

# The Effect of Ethical Leadership on Employee Performance and the Mediating Role of Employee Voice and Silence Between them in MEGA MOTOR Company

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## Abstract

This study is aimed to investigate the effect of ethical leadership on employee performance and the mediating role of employee voice and silence between them in Mega Motor Company. This study is an applied research in terms of the purpose and is based on the descriptive method. The statistical sample includes 285 employees of Mega Motor Company. The research instrument is a questionnaire, including three sections: 12 questions for ethical leadership (D Hoag and Dan Hartog), 20 questions for employee voice and silence (Van Dyn et al.), and 14 questions for employee performance (Hersey and Goldsmith). Cronbach's alpha method is used to assess the reliability of the questionnaire. Face validity method is used to assess the validity of questionnaire and data are analyzed using the structural equation modeling by LISREL software. The results show that ethical leadership has a direct and positive impact on the employee performance. The ethical leadership has an inverse and negative impact on the employee voice and ethical leadership has no significant impact on employee silence. In addition, employee voice has an inverse and negative impact on the employee performance and employee silence has no significant impact on the employee performance. Furthermore, the employee voice has a minor mediating role in ethical leadership and employee performance and employee silence has not a mediating role in them.

**Keywords:** Ethical leadership, employee silence, Employee voice, Employee performance

## Introduction

Today, human resources are the main source of generating competitive advantage and creating the basic functionality of the organization, namely the most important asset of any organization. This vital factor gives meaning to the organization by interaction with other organizational variables. Unfortunately, today, many organizations see the staff refuse to provide opinions, comments and concerns about issues and organizational problems. According to Morrison & Milliken, employee must often decide about whether or not they want to speak and express their ideas, beliefs, opinions and concerns. Often they prefer to be silent and refuse expressing their valuable words and thoughts. There are numerous issues that employees are silent about it. In addition, there are many reasons for employee silence (2003, p. 1942).

One of the effecting factors on the employee voice is leadership and manager style (Avey, Wernsing & Palanski, 2012, p. 21). Studies conducted by Fuller et al. (2006) showed that the behavior of voice as evaluated by the directors has a positive relationship with the sense of responsibility of employees for changes and developments. A study conducted by Detert & Burris refers to the fact that "Is there a relationship between the behavior of the leadership and the voice of subordinate employees?", and if there is such a relationship, what kind of employees are involved with it. In this study, it was shown that if the leaders are interested in the voice of their subordinates,

the subordinates are motivated to speak and express their opinions (Zehir & Erdogan, 2011, 2014-2015).

Ullah et al. explained that there is a relationship between leadership and employee performance and be able to communicate better and added that employee involvement is critical subject for organizational development (Zehir&Erdogan, 2011, 2015). On the other hands, the ethical oriented managers create an atmosphere based on comfort, safety and reassurance and pay special attention to the human relations in the work place. These relationships are well able to create the energy feeling in the employee and increase employees performance (Golparvar et al., 2010, p. 4).

According to the previous researches, employee voice can lead to the positive behavioral results for the employee performance. On the other hand, lake of it will lead to the negative effects. For example Detert and Burrell (2007) suggested that employees who have the better performance will speak or express their opinions and their views about their job as their responsibilities. Furthermore, there is a positive relationship between the employee performance level and the continued expression of opinions by them (p. 174).

Therefore, in this study, conceptual definitions for ethical leadership variables, employee silence, employee voice, employee performance and their relationship are considered and then the data are analyzed. Finally, the results are presented.

### **Background and literature of research**

In this section, ethical leadership variables, employee voice, employee silence and employee performance are described and the relationship between each variable is explained in the literature review.

*Ethical Leadership:* Ethical leadership is the approach which seriously entered the leadership literature in the last decade of the twentieth century. Ethical leadership is a form of leadership which needs to develop ethical standards for employee behavior management and implementation of ethical standards in their behavior effectively. Ethical leadership can be described as an attempt to extend justice, to show respect to the individual characteristics of others and a combination of characteristics of honesty, trustworthiness, faithfulness, sincerity, democratic decision-making and support participation, compassion, and kindness (Yilmaz, 2010). Ethical leadership is leadership in a manner that respects the rights and dignity of others. Leaders are essentially in a position of social power. Ethical Leadership focuses on how leaders use their social power to make decisions, activities in which they are involved and the way they affect others (Rrsick et al., 2006).

