

Effect of Ethical Leadership Perception on Turnover Intention : Mediating Role of Organizational Commitment

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Abstract

The study of ethical leadership has got increased relevancy due to expansions in numerous business scandals; unethical behaviors in an organization that compromise the long-term viability of the firm and affect the business in a number of ways. Leaders that are guided by ethical leadership principles can bring significant positive outcomes for their organizations. The purpose of the study was to investigate the relation of ethical leadership perception with turnover intention of healthcare personnel. Organizational commitment was examined as a mediator of the relation among ethical leadership and turnover intention. Using a sample of 406 employees from 8 public and 3 private hospitals in Oromia region. Different statistical tools were applied to analysis the data including correlation and multiple regression analysis and it was found out that ethical leadership negatively affects turnover intention of health professionals. In addition, organizational commitment occurs to be a partial mediator variable for proposed relations.

Key Words

Ethical Leadership, Organizational Commitment, Turnover Intention, Mediation

INTRODUCTION

In today's turbulent world, ethics and values are present at a number of levels for executives and managers or leaders who devote their time and energy to leading the process of value creation. This broader concept of ethical leadership empowers leaders to incorporate and be explicit about their own values and ethics

(Freeman & Stewart, 2006). Ethical leadership is necessary to ensure that the values of individuals, teams and organizations are understood, deliberated and considered in relation to professional values that support the dignity and flourishing of individuals, organizations and societies (Gallagher and Tschudin, 2010). Mulki, Jaramillo and Locander (2007) emphasized the importance of ethics in organizations because of unfolding of numerous business scandals; unethical behaviors in an organization will compromise the long-term viability the firm and affect the business in a number of ways; first, consumers tend to shy away from products and services of the organizations which will hurt the value of the firm, second, some unethical practices are also illegal and consequently increasing the firms' liability and cost and third, unethical climate has a pervasive effect on employees via high levels of work place stress, lower job satisfaction, lower performance and eventually turnover.

Ethical leadership and ethical decision making in organizations are necessary based on the accountability to a range of stakeholder groups. Researches indicates that the organizations with the most ethical track records are also the most successful organizations overall (Winston, 2007). Ethical behavior is considered a vital component of leadership, therefore, when leaders engender ethical practices in their organizations, they become more effective, efficient, innovative, and successful (Morgan, 1993). Different research studies recognized that good ethics is not only the right thing to do but also it is a good business (Joyner and Payne, 2002 & Mulki *et al.*, 2008). In the same way, different research findings show that practicing ethical leadership would brought significant positive outcomes for organizations. Firth *et al.* (2004) indicated that when employees observe ethical leadership they perceive as their organization satisfies its ethical obligations to them. As a result, employees are inclined to reciprocate the positive actions of their organization by enhancing their commitment to the organization in the form of lower turnover intention. Leadership philosophy of organizations should promote organizational commitment employees because it resulted in various benefits that enable them to possess competitive advantage as indicated by Hussain and Asif (2012). Strong organizational commitment derives and shapes organizational culture that promotes a sense of belonging and ownership among employees; essential for being satisfied, productive, and loyal employees. Organizational commitment is a concept that assumes a predominant role in human resource management. The concept can be described as an attitude or a force that binds employees with organizations. Employees are considered committed if they associate themselves with their organizations and devote a great deal of effort to pursuing organizational goals (Mowday, 1998 : 387-388). The importance of ethical leadership to organizations is

far more than retaining employees and reduction of cost associated with turnover intention as indicated by various research findings. Ethical leader behaviors may result in higher employee satisfaction, commitment, and productivity. Since a leader's behavior may be viewed as representative of the organization's environment, these reflections (either positive or negative) may impact an employees' perceptions of the leader as well as their organizational commitment (Watson, 2010).

