THE NEXUS OF ETHICAL LEADERSHIP, JOB PERFORMANCE, AND TURNOVER INTENTION: THE MEDIATING ROLE OF JOB SATISFACTION

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ABSTRACT

This study aims to examine the impact of ethical leadership on employees' job satisfaction, job performance, and turnover intention. A conceptual framework is developed which integrates job satisfaction as a mediating mechanism in explaining the nexus among ethical leadership, employee job performance, and turnover intention. The proposed model is tested by using the data collected from a sample ($n = 196$) of tourist companies in Pakistan. The results reveal that ethical leadership has a positive effect on employees' job satisfaction, job performance and negative effect on employees' turnover intentions. Further, job satisfaction mediates the effect of ethical leadership on employees' job performance and turnover intentions. The findings recommend that the demonstration of ethical leadership behaviours by managers at the workplace increases the likelihood of employees' job satisfaction and performance, while reducing their intention to leave the job. This study elucidates that, in Pakistani tourism sector, ethical leadership plays a key role in achieving performance goals. Future research could analyse the said nexus in different sectors and across different cultures while considering other measures of individual performance. The originality of this study is theorizing as well as empirically testing the intervening mechanism of job satisfaction in probing the linkages among ethical leadership, job performance, and turnover intention in Pakistani workplace context.

KEYWORDS

CLASSIFICATION

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INTRODUCTION

Ethical leadership is an imperative element for organizations because it helps organizations to decrease business expenditures through fair and moral treatment of its employees as well as other resources [1]. Ample research has investigated the positive role of ethical leadership in lessening the destructive behaviours of employees and to discourage immoral workplace practices [2, 3]. However, relatively less attention has been paid to probe the nexus of ethical leadership, employees' job performance [4-6] and their intention to leave the organization [7]. There are only few studies that considered social learning context of Brown, Treviño, and Harrison [8] as an influential model to explain how and why ethical leadership links and affects employee job performance [9]. The primary assumption of this model suggests that ethical leader affect employees' behaviours through role modelling. By practicing ethical management, e.g. advocating the ethics and compensating employees on the basis of ethical agreements, ethical leader as a role model can inspire employees not to indulge in such behaviours which can harm their job performance [4, 8].

Besides little attention of scholars on the association of ethical leadership, employees' job performance, and their turnover intention, studies focusing on mediating mechanisms – by which 'ethical leadership-performance' nexus is elucidated – are yet very hard to find [4-6]. A limited amount of literature explicates the mechanisms through which ethical leadership is linked with employees' job performance [10] and turnover intention [11]. Therefore, the dearth of literature on 'ethical leader employee' nexus seems to highlight the need for further investigation into the mechanisms through which ethical leadership puts a positive influence on employees' job performance and turnover intention. Since prior research has mostly emphasized the trust as a gauge to analyse the worth of the aforementioned nexus [10], this research, on the other hand, suggests that aligning the objectives between leaders and employees may serve as a significant mechanism to explain how ethical leadership is linked with employee job performance and turnover intention. In particular, following Brown et al. [8] social learning context, it is supposed that ethical leaders impart similar values and objectives among their employees [12]. Consequently, that increases the chances of employees to adopt and exhibit such behaviours which contribute to the accomplishment of these objectives [5].

Past studies connected the motivational effects of ethical leadership with motivational tendency, which is essential for a high quality and meaningful linkages between leaders and employees, and its intervening effect on the employee job performance [8, 13] and turnover intention. To study aforementioned nexus, it is still necessary to pay adequate attention to include pleasure factor which exists at the individual level. Consistent with that conception, employee job satisfaction is proposed as a pleasure factor which may be of considerable worth in further exploration of 'ethical leadership-job performance', and 'ethical leadership-turnover intention' linkages. Job satisfaction is a positive behaviour which appears as a response of an employee towards his/her job [14, 15]. Besides affecting employees' job performance, job satisfaction may also act as an intervening variable between effective leadership styles and employees' behavioural outcomes [11]. Drawing upon this argument and considering Brown's social learning context of ethical leadership, it is supposed that ethical leaders' positive communication, and open and clear dissemination of information regarding unethical behaviour provides employees an example of a suitable attitude to elucidate what would be effective at job. This precision and explicitness in expectations elevate employees' positive attitude toward job and job satisfaction as well [8]. Thus, it is imperative to investigate the association between ethical leadership, employees' job performance, and turnover intention by adding employees' job satisfaction theoretically as an intervening variable.