Ethical leadership can be described as an attempt to extend justice, to show respect to individual features of others and a combination of characteristics of honesty, trustworthiness, faithfulness, sincerity and democratic decision-making, participation, support, compassion, and kindness (Yilmaz, 2010).

Brown, Trevino, and Harrison (2005) defined Ethical leadership as the appropriate normative behavior through individual activities, interpersonal communication, and promotion of these behaviors for followers through two-way communication, reinforcement and decisions.

In this study, ethical leadership theory of D Hoag and Dan Hartog is used. They suggested three elements for Ethical Leadership, including:

*Morality and fairness, clarification of the role and power-sharing:* Ethical leaders are honest, reliable, fair and altruism. Such leaders constitute fair, regulated and ethical selections and make fair the work environments. Ethical leaders behave honestly and fairly with others, they do not bias and they take responsibility for their own actions. In general, fair is the main element for ethical leadership.

*Clarification of roles:* Ethical leaders act transparently and promote encouragement and reward for the ethical behavior among followers and they participate in open communications. Clarification of the role refers to the importance of transparency in the performance goals and expectations. Ethical leaders clarify responsibilities, expectations and performance goals. Therefore, subordinates know what is expected of them and when their performance is at the level of expectations.

*Power-sharing:* Ethical leadership gives right to comment to their subordinates in decision-making and listens to their ideas and what they think. Power sharing allows their subordinates to have more control and causes them to be less dependent on managers. Ethical leaders support their followers with talking (Kalshoven et al., 2015, 9. 53).

### **Employee silence**

Morrison & Milliken (2000) found that the phenomenon of employee silence may depend on their underlying motivations which have different meanings. According to Pinder and Harlos, employee silence is defined as follows: "Maintenance and fails to express sincerely and about any behavioral and cognitive conditions, or assess the effectiveness of the organizational status" (Pinder&Harlos, 2001, p. 334). In this study, employee silence is analyzed based on the individual level. Brinsfield et al claimed that the silence might also happen at the organizational and team level. They believe that silence starts at the individual level and it becomes contagious when people do not tend to talk (Brinsfield et al., 2009, p. 19).

Pinder and Harlos (2001) defined silence as a lack of voice having a form of communication and involving a set of cognitions, emotions and tendencies such as disagreement or agreement. In addition, they have found that the phenomenon of employee silence, depending on their underlying motives, have different meanings. They categorized silence into two groups, including: "optional" and "forced" silence. "Optional" silence is representation of the voluntary waiver, while forced or obedient" silence is based on the obedience (pp. 348- 349).

According to Van Diane et al. (2003), silence and voice refers to this meaning in the easiest way that keeping conscious ideas (silence) is the opposite of expressing ideas (voice). Their study assesses this issue that employee silence is not necessarily in the opposite of voice. They created another dimension for employee silence which included voluntary incentives, as well as optional and mandatory motivations related to studies conducted by Pinder and Harlos. Therefore, Van Diane et al. (2003) emphasized on keeping Ideas, information or opinions related to the benefit to other individuals or overall organization in the field of making altruistic or cooperative motivation. Van Diane et al. (2003) focused on three motivations, including submission, fear and cooperation (Zehir&Erdogan, 2011, 2012). They introduced three types of silence according to these motivations:

*Acquiescent Silence:* Acquiescent silence is a sign of withdrawal behavior which is more passive. People's characteristics that have the acquiescent silence include low participation, negligence, carelessness, ignorance and stagnation. For example, an employee refuses expressing his opinion because he believes that there is no use to talk and it is impossible to make a difference and change the situation by talking and commenting. In addition, he may think that his personal ability is unreliable to influence the conditions. In both of these cases, silence is a result of the submission and acquiescence to any situation. When people in an organization believe that they can't make a difference and submit to any situation and do not express their ideas or suggestions actively. Finally, acquiescent silence includes deliberate and passive behavior and refraining from providing information (ZeraeeMatin et al. 2011, p. 82).