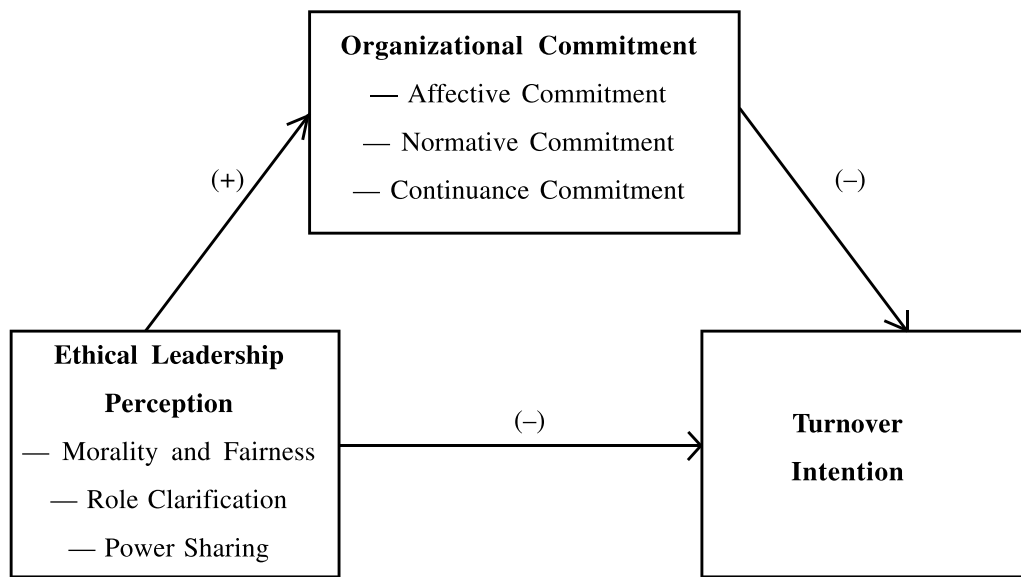
Understanding organizational commitment can provide insight into how organizational commitment is related to the intentions to leave. The turnover is always costly to the organizations in all sectors given the large investment made in the selection, training and development of personnel (Stallworth, 2004). In addition to the direct cost, turnover intentions resulted in different indirect loss to the organizations. Indirect costs of turnover include diminution in morale among remaining staff, work overload, and loss of social capital (Hussain and Asif, 2012).

Research findings argued that perceptions of ethical leadership negatively influence employees' turnover intention. Leadership is an important factor to decrease the turnover rate, specifically the effects of ethical leadership perceptions of the employees is significantly correlated with their level of turnover intention (Elici *et al.*, 2012). Nelson and Daniels (2014) also indicate that employees' perception of manager's behavior is significantly related with turnover intention. Ghahroodi *et al.*, (2013) also found the negative relation between ethical leadership and turnover intention. On the other hand, different research studies confirmed the positive influences of ethical leadership on employees' organizational commitment (Brown and Treviño, 2006a; Janie, Fritz, Arnett & Conkel, 1999; Ghahroodi *et al.*, 2013; Janie, Fritz, Arnett & Conkel, 1999 & Schwepker, 1999). Intention to leave the organization is negatively related to organizational commitment as noted by previous studies for instance Allen & Meyer (1990) argued intention to leave the organization is negatively related to all three components of organizational commitment. Aryee *et al.* (1991) also found that commitment explains 37 per cent of variance in intention to leave the organization. Of course, this does not mean that all individuals that are intended to leave their organization will do so. Researchers are in agreement that highly committed employees should have a strong desire to remain with the current organization, which, in turn, reduces the turnover intention. This is because employees who have developed a higher level of organizational commitment are less likely to consider alternative job opportunities (Ketchand & Strawser, 2001).

Even if both ethical leadership and organizational commitment are negatively related with turnover intention there will be stronger relation between ethical leadership and turnover intention when the relation is mediated by organizational

commitment. The bond between ethical leaders and employees is stronger which creates a pleasurable environment at work; this, therefore, causes a higher commitment and decreases turnover intention (Mulki *et al.*, 2007). Elici *et al.* (2012) also noted that leadership behaviors directly affect commitment and job satisfaction of employees, and this, in turn, affects the turnover behaviors. The impact of ethical climate on turnover intention is mediated by organizational commitment; creating an ethical climate, enables organizations to reduce undesirable turnover via greater organizational commitment, and weed out undesirable salespeople while simultaneously fostering a customer orientation (Schwepker, 1999).