This study recognizes and analyses the role of a pleasure factor i.e. employees' job satisfaction, as an important mechanism by which ethical leadership may have a positive effect on employees' job performance and turnover intention. By incorporating the employees' job satisfaction, previous calls are addressed to find the mechanisms which assist us to develop an understanding of how ethical leadership influences employees' job performance [16] and turnover intention [7]. This study employed the theories of social learning and ethical leadership to address the previously discussed issues. Through these theories, this study develops the framework which is depicted in Figure 1.
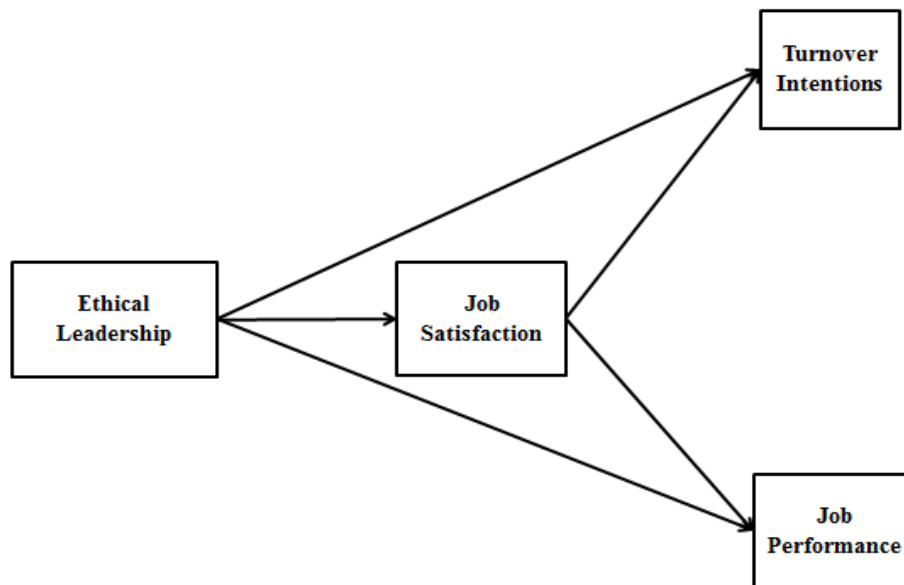

Figure 1. Conceptual framework.

LITERATURE AND HYPOTHESES DEVELOPMENT

ETHICAL LEADERSHIP AND JOB SATISFACTION

According to Treviño, Brown, and Hartman [17], an ethical leader is one who is open to novel ideas, trustworthy, honest, and strictly follows moral principles. Resick, Hanges, Dickson, and Mitchelson [18] stated the following characteristics of an ethical leader: a) being moral and having ethical character; b) considers society and people; c) motivates and empowers the employees, and d) manages ethical accountabilities. Similarly, O'Connell and Bligh [19] refer to nine attributes of ethical leadership which are: 1) ethical leader has ethical sight; 2) involves in ethical decision-making; 3) gives priority to long-term decision-making; 4) treats the employees fairly; 5) is role model of ethical behaviour; 6) communicates importance of ethics to the employees; 7) understands himself and those he/she works with; 8) arranges trainings for employees to teach behaving ethically, and 9) holds others accountable for their ethical actions. According to Auer Antoncic and Antoncic [20] job satisfaction is the degree of liking or disliking the job by employees. Thus, job satisfaction or dissatisfaction is a response that an employee shows after being appraised about his/hertask against set standards.

Brown et al. [8] advocated that ethical leadership is strongly associated with employees' job satisfaction. They further accentuated that employees exhibit greater job satisfaction to an ethical leader who "disciplines wrong-doers, treats their followers fairly and considerately, and exhibits ethical leadership style" [8]. An ethical leader is fair, sincere, open, and honest, fosters job satisfaction of his/her subordinates, and elevates their affective organizational

commitment i.e. subordinates feel proud for being part of that organization and care for better future of the organization [16]. Consequently, employees want to payback with a positive attitude which affects followers' satisfaction positively [22, 23]. Ethical leaders are always fair in decision-making process related with employees, such as job designing, job evaluation, and promotions, thus building trust among employees [12] and leading them towards pleasant feelings of job i.e. job satisfaction [22, 24]. Kim and Brymer [25] empirically found that ethical leadership positively influences the followers' job satisfaction. Thus, we hypothesize:

H1: *Ethical leadership has positive nexus with job satisfaction.*

ETHICAL LEADERSHIP AND JOB PERFORMANCE

Job performance is referred to 'how well employees do their job-related tasks' [26]. Ample of previous research has shown the connection between ethical leadership and employees' outcomes including employees' deviant behaviours, citizenship behaviours, and ethical cognition and conduct [4, 13]. Ethical leaders consider themselves as trustworthy role models and important source of knowledge through their "normatively appropriate" behaviour [8; p.120] and open communication of moral values [27]. This helps to establish a mutual understanding of acceptable behaviours among employees, to enhance their learning, and to imitate the behaviours of leaders, which in turn fosters their work-related performance [4]. Social learning theory provides an inclusive model to elucidate how ethical managers impact the employees' job performance [28]. This theory suggests that ethical leaders use their influence on employees' behaviour, primarily using role modelling [29]. Thus, role modelling offers to employees the basis for learning those behaviours which are essential to exhibit well on job [27]. Ethical leaders are smart and genuine role models capturing the attention of their employees and affect them successfully by assisting to get their potential at work [28]. Putting together, it is emphasised that ethical leaders positively affect employees' job performance using reward and punishment, and guide employees in a right way to perform the job [12]. Ethical leaders also emphasise on two-way communication with employees, therefore, employees feel more responsible and invest extra efforts to perform their job well [30]. Employees feel that their leaders have the best interest and care for them. In return, employees work harder and try to payback with their improved performance [31]. Therefore, it is postulated that:

H2: *Ethical Leadership has positive influence on employees' job performance.*

ETHICAL LEADERSHIP AND EMPLOYEES' TURNOVER INTENTION

Employees' turnover intention refers to the membership termination intention of a person from an organization where he/she is getting a financial return. There can be several reasons of employee turnover, ranging from external antecedents (e.g., employment opportunities), to organizational antecedents (e.g., leadership style and workplace environment), to personal antecedents (e.g., dissatisfaction from the job) [32].

Researchers have been studying the effects of ethical leadership on organizational and employees' behavioural outcomes. In this context, few tried to empirically analyse the effect of ethical leadership on employees' turnover intention. Brown et al. [8] argued that leadership style in any organization should be influential. This implies that managers' ethical style of leadership should influence employees' job response [33]. Ethical leadership is important for organizational operations [2], because in high power-distance firms, ethical leaders are more likely to develop emotional ties with employees [34], consequently, reinforcing the positive effects on employees' job response [33]. Therefore, when employees experience ethical treatment from their managers, they feel sense of security, support [35], fair treatment [36], and also feel that their primary requirements are fulfilled [37]. Furthermore, employees may

establish psychological agreements which may strengthen the shared commitment obtained by managers and employees to work for joint well-being [38]. As managers demonstrate the ethical style of leadership, employees exhibit useful positive attitudes and behaviours regarding job, thereby minimizing the likelihood of quitting the job and/or moving to some other organization. Existing literature also recommends this nexus, see e.g. [39-42]. Thus, we hypothesize that:

H3: *Ethical Leadership has a negative relationship with employees' turnover intentions.*

JOB SATISFACTION AND JOB PERFORMANCE

Ethical leaders allow employees to participate in decision making using two-way communication. As a result, employees feel that they are an important part of the organization, thereby demonstrate satisfaction from the job and put extra efforts which improve their job performance [4]. Likewise, authors in [43] revealed a positive association between job satisfaction and job performance. Managers can foster employees' job performance using managerial strategies to augment job satisfaction [44]. A highly satisfied worker is thought to put extra efforts to perform work more effectively and efficiently, which in turn increases the overall work productivity. Chen, Zhao, Liu, and Dash Wu [45] found out that job satisfaction positively influences job performance. Therefore, following hypothesis is suggested:

H4: *Job satisfaction has positive nexus with job performance of employees.*

JOB SATISFACTION AND EMPLOYEES' TURNOVER INTENTIONS

Job satisfaction has been long identified as a valuable factor to explain turnover intention [46, 47]. Employees with a greater level of job satisfaction are more expected to associate with their organizations. However, dissatisfied employees show a behavioural intention to leave their jobs and try to find a substitute. The nexus between job satisfaction and turnover intention has been studied widely in organizational research, and findings by and large depict that job satisfaction decreases turnover intention [48]. Muchinsky and Tuttle [49] analysed 39 studies in a meta-analysis and found that job satisfaction negatively affects the employees' turnover intention. Likewise, Tett and Meyer [50] using meta-analysis found that job satisfaction is negatively linked to turnover intention. Thus, following hypothesis is proposed:

H5: *job satisfaction has negative nexus with employee's turnover intentions.*

MEDIATION OF JOB SATISFACTION

Job satisfaction refers to the positive and pleasurable emotional condition independently to employees' experiences at the workplace. Despite the personal attributes and job design, supervision is crucial to determine employees' performance and perception about the organization [51, 52]. The relationship among leadership, job satisfaction, job performance, and turnover intention is well established in literature [27, 46]. However, these connections were analysed separately and ignored a pleasure factor (i.e., job satisfaction) as a potential mediating mechanism to check the effects of ethical leadership on employees' job satisfaction, job performance, and turnover intentions.