*Defensive silence:* The motivation for this kind of silence is the feeling of fear in the person of providing information. In fact, sometimes people may refrain from providing ideas, information or comments because of protecting their situations (self-protective motivation). Defensive silence is the intentional and non-passive behavior in order to protect themselves from external threats. But this type of silence is more non-passive and includes greater awareness of the alternatives and options in decision-making and at the same time refraining from provide ideas, information and opinions as the best strategy at the right time. Defensive silence is like a condition that people refrain from informing bad news because of disorganizing individuals or creating negative consequences for the informer (Avey and Queens, 2002).

*Prosocial silence (social):* Prosocial silence is based on the literature of organizational citizenship. it is refusing to express ideas, information or comments related to the work with the aim of taking advantage of other people in the organization, and based on the motivations of friendship, collaboration and cooperation. This type of silence is intentional and non-passive as well as it primarily emphasizes other people. Like organizational citizenship behaviors, this type of silence is rational and can't be performed through the command of the organization. Like defense silence, this type of silence is based on consideration and awareness of the decisions and at the same time refraining from presenting ideas, information and opinions. On the contrary of defensive silence, Prosocial silence is achieved by others' consideration and their attention (ZareieMatin et al., 2011, pp. 83-84).

### **Employee voice**

Based on previous studies, the behaviors associated with voice were investigated and evaluated. Employee voice is a form of expression of the employee or the response to specific situations. In addition, employee voice is defined as employees' reaction to the lack of job satisfaction. Van Dyn & LePine defined the employee voice as: "Promotion of the behavior that emphasizes the constructive expression of challenges to improve the systems."

Van Dyn et al. (2003) emphasized that voice represents the behaviors associated with talking; for example, when employees actively express their suggestions for changing. The term of voice refers to the processes to improve the fair judgment and facilitate employee participation in the decision making process (Zehir&Erdogan, 2011, p. 2013).

According to Brinsfield et al. (2009) the term of employee voice is a debatable concept. In addition, the voice may assume a variety of forms; Forms such as the behavior of talking, natural response, or implied willingness to communicate (p. 30). The modern concept of the employee voice is derived from the studies conducted by Hirschman. Hirschman defined the employee vice as the attempts to change, rather than escaping from the protest against activities (1970, p. 30).

According to the model proposed by Van Dyn et al. (2003), types of employee voice areas are as follows:

*Acquiescent voice:* According to the motivation of its maker, acquiescent voice expresses ideas, information and opinions based on the emotion of submission. This type of sound is non-cooperative behavior based on an individual's feeling that he/she is not able to modify the conditions. So, this kind of sound, resulting in agreed statements and support of the current situation with respect to the proposed incentives(Avery & Quinones, 2002). Like two other voices (defensive and Prosocial voice), this voice is according to ideas, information and opinions related to work. But the difference between this voice and two other voices is that acquiescent voice is less passive than others (Van Dyn et al., 2003).

*Defensive voice:* Defensive voice is based on self-protection (Morrison & Milliken, 2000).The incidence of this type of behavior requires less personal responsibility and decision-

making without any risk. So if the people fear the consequences of punishment due to discussing the problems of the organization, they usually show defensive behaviors to protect themselves. These behaviors include redirection of attention, blaming the others, apology, justification and denial as a strategy for self-protection in which voices are as reaction to fear and threat. Due to these features, defensive voices are considered as expression of ideas, information or comments relevant to the job (based on the fear) for the purpose of self-protection (Morrison & Milliken, 2000).

*Prosocial voice:* The vast majority of the researchers consider this kind of voice as a behavior with a positive intention. Van Dyn & LePine (1998) considered prosocial voice as a form of citizenship behavior literature. They describe this kind of voice as a behavior emphasizing transformational views with the motivation of growth and improvement and on the basis of the collaborative motivations, instead of mere criticism of the situation. This kind of voice is a deliberate and non-passive behavior. This behavior basically focuses on the benefit to others (ZareieMatin et al., 2011, 84- 85).

