

Cultural Variations in Ethical Leadership: Insights into Governance, Integrity, and Organizational Practices

Amran Bin Zakaria, Mohd Rashid Bin Ab Hamid*, Imaduddin Bin Abidin

University Malaysia Pahang Al-Sultan Abdullah, Malaysia

*Corresponding author

DOI: <https://dx.doi.org/10.47772/IJRISS.2025.905000174>

Received: 24 April 2025; Accepted: 29 April 2025; Published: 05 June 2025

ABSTRACT

The impact of cultural differences and ethical leadership on performance, governance, and organizational integrity is investigated in this study. A key element in establishing trust, influencing corporate culture, and raising employee engagement is ethical leadership. By using bibliometric analysis, the study highlights the significance of cultural circumstances in determining leadership effectiveness and finds trends and patterns in ethical leadership studies. In order to overcome obstacles and attain long-term success, it is crucial to match moral behavior with a variety of cultural standards. The study also looks at the expanding relationship between innovation, sustainability, and international cooperation and ethical leadership. These components are essential for tackling today's governance issues and building resilience in heterogeneous companies. This paper also suggests directions for future research, emphasizing how ethical leadership may be integrated with environmental programs and technology breakthroughs to remain relevant in a changing global environment.

Keywords: Ethical Leadership, Governance Networks, Integrity, Cultural Differences, Professionalism in Organizations, Research Integrity, Compliance Frameworks, Performance Standards, Ethical Decision-Making

INTRODUCTION

In today's globalized and linked world, organizations must navigate cultural diversity while upholding moral leadership. Organizational culture is shaped by ethical leadership, which also affects the performance of leaders and subordinates. As role models, leaders have a big influence on the moral conduct and atmosphere of a company. Leaders can direct member behavior and incorporate moral behavior into more comprehensive organizational goals by creating and enforcing an organizational code of ethics. This strategy creates an atmosphere where moral conduct is valued and encouraged at all levels [1]. The transfer and internalization of organizational practices in multinational corporations functioning in culturally varied environments are greatly aided by ethical leadership. While transgressions impede the process, ethical leadership compliance promotes favorable outcomes. This dynamic is influenced by the cultural differences between managers and employees; closing these gaps and improving performance are made possible in large part by trust and informal controls [2].

The practices of ethical leadership and governance are significantly impacted by cultural differences. Cultural differences impact the drafting and implementation of ethical codes, which in turn affects the quality of ethical codes in companies. Organizational control is supported, employee motivation is increased, and ethical behavior is encouraged with the help of ethical standards. It is clear from relating the caliber of ethical standards to cultural dimensions that both internal organizational variables and external cultural elements are important [3]. Cultural diversity in modern workplaces can create communication challenges if not managed effectively. Managers must cultivate cultural awareness to address barriers like language, stereotypes, and non-verbal cues, ensuring smoother interactions and stronger relationships. Inclusive communication, mutual respect, and cross-cultural training are essential for navigating multicultural environments. These practices enhance collaboration, reduce misunderstandings, and support organizational success [4].

Although incorporating ethical leadership into governance can be difficult, doing so promotes long-term success and sustainable business practices. Ethical leadership is essential to corporate governance because it ensures that

businesses function effectively and morally, improves stakeholder trust, and advances corporate reputation [5]. While preventing unethical behavior, ethical leadership fosters fairness in decision-making, builds trust, and fortifies organizational relationships. When combined with organizational integrity, it promotes openness, effectiveness, and moral behavior. By tackling the underlying causes of administrative corruption, this combination aids in its reduction. Together, they create a culture that values moral behavior and sustained prosperity [6].

Trust and employee engagement are strongly impacted by ethical and moral leadership. Leader integrity and increased job engagement are mediated by ethical leadership. Stronger employee involvement is fostered by an ethical and trustworthy work environment. An engaged workforce is largely dependent on ethical leadership [7].

With the goal of offering practical insights into governance, organizational procedures, and ethical innovation, this study explores the complex relationship between ethical leadership and cultural variances. By looking at case studies and theoretical frameworks, the study highlights how crucial it is to create a culture based on integrity that is aware of cultural diversity. Ultimately, it seeks to give companies the knowledge and capabilities important to encourage ethical behaviour that is effective across cultural boundaries, secure sustained prosperity and have a positive impact on society. The following are the study's primary research objectives:

- To examine the ways in which cultural differences influence moral leadership in businesses.
- To investigate how ethical governance affects performance and organizational integrity in various cultural situations.
- To examine the ways in which cultural factors impact the development and application of moral leadership in global corporations.

On the basis of these research objectives research questions of this study are written below:

- How do cultural differences shape ethical leadership practices in modern organizations?
- What is the impact of ethical leadership and governance on organizational performance and integrity across cultures?
- How do motivation and perceived stress affect innovative workplace behavior under ethical leadership?

Problem Statement

In an increasingly competitive and dynamic organizational environment, innovative workplace behavior (IWB) has become essential for driving growth, adaptability, and sustained performance. However, the capacity of employees to engage in innovation is strongly influenced by internal psychological factors such as motivation and perceived stress. High motivation can enhance creativity and proactive behaviors, while elevated stress levels often impede cognitive flexibility and risk-taking both crucial for innovation. Despite the significance of these factors, limited research has simultaneously explored how motivation and stress impact innovative behavior across organizational settings. This lack of understanding presents a challenge for managers seeking to cultivate innovation-friendly cultures while supporting employee well-being. Therefore, there is a critical need to investigate the interconnected effects of motivation and perceived stress on innovative workplace behavior in modern organizational contexts.

METHODOLOGY

Bibliometric approach

A well-liked and demanding tool for studying and apprising big amounts of scientific data, the bibliometric methodology aids researchers in investigating new regions within a topic and untangling its evolving intricacies [8]. The bibliometric approach systematically evaluates research trends and patterns within a given topic by exploring bibliometric data such as publication kinds, years, contributing nations, journals, research fields, and authorship. To glean insightful information from this data, statistical and analytical tools are commonly used [9].

