham (2007).
- 4- **Psychological Empowerment:** Psychological empowerment was measured through a 5-item scale that developed by Spreitzer (1995).
- 5- **Job Satisfaction:** Job satisfaction was measured through a 4-item scale based on Cammann et al.'s (1983) scale to evaluate job satisfaction.
- 6- **Turnover Intention:** Turnover intention was measured through a 3-item scale according to the scale of Cheng et al., (2013); Ganji et al., (2016); Ganji and Ahanchian (2016).

Statistical Methods

In this study, we rely on descriptive statistics, including Frequencies, Percentages, Mean, Standard deviation, and Figure in order to reveal valuable insights. Also, we used correlation coefficients to uphold the validity and internal consistency of the research findings, and Coefficients of Cronbach's alpha to ensure the reliability of study's outcomes. Furthermore, we used a statistical software that is called Statistical Package for Social Sciences (SPSS, version 26), and (AMOS V26) to test the hypotheses within the study model.

Data Analysis

We analyze the data using AMOS and SPSS, beginning with a thorough examination of the descriptive statistics for each variable. Following this, we conduct a calculation of Cronbach's alpha to assess the reliability of Ethical Leadership, Transformational Leadership, Leader Conscientiousness, Psychological Empowerment, Job Satisfaction, and Turnover Intention.

Results

Descriptive Statistics

Demographic Information

Table (1) shows the Demographic Information as follows:

- 1- **Gender:** 70.4% from the sample are "male" and 29.6% are female.
- 2- **Experience:** 24.3% from the sample of experience are "Less than 5 years ", 25.7% from "5 years to less than 10 years ", 22.6% from " 10 years to less than 15 years ", 8.7 % from " 15 years to less than 20 years ", 9.1 % from "20 years to less than 25 years " and 9.6 % from " 25 years to less than 30 years ".
- 3- **Age:** 2.6 % from the sample ages are "Less than 20 years old ", 23.9% % from " 20 to less than 30 years old ", 40.9 % from "30 to less than 40 years old ", 24.3% from " 40 to less than 50 years old ", and 8.3 % from " 50 to less than 60 years old ".

Table (1): Demographic Information (n=230)

Variable	Answer	Frequency	Percentage
Gender	Male	162	70.4
	Female	68	29.6
	Total	230	100.0
Experience	1	56	24.3
	2	59	25.7
	3	52	22.6
	4	20	8.7
	5	21	9.1
	6	22	9.6
	Total	230	100.0
Age	1	6	2.6
	2	55	23.9
	3	94	40.9
	4	56	24.3
	5	19	8.3
	Total	230	100.0

Mean, Standard Deviation and Correlation Analysis of Variables

In Table 2, analysis revealed that Ethical Leadership had a mean score of 3.79, Transformational Leadership was rated at 3.77, Leader Conscientiousness was rated at 4.01, Psychological Empowerment emerged as the highest rated variable with a mean of 4.20, while Job Satisfaction had a mean of 3.77 and Turnover Intention had a mean of 3.09.

Correlation analysis showed positive relationships among these variables, with moderate to strong correlations observed between Ethical Leadership, Transformational Leadership, Leaders Conscientiousness, Psychological Empowerment and Job satisfaction indicating that increases in one are associated with increases in the others, while these variables have negative relationship with Turnover Intention.

Table (2). Descriptive Statistics

No	Variables	Mean	Standard Deviation	1	2	3	4	5	6
1	Ethical Leadership	3.79	0.76						
2	Transformational Leadership	3.77	0.83	.775**					
3	Leader Conscientiousness	4.01	0.75	.671**	.695**				
4	Psychological Empowerment	4.20	0.65	.412**	.370**	.347**			
5	Job Satisfaction	3.77	0.93	.568**	.539**	.444**	.572**		
6	Turnover Intention	3.09	0.84	-.276**	-.211**	-.192**	-.174**	-.518**	

Reliability Analysis

Table (3) illustrates the Cronbach's Alpha values attributed to each construct of the questionnaire and for the entire questionnaire. The Cronbach's Alpha values range from 0.773 to 0.899 which reveals the reliability and consistency of the data collected. The Cronbach's Alpha for Ethical Leadership at 0.899 (6 items), Transformational Leadership at 0.878 (4 items), Leader Conscientiousness at 0.899 (5 items), Psychological Empowerment at 0.860 (5 items), Job Satisfaction at 0.898 (4 items) and Turnover Intention at 0.773 (3 items). The values presented here are situated in the high range, clearly demonstrating a robust reliability for each construct encompassed in the questionnaire.