### **The relationship between ethical leadership, employee voice and performance**

Based on previous studies, Ullah et al. (2011) explained that leadership is to the related employee performance and is able to communicate better. They added that the employee participation is a critical issue for the organizational development. Also, Tsai and colleagues (2009) studied the relationship between transformational leadership and the results of employee job, which has a positive relationship with each other. In addition, because of the impact that leaders can have on the other in the organization as well as on the organizational performance, ethical leadership is a category that its importance is increasing day by day (Zehir&Erdogan, 2011, p. 2015). Therefore, in this study, we sought to examine the impact of ethical leadership on the employee performance. According to Pinder and Harlos(2001), organizations in which there is injustice culture, foster an atmosphere that discourages the people from commenting on issues and causes them deter from expressing ideas and opinions (p. 342).Whiteside & Barclay (2012) believed that organizational justice can strengthen the belief in people which they can cause significant changes in their environment. According to the researchers, people who are fairly treated in the organization, they feel that organization values for them and they have a place to offer their valuable suggestions (p. 110). Also, Brown et al found out that there is a positive relationship between ethical leadership and the satisfaction of the leader, perceived effectiveness in relation to the leader and the willingness of people to report issues and problems to the manager. Also in this study, the impact of ethical leadership on silence and the employee voice were examined(2005).

According to the research, employee voice can have positive behavioral results on the employee performance. On the other hand, the lack of it will have negative effects (Zehir & Erdogan, 2011, p. 2014). For example, Gambarotto and Cammozzo (2010) focused on the impact of voice behavior on innovation and considered effective the continuity of voice behavior for development, creativity and innovation in employees(p. 171). Detert and Burris (2007) also believed that the employees who have a better performance, consider expression of their opinions and their views about their job as their responsibilities. There is a positive relationship between the level of employee performance and the continued expression of views (p. 174).

Based on these findings and in accordance with this model in this study we sought to evaluate the impact of employee silence and employee voice on the employee performance.

Furthermore, when the ethical leaders try to make fair choices, more attentions are attracted by their followers and a suitable working environment is created. As a result, employees deal with the organization in a more optimized way and try to contribute to the success of the organization. The followers also will be tended to speak and express their opinions through open and transparent



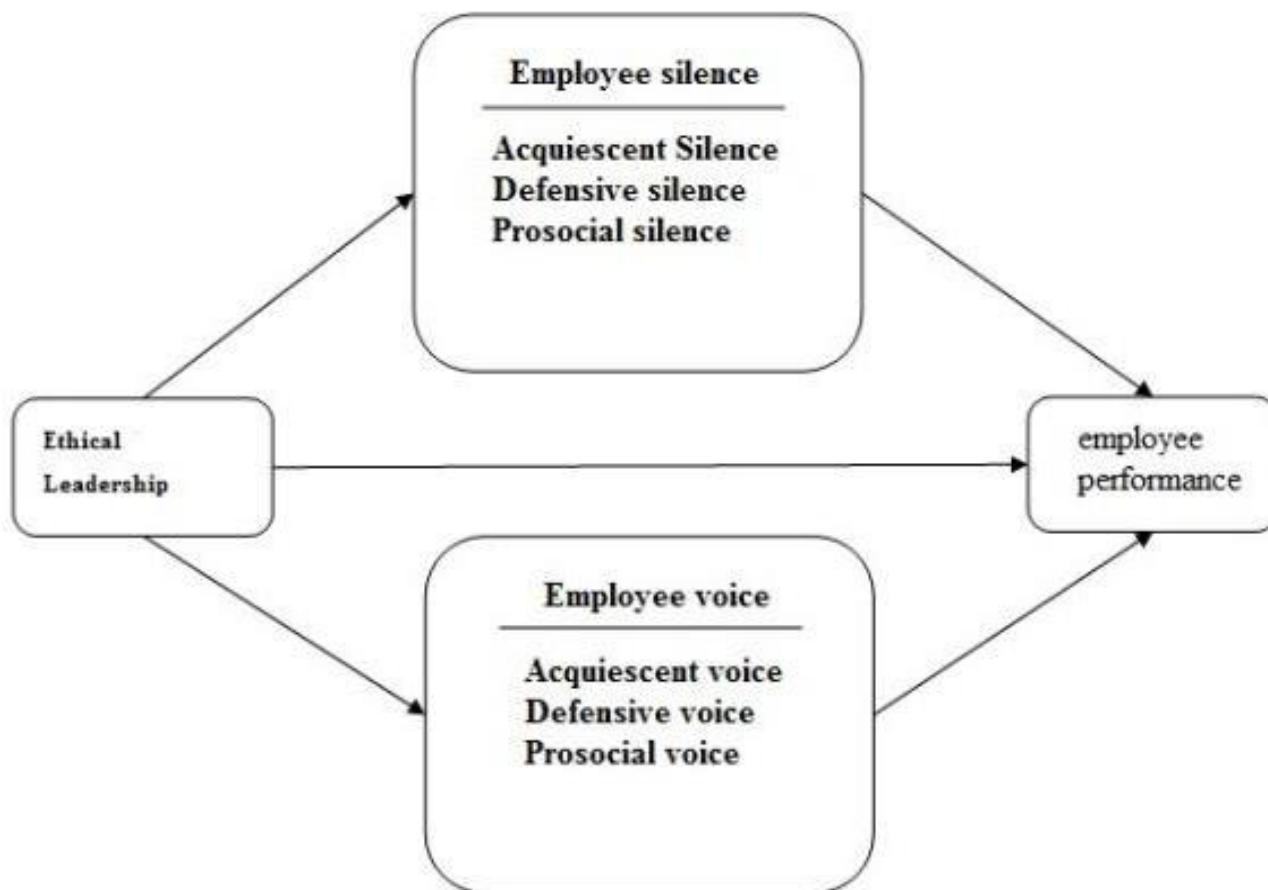
communication (De Hoogh & Den Hartog, 2008, p. 301). Based on these findings and in accordance with the model of the goals, this study is to investigate the effect of ethical leadership on employee performance and the mediating role of employee voice and silence between them in Mega Motor Company.

