

Human Resource and Leadership Journal (HRLJ)



CARI
Journal

EFFECT OF CHARACTER AND TECHNICAL DIMENSIONS OF ETHICAL LEADERSHIP ON EMPLOYEE COMMITMENT IN THE TRANSPORT SECTOR PARASTATALS IN KENYA

^{1*}Chrisantus Namada Ouma,

¹Post Graduate Student: United States International University - Africa

*Corresponding Email: chris.ouma@gmail.com

²Professor George O. K'Aol

Senior Lecturer : United States International University - Africa,

P.O. Box, 14634 - 00800 Nairobi, Kenya

Email: gkaol@usiu.ac.ke

³Professor Damary Sikalieh

Senior Lecture: United States International University - Africa,

P.O. Box, 14634 - 00800 Nairobi, Kenya

Email: dsikalieh@usiu.ac.ke

Abstract

Purpose: The purpose of this study was to determine the effect of the character and technical dimensions of ethical leadership on employee commitment among senior managers in the transport sector parastatals in Kenya.

Methodology: The study adopted a descriptive correlational research design. The target population consisted of 253 senior managers in the transport sector parastatals. A sample of 153 senior managers was selected from the target population using the stratified random sampling technique. A self-administered questionnaire was used to collect data from senior managers. Data were analyzed using descriptive and inferential statistics.

Results: Correlation analysis revealed a positive and significant relationship between the character dimension and employee commitment, $r(111) = .72, p < .05$, and also between the technical dimension and employee commitment, $r(111) = .56, p < .05$. Analysis of variance showed that employee commitment was significantly affected by the character dimension, $F(1, 111) = 197.56, p < .05$ as well as the technical dimension, $F(1, 111) = 55.23, p < .05$. Results of multiple linear regression indicated that 64% of the variance in employee commitment were caused by the character dimension, $R^2 = .64, F(1,111) = 197.56, p < .05$; $\beta = .78, p < .05$ while 33% of the variance in employee commitment were caused by the technical dimension, $R^2 = .33, F(1,111) = 55.23, p < .05$; $\beta = .65, p < .05$.

Ethical climate was found to significantly moderate the relationship between the character and technical dimensions of ethical leadership and employee commitment, $R^2 = .67$, $F(7,105) = 30.56$, $p < .05$; $\beta = .24$, $p < .05$.

Unique contribution to theory, practice and policy: Previous studies on ethical leadership have focused on the ethical characteristics of the leader and behavioral traits in the Western settings. This study has provided an in-depth examination of ethical leadership and its effect on employee commitment in the African context. In addition, the application of ethical climate as a moderating variable in this study presented the opportunity to further test its moderating effect on the relationship between the character and technical dimensions of ethical leadership and employee commitment in public organizational settings.

Key words: *Employee commitment, character dimension, technical dimension, ethical leadership, Influence*

1.0 INTRODUCTION

1.1 Background of the study

Employee commitment has been widely theorized in literature to predict positive organizational outcomes. However, employee commitment within organizations is often the result of sound leadership practices. According to Treviño and Brown (2005), ethical leadership is fundamental in the creation of a functional organizational culture that cultivates high indices of employee commitment. Hawass (2016) has stated that positive organizational outcomes occur when ethical leaders demonstrate the character dimension of leadership. González and Guillén (2002) argued that the technical dimension creates a trustful atmosphere that influences organizational members towards positive organizational outcomes. This position is supported by several studies that attribute the positive influence of ethical leadership on employee commitment (Dinc & Aydemir, 2014). Some researchers have attributed employee commitment to aspects of the character and technical dimensions of ethical leadership. For example, Tan, Zawawi, and Aziz (2016) found that organizational commitment fully mediated the relationship between leader benevolence and organizational citizenship behavior. Ekobena (2016) has opined that character is what makes for good leadership and results in leader credibility. Yates (2011) argued that leader honesty, truthfulness and adherence to moral codes are important characteristics that can attract follower buy-in and affirm legitimacy of the leader's authority.

1.2 Statement of the Problem

The performance of parastatals in the Kenyan public sector context has raised considerable discussion in the last two decades. According to the Office of The President (of Kenya) (2013), performance in the parastatal sector has been mixed, registering both successes and dismal failures. Minja (2011) has attributed this state of affairs to poor ethical practices. Olesia, Namusonge, and Iravo (2013a) stated that the situation is attributable to poor employee commitment. Contemporary literature suggests that ethical leadership provides a practical means by which an organization can enhance commitment among its employees. Specifically, the character dimension of ethical leadership has been found to positively affect employee commitment (Liu & Qu, 2011; Thamrin, 2012).

Similarly other studies revealed that the technical dimension of ethical leadership predicted employee commitment in employees (Wainaina, Iravo, & Waititu, 2014; Blakcori, 2014).

Although ethical leadership dimensions have been hypothesized to predict employee commitment in organizations, some studies have not found support for this position (Awan & Mahmood, 2010). Consequently, there have been calls by certain authors for further inquiry into this area following contradictory findings on this subject (Bedi, Alpaslan, & Green, 2016).

While a number of studies investigating ethical leadership and its organizational outcomes have been conducted in the African context, they have focused on either ethical leadership, employee commitment, or other organizational outcomes but not specifically on the relationship between the dimensions of ethical leadership and employee commitment. There have been recent calls by some researchers to determine how ethical leadership dimensions influence employee outcomes such as organizational citizenship behavior and employee commitment (Downe, Cowell, & Morgan, 2016). Moreover, previous studies have focused on organizations in the private and non-governmental sectors; additionally, the studies have been conducted in other jurisdictions thus inviting for research in the Kenyan context (Olesia, Namusonge, & Iravo, 2013b). Therefore, in order to bridge these gaps, this study investigated the effect of the character and technical dimensions of ethical leadership among the senior managers in the transport sector parastatals in Kenya.

1.3 Research Question and Hypothesis

The study was based on the following research questions:

How does the character dimension of ethical leadership affect employee commitment among managers in the transport sector parastatals of Kenya?