The paper uses bibliometric analysis to identify key concepts and research areas. Co-word analysis examines keywords in articles, while bibliographic coupling connects articles based on citations. This data-driven methodology focuses on links, structures, and themes. It organizes content through techniques like network visualization and hierarchical grouping. The main goal is to classify research trends and evaluate knowledge systems.[10].

Bibliographic coupling

A science mapping method called bibliographic coupling assembles relevant research into logical clusters and explores the relationships both within and between these clusters by examining links between publications based on the quantity and quality of shared references [11]. The number of references that articles share, or bibliographic coupling, is a useful statistic for apprising the relationships and topics of publications. When two articles share a reference, they are said to be bibliographically coupled; the stronger the bibliographic coupling, the more references they share. This statistic is commonly employed to identify research cohorts that have a similar theme [12].

Co-word analysis

Co-word analysis is a bibliometric method that looks at how keywords or concepts occur together in a group of documents to observe theme frameworks, research trends, and fundamental linkages within a certain field of study [13]. To look at the relationships and interactions between research issues, the co-word analysis looks at how keywords or concepts emerge together in a corpus of literature. It helps with the description of research subject life cycles, their evolution, analysis of research trajectories, and investigation of the dynamics of science-technology links [14].

Research design and data collection procedure

To find papers with pertinent terms, we employed the search string below (Table 1). The search query, which is related to “Cultural Variations in Ethical Leadership: Insights into Governance, Integrity, and Organizational Practices,” was evolved using the literature, synonyms, and thesaurus. The topic search option was employed to search the Scopus database. Publications with keywords in the abstract, title, and author names can use this option. Furthermore, only journal papers are included in this analysis; novels, book chapters, editorials, and conference proceedings are not. The quality of peer-reviewed studies combined in the science mapping analysis make sure by limiting the research to journal articles absolutely [15].

Table 1: Search string in Scopus database.

No	Keywords	Justification
1	(“Ethical Leadership” OR “Governance Networks” OR “Integrity”)	To identify literature on ethical leadership and governance frameworks influencing organizational culture.
2	(“Cultural Differences” OR “Global Business Cultures” OR “Professionalism in Organizations”)	To explore how cultural variations shape ethical practices and leadership globally.
3	(“Innovation in Ethics” OR “Research Integrity” OR “Compliance Frameworks”)	To investigate innovative approaches to fostering integrity and compliance in organizational practices.
4	(“Human Resource Systems” OR “Performance Standards” OR “Ethical Decision-Making”)	To study the impact of HR systems, ethical decision-making, and performance standards on organizational efficiency.

FINDING AND DISCUSSION

The study's conclusions gives light on the intricate relationship between ethical leadership and cultural differences by shedding light on how cultural contexts impact governance frameworks, trust dynamics, and

organizational behaviours. This section explores the results in the context of earlier studies, addressing important patterns, barriers, and implications for encouraging moral conduct in many organizational contexts.

Bibliographic coupling

Of the 504 documents in the bibliographic coupling, 34 had at least 55 citations. These 34 publications are assembled into five clusters. Until the network visualization creates the most reliable and appropriate number of clusters for further reading, the threshold was fixed through a series of trials. Before the most stable map was created, the threshold was put through a number of testings. The total linking strength (TLS) of the publication is the value of interest since bibliographic coupling considers the link of the citing publication. According to total link strength (TLS), the top 3 documents are Eisenbeis (2014) (22 TLS), resick (2006) (19 TLS), and verhezen (2010) (17 TLS). Table 2 displays the top 10 bibliographic coupling documents, which highlight the connections between documents. The total link strength (TLS) of these papers indicates their importance in the network, with higher TLS values indicating more central or significant articles.

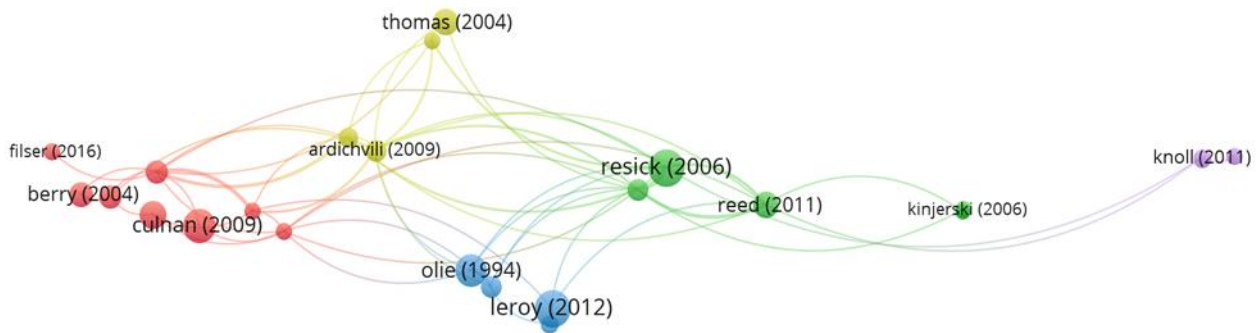
Table 2: Top 10 documents in bibliographic coupling analysis

Rank	Publication	Scope	Citation	TLS
1	Eisenbeis (2014)	A Cross-Cultural and Cross-Sectoral Study of Ethical and Unethical Leadership	112	22
2	resick (2006)	A Cross-Cultural Analysis of Support for Ethical Leadership	305	19
3	verhezen (2010)	Providing a Voice in a Silent Culture. Transitioning from a Compliance Culture to an Integrity Culture	117	17
4	ardichvili (2009)	Qualities of Ethical Corporate Cultures	106	14
5	reed (2011)	A Novel Executive Servant Leadership Scale: Creation, Evaluation, and Research Implications	157	13
6	lasthuizen (2011)	How Integrity Violations Are Measured	92	10
7	kuliks (2005)	Agency Theory, Reasoning, and Enron Culture: Seeking an Answer	71	10
8	knoll (2011)	Factors that precede trust in peers, superiors, and subordinates	77	5
9	kinjerski (2006)	Establishing work environments that encourage employee spirit	66	3
10	filser (2016)	Innovation in family firms: analyzing the path and examining the inventory	64	1

Source: Authors' Own creation/own work

The theme distribution of research on ethical leadership and governance across five different clusters is shown in Figure 1's network representation of bibliographic coupling. The fact that each cluster functions independently emphasizes the variety of research areas and their lack of direct communication with one another. For example, the yellow cluster highlights the importance of governance and moral decision-making, while the green cluster

concentrates on cultural variations in moral leadership practices. By using an inductive technique to identify these clusters, representative papers from each cluster are examined and synthesized according to their common themes and underlying research trajectories. This approach emphasizes the complex viewpoints that guide moral leadership and governance in a range of settings.