Figure 1
Theoretical Model of the Study



Employee turnover can be a vital concern for organizational managers, and has been viewed as an inherently negative occurrence on organizational bottomline (Miller, 2008). Federal Ministry of Health Report (2010) indicates that brain drain, high turnover of health staff, especially medical doctors, shortage and attrition of highly skilled professionals, lack of human resource motivation and retention strategies are among challenges faced by Ethiopian health sector. Health institutions in Ethiopia are characterized by bureaucratic management, poor participation and interaction with team members and supervisors, low morale and motivation of healthcare workers, poor policies and practices for human resource development,

and lack of supportive supervision for health workers, brain drain, high turnover of health staff, especially medical doctors, shortage & attrition of highly skilled professionals, and lack of human resource retention strategies (Alemeshet, 2011; Elzinga *et al.*, 2010; Alpern *et al.*, 2013). In recognition of this shortage, the Ethiopian Federal Ministry of Health, through the Ethiopian Hospital Management Initiative, prioritized the need to improve retention of healthcare workers. To retain and efficiently utilize the skill of health professionals in hospital leadership play a key role. However, WHR (2006) shows that many low income countries receiving large amounts of additional funds to scale up services rapidly are facing some basic skill deficits in health institution administration.

The report also indicates that over the years most attention has focused on knowledge and skills for clinical services, rather than on more generic skills needed to make health systems work effectively and efficiently, such as leadership, accounting, procurement and logistics. It is stated in the report that health workers respond positively to a host of non-financial incentives that can be collectively captured under the rubric of good leadership; these skills benefit health workers at every level of a health system. The report listed out different factors that improve individual or organizational performance of health institutions. Health workers are more motivated to perform well when their organization and managers/leaders make people feel recognized and valued whatever their job, listen to staff and increase their participation in decisions– they often have solutions, encourage teamwork, mentoring and coaching, encourage innovation and appropriate independence, create a culture of benchmarking and comparison, give feedback on, and reward, good performance – even with token benefits and use available sanctions for poor performance in ways that are fair and consistent. Motivating factors in the report for health works are highly correlated with ethical leadership dimensions or characteristics; to mention sanction for poor performance and rewarded for good performance which is transactional nature of ethical leadership, culture of benchmarking that is setting standards and make people recognized and valued, which is people orientation of ethical leadership.

Despite its theoretical and practical significance, empirical research on the ethical dimensions of leadership and leaders' ethical behavior on employees' attitudinal outcomes has not been explored in Ethiopian context. Hence this research is envisioned to investigate the associations between ethical leadership perception of clinical staffs and their commitment level to the hospitals and ethical leadership perception of clinical staffs and their intention to quit job. The indirect effect of organizational commitment on the relation between ethical leadership perception and turnover intention is also addressed. Based on reviews of literature the following

hypotheses were proposed for the attainment of research objective :

- H₁ : There is significant positive correlation relation between ethical leadership perception of clinical staffs and their organizational commitment level.
- H₂ : There is significant negative correlation relation between ethical leadership perception of clinical staffs and their turnover intention.
- H₃ : The relation between ethical leadership perception of clinical staffs and their turnover intention is fully mediated by organizational commitment.

MATERIAL AND METHOD

Descriptive research (survey) design was adopted to undertake the study since it was intended investigate the relationship between ethical leadership, organizational commitment and turnover intention. Population for the study comprises all medical doctors and clinical nurses (full time workers) in public and private / NGO hospitals of Oromia National Regional State of Ethiopia. Eight public and three private / NGO hospitals were selected for data collection. To find out the unit of analysis; it was decided to make use of a nonprobability sample at each of the selected hospitals. A non-probability sample in this sense refers to all physicians and professional nurses who were available to complete the questionnaire at a specific point in time (normally a two-day period) in each hospital. Totally 856 physicians and professional nurses were working in the selected public and private hospitals and the questionnaire was given to all participants who were available on data distribution date with a covering letter and participants were asked to return the completed questionnaire within two days. A total of 415 returns was obtained from the 523 questionnaires distributed. Nine questionnaires were incomplete and were discarded. A total of 406 questionnaires were used for the final analysis which represents a response rate of 77.6%.

Research Instruments

The survey questionnaire used in this study was a selection of established measuring instruments. The following were chosen for this study: Hanges and Dickson (2004) Multi-culture Leader Behavior Questionnaires (MCLQ), the three-dimensions of ethical leadership (morality and fairness, role clarification, and power sharing) and each dimension is measured separately using three different scales. The researcher adopted this three-dimensional 17 items questionnaire to measure ethical leadership behaviors of supervisors. The items have a five-point response scale, ranging from 1 (strongly disagree) to 5 (strongly agree). Roodt (2004b:1)

Turnover intentions questionnaires, the questionnaire consists of 14 items that were measured on a five point intensity response scale anchored at extreme poles (e.g. “never” 1-low intensity, to “always” 5-high intensity). And Meyer & Allen's (1997) Organizational Commitment Questionnaire (OCQ), the three dimension of organizational commitment (affective, continuance and normative commitment) were measured by 18 items, 6 items for each dimension. Responses to each of the 6 items are rated using a 5-point Likert scale with anchors labeled : 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree. Demographic variables (age, years of clinical experience, years in the position and qualifications) were measured in nominal scale.