How does the technical dimension of ethical leadership affect employee commitment among managers in the transport sector parastatals of Kenya?

Does ethical climate moderate the relationship between the character and technical dimensions of ethical leadership and employee commitment among managers in the transport sector parastatals of Kenya?

The following null hypotheses were used to test the effect of the character and technical dimensions of ethical leadership on employee commitment among the senior managers in the transport sector parastatals in Kenya.

H0₁: The character dimension of ethical leadership has no significant effect on employee Commitment among managers in the transport sector parastatals in Kenya

H0₂: The technical dimension of ethical leadership has no significant effect on employee Commitment among managers in the transport sector parastatals in Kenya

H0₃: Ethical climate does not moderate the relationship between the character and technical dimensions of ethical leadership and employee commitment among managers in the transport sector parastatals in Kenya

1.4 Purpose and Scope of the Study

The purpose of the study was to determine the effects of the character and technical dimensions of ethical leadership on employee commitment among senior managers in the transport sector parastatals in Kenya. Senior managers consisting of heads of divisions, heads of departments and heads of sections in the parastatals under study were interviewed between June and September 2017.

2.0 THEORETICAL AND EMPIRICAL REVIEW

2.1 Theoretical Review

The study was underpinned by the ethical leadership theory as described by Treviño, Hartman and Brown, (2000). Further development of the theory saw subsequent scholars describe ethical leadership constructs that outlined five pivotal dimensions of ethical leadership collectively identified as, the character dimension, the technical dimension, the empowerment behavior dimension, the moral dimension, and the psycho-emotive dimension (González & Guillén 2002; Hawass, 2016). The theory stated that an ethical leader was first a moral person, and then a moral manager—that the moral person had specific traits, behaviours and decision-making criteria. The theory indicated that the moral manager promoted ethics & values, rewarded and disciplined employees, and was an observable role model.

The character dimension of ethical leadership has been associated with leader credibility and believability from followers. Leader credibility offers legitimacy to the leader and is a source of leader influence (Ekobena, 2016). The character dimension is composed of three attributes, universalism, transformation and benevolence (Sarros and Cooper 2006). Ethical leaders demonstrate the principle of universalism in their behaviors by endeavoring to uphold the ethic of justice. This is so as to nurture a working environment characterized by justice and normative equality practices. Justice is defined by Ehrich et al. (2015) as a personal decision to act in a just and fair manner towards individuals and the community at large. The second attribute of the character dimension is transformation, which typifies the character elements of courage and the ability to stimulate the achievement of right outcomes in followers. Johnson (2012) suggested that transformational leadership is the external display of ethical leadership. Finally, ethical leaders exemplify their character attribute of benevolence, which is defined as loyalty to organizational objectives and selflessness. According to Alparslan and Can (2015), leader adoption of values such as benevolence spawns formation of positive behaviors of their followers.

The technical dimension of ethical leadership is laden with leader behaviors that include organization goal & objective setting, creation of formalized organizational routines and the enhancement of decision making systems within the organization. González and Guillén, (2002) posited that when ethical leaders demonstrate competence in their technical abilities, they derive a source of influence towards their followers. Organization goal & objective setting leads to positive employee outcomes including commitment to organizational goals (Bipp and Kleingeld 2011). The second attribute of the technical dimension involves the creation of formalized organizational routines; this synergizes leader ethical behavior by maintaining organizational harmony, and providing a reference point for control, repetition and duplication of organizational activities (Weichbrodt & Grote, 2010).

Finally, ethical leaders develop sustainable decision-making processes within their organizations. Shaed, Ishak, and Ramli (2015) found that employee participation in decision making (PDM) generated positive employee and organizational outcomes in various settings and contexts. PDM has been linked to employee creativity; Akuoko, Dwumah, and Ansong (2012) established that it positively impacted workers' commitment and performance. Farndale et al. (2011) demonstrated a positive relationship between employee voice and perception of participation in decision-making with employee commitment.

2.2 Empirical Review

2.2.1 Effect of the Character Dimension on Employee Commitment

Character, according to Beekun (2012) is a person's ethical dimension. It is like an individual's internal rudder, which has been described by other authors as an unseen source of individual constancy (Spears, 2010), without which actions can assume a meaningless routine. Character is the external manifestation of individual values, the demonstration of personal integrity by which morally appropriate outcomes are realized. As advanced by Sarros and Cooper (2006), the character dimension has three constructs namely, universalism, transformation and benevolence. According to Hawass (2016), universalism as applied to the character dimension represents a person's comprehension of and acceptance for the well-being of society. It is described by the leader's qualities of respectfulness, impartiality and consideration to subordinates & the society.

Accordingly, transformation is an outward demonstration of ethical leadership, which lays emphasis on driving followers to conduct themselves always in a right manner. Benevolence represents the character attributes of loyalty to organizational objectives and selflessness (or self-sacrifice). According to social exchange theory, when leaders meet the needs of their subordinates through benevolent actions, this elicits reciprocal conduct from the subordinates through their work output thus resulting in organizational benefit (Ritz, et al., 2014). Chan and Mak (2014) demonstrated a positive relationship between transformational leadership and affective & normative commitment. Rahman et al., (2016) found a positive relationship between perceived organizational justice (an attribute of benevolent leadership) and employee commitment; similar results were found by Kim (2014).

2.2.2 Effect of the Technical Dimension on Employee Commitment

The technical dimension of ethical leadership refers to the set of technical skills owned by the leader that justify his or her capacity to influence followers. The skills include expert knowledge or experiential prowess that the leader uses to direct the organization. According to González and Guillén (2002), the technical dimension is exhibited through the observed effectiveness of a leader. This effectiveness generates a source of influence for the leader towards the followers. Some of the ethical leader behaviors that constitute the technical dimension include leaders ensuring that their organizations conduct goal and objective setting, that they set up and operationalize formal organization routines and procedures, and that functional information-decision making systems exist. Alban-Metcalfe and Alban-Metcalfe (2013) proposed a leadership competency model based on leadership acumen and engagement where they prefer a leader who scores highly on both leadership acumen and engagement.