Source: Authors' own creation/own work

Figure 1: Bibliographic coupling

Cluster 1 (Red): Innovation, integrity, and ethical culture in organizations

Ownership, governance, organizational culture, resources, and strategy are some of the crucial areas where innovation in family businesses has drawn a lot of attention. Future research might concentrate on leadership and human capital, being receptive to outside influences, comparing different countries, and how family dynamics affect innovation [16]. Seven dimensions of organizational culture influence the employee reflection process that leads to whistleblowing: vigilance, engagement, credibility, accountability, empowerment, courage, and options. Each dimension highlights specific factors that shape employees' willingness to speak out. A compliance framework offers strategies to foster a culture that encourages open communication, questioning, and reporting of unethical or illegal practices within organizations [17]. In order to address moral silence in enterprises, a culture that is based on compliance must give way to one that is based on integrity and fosters innovation, moral excellence, and organizational value. Relationship-based strategies are more successful in promoting ethical behavior than formal mechanisms like codes of conduct. Building trust, promoting ethical decision-making training, and fostering dialogue can all help multinational corporations become more conscious of ethical principles and take creative, morally driven activities [18]. Prioritizing the protection of personal data requires organizations to cultivate an integrity culture that extends beyond merely adhering to the law. Preventing harm and enhancing privacy standards require administrative accountability as well as ethical responsibility. The necessity of ethical approaches to organizational privacy is highlighted by high-profile breaches [19]. Information security management (ISM) efficacy is strongly impacted by organizational culture. ISM principles are strengthened by control-oriented qualities like efficacy and consistency, but flexibility-oriented qualities have less of an influence. Since technology solutions alone cannot address human problems, it is imperative to cultivate a security-conscious culture [20].

Cluster 2 (Green): Cultural differences in ethical leadership and practices

Different cultures and industries have different ideas about what constitutes ethical and immoral leadership, with Western perspectives frequently emphasizing compliance. For ethical leadership, executives in the public and private sectors, as well as in Western and Eastern cultures, frequently value qualities like honesty, integrity, and people orientation. A value-oriented perspective is more prominent than a compliance-based approach, highlighting cultural and sectoral distinctions [21]. Effective leadership is widely considered to include ethical leadership qualities including character, generosity, encouragement, and group motivation. Although the meaning of these characteristics is identical throughout cultures, the extent to which they are supported varies. In order to accommodate cultural differences in a global corporate context, organizations must modify their

ethics programs and leadership development courses [22]. In order to assess executive servant leadership in the larger framework of ethical leadership and its effects on followers, organizations, and society, the Executive Servant Leadership Scale (ESLS) was developed. Other ethical leadership paradigms, like transformative and authentic leadership, are contrasted with servant leadership. Future research can employ the ESLS to examine issues such as corporate accountability, ethical culture, institutional theory, and organizational moral environment [23]. Inspired leadership is key to fostering spirit at work, supported by factors like organizational integrity, positive culture, community, and opportunities for personal growth. Organizations aiming to enhance spirit at work should focus on creating conditions that promote inspiring leadership and these factors. Future work should explore the relationship between these conditions and work outcomes in larger samples [24].

Cluster 3 (Blue): Cultural differences in ethical leadership and practices

The need to maintain organizational integrity, post-merger consolidation, and practice compatibility are some of the variables that affect merger integration in an international setting. Successful integration requires multigroup membership, leadership, a new identity, and overarching objectives. The merging process is facilitated by leadership, organizational structure, and compatible motives, according to case studies of Dutch-German mergers [25]. Although it is frequently mentioned, the idea of culture clashes in mergers and acquisitions has no empirical measurement. Executives from acquired British and French companies were surveyed to construct and test a cultural compatibility index. The results demonstrate the validity and reliability of the scale for evaluating compatibility across national contexts [26]. Authentic leadership improves follower performance by boosting views of leader behavioral integrity, which in turn boosts follower organizational commitment. This devotion then increases work role performance. Even when ethical company culture is taken into consideration, these linkages remain valid [27]. Talent attraction and retention are greatly aided by a high-performance corporate culture that is fueled by change, quality, and technology. This link is mediated by employee attitudes including motivation, organizational commitment, and satisfaction. Talent retention is improved and inspiring work environments are created by cultures that encourage creativity, open communication, knowledge management, and moral principles [28].

Cluster 4 (Yellow): The role of ethical governance and leadership in business cultures

Stakeholder balance, leadership effectiveness, process integrity, mission and values-drivenness, and long-term perspective are the five main clusters that define ethical business cultures. These components form the basis of a model that can direct operational procedures in the creation and upkeep of moral corporate environments. This strategy seeks to maintain an ethical culture by influencing organizational practices [29]. Agency theory influenced Enron's culture, where employees acted mainly in their own best interests. Strong agency culture, non-compliant norms, a rare-failure environment, and a dearth of ethical training for new workers all contributed to the collapse. Future corporate ethics research should concentrate on differentiating between connivance and commitment, balancing ethical and legal theories, and striking the correct balance between agency and stewardship reasoning, as traditional ethics literature would not have had much of an impact on averting the crash [30]. Executives have a significant impact on how organizational ethics are shaped, either favorably or unfavorably. To create a culture in which moral behavior is accepted as the standard, strategic leadership is necessary. Integrity initiatives can uphold moral behavior, guaranteeing a sustained dedication to moral behavior [31]. Understanding the reasons for unethical behavior and the regulations that stop it is essential for ethical and effective governance. To help differentiate between various forms of unethical behavior, a verified typology of integrity infractions offers conceptual clarity. This distinction draws attention to differences in the frequency, acceptability, and impact of company culture and leadership styles on these infractions [32].