In this study, we use the employee silence and voice proposed by Van Dyn et al. (2003) which each of them includes three dimensions (acquiescent voice and silence, defensive voice and silence, prosocial voice and silence). In addition, we use the ethical leadership proposed by De Hoogh & Den Hartog (2008) which includes three dimensions (Morality and fairness, clarification of the role and power-sharing) and employee performance proposed by Hersey & Goldsmith(1981) contains seven dimensions (ability, clarity of roles, support, motivation, feedback , credibility and the environment).

### Conceptual framework of the study

According to the literature review, the research hypotheses are presented as follows:

1. Ethical leadership has impact on the employee silence of Mega Motor Company.
2. Ethical leadership has impact on the employee voice of Mega Motor Company.
3. Employee silence has impact on the employee performance of Mega Motor Company.
4. Employee voice has impact on the employee performance of Mega Motor Company.
5. Ethical leadership has impact on the employee performance of Mega Motor Company.



**Figure 1: Conceptual model for the Effect of ethical leadership on employee performance and the mediating role of employee voice and silence between them**

### Methodology

This study is an applied research in terms of the purpose and is based on the descriptive method. The statistical population includes 1085 people. Using Krejcie and Morgan table, the statistical sample includes 285 employees of Mega Motor Company. The research instrument is a questionnaire, including three sections: 12 questions for ethical leadership (De Hoogh & Den Hartogh), 20 questions for employee voice and silence (Van Dayne and et al), and 14 questions for employee performance (Hersey & Goldsmith). Cronbach's alpha method is used to assess the reliability of the questionnaire. Since Cronbach's alpha was above 0.7, we can say that reliability is acceptable. Face validity method is used to assess the validity of questionnaire and data are analyzed using the structural equation modeling by LISREL software.

**Table 1: Cronbach's alpha of questionnaire to separate indices**

Index	The number of questions	Cronbach's alpha values (For 30 prototype samples)	Cronbach's alpha values (For 318 final samples)
Ethical leadership	12	0.871	0.876
Employee silence	10	0.807	0.730
Employee voice	10	0.654	0.655
Job performance	14	0.895	0.834
Total	46	0.801	0.854

### Findings of the study

Confirmatory factor analysis was used to examine the validity of the four variables proposed in the research model. Confirmatory factor analysis is a theory test which the researcher begins his/her analysis with a previous hypothesis. Confirmatory factor analysis shows factor loading of each question to measure the related variable.

Table 2 shows factor loading for estimation under non-standard conditions, factor loading for estimation under standard conditions, Standard error, significant coefficient(t-value), variance, and ranking of the questions related to four variables, including Ethical leadership, employee silence, employees voice, and employee performance.

According to the column (t) in Table 4, t-value for all the questions is out of the range of -1.96 to +1.96 and have an appropriate factor loading other than the question 10 which was removed and the model was implemented again. Measures of goodness of fit are presented in Table 3. Goodness of fit describes how well a model is compatible with the data (Kalantari, 2009, p. 127).