An engaging leader connects effectively with individuals, institutional systems and stakeholders as well as demonstrating virtues such as integrity and reflectiveness, hence being able to transform organizations (Wiltshire, 2012). Medlin and Green Jr. (2009) demonstrated the positive impact of objective setting upon individual performance through employee engagement and optimism. Riaz, Akram, and Ijaz (2011) found that transformational leadership predicted employee affective commitment among banking staff in Pakistan. Because stimulation of employees to achieve may include role modelling, ethical leaders model service to followers by personally demonstrating organization citizenship behavior (Yang, Ding, & Lo, 2016).

Empirical evidence also supports the premise that presence of decision-making systems is an organizational outcome variable that enables success of organizational goals and objectives. Irawanto (2015) demonstrated that dimensions of participation in decision-making (which is the operationalization of decision-making systems) significantly and positively affected employee motivation.

2.2.3 Moderating Effect of Ethical Climate on the Relationship between Ethical Leadership and Employee Commitment

Ethical Climate was the moderating variable in this study. A work climate is described as an individual perception that conveys meaningful descriptions of an organization's systems and modes of operation, which people can psychologically relate to (Victor & Cullen, 1988). Thus, an organizational ethical work climate refers to a work environment's moral atmosphere combined with the organization's level of ethical practice. Ethical climates were described by a two-dimensional matrix consisting of ethical theories (egoism, benevolence and principle) on one axis, and loci of analysis (individual, local and cosmopolitan) on the other axis (Simha & Cullen, 2012). Egoism climate refers to ethical behavior that supports the satisfaction of individual self-interests (Ma'amor, Ann, Munir, & Hashim, 2012). Benevolence on the other hand refers to altruistic behavior that focuses more on satisfying public interest. Principle refers to the observance of universal principles and beliefs, and the application of rules, regulation and law in decision-making; it has been found to positively correlate with organizational commitment (Moore & Moore, 2014). Ethical climate was empirically found to mediate the relationship between ethical leadership and employee misconduct (Mayer, Kuenzi, & Greenbaum, 2010). Cemberci and Civelek, (2016) demonstrated that ethical leadership positively influenced ethical climate and organizational commitment, and that the relationship between ethical leadership and organizational commitment was mediated by ethical climate. Borhani, (2014) discovered a positive correlation between caring (benevolent) climate and organizational commitment.

3.0 RESEARCH METHODOLOGY

3.1 Research Philosophy and Design

The study adopted positivist philosophy and descriptive correlational research design. The study was quantitative in nature and sought to determine the effect of the character and technical dimensions of ethical leadership on employee commitment among senior managers in the transport sector parastatals in Kenya.

3.2 Target Population and Sampling Design

The target population for this study consisted of 253 senior managers from the nine (9) parastatals in the Ministry of Transport, Infrastructure, Housing and Urban Development. The parastatals were; Kenya Airports Authority, Kenya Civil Aviation Authority & East African School of Aviation, Kenya Ferry Services, Kenya Maritime Authority, Kenya Ports Authority, Kenya Railways Corporation, Kenya Railways Training Institute, LAPSSSET Corridor Development Authority and National Transport Safety Authority. The stratified random sampling technique was used to determine a sample size of 153 senior managers from the total population.

3.3 Data Collection and Data Analysis Methods

Data was collected using self-administered questionnaire and then analyzed using descriptive statistics i.e. means and standard deviations, and inferential statistics including analysis of variance (ANOVA), chi square and multiple linear regression. The results were presented in tables and figures. The statistical program for social sciences (SPSS) v. 24 was used as a tool for data analysis.

4.0 RESULTS

4.1 Demographic information

A total of the 153 questionnaires were distributed and 113 usable questionnaires were returned representing a 73% response rate. The results on demographic information revealed that 68% of the respondents were male and 32% were female. The results also indicated that about 16% of the respondents were aged between 25 years and 34 years. The age brackets with the highest percentage of employees were 35 to 44 years (about 33%) and 45 to 54 years (about 40%). The results further revealed the majority (60%) of the respondents had master's degree as their highest academic qualification.

4.2 Character Dimension

4.2.1 Descriptive statistics

The study analyzed the mean and standard deviation of the components of the character dimension. The means were interpreted using a scale interval where a mean value of 1 to 1.8 was an indication of strongly disagree; 1.8–2.6 indicated disagree; 2.6–3.4 was neutral, 3.4–4.2 was agree and a mean value of 4.2 and above was an indication of strongly agree. The findings showed that on average, the managers agreed that their leaders “treated all the managers fairly and without preference”, ($M = 3.65$, $SD = 1.09$), and “spent time to help managers with work-related problems or private matters”, ($M = 3.44$, $SD = 0.95$). Regarding the effect of the character dimension on employee commitment, the findings showed that the respondents were neutral about “finding it very hard to leave the organization because the leader motivates managers to achieve extraordinary outcomes”, ($M = 3.14$, $SD = 0.99$) and about whether “they felt morally obligated to remain in the organization because the leader spends time to help managers with work-related problems or private matters”, ($M = 3.14$, $SD = 0.99$).

4.2.2 Correlation Analysis

Correlation analysis was conducted to investigate the relationship between the character dimension of ethical leadership and employee commitment among managers in the transport sector parastatals in Kenya. The results revealed a strong positive and significant relationship between employee commitment and “leader motivating managers to achieve extraordinary outcomes”, $r(111) = .72, p < .05$, and “leader spending time to help managers with work-related problems or private matters”, $r(111) = .66, p < .05$. Overall, the findings showed that there was a strong positive and significant association between the character dimension of ethical leadership and employee commitment, $r(111) = 0.80, p < .05$.