Analysis of Data

Survey questionnaires were collected and responses to items defining the variables were entered into the SPSS for Windows (version 16.0) program for statistic analysis Means and Standard Deviations were calculated for each variable. To ascertain the extent of relationship between ethical leadership, turnover intention, and organizational commitment Pearson Product Moment Correlations was calculated. Regression Analysis was used to investigate the relationship between the dependent variable (Turnover Intention) and independent variables (Ethical Leadership). In particular, Mediation Analysis was used to determine the effects of Ethical Leadership and Organizational Commitment on Turnover Intention. A path analytical framework was used to interpret the results of the mediation analysis.

Although the instruments selected in this study were all well-established, it was necessary to confirm their reliability and validity once again for this study because of its usage in the Ethiopian hospital context. The construct validity of the questionnaire was assessed using factor analysis. The main purpose for running the factor analysis was to help categories the suitable items for each dimension of independent variable, namely ethical leadership and suitable items for each dimension of intermediate variable, namely Organizational Commitment and the dependent variable namely Intent to Leave.

To ensure the subscales of the Ethical Leadership Instrument tested by Den Hartog and De Hoogh (2008) were accurate, 17 items were subjected to Principal Components Analysis. Prior to the interpretation of the principal component analysis results, the suitability of data for factor analysis was assessed. The Kaiser-Meyer-Olkin value was 0.922, exceeding the recommended value of 0.7 and Bartlett's Test of Sphericity reached statistical Significance, supporting the factorability of the correlation matrix. Inspection of the correlation matrix revealed the presence of factor loading of 0.813 and above (Table 1). The Principal Component Analysis

for the instrument revealed the presence of three components: morality and fairness, role clarification, and power sharing with eigenvalues exceeding 1, explaining 77.65% of the variance. The results are congruent with the previous research of Den Hartog and De Hoogh (2008). All the items in the three dimensions of original scale remained without exclusion because each item has loading factor above 0.5. The reliability of the summative scale indicated by the Cronbach alpha was more than satisfactory, the coefficient was equivalent to 0.919.

Table 1
Rotated Component Matrix

Variable	Factors	Factor Loading	Eigen Value	% of Variance
Ethical Leadership	Factor 1 (Morality & Fairness)		7.526	44.273
	Mfd-1	.889		
	Mfd-2	.901		
	Mfd-3	.885		
	Mfd-4	.881		
	Mfd-5	.856		
	Mfd-6	.840		
	Factor 2 (Role Clarification)	3.449	20.289	
	Rcd-1	.903		
	Rcd-2	.901		
	Rcd-3	.874		
	Rcd-4	.903		
	Rcd-5	.901		
	Factor 3 (Power Sharing)	2.751	16.180	
	Psd-1	.813		
	Psd-2	.873		
	Psd-3	.878		
	Psd-4	.850		
	Psd-5	.886		
	Psd-6	.870		
Total			13.726	80.741
Organizational Commitment	Factor 1 (Continuance Commitment)		7.187	39.926
	Ccd-1	.914		
	Ccd-2	.907		
	Ccd-3	.912		
	Ccd-4	.910		

	Ccd-5	.887		
	Ccd-6	.882		
	Factor 2 (Affective Commitment)		4.266	23.699
	Acd-1	.872		
	Acd-2	.878		
	Acd-3	.894		
	Acd-4	.892		
	Acd-5	.889		
	Acd-6	.858		
	Factors 3 (Normative Commitment)		3.214	17.853
	Ncd-1	.860		
	Ncd-2	.896		
	Ncd-3	.882		
	Ncd-4	.887		
	Ncd-5	.831		
	Ncd-6	.860		
Total			14.667	81.478
Turnover Intention	Factor 1		6.140	43.855
	Itl-1	.891		
	Itl-2	.871		
	Itl-3	.855		
	Itl-4	.824		
	Itl-5	.826		
	Itl-6	.805		
	Itl-7	.768		
	Itl-8	.792		
	Itl-9	.558		
	Factor 2		2.599	18.562
	Itl-10	.752		
	Itl-11	.768		
	Itl-12	.723		
	Itl-13	.695		
	Itl-14	.711		
Total			5.74	62.417

Extraction Method : Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

In the same way, to ensure the subscales of the Organizational Commitment Instrument constructed and tested by Meyer & Allen (1997) were accurate, the 18 items were subjected to principal components analysis. Prior to the interpretation of the Principal Component Analysis results, the suitability of data for factor analysis was assessed.