Cluster 5 (Purple): Organizational trust dynamics and crisis communication strategies

Depending on the relationship, the Integrative Model of organizational trust assigns different weights to talent, kindness, and honesty in peers, superiors, and subordinates. Techniques for establishing trust are crucial for encouraging productive collaboration at work. Relationships and productivity at work can be enhanced by comprehending trustworthiness in these dynamics [33]. After an integrity violation, denial may be a more effective way to rebuild confidence than apology, particularly in cases when the evidence is insufficient. Denial was more effective in restoring opinions of the company's goodness and integrity, even in the face of compelling

evidence. According to these results, repairing trust may occasionally benefit more from a defensive tactic than from an open one [34].

The bibliographic coupling analysis is described in Table 3, which includes essential metrics or conclusions regarding the degree of links between texts. This contain measurements that illustrate how significant or central certain publications are inside a certain research network, such as the number of linked documents or the total link strength (TLS).

Table 3: Summary of bibliographic coupling analysis

Cluster color and number	Cluster label	Number of Publications	Representative Publications
Cluster 1 (Red)	Innovation, integrity, and ethical culture in organizations	8	FILSER et al., (2016), Berry, (2004), Culnan & Williams, (2009), Ernest Chang & Lin, (2007), [18]
Cluster 2 (Green)	Cultural differences in ethical leadership and practices	5	Eisenbeiß & Brodbeck, (2014), Resick et al., (2006), Reed et al., (2011), Kinjerski & Skrypnik, (2006)
Cluster 3 (Blue)	Cultural differences in ethical leadership and practices	4	Kontoghiorghes, (2016), Leroy et al., (2012), Olie, (1994), Veiga et al., (2000)
Cluster 4 (Yellow)	The role of ethical governance and leadership in business cultures	4	Lasthuizen et al., (2011), Thomas et al., (2004), Kulik, (2005), Ardichvili et al., (2009)
Cluster 5 (Purple)	Organizational trust dynamics and crisis communication strategies	2	Knoll & Gill, (2011), Fuoli et al., (2017)

Source: Authors' Own creation/own work

Co-word analysis

By applying same database, 62 out of 2247 keywords presented through co-word analysis met 7 thresholds, resulting in 4 clusters. The highest co-occurrence keywords are “Organizational Culture” (92 occurrence), “Leadership” (30) and “Article” (29 occurrences). The top 15 keywords from the co-occurrence of keywords analysis are shown in Table 4.

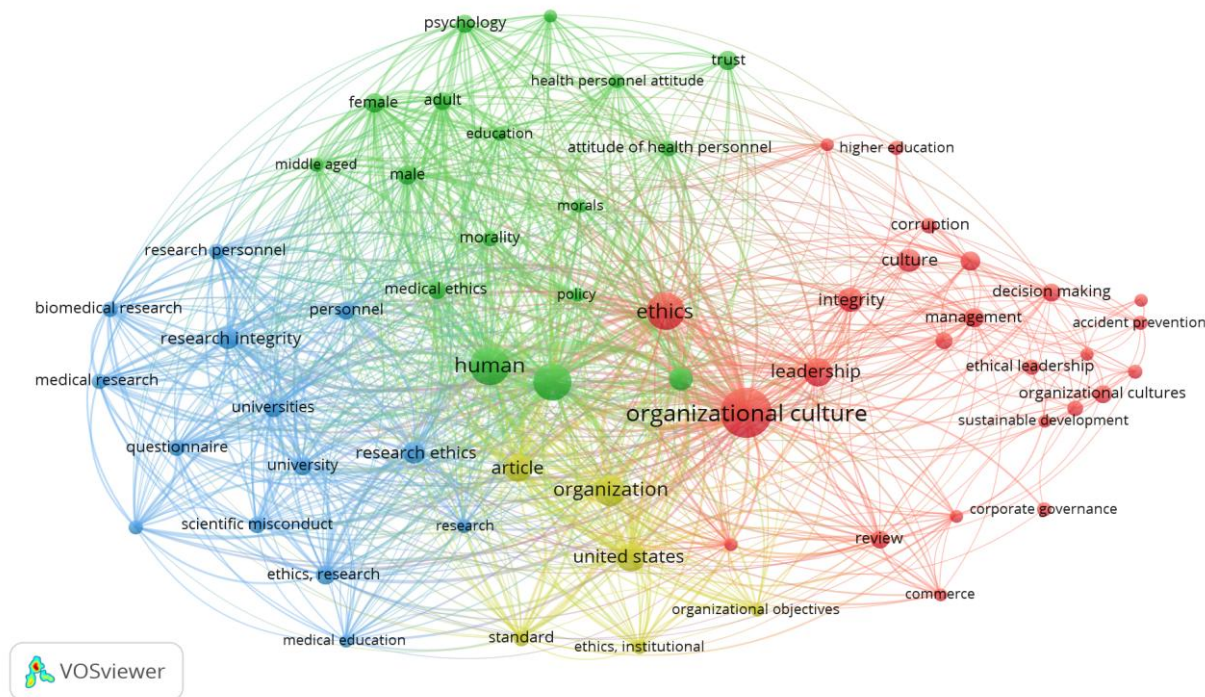
Table 4: Top 15 keywords in the co-occurrence of keywords analysis

Rank	Keyword	Occurrences	Total link strength
1	Organizational Culture	92	529
2	Leadership	30	138
3	Article	29	286
4	Integrity	23	60
5	Research Integrity	18	207
6	Organizational Climate	12	19
7	Psychology	12	121

8	Personnel	12	132
9	Corruption	10	10
10	Human Resource Management	9	16
11	Morality	9	102
12	Standard	9	103
13	Ethical Leadership	9	6
14	Attitude of health personnel	9	102
15	Medical education	8	98

Source: Authors' Own creation/own work

The network structure of co-word analysis is shown in the Figure 2, with four clusters signifying four distinct themes. The four clusters are given the appropriate designations in line with the author's inductive interpretation.