4.2.3 Chi square Test

Chi square test of independence was conducted to test the strength of association between the character dimension of ethical leadership and employee commitment. The study findings showed that the character dimension and employee commitment were strongly associated, $\chi^2(11, N = 113) = 83.99, p < .05$. The results implied that the character dimension of ethical leadership was likely to improve employee commitment among managers in the transport sector parastatals in Kenya.

4.2.4 One-way ANOVA

A one-way ANOVA was carried out to establish if there were significant differences between the means of the character dimension with the managers’ demographic variables (gender, age, management position, years worked in the parastatal and highest level of education). This sought to determine if there was greater variability in the rating between groups and within groups. The results indicated that there were no significant differences in the mean for character dimension across the managers’ demographic variables.

4.2.5 Regression Analysis and Hypothesis Testing

Multiple linear regression analysis was carried out to determine the effect of the character dimension of ethical leadership on employee commitment. The results are presented Table 1, Table 2, and Table 3.

Table 1: Model Summary

Variable	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Character Dimension	1	.800a	0.64	0.637	0.495252

a Predictors: (Constant), Character Dimension, Technical Dimension

b Dependent Variable: Employee Commitment

The results in Table 1 indicate that the character dimension explained 64% of variance in employee commitment among the senior managers in the transport sector parastatals, $R^2 = .64$.

This implies that 64% of the changes in employee commitment among the respondents can be explained by character dimension. Other factors therefore contributed to 36% of the changes in employee commitment.

The regression ANOVA results in Table 2 show that the character dimension of ethical leadership had a significant effect on employee commitment, $F(1, 111) = 197.56, p < .05$.

Table 2: Regression ANOVA

Character Dimension						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	48.455	1	48.455	197.556	.000b
	Residual	27.225	111	0.245		
	Total	75.681	112			

a Dependent Variable: Employee Commitment

b Predictors: (Constant), Character Dimension

** Correlation is significant at the 0.05 level (2-tailed).

Table 3 displays the results of the regression coefficients model. The analysis showed that the character dimension statistically predicted the value of employee commitment, $\beta = .78, t(113) = 14.06, p < .05$. This means that one unit of increase in character dimension increases the unit of employee commitment by .78 with the influence of the moderating variable.

Table 3: Regression Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.497	0.203		2.442	0.016
	Character Dimension	0.777	0.055	0.8	14.055	0.000

a. Dependent Variable: Employee Commitment

** Correlation is significant at the 0.05 level (2-tailed).

Based on the findings of the study, the null hypothesis was rejected. The model equation for the character dimension of ethical leadership was:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon;$$

$$Y = 0.497 + 0.777 \text{ Character Dimension} + 0.203$$

4.3 Technical Dimension

4.3.1 Descriptive statistics

The study analyzed the mean and standard deviation of the components of the technical dimension. The means were interpreted using a scale interval where a mean value of 1 to 1.8 was an indication of strongly disagree; 1.8 – 2.6 indicated disagree; 2.6 – 3.4 was neutral, 3.4 – 4.2 was agree and a mean value of 4.2 and above was an indication of strongly agree.

The findings reveal the means as follows: “My leader has the requisite professional competencies and know-how to run the organization”, ($M = 4.04, SD = 0.93$), “My leader ensures that organizational business is conducted within set routines and standard operating procedures”, ($M = 3.91, SD = 0.91$). In regard to the effect of the technical dimension on employee commitment, the means were found as follows: “I have a strong sense of belonging to my organization because my leader has the requisite professional competencies and know-how to run the organization”, ($M = 3.57, SD = 1.02$), and “I feel morally obligated to remain in the organization because their leader conducts the setting and implementation of organizational goals & objectives”, ($M = 3.29, SD = 0.96$).

4.3.2 Correlation Analysis

Correlation analysis was conducted to investigate the association between the technical dimension of ethical leadership and employee commitment among the senior managers in the transport sector parastatals in Kenya. The results revealed that leader ensuring that organizational business is conducted within set routines and standard operating procedures had a strong positive and significant association with employee commitment, $r(111) = .56, p < .05$. Overall, the findings revealed a strong positive and significant association between the technical dimension of ethical leadership and employee commitment, $r(111) = .58, p < .05$.

4.3.3 Chi square Test

Chi square test of independence was conducted to test the strength of association between the technical dimension of ethical leadership and employee commitment. The technical dimension was found to be strongly associated with employee commitment, $\chi^2(10, N = 113) = 76.34, p < .05$. The results implied that the technical dimension of ethical leadership was likely to improve employee commitment among managers in the transport sector parastatals in Kenya.

4.3.4 On-way ANOVA

A one-way ANOVA was carried out to establish if there were significant differences between the means of the technical dimension with the managers' demographic variables (gender, age, management position, years worked in the parastatal and highest level of education). This sought to determine if there was greater variability in the rating between groups and within groups. Results revealed that the means for the technical dimension were found to be significantly different across the years worked in the organization $F(4, 108) = 3.11, p < .05$.

4.3.5 Regression Analysis and Hypothesis Testing

Multiple linear regression analysis was carried out to determine the effect of technical dimension of ethical leadership on employee commitment. The results are presented Table 4, Table 5 and Table 6.

Table 4: Model Summary

Variable	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Technical Dimension	1	.576a	0.332	0.326	0.711532

a Predictors: (Constant), Character Dimension, Technical Dimension

b Dependent Variable: Employee Commitment

The results in Table 4 indicate that the technical dimension explained a significant proportion of variance in employee commitment among these senior managers, $R^2 = .33$. This implies that 33% of the changes in employee commitment were explained by the technical dimension. Other factors not covered by this study therefore contributed to 67% of the changes in employee commitment.

The regression ANOVA results in Table 5 show that the effect of the technical dimension of ethical leadership on employee commitment was significant, $F(1, 111) = 55.232, p < .05$.