Testing Research Model Fit

Table (4) outlines the fit indices resulting from the statistical analysis performed on the questionnaire data. These values serve as a strong indicator of the model's fit to the observed data. The CMIN/DF (Chi-square/degrees of freedom ratio) is 1.787 which is significantly below the accepted threshold of 3, underscoring an outstanding model fit. Both the Comparative Fit Index (CFI) and the Incremental Fit Index (IFI) indicate exceptional values of 0.991 and 0.992, respectively, which represent a remarkable alignment of the model with the data.

Furthermore, the Tucker-Lewis Index (TLI) at 0.982 which shows the model's good fit. The Root Mean Square Error of Approximation (RMSEA), is low at 0.059, which represents a benchmark for a good fit. The Normed Fit Index (NFI) and the Goodness of Fit Index (GFI) at 0.981 and 0.983, respectively, both suggest that the model provides a highly accurate representation of the data. Additionally, the Adjusted Goodness of Fit Index (AGFI) is at 0.948, and the Root Mean Square Residual (RMR) at 0.022 which supports the notion of minimal residual variance. Overall, these statistics collectively advocate that the model illustrates a good fit to the data.

Table (5). Path Analysis

Path Coefficient			Estimate	S.E.	C.R.	P	Results
Ethical Leadership	←	Transformational Leadership	.549	.051	10.762	***	Supported
Ethical Leadership	←	Leader Conscientiousness	.260	.057	4.605	***	Supported
Psychological Empowerment	←	Ethical Leadership	.353	.052	6.848	***	Supported
Job satisfaction	←	Ethical Leadership	.488	.065	7.496	***	Supported
Job satisfaction	←	Psychological Empowerment	.581	.076	7.638	***	Supported
Turnover intention	←	Psychological Empowerment	.235	.087	2.692	.007	Not Supported
Turnover intention	←	Job satisfaction	-.561	.061	-9.178	***	Supported

According to table 5, it presents the outcomes of the (Path analysis), focusing on the path coefficients between various constructs. It reveals that the path from Transformational Leadership to Ethical Leadership possesses a notably positive coefficient of .549, with a high level of statistical significance (C.R. = 10.762, $p < .085$), supporting the hypothesis that Transformational Leadership positively influences Ethical Leadership. Similarly, the path from Leader Conscientiousness to Ethical Leadership is strong, with a coefficient of .260, further substantiated by a Critical Ratio of 4.605 and a highly significant p-value, which strongly validates the impact of Leader Conscientiousness on Ethical Leadership.

Moreover, the relationship between Ethical Leadership and Psychological Empowerment is significant, demonstrated by a coefficient of .353, and a C.R of 6.848 which confirming the positive impact of

Table (3). Reliability Analysis Cronbach's Alpha

Variables	Items	Cronbach's Alpha
Ethical Leadership	6	0.899
Transformational Leadership	4	0.878
Leader Conscientiousness	5	0.899
Psychological Empowerment	5	0.860
Job Satisfaction	4	0.898
Turnover Intention	3	0.773
	27	

Table (4). Model Fit Result

Statistics	Result
CMIN/DF	1.787
CFI	0.991
IFI	0.992
TLI	0.982
RMSEA	0.059
NFI	0.981
GFI	0.983
AGFI	0.948
RMR	0.022

Ethical Leadership on Psychological Empowerment. Ethical Leadership has a positive relationship with Job Satisfaction, demonstrating by a coefficient of .488 and a C.R of 7.496. The relationship between Psychological Empowerment and Job Satisfaction is also significant, demonstrating by a coefficient of .581 and a C.R of 7.638 which confirming the positive influence of Psychological Empowerment on Job Satisfaction. In this path analysis, the result indicates that there exists a strong correlation between Psychological Empowerment and Turnover Intention

demonstrating by a coefficient of .235 which means that this result is not supported and not consistent with the sixth hypothesis. But, job Satisfaction has a negative relationship with Turnover Intention, demonstrating by a coefficient of -.561 and a C.R of -9.178.