Moreover, it is argued that employees who are satisfied with their jobs perform better and prefer to stay associated with the organization [53]. A satisfied employee puts his/her energy to enhance work-related performances. Given that employee job satisfaction is closely linked with supervisor's/leaders' behaviour, ethical leaders – through demonstrating their open, fair, and ethical behaviour – enhance employees' job satisfaction which in turn increases employee job performance and elevates employees' identity and commitment towards organization i.e. they feel proud of being part of that organization and want to stay in the

organization [16]. Therefore, ethical leadership is expected to improve employee job performance and reduce turnover intention through increasing employee job satisfaction. By keeping this view in mind, following hypotheses are proposed:

H6a: *Job satisfaction mediates the effect of ethical leadership onto employees' job performance.*

H6b: *Job satisfaction mediates the effect of ethical leadership onto employees' turnover intention.*

METHODOLOGY

RESEARCH BACKGROUND AND AREA OF SAMPLING

The purpose of this study is to examine the effect of ethical leadership onto employees' job performance, and their intentions to leave the organisation directly as well as via job satisfaction. The study is carried out in tourism industry where the data were collected from both public and private tourism companies of Pakistan. The tourism industry provides its services to the customers who want to visit and tour Pakistan-wide different places. Their services include transportation, residence, food and/or photography. Respondents of the study consisted of employees working in tourism industry. We asked employees about the ethical behaviour of their leaders, their satisfaction from work, intentions regarding leaving their current company, and their feeling about their performance on the job.

SAMPLE AND PROCEDURE

Tourism firms are selected from three cities (Lahore, Faisalabad, and Multan) of Punjab province, Pakistan. These three cities have the most prosperous tourism industry. This industry is selected because of its significant influence on economy, culture, environment, and society [54, 55]. In the recent years, Pakistani tourism industry has regained the momentum after a decade of socio-political decline in the territory. Therefore, this industry emphasises the awareness of and exercising the ethical practices. The demonstration of ethical practices by the managers of Pakistani tourism firms is the need of time, thus they initiate incorporating the ethical style of leadership in their strategic plans to enhance employees' level of job satisfaction and behavioural outcomes. Demonstration of ethical leadership is also important for long-term sustainability. Consequently, the scholars put more efforts into studying the effects of ethical leadership in this sector from different perspectives.

Data were collected from two main sectors: travel agencies and hotels. English serves as the formal language of tourism firms which participated in this research. White-collar employees, were approached for data collection. Questionnaires were distributed only to those having their bachelor or master degrees in English as a medium of instruction. Therefore, the questionnaire was administered in the English language which is in line with the method followed by earlier researchers in Pakistan [56, 57]. Participating firms were approached in these cities using a blend of self-contacts. This is a useful and effective method in Pakistan; a collectivistic society [27]. Out of 250 questionnaires delivered to the companies (one questionnaire for one firm), 198 were received-back with a response rate of 79,2 %. Two questionnaires were removed from the final sample due to incomplete response. Finally, data of 196 firms were used for further analysis. Of these 196 firms, 48,6 firms established for more than ten years and 62,5 firms had lesser than 150 employees.

MEASURES

A 10-item scale, adapted from Brown et al. [8], was used to measure ethical leadership on 5-point Likert scale ranging from 1 – Strongly Disagree to 5 – Strongly Agree. Items were based on employees' experience as what they feel about their leaders and up to what extent their leaders care and involve them in the decision-making process. The value of Cronbach's

Alpha reports high internal consistency of the scale (α = 0,901). Job satisfaction scale was adapted from Yang and Islam [58] and was measured using a 5-point Likert scale from 1 – Very unsatisfied to 5 – Very satisfied. The value of Cronbach's Alpha reports good internal consistency of the scale (α = 0,894). Employee turnover intention was measured using 5-point Likert scale ranging from 1 – Strongly Disagree to 5 – Strongly Agree [59-61]. The value of Cronbach's Alpha reports high internal consistency of the scale (α = 0,844).A 14-item scale was adapted from Lynch, Eisenberger, and Armeli [62] to measure job performance using a 5-point Likert scale ranging from 1 – Strongly Disagree to 5 – Strongly Agree. The value of Cronbach's Alpha reports high internal consistency of the scale (α = 0,925).