As much as possible, it should be tried to use numerous measures to examine the fitness of a model. Indexes of RMSEA, CFI, TLI or NFI were used to examine IFI and NFI. Chi-square index is often known as an indicator of success. This index shows that whether or not the expression of the structure model describes the relationships between the observed variables. This value is between 1 and 3 for the models which are good enough (Heir, 2006). However, this index can't guarantee the fitness of the model. Therefore, the other indexes were examined. If the value for RMSEA is lower than 0.08 and the value for CFI, TLI or NFI, IFI and NFI is higher than 0.9, it represents the desirability for the fitness of the model (Heir, 2006). According to Table 3, the fitness of the model is appropriate.

**Table 2: Confirmatory factor analysis**

Hidden variables	Question	Factor loading for estimation under non-standard conditions	Factor loading for estimation under standard conditions	Standard error	Significant coefficient (t-value)	Variance	Ranking
Morality and fairness	Q1	1.00	1.00	0.66	0.57	-	4
	Q2	1.34	1.34	0.77	0.53	11.23	2
	Q3	1.39	1.39	0.84	0.35	11.92	1
	Q4	1.12	1.12	0.69	0.61	10.25	3
Clarification	Q5	1.00	1.00	0.79	0.40	-	4
	Q6	1.11	1.11	0.87	0.26	16.94	2
	Q7	1.06	1.06	0.89	0.21	17.20	1
	Q8	0.97	0.97	0.80	0.37	15.06	3
Power-sharing	Q9	1.00	1.00	0.87	0.32	-	1
	Q10	0.05	0.05	0.05	1.03	0.87	-
	Q11	0.65	0.65	0.68	0.5	11.23	2
	Q12	0.39	0.39	0.38	0.96	6.09	3
Acquiescent silence	Q13	1.00	1.00	0.58	63%	-	4
	Q14	1.25	1.25	0.70	0.52	9.08	2
	Q15	1.10	1.10	0.70	0.41	9.09	3
	Q16	1.50	1.50	0.82	0.36	9.93	1
Defensive silence	Q17	1.00	0.76	0.45	-	0.57	3
	Q18	1.02	0.77	0.42	12.97	0.59	2
	Q19	1.06	0.83	0.30	13.82	0.68	1
Prosocial silence	Q20	1.00	0.52	0.91	-	0.27	3
	Q21	1.57	0.83	0.36	5.89	0.67	1
	Q22	1.00	0.57	0.70	6.60	0.32	2
Acquiescent voice	Q23	1.00	0.70	0.45	-	0.49	2
	Q24	1.12	0.75	0.42	11.60	0.56	1
	Q25	1.05	0.66	0.61	10.36	0.44	3
Defensive voice	Q26	1.00	0.74	0.42	-	0.55	1
	Q27	0.90	0.72	0.40	11.63	0.51	2
	Q28	0.76	0.57	0.64	9.19	0.32	4
	Q29	0.98	0.71	0.50	11.52	0.50	3
Prosocial voice	Q30	1.00	0.51	0.67	-	0.26	2
	Q31	1.61	0.79	0.35	5.71	0.62	1
	Q32	0.79	0.40	0.76	4.99	0.16	3
Ability	Q33	1.00	0.58	0.73	-	0.33	2
	Q34	0.98	0.60	0.63	7.78	0.36	1
Clarity of role	Q35	1.00	0.69	0.6	-	0.47	2
	Q36	1.01	0.77	0.39	9.94	0.59	1
Support	Q37	1.00	0.69	0.46	-	0.47	2
	Q38	1.10	0.75	0.38	9.34	0.56	1
Motivation	Q39	0.81	0.51	0.76	-	0.26	2
	Q40	1.00	0.66	0.54	8.38	0.43	1
Feedback	Q41	1.00	0.82	0.30	-	0.67	2
	Q42	0.98	0.78	0.38	12.70	0.61	1
Credibility	Q43	1.00	0.74	0.59	-	0.55	1
	Q44	0.86	0.61	0.91	8.14	0.37	2
Environment	Q45	1.00	0.46	0.98	-	0.21	2
	Q46	1.50	0.74	0.50	5.82	0.55	1



**Table 3: Measures of goodness of fit**

measures of goodness of fit	Acceptance level	Estimates of model
(Chi-square on the degrees of freedom)	Less than 3	2.67
RMSE (root mean square error of estimation)	Less than 0.08	0.076
CFI (induced fit)	Greater than 0.9	0.95
TLI or NNFI (not soft elegance)	Greater than 0.9	0.94
IFI (incremental fit index)	Greater than 0.9	0.95
NFI (fitness softened)	Greater than 0.9	0.95

**Hypothesis Testing**

Table 4 shows the results of structural equations.