Table 5: Regression ANOVA

Technical Dimension						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.963	1	27.963	55.232	.000b
	Residual	56.197	111	0.506		
	Total	84.16	112			

a Dependent Variable: Employee Commitment

b Predictors: (Constant), Character Dimension, Technical Dimension

** Correlation is significant at the 0.05 level (2-tailed).

Table 6 displays the results of the regression coefficients. In the regression coefficients model, the analysis showed that, the technical dimension was found to significantly predict employee commitment, $\beta = .65, t(112) = 7.43, p < .05$. This means that one unit of increase in the technical dimension increases the unit of employee commitment by .65, with the influence of the moderating variable.

Table 6: Regression Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.79	0.352		2.245	0.027
Technical Dimension	0.645	0.087	0.576	7.432	0.000

a. Dependent Variable: Employee Commitment

** Correlation is significant at the 0.05 level (2-tailed).

Based on the findings of the study, the null hypothesis was not supported. The model equation for the character dimension of ethical leadership was:

$$Y = \beta_0 + \beta_2 X_2 + \epsilon;$$

$$Y = 0.79 + 0.645 \text{ Technical Dimension} + 0.352$$

4.4 Ethical Climate

4.4.1 Descriptive statistics

The study analyzed the mean and standard deviation of the components of the egoism, benevolence and principle ethical climates. The means were interpreted using a scale interval where a mean value of 1 to 1.8 was an indication of strongly disagree; 1.8 – 2.6 indicated disagree; 2.6 – 3.4 was neutral, 3.4 – 4.2 was agree and a mean value of 4.2 and above was an indication of strongly agree.

In relation to the egoism ethical climate, the managers had a neutral opinion as to whether in their organizations people were mostly out for themselves, ($M = 3.12$, $SD = 1.10$), On average, the managers had a neutral opinion as to whether it was very hard for them to leave their organization because employees were expected to do anything to further the organization's interests, ($M = 2.65$, $SD = 0.99$).

In relation to the benevolence climate, the managers had a neutral opinion as to whether in their organization, people looked out for each other's good ($M = 3.16$, $SD = 1.07$). On average, the managers had a neutral opinion as to whether they had a strong sense of belonging to their organizations because in their organizations, people looked out for each other's good ($M = 3.11$, $SD = 0.96$).

As relates to the principle ethical climate the managers agreed that everyone was expected to stick by organizational rules and procedures, ($M = 4.26$, $SD = 0.86$). On average, the managers agreed that they had a strong sense of belonging to their organizations because everyone was expected to stick by organizational rules and procedures ($M = 3.56$, $SD = 0.98$).

4.4.2 Correlation Analysis

The study determined the correlation between the ethical climate index and employee commitment. To test the study's significance of estimates, the significance value was set at $p \leq .05$. A strong positive and significant correlation was found between the ethical climate and employee commitment among these managers $r(111) = .76, p < .05$.

4.4.3 Chi square Test

Chi square test was also conducted to show the whether an association existed between ethical climate and employee commitment among the senior managers. The findings revealed that these two variables were associated, $\chi^2(20, N = 113) = 51.84, p < .05$.

4.4.4 One-way ANOVA

The study conducted a one-way analysis of variance (ANOVA) to determine whether there were significant differences in the mean of ethical climate based on the managers' gender, their age brackets, their management position, their years of working in the organization as well as their highest educational level. No significant differences were found in the mean values for ethical climate across the managers' demographic variables.

4.4.5 Regression Analysis and Hypothesis Testing

Multiple regression analysis was conducted to show the effect of ethical leadership on employee commitment among the respondents, and to test the moderating effect of ethical climate on the relationship between ethical leadership and employee commitment among the respondents. The regression analysis results presented in Table 7 showed that a strong linear relationship existed between the variables with 65.3% of the variations in employee commitment being attributed to changes in the character and technical dimensions.

Table 7: Model Summary before Moderation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.808a	0.653	0.637	0.43381

a Predictors: (Constant), Character Dimension, Technical Dimension

** Correlation is significant at the 0.05 level (2-tailed).

The results presented in Table 8 indicate that there was an improvement in the R^2 from 0.653 before moderation to 0.671 after moderation, indicating that 67.1% of the variations in employee commitment among the managers were explained by changes in the character and technical dimensions of ethical leadership moderated by the ethical climate in the parastatals.

Table 8: Model Summary after Moderation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.819a	0.671	0.649	0.4267

a Predictors: (Constant), Moderating composite, Character Dimension, Technical Dimension, Ethical Climate

The F-statistics (ANOVA) results after moderation in Table 9 show that the model used in linking the ethical climate to employee commitment was statistically significant, $F(7, 105) = 30.56$, $p < .05$. The significance p -value was less than the conventional probability of 0.05 significance level ($p \leq .05$).

Table 9: ANOVA after Moderation

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	38.947	7	5.564	30.559	.000b
	Residual	19.118	105	0.182		
	Total	58.065	112			

a Dependent Variable: Employee Commitment

b Predictors: (Constant), Moderating composite, Technical Dimension, Character Dimension,

The study found that that ethical climate had a moderating effect on the relationship between the character and technical dimensions of ethical leadership and employee commitment among the respondents, $\beta = .235$, $t(111) = 2.611$, $p < .05$. This implied that a unit increase in ethical climate would lead to an increase in employee commitment among the senior managers by 0.235 units. Based on the findings of the study, the null hypothesis was rejected. The results are displayed in Table 10.

Table 10: Regression Coefficient for the Multiple Model after Moderation

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.015	0.654		0.023	0.982
	Character Dimension	0.285	0.087	0.335	3.267	0.001
	Technical Dimension	0.133	0.083	0.153	2.010	0.046
	Ethical Climate	0.278	0.217	0.289	2.279	0.020
	Moderating composite	0.235	0.057	0.215	2.611	0.034

a Dependent Variable: Employee Commitment

** Correlation is significant at the 0.05 level (2-tailed).

5.0 DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Discussions

The purpose of this study was to determine the effect of the character and technical dimensions of ethical leadership on employee commitment among senior managers in the transport sector parastatals in Kenya. The discussion of the results in this section is based on the research questions that were used to guide the study.