DATA ANALYSIS

Structural equation modelling (SEM) was used to analyse the hypothesized relationships as it provides some benefits over conventional multivariate analytical methods [63]. Particularly, partial least square (PLS), a strong analytical technique was employed [64], which establishes a soft modelling via robust and stringent statistical methods [65]. PLS is an appropriate analytical method for this research because it is a statistical technique mostly expected for causal-predictive investigation which has validated valuable states of great complexity but less hypothetical knowledge [66]. Therefore, PLS is sufficient to establish and develop the theory [65] or to check the theory which is in its initial phase [67], hence very suitable in this research. In addition, SEM is especially suggested to analyse the mediation [68], and ample of research work employed this statistical approach in estimating such relationship using PLS [69-71]. Likewise, the PLS through WarpPLS 5.0 was employed to test the hypotheses and goodness of the model fit. SPSS 22.0 was also used to get socio-demographical descriptive correlational data exploration.

Since this study employed the Baron and Kenny [72] technique to test the mediation, PLS-SEM is suitable for the analysis. According to their technique, three conditions are essential to develop mediation. First, the independent variable (ethical leadership) should be significantly associated with dependent variables (job performance and turnover intention). Second, the independent variable should be significantly connected to the mediator (job satisfaction). Last, on the regression of dependent variable, the mediating variable(s) should be significantly associated with the dependent variable. Furthermore, full mediation exists is the independent variable exhibits zero or insignificant effect on the dependent variable after introduction of the mediating variable.

RESULTS

First, confirmatory factor analysis (CFA) was employed to check the factor loadings, validity (discriminant and convergent), and reliability as shown in Table 1. Factor loadings of all indicators are larger or equal to 0,50 [73], and are significant at least at the level of 0,05 [74, 75]. The findings suggest that the instrument of this study has successfully crossed the threshold of the criteria for convergent validity [76]. Discriminant validity is checked by comparing the square roots of average variances extracted (AVEs) with corresponding inter-construct correlation. The square roots of AVEs for the latent constructs are given on diagonal within parentheses in Table 2. It is observed that the values of square roots of AVEs for every latent construct are higher than that of any correlation of the respective latent construct. Therefore, it is inferred that the measurement model has satisfactory discriminant validity [75]. The reliability of measurement models is evaluated through Cronbach's alpha (CA) and construct reliability (CR). The acceptance level of CA and CR is larger than 0,70. The values of CR and CA also confirm that the constructs' reliability.

Table 1. Factor Loadings, Validity, and Reliability.

Items	EL	TI	JS	JP
EL1	0,704			
EL2	0,742			
EL3	0,901			
EL4	0,878			
EL5	0,815			
EL6	0,887			
EL7	0,844			
EL8	0,999			
EL9	0,769			
EL10	0,824			
TI1		0,964		
TI3		0,952		
TI4		0,951		
TI5		0,958		
TI6		0,961		
TI7		0,952		
EIJS1			0,689	
EIJS2			0,758	
EIJS3			0,698	
EIJS4			0,727	
EIJS5			0,724	
EIJS6			0,764	
EIJS7			0,769	
EEJS2			0,784	
EEJS3			0,786	
EEJS4			0,756	
JP1				0,771
JP2				0,798
JP4				0,787
JP5				0,726
JP6				0,825
JP7				0,728
JP8				0,710
JP9				0,683
JP10				0,762
JP11				0,758
JP12				0,775
JP13				0,781
JP14				0,717
JP15				0,797
JP16				0,709
CR	0,919	0,887	0,913	0,935
CA	0,901	0,844	0,894	0,925
AVE	0,535	0,574	0,515	0,500
Skewness	−0,750	0,284	−1,214	−1,258
Kurtosis	0,027	−0,752	2,113	2,331

In a nutshell, measurement model goes through successfully the number of stringent analyses of convergent validity, discriminant validity, reliability, and multicollinearity. The findings reveal that model fulfils the broadly accepted data validation criteria and recommend that findings of SEM-PLS can be trusted and do not have data measurement issues [76].

Table 2 shows the means, standard deviations, and correlations of the variables. The low and medium level correlations confirm the absence of collinearity among the indicators.