Source: Authors' Own creation/own work

Figure 1: Co-word analysis

Cluster 1 (Red): Corporate governance, ethical leadership, and integrity in organizations

Through in-depth interviews with top management from eight organizations, the relationship between corporate governance (CG) and corporate social responsibility (CSR) in Lebanon is examined. Most managers believe that CG is necessary for long-term CSR. The interconnectedness of CG and CSR is becoming more widely acknowledged, and voluntary CSR initiatives are receiving more attention than CG compliance in poorer nations [35]. Money laundering, bribery, and corruption are serious worldwide problems that undermine public confidence in institutions, hinder economic expansion, and support organized crime. These issues nevertheless exist in spite of robust institutional and legislative structures. It is advised that thorough due diligence, risk mitigation techniques, group efforts, policy changes, and more robust rule of law enforcement be put into place in order to successfully handle these problems [36]. Strong ideals, honesty, integrity, and impartial decision-

making that benefits the organization and its members are all components of ethical leadership. Positive results like identification and organizational commitment are fostered by it. The influence of moral leadership on these results is amplified when there is trust in the leadership [37]. Integrity is interpreted by core values such as honesty, incorruptibility, and principle, in addition to additional components like accountability, integrity, and consistency. Interviews and a systematic review of the literature were used to develop a comprehensive model of integrity components. This idea provides a useful framework for the advancement of the integrity of individuals, institutions, and governments [38].

Cluster 2 (Green): Professionalism, morality in group dynamics, and governance networks

Conserving patient needs and trust in the medical area requires professionalism. Individual professionalism has given way to executive professionalism, with a focus on how healthcare organizations may foster professional environments. Individual and organizational professionalism enhances patient outcomes and boosts public trust in healthcare facilities [39]. The three main social functions of morality are shaping commerce with members of other groups who hold different moral views, defining personal identity and group membership, and guiding behaviour through shared moral standards. Social judgments and group robustness are influenced by these roles. The function of morality in intergroup relations emphasizes the importance of group-based identities in guiding behaviour [40]. To accomplish policy objectives, public administrators and policy analysts operate within interrelated networks of organizations. They have to handle complexity and produce useful outcomes. A conceptual framework is used to analyse governance networks, emphasizing the functions, difficulties, and resources associated with networked connections as well as the possible failures [41]. Understanding and influencing psychological events within particular situations is the focus of the behavioural psychology subfield known as Contextual Behavioural Science (CBS). With a focus on precision, stretch, and depth, together with ongoing improvements in evaluation, intervention techniques, and the overall conclusiveness of interventions, CBS aims to provide a thorough framework for psychological research and practice [42].

Cluster 3 (Blue): Impact of HR systems, organizational culture, and research integrity on performance and credibility

More so than particular HR practices, human resource (HR) systems have a substantial influence on the performance of individuals and organizations. These systems seek to execute strategic goals by influencing employee knowledge, motivation, and contribution opportunities. The paper discusses the conceptual and methodological challenges of studying HR systems as well as the relationships among significant informants, policies, and practices [43]. Organizational climate deliberates the experiences of all employees, whereas organizational culture comprises underlying assumptions and values that guide behaviour. It is necessary to synthesize both concepts to comprehend organizational management and performance [44]. Upholding elevated standards, such as truthfulness and openness, during the study process is necessary for research integrity (RI). It is essential for upholding legitimacy, stopping misconduct, and fostering cooperation amongst all research community stakeholders [45].

Cluster 4 (Yellow): Impact of organizational goals, performance standards, and ethical decision-making on efficiency and accountability

Organizational goals are an intricate, empirically grounded concept that may be separated into transitive and reflexive goals. The discrimination between program goals, subgoals, and actions highlights how important each is to understanding organizational effectiveness. This modernized paradigm has an impact on evaluation, organizational behaviour research, and theories regarding how organizations function in society [46]. There is a comprehensive and up-to-date array of performance demands for over 40 crucial local public services. It motivates accountability and efficiency by giving local governments with a practical instrument to evaluate and enhance their operational performance. According to subject-matter experts, it has enhanced municipal management and organized standardized measures for estimating service delivery [47]. A framework for moral decision-making was constructed by employing the institution's mission, vision, and values (MVs) as a guide. By actively combining these values into decision-making, the ethical culture is enhanced [48].

Table 5 sheds the summary of the co-word analysis on the connections between keywords or terms that commonly occur together in a collection of texts. Finding patterns in the terminology employed throughout a

body of work using co-word analysis discloses the connections between ideas or subjects.

Table 5: Summary of co-word analysis

Cluster color and number	Label	Number of keywords	Representative Keywords
Cluster 1 (Red)	Corporate governance, ethical leadership, and integrity in organizations	15	Corporate Governance, Corruption, Ethical Leadership, Integrity
Cluster 2 (Green)	Professionalism, morality in group dynamics, and governance networks	20	Education, Psychology, Attitude of health personnel, Morality
Cluster 3 (Blue)	Impact of HR systems, organizational culture, and research integrity on performance and credibility	18	Research integrity, Organizational climate, Personnel, scientific misconduct
Cluster 4 (Yellow)	Impact of organizational goals, performance standards, and ethical decision-making on efficiency and accountability	12	Articles, Organization, Standard

Source: Authors' Own creation/own work

Implications

Beyond the instantaneous business environment, both operational practices and theoretical developments in the field of leadership studies are influenced by ethical leadership. This leadership approach enhances the conceptual frameworks used to comprehend efficient governance and management in addition to influencing workplace culture and decision-making procedures.

Theoretical implications

From the standpoint of management, moral leadership is essential to building integrity, responsibility, and trust in businesses. As moral role models, ethical leaders improve organizational commitment and moral behavior in their workforce [49]. Consequently, this lowers turnover rates and fosters an atmosphere of openness and justice. Additionally, by ensuring that company practices better match stakeholder expectations, such leadership enhances stakeholder trust and brand reputation [50]. Additionally, by incorporating ethical and culturally sensitive factors into governance frameworks, ethical leadership promotes better decision-making processes, especially in multicultural situations [5]. This approach aligns with recent models that evaluate organizational readiness through structured maturity assessments, such as those used in smart manufacturing environments [10]. Additionally, it enables businesses to successfully handle moral conundrums by striking a balance between financial interests and the well-being of workers and communities, guaranteeing long-term business success.