**Table 4: Results of structural equation**

From	To	Non-standardized path coefficient	Standardized path coefficient	Standard error	T	Variance	Result
Employee silence	Acquiescent Silence	0.62	0.99	0.01	-	0.98	Significant
Employee silence	Defensive silence	0.71	1.00	0	22.85	1.00	Significant
Employee silence	Prosocial silence	-0.004	-0.06	0.7	-1.09	0.0036	Not significant
Employee voice	Acquiescent voice	0.7	0.92	0.8	-	0.85	Significant
Employee voice	Defensive voice	0.58	0.72	0.25	15.29	0.52	Significant
Employee voice	Prosocial voice	-0.0	-0.17	0.31	-2.84	0.029	Significant
Ethical leadership	Morality and fairness	0.69	0.79	0.29	14.84	0.62	Significant
Ethical leadership	Clarification	0.67	0.75	0.35	13.98	0.56	Significant
Ethical leadership	Power-sharing	0.46	0.70	0.23	12.60	0.49	Significant
Employee performance	Ability	0.58	0.69	0.36	-	0.48	Significant
Employee performance	Clarity of role	0.63	0.70	0.40	10.93	0.49	Significant
Employee performance	Support	0.53	0.66	0.37	10.27	0.43	Significant
Employee performance	Motivation	0.62	0.76	0.27	11.75	0.58	Significant
Employee performance	Feedback	0.64	0.73	0.37	11.27	0.53	Significant
Employee performance	Credibility	0.62	0.63	0.61	9.80	0.39	Significant
Employee performance	Environment	0.025	0.03	0.79	0.45	0.0009	No significant

Structural equation modeling (SEM) is a family of statistical methods designed to test a conceptual or theoretical model. Using structural equation modeling (SEM), the researcher can test a set of regression equations simultaneously.

Structural equation modeling is a comprehensive statistical approach to test hypotheses about the relationship between observed variables and hidden (latent) variables. Covariance structure analysis and causal modeling are also called LISREL (Payandeh and Omid, 2013). In fact, all paths between latent variables are tested by structural equation. If t-value is out of the range of -1.96 to +1.96, it is concluded that an index is significant at the 95% confidence level. Otherwise, the significance of the path is not accepted. According to what was said and t value in Table 4, the path between employee performance and environment is not significant.

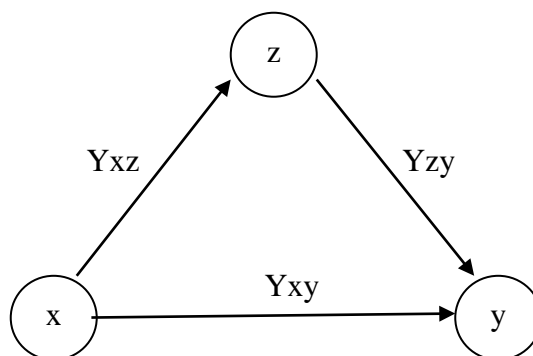
The results of the hypotheses test are shown in Table 5:

**Table 5: Results of Hypotheses Testing**

Hypotheses	From	To	Non-standardized path coefficient	Standardized path coefficient	Standard error	T	Variance	Result
1	Ethical leadership	Employee voice	-0.11	-0.09	1.51	1.53	0.0081	No significant
2	Ethical leadership	employee silence	-0.15	-0.15	0.066	-2.24	0.89	Significant
3	Employee silence	Employee performance	-0.031	-0.04	-0.39	-0.68	0.16	No significant
4	Employee voice	employee performance	-0.14	-0.13	0.39	-2.03	0.017	Significant
5	Ethical leadership	employee performance	0.74	0.74	0.39	10.01	0.55	Significant

As shown in Table 5, two hypotheses were rejected and four hypotheses were confirmed.