5.1.1 Effect of the Character Dimension on Employee Commitment

The study sought to determine the coefficient between the character dimension and employee commitment, the correlation as well as regression between the character dimension index and employee commitment. The correlation between the character dimension and employee commitment was found to be positive and significant, $r(111) = .80, p < .05$. The results were in agreement with the views of Chan and Mak (2014) who found that transformational leadership (where transformation represented the character attributes of courage and the ability to motivate followers to achieve outcomes positively) had a positive correlation with pride in being a follower of the leader and affective & normative commitment. Chi square test was then conducted to check the strength of association between the two variables. The character dimension was found to be strongly associated with employee commitment, $\chi^2(11, N = 113) = 83.99, p < .05$. This finding is supported by Thamrin (2012) who found that transformation attribute of the character dimension of ethical leadership positively and significantly influenced organizational commitment. Multiple linear regression results illustrated that character dimension significantly predicted employee commitment, $R^2 = .64, F(1,111) = 197.56, p < .05; \beta = .78, p < .05$. This suggests that 64% of the variations in employee commitment can be explained by the character dimension of ethical leadership. The results are supported by Sagwa, K'Obonyo, and Ogutu, (2015) who found in a study that 43% of employee outcomes (including employee commitment) could be explained by universalistic human resource management practices.

Universalism in this study is an attribute of the character dimension of ethical leadership. Moreover, Busienei, K'Obonyo, and Ogutu (2015) found that universalistic human resource strategic orientation was associated to some degree with higher levels of job commitment.

5.1.2 Effect Technical Dimension on employee Commitment

In regard to the second objective, the study sought to determine the correlation between the technical dimension and employee commitment and the regression coefficient between the technical dimension and employee commitment. Study results revealed a positive and significant correlation between the technical dimension of ethical leadership and employee commitment, $r(111) = .58, p < .05$, thus suggesting that the technical dimension of ethical leadership explains employee commitment among the respondents. This finding is supported by Rainaye (2012) whose study revealed that organizational commitment had a positive correlation with organizational policies and organizational leadership. Chi square test found that the technical dimension was strongly associated with employee commitment, $\chi^2(10, N = 113) = 76.34, p < .05$. Wainaina, Iravo, and Waititu's (2014) study supports these findings; in their study, a significant positive relationship existed between employee participation in decision making and organizational commitment among university teaching staff in Kenya. Decision-making systems are an attribute of the technical dimension of ethical leadership. Multiple linear regression results illustrated that technical dimension significantly predicted employee commitment, $R^2 = .33, F(1,111) = 55.23, p < .05; \beta = .65, p < .05$. This suggests that 33% of the variations in employee commitment can be explained by the technical dimension of ethical leadership. Kumar and Saha (2017) study contradicts this position since PDM did not demonstrate a significant relationship with employee group commitment.

5.1.3 Moderating Effect Ethical Climate on the Relationship between Character and Technical Dimensions and Employee Commitment

In regard to the third objective, the study results found a significant moderating effect of ethical climate on the relationship between ethical leadership and employee commitment among managers in the transport sector parastatals in Kenya, $R^2 = .67, F(7,105) = 30.559, p > .05; \beta = .24, p < .05$. Thus, the study rejected the null hypothesis. These findings are supported by Borhani (2014) who found a positive relationship between caring (benevolent) climate, professional, rules & independence (principle) climates, and employee commitment. Chi square test revealed that these ethical climate and employee commitment were associated, $\chi^2(20, N = 113) = 51.84, p < .05$. This finding supports Moore and Moore (2014) who found a significant association between respondent's perceived ethical climate and their self-reported levels of employee commitment among faculty staff of higher learning institutions. Multiple linear regression results found a significant moderating effect of ethical climate on the relationship between ethical leadership and employee commitment among managers in the transport sector parastatals in Kenya, $R^2 = .67, F(7,105) = 30.559, p > .05; \beta = .24, p < .05$. The study findings are congruent with those of Mayer et al. (2010) who in their study found that ethical climate was a mediator of the relationship between ethical leadership and employee misconduct, while regression results found a negative relationship between ethical climate and employee misconduct. Pollock (2017) argued that committed employees are less likely to engage in organizational misconduct.

5.2 Conclusions

The study found that the character dimension of ethical leadership had a significant effect on employee commitment among the managers, $R^2 = .64$, $F(1,111) = 197.56$, $p > .05$; $\beta = .78$, $p < .05$. Based on this finding, the study therefore concluded that it was important for the parastatal leaders to consider the aspects of the character dimension of ethical leadership since they impacted on the level of commitment among the parastatal managers. Thus, leaders should help employees deal with work-related and private matters, and ensure that employees are treated fairly & motivated to achieve extraordinary outcomes.

The study established that the technical dimension of ethical leadership had a significant effect on employee commitment among the managers $R^2 = .33$, $F(1,111) = 55.23$, $p > .05$; $\beta = .65$, $p < .05$. Based on this finding, the study concluded that it was important for the parastatal leaders to consider the aspects of the technical dimension of ethical leadership since they impacted on the level of commitment among the parastatal managers. These aspects include increased strategic involvement by the employees, operationalization of organization routines and procedures, and existence of functional information-decision making systems.

The study revealed that ethical climate had a significant moderating effect on the relationship between the character and technical dimensions of ethical leadership and employee commitment among managers in the transport sector parastatals in Kenya, $R^2 = .67$, $F(7,105) = 30.559$, $p > .05$; $\beta = .24$, $p < .05$.

Thus, the study concluded that when adopting ethical leadership, the parastatal leaders should ensure that a progressive ethical climate is created within their organizations as a catalyst for successful application of their leadership philosophy and practice towards cultivating commitment among their employees.