Managerial implications

Theoretically, by focusing on moral integrity and societal contributions in addition to company goals, ethical leadership fills the gaps between conventional leadership philosophies like transactional and transformational leadership [51]. It addresses justice, equity, and human rights while incorporating normative ethical ideas into leadership theories. By emphasizing the interaction between personal values and organizational behaviors in fostering ethical climates, ethical leadership also advances the conceptual understanding of leadership as a multifaceted construct [52]. Furthermore, it questions established leadership paradigms by emphasizing ethics as essential to creativity and adaptability, guaranteeing that businesses maintain their flexibility in a world that is changing quickly [10], [53]. The importance of ethics in promoting adaptability and creativity in businesses

is becoming more and more apparent as leadership research advances.

Limitations

Though useful, ethical leadership has several significant drawbacks. The setting frequently determines how effective it is because ethical norms might differ among cultures and businesses, making universal applicability challenging. Because it depends on arbitrary measurements like satisfaction and trust, which differ among stakeholders, assessing its impact is specifically challenging [1]. Furthermore, many businesses lack proper training programs to encourage moral decision-making, and ethical leadership needs long-term expenditures that may clash with short-term economic ambitions [54]. Biases in culture and personal ethics make it more difficult to make universal guidelines for moral leadership. The quick advancement of technology may make it difficult for leaders to manage emerging moral dilemmas in zones like data security and artificial intelligence.

Future Research avenues.

To accommodate different norms and expectations, future study should explore how ethical leadership can be adapted across cultures and industries. Ethical governance in the digital era can be better understood by glaring into its role in tackling issues like data privacy and AI ethics [55]. While sector-specific research can shed light on the use of ethical leadership in domains such as healthcare and education, longitudinal studies are needed to evaluate the long-term effects of this practice. Research should also look at how moral leadership can uphold organizational principles while encouraging innovation and digital transformation. Last but not least, integrating corporate responsibility, sustainability, and ethical leadership could highlights its contribution to reaching environmental and societal.

CONCLUSION

Ethical leadership is important to enhance governance, trust, and organizational success, particularly in contexts with cultural diversity. This study suggests that to align moral behaviour with business and societal goals, executives are required to implement adaptable strategies that take cultural eccentricity into account. Although there are many benefits to ethical leadership, there are also some serious drawbacks, such as context reliance, problems with evaluation, and the tension between moral behaviour and short-term goals. By directing these challenges through sector-specific research, cross-cultural studies, and specialized training programs, ethical leadership can be employed more specifically. Businesses can secure long-term profitability and a positive social influence by integrating sustainability frameworks, emerging advancements, and ethical leadership.

Use of AI tools declaration

We have not used artificial intelligence (AI) tools to create this article.

ACKNOWLEDGEMENTS

This study is under the sponsorship under grant number RDU223208 of University Malaysia Pahang Sultan Al-Abdullah.

Conflict of interest: No

REFERENCES:

1. A. Mukhtar B, "The role of ethical leadership in organizational culture," *Journal Mantik*, vol. 7, no. 1, pp. 77–85, May 2023, doi: 10.35335/mantik.v7i1.3635.
2. H. Zhang, J. Wu, J. Wen, and D. Douglas, "Ethical leadership in multinational companies' control practices: culture as a moderating factor," *International Journal of Organizational Analysis*, vol. 31, no. 6, pp. 2183–2208, Nov. 2023, doi: 10.1108/IJOA-10-2021-2998.
3. F. Vitolla, N. Raimo, M. Rubino, and G. M. Garegnani, "Do cultural differences impact ethical issues? Exploring the relationship between national culture and quality of code of ethics," *Journal of*