Mediation analysis was used to investigate the mediating role of silence and voice of employees. According to mediation analysis, there is an intervening variable as the mediator. This variable explains how and why the independent variable affects the response variable. Figure 2 shows a diagram of mediation analysis. The first hypothesis for mediation analysis is that whether or not the impact of the independent variable on the response variable is through intervening variable. In a complete mediation process, 100% impact is through the intervening variable. In the presence of the intervening variable, the direct path is not significant between the independent variable and the response variable. In fact, the path is not significant.



**Figure 2: Diagram of Mediation Analysis**

In many researches, the partial mediation is important. In this case, the intervening variable mediates as the part of the impact of the independent variable on the response variable. In fact, in this case, the direct path between the independent variable and the response variable is significant. Therefore, the path is significant (Gunzler et al., 2013).

The following table is a summary of what was said about the mediation analysis.

**Table 6: Mediation analysis**

Type of mediation	$\gamma_{xz}$	$\gamma_{zy}$	$\gamma_{xy}$
Full	Significant	Significant	No significant
Slight	Significant	Significant	Significant

If  $\gamma_{xz}$  and  $\gamma_{zy}$  are not significant, the variable z does not have the mediating role.

### Discussion and conclusion

Based on results of ethical leadership with impact coefficient-0.09 has not impact on the employee silence. In other words it can be said that respondents believe that factors such as reliability of Manager that remain to him speech or allow the administrator to employee participation in important decisions has not impact on the employee silence. The results of research Zehi and Erdogan (2011) in Turkey have shown that there is an inverse and significant relationship between employee silence and ethical leadership.

Based on results ethical leadership has impact on the employee voice. About the negative impact of ethical leadership on the employee voice can be said two dimension of employee voice (Submissive silence and defensive) were used in this study including non-cooperative voice, sometimes based on fear, sometimes based on surrender and acquiesce to the status. Zehir and Erdogan (2011) in his research focused on three dimensions of employee silence and the employee voice in total as 6 dimension of organizational silence Results of this study show that the respondents believe that ethical leadership can create more participation space of employee and reduce non-cooperative voice. The result of this research does not match with results of Ahmadi Zahrani, Amini and Nikmaram at Ferdowsi University of Mashhad (2013), the result of their study show ethical leadership on employee voice with impact coefficient of 0.39.

According to the results of this study, the employee silence has impact on the employee performance. In other words, it can be said that respondents believe that factors such as the lack of expression of ideas, opinions on the withdrawal and succumbing to existing conditions or self-protection does not affect their performance. The obtained results are not consistent with the results of the study conducted by the Navidie (2013). In this study, organizational silence had a negative impact on employee performance.

Based on the results, employee voice with impact coefficient of -0.13, has a significant impact on employee performance. In other words, it can be said that respondents believe that factors such as the approval of the Group and to cope with the situation and surrender or express ideas and opinions in a way that attention be given to others due to fearing reduction in their performance and has the opposite effect. Respondents also believe that with the increasing willingness of employees to verify the current situation, their job performance is reduced which means that employee cannot change the idea that in the existing situation represent only ideas and opinions on the current situation confirmed is expressed and, if you feel difficulty in working conditions does not want to express it; and do not engage in it, it eventually leads to a negative impact on the job performance .Esmailzadeh and Dostar in their study to investigate the effect of the employee voice on employee performance. The results show the altruistic voice has positive and direct effect on employee performance and negative impact on employee performance has been Acquiescent voice; defensive

voice had no significant effect on employee performance. Zehir and Erdogan (2011) have shown that there is a significant positive relationship between voice and employee performance.

Based on these results, ethical leadership by impact factor of 0.74 significant impact on employee performance. In other words, it can be said that respondents believe that factors such as morality and fairness, transparency and sharing of power, the leader has a direct and positive impact on their performance and, with the increase of these factors will improve employee performance and vice versa . Results obtained in this study are aligned to the research result Adoko (2014) in Angola.

In line with the results we can say, as the route between ethical leadership and employee silence as well as route between employee silence and employee performance was not significant, and the path of ethical leadership and employee performance is significant, then variable conditions of intermediary for silence do not exist, such as routes between voice of personnel and ethical leadership and employee voice, and employee performance as well as ethical leadership and employee performance is significant at 95%, after detailed mediation conditions for employee voice variable.

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