5.3 Recommendations for Improvement

The study found that the character and technical dimensions of ethical leadership had a significant effect on employee commitment, and that ethical climate significantly moderated the relationship between the character and technical dimensions of ethical leadership and employee commitment among the respondents. The study recommends that parastatal leaders should implement human resource practices that are fair, they should stimulate employee motivation, and they should safeguard equitable treatment of all managers and employees. The study also recommends that public service recruitment and selection practices should be strengthened so as to ensure employment of leaders strictly on merit and competency. The study further recommends that parastatals should increase strategic leadership practices while conserving progressive ethical climates that include a blend of benevolent, principled and selected ethical egoism climates.

5.4 Recommendations for Further Studies

This study provided knowledge on how the character and technical dimensions of ethical leadership can enhance employee organizational commitment among the transport sector parastatals in Kenya. The quantitative methodology was used by the study to arrive at the conclusions. The researcher recommends that the study should be replicated in other organizations both in the private and public sectors using a mixed method approach.

REFERENCES

- Akuoko, K. O., Dwumah, P., & Ansong, F. (2012). Employee Involvement in Decision Making and Workers' Performance in Selected Organizations in Ashanti Region of Ghana. *International Journal of Multidisciplinary Management Studies*, 2(6), 11–23.
- Alban-Metcalf, J., & Alban-Metcalf, B. (2013). Reliability and validity of the leadership competencies and engaging leadership scale. *International Journal of Public Sector Management*, 26(1), 56–73.
- Alparslan, A. M., & Can, A. (2015). The Antecedents of Extra-Role Organizational Behaviors: A Qualitative Research on Soldiers. *Journal of Business Research Turk*, 7(1), 26–42.
- Awan, M. R., & Mahmood, K. (2010). Relationship among leadership style, organizational culture and employee commitment in university libraries. *Library Management*, 31(4/5), 253–266.
- Bedi, A., Alpaslan, C. M., & Green, S. (2016). A Meta-analytic Review of Ethical Leadership Outcomes and Moderators. *Journal of Business Ethics*, 139(3), 517–536.
- Beekun, R. I. (2012). Character Centered Leadership: Muhammad (PBUH) as an Ethical Role Model for CEOs. *Journal of Management Development*, 31(10), 1003–1020.
- Bipp, T., & Kleingeld, A. (2011). Goal-setting in practice: The effects of personality and perceptions of the goal-setting process on job satisfaction and goal commitment. *Personnel Review*, 40(3), 306–323
- Blakcori, F. (2014). The Role of Formal Routines in Organizational Innovation. *International Journal of Business and Social Research*, 3(February), 56–70. Retrieved from <http://thejournalofbusiness.org/index.php/site/article/view/363>
- Borhani, F. (2014). Nurses' perception of ethical climate and organizational commitment. *Nursing Ethics*, 21(3), 278–288.
- Busienei, J. R., K'Obonyo, P., & Ogutu, M. (2015). Effect of contingency perspective of human resource strategic orientation on performance of large private manufacturing firms in Kenya. Retrieved from https://profiles.uonbi.ac.ke/jbusienei/files/article_for_aibuma_-_2_universalistic-new.pdf %0D
- Cemberci, M. E., & Civelek, M. (2016). The Mediator Effect of Ethical Climate on the Relation between Ethical Leadership and Organizational Commitment. *Research Journal of Politics, Economics and Management*, 4(1), 147–160.
- Chan, S. C. H., & Mak, W. M. (2014). Transformational leadership, pride in being a follower of the leader and organizational commitment. *Leadership & Organization Development Journal*, 35(8), 674–690.
- Dinc, M. S., & Aydemir, M. (2014). The Effects of Ethical Climate and Ethical Leadership on Employee Attitudes: Bosnian Case. *International Journal of Management Sciences*, 2(9), 391–405.

- Downe, J., Cowell, R., & Morgan, K. (2016). What Determines Ethical Behavior in Public Organizations: Is It Rules and/or Leadership? *Public Administration Review*, 76(6), 898–909
- Ehrich, L. C., Harris, J., Klenowski, V., Smeed, J., & Spina, N. (2015). The centrality of ethical leadership. *Journal of Educational Administration*, 53(2), 197–214.
- Ekobena, D. N. (2016). *Leadership From The Inside Out: The Character of Leadership*. College Park, GA: World Changers Publications.
- Executive Office of The President (of Kenya). (2013). *Report of The Presidential Taskforce on Parastatal Reforms*.
- Farndale, E., Van Ruiten, J., Kelliher, C., & Hope-Hailey, V. (2011). Influence of Perceived Employee Voice on Organizational Commitment. *Human Resource Management*, 50(1), 113–129.
- González, T. F., & Guillén, M. (2002). Leadership ethical dimension: a requirement in TQM implementation. *The TQM Magazine*, 14(3), 150–164.
- Hawass, H. H. (2016). Ethical leadership and job insecurity: Exploring interrelationships in the Egyptian public sector. *International Journal of Commerce and Management*, 25(4), 557–581.
- Irawanto, D. W. (2015). Employee participation in decision-making : Evidence from a State-owned Enterprise in Indonesia. *Management*, 20(165), 159–172.
- Johnson, C. D. (2012). *Meeting the ethical challenges of leadership: Casting light or shadow*. *Organisation Management Journal* (4th ed., Vol. 9). Thousand Oaks: SAGE Publications.
- Kim, H. (2014). Transformational Leadership, Organizational Clan Culture, Organizational Affective Commitment, and Organizational Citizenship Behavior: A Case of South Korea's Public Sector. *Public Organization Review*, 14(3), 397–417.
- Kumar, S. P., & Saha, S. (2017). Influence of Trust and Participation in Decision Making on Employee Attitudes in Indian Public Sector Undertakings. *SAGE Open*, 7(3), 79–101.
- Liu, Y., & Qu, H. (2011). The Relationships among Work Support, Organizational Commitment, and Organizational Citizenship Behavior of Part-time Employees in the Restaurant Industry.
- Loi, R., Lam, L. W., Ngo, H. Y., & Cheong, S. (2015). Exchange mechanisms between ethical leadership and affective commitment. *Journal of Managerial Psychology*, 30(6), 645–658.
- Ma'amor, H., Ann, H. J., Munir, R. I. S., & Hashim, N. (2012). The Relationship between Ethical Climates and Organizational Commitment in Manufacturing Companies. *International Proceedings of Economics Development and Research*, 56(27), 134–138.
- Mayer, D., Kuenzi, M., & Greenbaum, R. (2010). Examining the Link Between Ethical Leadership and Employee Misconduct: The Mediating Role of Ethical Climate. *Journal of Business Ethics*, 95, 7–16.