- International Management, vol. 27, no. 1, p. 100823, Mar. 2021, doi: 10.1016/j.intman.2021.100823.
4. P. Sahadevan and M. Sumangala, "Effective Cross-Cultural Communication for International Business," *Shanlax International Journal of Management*, vol. 8, no. 4, pp. 24–33, Apr. 2021, doi: 10.34293/management.v8i4.3813.
5. K. P. E. Ayugi Irene, "Ethical Leadership and its Impact on Corporate Governance," 2024.
6. Y. H. Al-Taie, D. F. Abdulla, and W. N. Rasheed, "Ethical leadership and its role in organizational integrity to reduce the nutrients of administrative corruption," *Journal of University of Human Development*, vol. 3, no. 2, p. 272, Jun. 2017, doi: 10.21928/juhd.v3n2y2017.pp272-311.
7. A. S. Engelbrecht, G. Heine, and B. Mahembe, "Integrity, ethical leadership, trust and work engagement," *Leadership & Organization Development Journal*, vol. 38, no. 3, pp. 368–379, May 2017, doi: 10.1108/LODJ-11-2015-0237.
8. N. Donthu, S. Kumar, D. Mukherjee, N. Pandey, and W. M. Lim, "How to conduct a bibliometric analysis: An overview and guidelines," *J Bus Res*, vol. 133, pp. 285–296, Sep. 2021, doi: 10.1016/j.jbusres.2021.04.070.
9. A. Kalantari et al., "A bibliometric approach to tracking big data research trends," *J Big Data*, vol. 4, no. 1, p. 30, Dec. 2017, doi: 10.1186/s40537-017-0088-1.
10. M. Y. Hammad, S. R. Bin Rahmaddulla, P. F. Muhammad Tamyez, A. A. Bin Osman, and A. N. N. Kamar, "Evaluating Smart Manufacturing Readiness: A Maturity Model Perspective," *International Journal of Research and Innovation in Social Science*, vol. IX, no. III, pp. 2352–2367, 2025, doi: 10.47772/IJRISS.2025.90300183.
11. B. Jarneving, "Bibliographic coupling and its application to research-front and other core documents," *J Informetr*, vol. 1, no. 4, pp. 287–307, Jan. 2007, doi: 10.1016/j.joi.2007.07.004.
12. M. Haghani, M. C. J. Bliemer, and D. A. Hensher, "The landscape of econometric discrete choice modelling research," *Journal of Choice Modelling*, vol. 40, p. 100303, Sep. 2021, doi: 10.1016/j.jocm.2021.100303.
13. T.-C. Lin, K.-Y. Tang, S.-S. Lin, M.-L. Changlai, and Y.-S. Hsu, "A Co-word Analysis of Selected Science Education Literature: Identifying Research Trends of Scaffolding in Two Decades (2000–2019)," *Front Psychol*, vol. 13, Feb. 2022, doi: 10.3389/fpsyg.2022.844425.
14. M. Callon, J. P. Courtial, and F. Laville, "Co-word analysis as a tool for describing the network of interactions between basic and technological research: The case of polymer chemistry," *Scientometric*, vol. 22, no. 1, pp. 155–205, Sep. 1991, doi: 10.1007/BF02019280.
15. M. A. Fauzi, N. S. Mohd Ali, N. Mat Russ, F. Mohamad, M. Battour, and N. N. Mohd Zaki, "Halal certification in food products: science mapping of present and future trends," *Journal of Islamic Marketing*, vol. 15, no. 12, pp. 3564–3580, Dec. 2024, doi: 10.1108/JIMA-12-2023-0407.
16. M. Filser, A. Brem, J. Gast, S. Kraus, And A. Calabrò, "Innovation in Family Firms — Examining the Inventory and Mapping the Path," *International Journal of Innovation Management*, vol. 20, no. 06, p. 1650054, Aug. 2016, doi: 10.1142/S1363919616500547.
17. B. Berry, "Organizational Culture: A Framework and Strategies for Facilitating Employee Whistleblowing," *Employee Responsibilities and Rights Journal*, vol. 16, no. 1, pp. 1–11, Mar. 2004, doi: 10.1023/B:ERRJ.0000017516.40437.b1.
18. P. Verhezen, "Giving Voice in a Culture of Silence. From a Culture of Compliance to a Culture of Integrity," *Journal of Business Ethics*, vol. 96, no. 2, pp. 187–206, Oct. 2010, doi: 10.1007/s10551-010-0458-5.
19. Culnan and Williams, "How Ethics Can Enhance Organizational Privacy: Lessons from the Choicepoint and TJX Data Breaches," *MIS Quarterly*, vol. 33, no. 4, p. 673, 2009, doi: 10.2307/20650322.
20. S. Ernest Chang and C. Lin, "Exploring organizational culture for information security management," *Industrial Management & Data Systems*, vol. 107, no. 3, pp. 438–458, Apr. 2007, doi: 10.1108/02635570710734316.
21. S. A. Eisenbeiß and F. Brodbeck, "Ethical and Unethical Leadership: A Cross-Cultural and Cross-Sectoral Analysis," *Journal of Business Ethics*, vol. 122, no. 2, pp. 343–359, Jun. 2014, doi: 10.1007/s10551-013-1740-0.
22. C. J. Resick, P. J. Hanges, M. W. Dickson, and J. K. Mitchelson, "A Cross-Cultural Examination of the Endorsement of Ethical Leadership," *Journal of Business Ethics*, vol. 63, no. 4, pp. 345–359,