The Kaiser-Meyer-Olkin value was .914, exceeding the recommended value of 0.7 and Bartlett's Test of Sphericity reached statistical Significance, supporting the factorability of the correlation matrix. Inspection of the correlation matrix revealed the presence of factor loading of .831 and above (Table 1). The principal component analysis for the instrument revealed the presence of three components: continuance, affective, and normative commitment with eigenvalues exceeding 1, explaining 81.478 % of the variance. The results are congruent with the previous research of Meyer & Allen (1997). All the items in the three dimensions of original scale remained without exclusion because each item has loading factor above 0.5. The reliability of the summative scale indicated by the Cronbach alpha was satisfactory, the coefficient was equivalent to 0.834.

Similarly, to ensure the scale of the Turnover Intention Instrument constructed and tested by Roodt, (2004b:1) were accurate, the 14 items were subjected to principal components analysis. Prior to the interpretation of the principal component analysis results, the suitability of data for factor analysis was assessed. The KMO value was 0.905, exceeding the recommended value of 0.7 and Bartlett's Test of Sphericity reached statistical Significance, supporting the factorability of the correlation matrix. Inspection of the correlation matrix revealed the presence of factor loading of .516 and above (Table 1). The principal component analysis for the instrument revealed the presence of two components: turnover intention 1 and turnover intention 2 with eigenvalues exceeding 1, explaining 62.42% of the variance. The two components obtained was not consistent with previous research on the instrument by Roodt, (2004b:1). All the items in the original scale remained without exclusion because each item has loading factor above 0.5. The reliability of the summative scale indicated by the Cronbach alpha was satisfactory, the coefficient was equivalent to 0.880.

RESULTS & DISCUSSION

Demographic Characteristics of the Respondents

Table 2

Demographic Characteristics of Respondents

Variable		Frequency	% of Total
Gender	Male	175	43.1
	Female	231	56.9
Age	21-30 Years	76	18.7
	31-40 Years	203	50
	41-50 Years	122	30
	>50 Years	5	1.2
Marital Status	Single	137	33.7
	Married	269	66.3
Level of Qualification	Diploma in Nursing	100	24.6
	BSc Nurse	187	46.1
	Medical Doctor (General)	77	19
	Specialized Doctor	42	10.3
Current Position	Nurse Staff	163	40.1
	Supervisor	106	26.1
	Doctor	81	20
	Middle Management	46	11.3
	Senior Management	10	2.5
Organizational Tenure	1-4 Years	166	40.9
	5-8 Years	173	42.6
	9-12 Years	58	14.3
	>12 Years	9	2.2
Job Type (Ownership)	Public	306	75.4
	Private/NGO	100	24.6

To summarize the demographic characteristics of the respondents, most of the respondents are professional nurses (Diploma and B.Sc. Nursing), account for nearly 70% respondents working in hospitals of the region. More females (56.9%) participated in this survey than males (43.1%). It seems on its face that the proportion of female healthcare personnel in hospitals in the region is higher than the male counterparts. Three hundred twenty-five respondents, accounting for 80 %, were

at the age between 31 and 50. It would appear from the statistics that the healthcare personnel in the hospitals of the region are clustered at middle age, from 31 to 50 which account for 80% of the total healthcare personnel. Those at the age of 51 to 60 are rarely to be found. Most (83.5%) served hospitals of the region for eight and less years and only 2.2% of the respondents spent more than 12 years in hospital. 75.4% of healthcare professionals are from public hospitals whereas 24.6% of them are from private / NGO hospitals of the region. Statistical data indicates that most of hospitals operating in the region are of public-owned, participation of private organizations and NGOs in this is limited in the region

Correlation Analysis

In this section, the researcher examines the hypotheses of the study. Based on review of previous literature, ethical leadership was hypothesized to be positively correlated with organizational commitment. The relationship was investigated by means of Pearson correlation analysis.