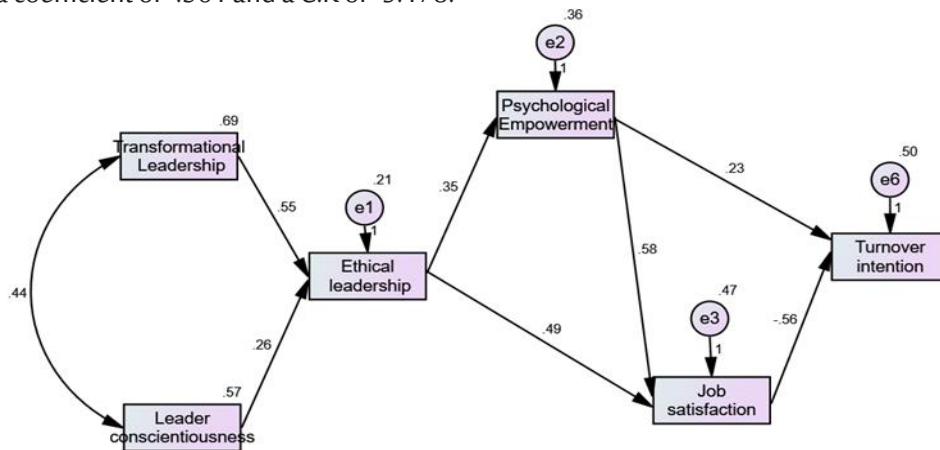


Figure 2. Standard Estimation Conducted by AMOS

Discussion and Conclusion

This study developed seven hypotheses about the antecedents and consequences of ethical leadership among employees in both the public and private sectors of Saudi Arabia. The findings of this research strongly endorse all of these hypotheses with the exception of the sixth one.

Regarding the first hypothesis and consistent with previous research by Toor and Ofori (2009), transformational leadership has been proven to have a positive relationship with ethical leadership. Also, there are many studies acknowledged that the transformational leadership has a high moral development that leads to recognizing the importance of ethics and understanding the positive correlation between ethical leadership and transformational leadership. Further to this, Burns (1978) highlights that transformational leadership embodies a powerful form of ethical leadership where leaders motivate to inspire their followers to transcend individual interests and work mutually towards a shared goal.

For the second hypothesis and referring to research conducted by Kalshoven et al (2000), the research has revealed a strong correlation between leader conscientiousness and ethical leadership. Conscientious leaders are perceived as dependable, establishing a strong sense of trust among their followers. This trust serves as the cornerstone of ethical leadership, fostering a shared commitment to upholding ethical standards within the organization (Sharma et al., 2019). Moreover, studies have shown that the leader conscientiousness plays a crucial role in fostering moral reflection which significantly affecting how employees perceive ethical leadership within an organization. Conscientiousness is crucial in cultivating ethical leadership as it motivates leaders to consistently uphold integrity, reliability and embrace a powerful commitment to responsibility.

The third hypothesis examined the relationship between ethical leadership and psychological empowerment and found that ethical leadership has a positive relationship with psychological empowerment. By witnessing ethical decisions made by leaders, employees are encouraged to enhance their own abilities in making similar ethical choices. This boosts their self-efficacy which is a dimension of psychological empowerment. Also, ethical leaders highly appreciate the unique contributions of each individual and actively promote a culture where employees are encouraged to take full ownership of their work. By promoting autonomy, leaders effectively empower employees to feel a greater sense of impact in their roles and to have confidence in their capacity to make meaningful contributions to the organization (Sharma et al., 2019). The ethical conduct and attitude of leaders are crucial in empowering employees on a psychological level. This empowerment can lead to increased satisfaction, motivation and performance among the team. These findings support previous research studies by Zhu (2008) and (May et al 2004).

Regarding the fourth hypothesis and consistent with previous research by Brown et al (2005), ethical leadership has been proven to strongly correlate with increased job satisfaction. Ethical leaders play a crucial role in promoting the professional growth of their employees which can boost job satisfaction and foster a sense of value and achievement. Also, ethical leaders value their employees by upholding respect, fairness and always prioritizing their well-being. It is crucial to treat employees well in order to enhance their satisfaction levels at work, with their leaders, and within the organization as a whole.

The practices linked to ethical leadership, including empowerment, support, fairness and the focus on employees' well-being result in creating a work environment that boosts job satisfaction. Furthermore, when employees feel they are part of an ethical and caring culture, their adherence to the organization's values can significantly increase job satisfaction (Sharma et al., 2019).