- Medlin, B., & Green Jr., K. W. (2009). Enhancing performance through goal setting, engagement, and optimism. *Industrial Management & Data Systems*, 109(7), 943–956.
- Minja, D. (2011). Ethical leadership practice: The foundation of political and economic development in Kenya. In *Browsing Ethics Conference 2011* (p. 14).
- Moore, H. L., & Moore, T. W. (2014). The effect of ethical climate on the organizational commitment of faculty members. *Journal of Academic and Business Ethics*, 9, 1–15.
- Neubert, M. J., Wu, C., & Roberts, J. A. (2013). The influence of ethical leadership and regulatory focus on employee outcomes. *Business Ethics Quarterly*, 23(2), 269–296.
- Olesia, W. S., Namusonge, G. S., & Iravo, M. E. (2013a). Influence of Visioning on Organizational Commitment in Kenyan State Corporations. *IOSR Journal Of Humanities And Social Science*, 20(5), 8–15.
- Olesia, W. S., Namusonge, G. S., & Iravo, M. E. (2013b). Role of Servant Leadership on Organizational Commitment: An Exploratory Survey of State Corporations in Kenya. *International Journal of Humanities and Social Science*, 3(13), 85–94.
- Pollock, J. M. (2017). *Ethical Dilemmas and Decisions in Criminal Justice* (9th ed.). Boston, MA: Cengage Learning.
- Rahman, A., Shahzad, N., Mustafa, K., Khan, M. F., & Qurashi, F. (2016). Effects of Organizational Justice on Organizational Commitment. *International Journal of Economics and Financial Issues*, 6(S3), 188–196.
- Rainaye, R. A. (2012). An Empirical Investigation of the Influence of Organizational Policies and Organisational Leadership on Organisational Commitment. *International Journal of Business and Management Invention*, 1(1), 65–68.
- Riaz, T., Akram, M. U., & Ijaz, H. (2011). Impact of Transformational Leadership Style on Affective Employees' Commitment: An Empirical Study of Banking Sector in Islamabad, Pakistan. *The Journal of Commerce*, 3(1), 43.
- Ritz, A., Giauque, D., Varone, F., & Anderfuhren-Biget, S. (2014). From Leadership to Citizenship Behavior in Public Organizations: When Values Matter. *Review of Public Personnel Administration*, 34(2), 128–152.
- Sagwa, E. V., K'Obonyo, P., & Ogutu, M. (2015). The effect of human resource management practices on employee outcomes: a study of firms listed on the nairobi securities exchange. *Journal of Emerging Trends in Economics and Management Sciences*, 6(4), 237–244.
- Sarros, J. C., & Cooper, B. K. (2006). Building character: a leadership essential. *Journal of Business and Psychology*, 21(1), 1–22.
- Shaed, M. M., Ishak, S., & Ramli, Z. (2015). Employees' Participation in Decision Making (PDM): A literature survey. *Malaysian Journal of Society and Space*, 11(13), 142–155.
- Simha, A., & Cullen, J. B. (2012). Ethical Climates and Their Effects on Organizational Outcomes: Implications From the Past and Prophecies for the Future. *Academy of*

- Management Perspectives*, 26(4), 20–34. <http://doi.org/10.5465/amp.2011.0156>
- Spears, L. C. (2010). Character and Servant Leadership: Ten Characteristics of Effective, Caring Leaders. *The Journal of Virtues & Leadership*, 1(1), 25–30.
- Tan, J. X., Zawawi, D., & Aziz, Y. A. (2016). Benevolent leadership and its organisational outcomes: A social exchange theory perspective. *International Journal of Economics and Management*, 10(2), 343–364.
- Thamrin, H. M. (2012). The Influence of Transformational Leadership and Organizational Commitment on Job Satisfaction and Employee Performance. *International Journal of Innovation, Management and Technology*, 3(5).
- Treviño, L. K., & Brown, M. E. (2005). The role of leaders in influencing unethical behavior in the workplace. In R. Kidwell & C. Martin (Eds.), *Managing Organizational Deviance* (pp. 69–96). London, UK: Sage Publishing.
- Treviño, L. K., Hartman, L. P., & Brown, M. E. (2000). What Determines Ethical Behavior in Public Organizations: Is It Rules and/or Leadership? *California Management Review*, 42(4), 128–143.
- Victor, B., & Cullen, J. B. (1988). The Organizational Bases of Ethical Work Climates. *Administrative Science Quarterly*, 33(1), 101–125.
- Wainaina, L., Iravo, M. E., & Waititu, A. (2014). Effect of participation in decision making on the organizational commitment amongst academic staff in the private and public universities in Kenya. *International Journal of Advanced Research in Management and Social Sciences*, 3(12), 131–142.
- Weichbrodt, J. C., & Grote, G. (2010). Rules and Routines in Organizations: A Review and Integration. In *Fourth International Conference on Organizational Routines, June 11-12, Nice, France* (p. 36).
- Wiltshire, E. D. (2012). Transformational Leadership: What's Your Motivation? *Leadership Advance Online*, (XXII), 1–7.
- Yang, C., Ding, C. G., & Lo, K. W. (2016). Ethical leadership and multidimensional organizational citizenship behaviors: The mediating effects of self-efficacy, respect, and leader-member exchange. *Group & Organization Management*, 41(3), 343–374.
- Yates, L. (2011). Exploring the relationship of ethical leadership with job satisfaction, organizational commitment, and organizational citizenship behavior. *The Journal of Values-Based Leadership*, 7(1), 1–14.