Table 3
Correlation Among Variables

Variables	1	2	3	4	5	6	7	8	9
1. Ethical Leadership (Combined Scale)	1								
2. Morality and Fairness	.789**	1							
3. Role Clarification	.629**	.284**	1						
4. Power Sharing	.765**	.420**	.210**	1					
5. Organizational Commitment (Combined Scale)	.376**	.457**	.192**	.164**	1				
6. Continuance Commitment	.271**	.310**	.154**	.127**	.673**	1			
7. Affective Commitment	.388**	.460**	.170**	.204**	.689**	.315**	1		
8. Normative Commitment	-0.021	.009	.000	-.052	.335**	-.261**	-.106*	1	
9. Turnover Intention1	-.245**	-.240**	-.213**	-.094*	-.341**	-.317**	-.271**	.021	1

** Correlation is significant at the 0.01 level (1-tailed). * Correlation is significant at the 0.05 level (1-tailed).

As proposed in the hypothesis, the correlation result indicates that organizational commitment has strong positive correlation with ethical leadership (.376**) which confirms the acceptance of the first hypothesis. Among organizational commitment variables affective commitment has the strongest positive correlation with ethical leadership (average) (.388**) followed by continuance commitment (.271**), however normative commitment has no relation with ethical leadership (-.21). From ethical leadership variables, morality and fairness dimension has the strongest correlation with organizational commitment and its dimensions: (.457**) with organizational commitment (.460**) with affective commitment and (.310**) with continuance commitment. Turnover intention is negatively associated with ethical leadership and also with its dimensions: (-.245**) with ethical leadership total (-.240**) with moral and fairness dimension (-.213**) with role clarification dimension and (-.094*) with power sharing dimension which is relatively weak association. Organizational commitment has significant negative correlation (-.341) with turnover intention as correlation table indicates. Comparing organizational commitment dimensions' correlation with turnover intention, continuance commitment has strong negative correlation (-.317) with turnover intention followed by affective commitment (-.271), however normative commitment has nearly zero relation with turnover intention (-.021) which is statistically insignificant.

Regression Analysis

Mediation analysis was conducted to test the last hypothesis which states “the relation between clinical staffs' ethical leadership perception and their turnover intention will be fully mediated by organizational commitment.” In doing so, a series of procedures was followed :

Firstly, regressing independent variable (ethical leadership) on dependent variable (turnover intention) and ethical leadership has to be significant predictor of turnover intention. Secondly, regressing independent variable (ethical leadership) on the proposed mediating variable (organizational commitment) once again ethical leadership has to be significant predictor of organizational commitment. Table 4 and Table 5 present regression analysis result for the above conditions respectively.

Regression result in Table 4 shows that ethical leadership has statistically significant independent influence ($\beta = -0.205$) on turnover intention. 6% variation in turnover intention can be explained by variation in ethical leadership. The negative regression coefficients indicates that there are inverse relationships between ethical leadership and turnover intention.

Table 4
Effects of Ethical Leadership on Turnover Intention

Model 1 Independent Variable : Ethical Leadership	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	3.745	.131		28.573	0.000
Ethical Leadership (Total)	-0.205	.040	-0.245	-5.077	0.000
R ²	0.060				
F				25.776	0.000

a. Dependent Variable : Turnover Intention

Table 5
Effects of Ethical Leadership on Organizational Commitment

Model 2 Independent Variable : Ethical Leadership	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	2.243	.116		19.410	.000
Ethical Leadership (Total)	.290	.036	.376	8.145	.000
R ²	.141				
F				66.346	.000a

a. Dependent Variable : Organizational Commitment

It can be concluded from the table that ethical leadership a significant predictor of organizational commitment ($\beta = 0.290$) that it explains 14% variance in organizational commitment.

Since the above two conditions hold regression analysis that determines the effect of ethical leadership and organizational commitment together on turnover intention was conducted. For full mediation to existence; regression coefficient for organizational commitment should be significant, which is organizational commitment should be a significant predictor of turnover intention and regression coefficient for ethical leadership should be non-significant; its predictive value should be reduced to zero. If organizational commitment was a significant predictor of turnover intention and ethical leadership remains significant but reduced in its predictive value the model indicates organizational commitment partially mediates the relation

between ethical leadership and turnover intention. If the predictive value of ethical leadership remains significant and not reduced from the original direct effect value the model shows that there is no indirect effect or mediation.