For the fifth hypothesis and referring to research conducted by (Bordin, Bartram, Casimir, 2006; Holdsworth, Cartwright, 2003; Pelit, Öztürk, Arslantürk, 2011), the study found that psychological empowerment has a positive relationship with job satisfaction. By fostering psychological empowerment within the workplace, organizations can enhance employee job satisfaction significantly. This can result in a range of positive outcomes including increased productivity, reduced turnover rates and improved morale. Employees who believe in their ability to affect outcomes and create an impact within the organization experience a greater sense of influence. This belief in their capacity to drive change can result in increased job satisfaction as employees recognize the importance and value of their contributions. Ashforth (1989) persuasively contends that when employees are actively involved in influencing the outcomes of an organization, they tend to achieve higher levels of job satisfaction. By considering these compelling points, psychological empowerment greatly influences the job satisfaction within the organization.

Regarding the sixth hypothesis, the study found that psychological empowerment has a positive relationship with turnover intention, but the relationship was not significant, and this means that there is no significant relationship between psychological empowerment and turnover intentions. Thus, this is not supported to the hypothesis, and it is not consistent with the previous studies. Hence, we highly encourage conducting further extensive studies on this topic, involving a large sample size, in order to uncover a substantial correlation between psychological empowerment and turnover intentions.

For the seventh hypothesis and consistent with the previous study conducted by (Manurung and Ratnawati 2012), job satisfaction was found to have a negative relationship with turnover intention. This result supports the notion that the greater the level of satisfaction an employee perceives, the lesser their inclination towards leaving the job (Mufidah 2016). Conversely, if employees are dissatisfied, they are more likely seeking for new opportunities to leave the job which leads to increasing in turnover intention (Wright & Bonett, 1991).

In conclusion, this study provides comprehensive insights into the antecedents and consequences of ethical leadership. Ethical leadership is positively related to transformational leadership, leader conscientiousness, psychological empowerment and job satisfaction as evidenced by the findings of the study. Also, ethical leadership ought to be regarded as the cornerstone within the organization, aiming to enhance employees' commitment and ultimately drive organizational efficiency.

Limitations

The study was conducted with a sample of 230 employees in the Kingdom of Saudi Arabia which may limit the generalizability of the findings to a broader population. Future research should include diverse samples to examine the cross-cultural variations in the factors influencing ethical leadership. In addition, the research utilized a cross-sectional design which may restrict the ability to establish causal relationships between antecedents, ethical leadership and its consequences over time. Longitudinal studies would provide a better understanding of the temporal dynamics and directionality of these relationships. Moreover, this study focused on the Saudi labor market, and cultural factors specific to this region may influence the results differently in other cultural contexts. Furthermore, while the study examined several key variables related to ethical leadership, there may be other factors not considered in the research that could also impact ethical leadership behaviors and outcomes. Thus, we recommend conducting further in-depth investigations into the antecedents and consequences of ethical leadership.

Practical Implications

The implications of this study are significant for both employees and organizations. Understanding the antecedents and consequences of ethical leadership can guide organizations in developing strategies and interventions to foster an ethical workforce and help to create a positive work environment. The following implications can be drawn from the study:

- 1- **Enhanced Leadership Practices:** The study emphasizes the positive relationship between transformational leadership and ethical leadership, highlighting the importance of fostering transformational leadership qualities to promote ethical behavior in leaders and organizations.
- 2- **Employee Satisfaction and Retention:** Ethical leadership is linked to increased psychological empowerment, job satisfaction and reduced turnover intention among employees. Organizations can benefit from implementing ethical leadership practices to boost employee satisfaction and retention rates.
- 3- **Selection and Training:** Organizations can use the findings to develop selection criteria for leaders based on conscientiousness and ethical behavior. Additionally, training programs can be designed to enhance ethical leadership skills among current and future leaders.
- 4- **Organizational Culture:** Encouraging ethical leadership can help shape a positive organizational culture that values integrity and ethical decision-making. This can lead to improved performance, employee well-being and reduced turnover rates within the organization.
- 5- **Research Validation:** The study validates the importance of ethical leadership in the Saudi labor market, providing a foundation for further research and practical applications in both public and private sectors.

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