- Feb. 2006, doi: 10.1007/s10551-005-3242-1.
23. L. L. Reed, D. Vidaver-Cohen, and S. R. Colwell, "A New Scale to Measure Executive Servant Leadership: Development, Analysis, and Implications for Research," *Journal of Business Ethics*, vol. 101, no. 3, pp. 415–434, Jul. 2011, doi: 10.1007/s10551-010-0729-1.
24. V. Kinjerski and B. J. Skrypnik, "Creating organizational conditions that foster employee spirit at work," *Leadership & Organization Development Journal*, vol. 27, no. 4, pp. 280–295, Jun. 2006, doi: 10.1108/01437730610666037.
25. [R. Olie, "Shades of Culture and Institutions-in International Mergers," *Organization Studies*, vol. 15, no. 3, pp. 381–405, May 1994, doi: 10.1177/017084069401500304.
26. J. Veiga, M. Lubatkin, R. Calori, and P. Very, "Research Note Measuring Organizational Culture Clashes: A Two-Nation Post-Hoc Analysis of a Cultural Compatibility Index," *Human Relations*, vol. 53, no. 4, pp. 539–557, Apr. 2000, doi: 10.1177/0018726700534004.
27. H. Leroy, M. E. Palanski, and T. Simons, "Authentic Leadership and Behavioral Integrity as Drivers of Follower Commitment and Performance," *Journal of Business Ethics*, vol. 107, no. 3, pp. 255–264, May 2012, doi: 10.1007/s10551-011-1036-1.
28. C. Kontoghiorghes, "Linking high performance organizational culture and talent management: satisfaction/motivation and organizational commitment as mediators," *The International Journal of Human Resource Management*, vol. 27, no. 16, pp. 1833–1853, Sep. 2016, doi: 10.1080/09585192.2015.1075572.
29. A. Ardichvili, J. A. Mitchell, and D. Jondle, "Characteristics of Ethical Business Cultures," *Journal of Business Ethics*, vol. 85, no. 4, pp. 445–451, Apr. 2009, doi: 10.1007/s10551-008-9782-4.
30. B. W. Kulik, "Agency Theory, Reasoning and Culture at Enron: In Search of a Solution," *Journal of Business Ethics*, vol. 59, no. 4, pp. 347–360, Jul. 2005, doi: 10.1007/s10551-004-7308-2.
31. T. Thomas, J. R. Schermerhorn, and J. W. Dienhart, "Strategic leadership of ethical behavior in business," *Academy of Management Perspectives*, vol. 18, no. 2, pp. 56–66, May 2004, doi: 10.5465/ame.2004.13837425.
32. K. Lasthuizen, L. Huberts, and L. Heres, "How to Measure Integrity Violations," *Public Management Review*, vol. 13, no. 3, pp. 383–408, Mar. 2011, doi: 10.1080/14719037.2011.553267.
33. D. L. Knoll and H. Gill, "Antecedents of trust in supervisors, subordinates, and peers," *Journal of Managerial Psychology*, vol. 26, no. 4, pp. 313–330, May 2011, doi: 10.1108/02683941111124845.
34. M. Fuoli, J. van de Weijer, and C. Paradis, "Denial outperforms apology in repairing organizational trust despite strong evidence of guilt," *Public Relat Rev*, vol. 43, no. 4, pp. 645–660, Nov. 2017, doi: 10.1016/j.pubrev.2017.07.007.
35. D. Jamali, A. M. Safieddine, and M. Rabbath, "Corporate Governance and Corporate Social Responsibility Synergies and Interrelationships," *Corporate Governance: An International Review*, vol. 16, no. 5, pp. 443–459, Sep. 2008, doi: 10.1111/j.1467-8683.2008.00702.x.
36. J. Magakwe, "Curbing Corruption, Bribery, and Money Laundering in public procurement processes: An international Perspective," in *Corruption, Bribery, and Money Laundering - Global Issues*, Intech Open, 2024. doi: 10.5772/intechopen.1004005.
37. A. Sharma, R. Agrawal, and U. Khandelwal, "Developing ethical leadership for business organizations," *Leadership & Organization Development Journal*, vol. 40, no. 6, pp. 712–734, Aug. 2019, doi: 10.1108/LODJ-10-2018-0367.
38. A. I. Zahari, J. Said, and R. Arshad, "Examining the Components of Integrity," *Integr Psychol Behave Sci*, vol. 56, no. 1, pp. 234–265, Mar. 2022, doi: 10.1007/s12124-021-09626-8.
39. M. D. Brennan and V. Monson, "Professionalism: Good for Patients and Health Care Organizations," *Mayo Clin Proc*, vol. 89, no. 5, pp. 644–652, May 2014, doi: 10.1016/j.mayocp.2014.01.011.
40. N. Ellemers and K. van den Bos, "Morality in Groups: On the Social-Regulatory Functions of Right and Wrong," *Soc Personal Psychol Compass*, vol. 6, no. 12, pp. 878–889, Dec. 2012, doi: 10.1111/spc3.12001.
41. C. Koliba, J. W. Meek, and A. Zia, *Governance Networks in Public Administration and Public Policy*. Routledge, 2017. doi: 10.4324/9781315093451.
42. S. C. Hayes, D. Barnes-Holmes, and K. G. Wilson, "Contextual Behavioral Science: Creating a science more adequate to the challenge of the human condition," *J Contextual Behave Sci*, vol. 1, no. 1–2, pp. 1–16, Dec. 2012, doi: 10.1016/j.jcbs.2012.09.004.

43. D. P. Lepak, H. Liao, Y. Chung, and E. E. Harden, "A Conceptual Review of Human Resource Management Systems in Strategic Human Resource Management Research," pp. 217–271. doi: 10.1016/S0742-7301(06)25006-0.
44. B. Schneider, M. G. Ehrhart, and W. H. Macey, "Organizational Climate and Culture," *Annu Rev Psychol*, vol. 64, no. 1, pp. 361–388, Jan. 2013, doi: 10.1146/annurev-psych-113011-143809.
45. A. Zhaksylyk, O. Zimba, M. Yessirkepov, and B. F. Kocyigit, "Research Integrity: Where We Are and Where We Are Heading," *J Korean Med Sci*, vol. 38, no. 47, 2023, doi: 10.3346/jkms.2023.38.e405.
46. L. B. Mohr, "The Concept of Organizational Goal," *American Political Science Review*, vol. 67, no. 2, pp. 470–481, Jun. 1973, doi: 10.2307/1958777.
47. D. Ammons, *Municipal Benchmarks: Assessing Local Performance and Establishing Community Standards*. Routledge, 2014. doi: 10.4324/9781315702261.
48. J. Kotalik et al., "Framework for Ethical Decision-Making Based on Mission, Vision and Values of the Institution," *HEC Forum*, vol. 26, no. 2, pp. 125–133, Jun. 2014, doi: 10.1007/s10730-014-9235-7.
49. G. Tamer, "The Role of Ethical Leadership in Increasing Employees' Organizational Commitment and Performance: The Case of Healthcare Professionals," *Journal of Life Economics*, vol. 8, no. 1, pp. 133–146, Feb. 2021, doi: 10.15637/jlecon.8.1.13.
50. W. Winit and S. Kantabutra, "Enhancing the Prospect of Corporate Sustainability via Brand Equity: A Stakeholder Model," *Sustainability*, vol. 14, no. 9, p. 4998, Apr. 2022, doi: 10.3390/su14094998.
51. S.-R. Toor and G. Ofori, "Ethical Leadership: Examining the Relationships with Full Range Leadership Model, Employee Outcomes, and Organizational Culture," *Journal of Business Ethics*, vol. 90, no. 4, pp. 533–547, Dec. 2009, doi: 10.1007/s10551-009-0059-3.
52. S. A. Eisenbeiss, "Re-thinking ethical leadership: An interdisciplinary integrative approach," *Leadersh Q*, vol. 23, no. 5, pp. 791–808, Oct. 2012, doi: 10.1016/j.leaqua.2012.03.001.
53. M. Musaigwa, "The Role of Leadership in Managing Change," *International Review of Management and Marketing*, vol. 13, no. 6, pp. 1–9, Nov. 2023, doi: 10.32479/irmm.13526.
54. R. Saha, Shashi, R. Cerchione, R. Singh, and R. Dahiya, "Effect of ethical leadership and corporate social responsibility on firm performance: A systematic review," *Corp Soc Responsible Environ Manag*, vol. 27, no. 2, pp. 409–429, Mar. 2020, doi: 10.1002/csr.1824.
55. L. Cortellazzo, E. Bruni, and R. Zampieri, "The Role of Leadership in a Digitalized World: A Review," *Front Psychol*, vol. 10, Aug. 2019, doi: 10.3389/fpsyg.2019.01938.