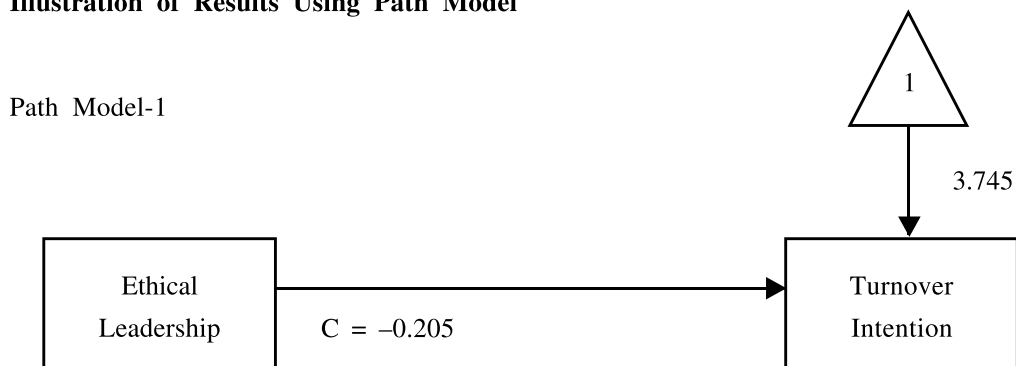
Table 6
Effects of Ethical Leadership and Organizational Commitment on Turnover Intention

Model 2 Independent Variable : Ethical Leadership	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	4.451	.175		25.396	0.000
Ethical Leadership	-0.114	.042	-0.136	-2.714	0.007
Organizational Commitment	-0.315	.054	-0.290	-5.799	0.000
R ²	0.132				
F				30.744	0.000

a. Dependent Variable : Turnover Intention

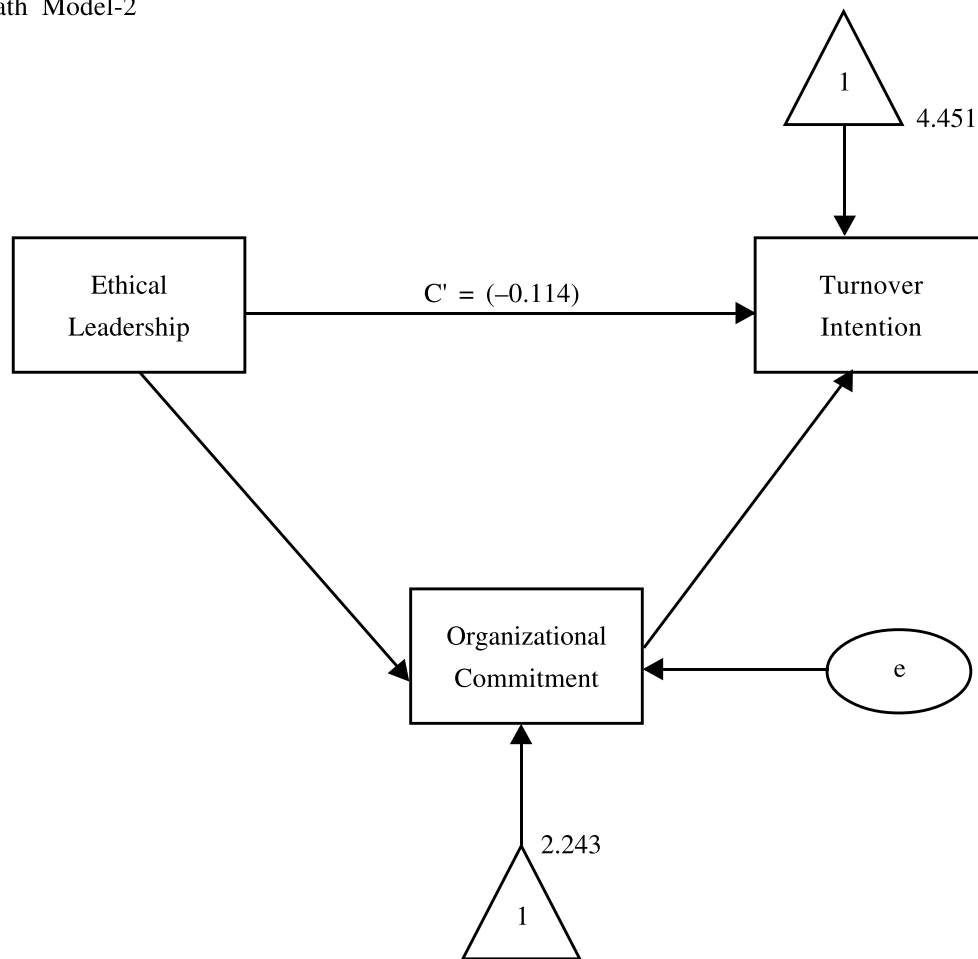
Regression analysis result in Table 14 shows that organizational commitment is a significant predictor ($\beta = -0.315$) of turnover intention and shows little reduction from the original predictive value ($\beta = -0.370$). Ethical leadership remains significant but reduced in its predictive value from ($\beta = -0.205$ to $\beta = -0.114$). It is a huge difference but still it needs to be reduced to zero to conclude the existence of full mediation. Hence, it can be concluded that organizational commitment partially mediates the relation between ethical leadership and turnover intention. Therefore, the hypothesis which states the relation between ethical leadership and turnover intention is fully mediated by organizational commitment is not fully supported.

Figure 2
Illustration of Results Using Path Model



The results from path model reveal that the difference between the predictive values of direct path from ethical leadership to turnover intention before including mediation (C) was down from ($\beta = -0.205$) to ($\beta = -0.114$) after mediation variable is included. There is significant amount of difference between beta value of C and C', however the path C' is statistically significant which disprove the existence of full mediation. Hence the organizational commitment partially mediate the relation between ethical leadership and turnover intention.

Path Model-2

**Note :**

- Rectangles : Observed Variables (Ethical leadership, organizational commitment and turnover intention)
- Circles: Unobserved Variables (e)
- Triangles : Constants
- Arrows : Associations
- a = Unstandardized regression coefficient for the association between independent variable and mediator

- S_a = Standard error of a
- b = Raw coefficient for the association of between the mediation and the dependent variable (when the IV is also a predictor of the DV.)
- S_b = Standard error of b
- C = Direct path from independent variable to dependent variable before including mediator
- C' = Direct path from independent variable to dependent variable after including mediator

Further evidences to support the above conclusion were obtained by conducting SOBEL test. To conduct the test the values of a , S_a , b and S_b were inserted into an interactive calculation tool. As depicted in Tables above the value of $a = 0.290$, $S_a = 0.036$, $b = -0.315$ and $S_b = 0.054$. After putting these values into calculation it brought the following result $Z = (-4.725)$, $P \text{ value} = (0.00000231)$ the indirect effect is statistically significant which confirms the existence of mediation.

CONCLUSION

The main aim of this study was to investigate the relationship between ethical leadership perception and turnover intention of healthcare personnel in Ethiopian hospital context. Study was also intended to analyse the effect of organizational commitment on the relation of ethical leadership and turnover intention. To test the proposed hypotheses, numerous statistical tools were employed.

Consistent with previous findings, the correlation analysis in the current research confirmed the positive association of ethical leadership with organizational commitment (Brown *et al.*, 2005; Rouzbahani *et al.* (2013); Ponnu & Tennakoon (2009). This indicates that leaders, namely supervisors in hospitals would be able to enhance these outcomes by becoming a role model in terms of following ethical behaviors and conducting decision-making procedures based on ethical standards. The findings of this study, in line with previous results (e.g. Kuan, Kaur & Wong (2010); Steers (1977); Kumar and Eng (2012)), suggest that the relationship of organizational commitment with turnover intention is negative. This implies that when followers become committed (enjoy the membership in organizations), their intention to leave the organization would be diminished. Leaders should realize that having committed employees that would result in their intention to leave to be reduced will assist them to avoid any associated costs such as recruitments, trainings, etc. The result of multiple regression analysis indicated that ethical leadership has statistically significant independent influence on turnover intention and 6% variation in turnover intention can be explained by variation in ethical

leadership. Ethical leadership also has significant predictive value of organizational commitment; and organizational commitment partially mediate the relation between ethical leadership and turnover intention.

This study while focusing on ethical leadership could only investigate organizational commitment as the outcome variable of this leadership style. Literature suggests that leadership is able to enhance various outcomes both among followers and in organizations. Future research needs to be conducted to investigate how ethical leadership could predict other outcomes

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