Table 2. Descriptive Statistics.

Variable	Mean	SD	1	2	3	4
1. Ethical leadership	3,7330	0,85989	(0,732)			
2. Job satisfaction	3,9053	0,76005	0,448***	(0,758)		
3. Job performance	4,0211	0,71005	0,410***	0,752***	(0,718)	
4. Turnover intention	2,6769	1,0265	0,280**	0,880***	−0,074**	(0,703)

**statistically significant at 10 %
***statistically significant at 1%

SEM-PLS was performed using WarpPLS 5.0 to test the proposed hypotheses. The goodness of the model fit is ensured through average path coefficient (APC), average R^2 (ARS), and average variance inflation factor (AVIF). Values of the APC (0,25, $p < 0,001$) and ARS (0,242, $p < 0,001$) are significant as well as AVIF (1,327) is less than 5. It is recommended that the model be a good fit of the data since relying on results is better than guessing the relationships [76, 78]. Table 3 presents main results related to hypotheses testing. Results show that ethical leadership has a positive relationship with employees' job satisfaction ($\beta = 0,48$, $p < 0,001$) and job performance ($\beta = 0,113$, $p < 0,001$), thus supporting the first two hypotheses. Furthermore, ethical leadership negatively influences the employees' turnover intention ($\beta = 0,273$, $p < 0,01$), which confirms hypothesis 3. Job satisfaction positively affects employees' job performance ($\beta = 0,712$, $p < 0,001$), thereby, hypothesis 4 is also accepted. Job satisfaction has an insignificant connection with turnover intention ($\beta = 0,142$, $p < 0,11$).

Table 3. Hypotheses testing.

Path	Direct	Indirect	Total
EL → JS	0,483***		0,483***
EL → JP	0,113***	0,344***	0,457***
EL → TI	−0,273**	0,069**	−0,204**
JS → JP	0,712***		0,712***
JS → TI	0,142		0,142

**statistically significant at 10 %
***statistically significant at 1%

Hypotheses 6a and 6b propose that the employee job satisfaction serves as an intervening mechanism through which ethical leadership indirectly optimise the employee job performance and minimises the likelihood of employee turnover. The mediation analysis for ethical leadership-job performance nexus fulfils the assumptions and supports presence of partial mediation such that indirect effect of ethical leadership on employee job performance through job satisfaction is which supports hypothesis 6a. However, for ethical leadership-turnover intention linkage the mediational model does not fulfil the third condition which states that intervening variable (job satisfaction) must be significantly linked with dependent variable (i.e. turnover intention). Hence, the data does not support our hypothesis 6b which states that job satisfaction mediates the effect of ethical leadership on employee turnover intentions.

DISCUSSION

Previous studies have highlighted the significance of leadership regarding employees' job performance and turnover intention. Nevertheless, relatively limited attention has been paid to understand the underlying mechanisms through which ethical leaders affect employees attaining required and/or desired results [79]. This study responds to the calls that ask for investigation of ethical leadership and employee job outcomes nexus through a mechanism as it considers employee job satisfaction as a mediating mechanism to study the aforementioned linkages. Given that employees' job satisfaction is imperative to comprehend the effect of ethical leadership on the behavioural consequences, therefore, it is worthy of investigating the association between leadership styles and employee behaviours. This study is significantly different from other researches which just focused on the nexus of leaders and employees as a major mechanism in elucidating the influential role of ethical leadership to shape employees job performance and intention to leave the organizations. In sum, the results of this study propagate that ethical leadership can foster employees' job performance and decrease their turnover intention through enhancing their job satisfaction.

The results suggesting that employees' perception of ethical leadership is positively associated with their satisfaction are novel and theoretically captivating because of its incorporation of the ethical style of leadership with the inspirational tendency of job satisfaction. These results are encouraging, of particular, when pondering that researchers suggested examining the methods through which employees' job satisfaction can serve as a means to employee outcomes. As per practical viewpoint, these results show the importance of ethical leadership to augment employees' job satisfaction. This study contributes by supporting the academic theoretical contention that job satisfaction is linked with job performance.

In addition, this study has not just recognised job satisfaction as a mechanism by which ethical leadership is connected with employees' job performance and turnover intention but also presented social learning theory [28] as a descriptive model to explain when and how ethical leadership affects employees' job-related behaviours and outcomes. In line with the conceptualization of Brown et al. [8], it is advocated that job satisfaction is a significant mediating mechanism in the relationship of ethical leadership and employees' job performance. By applying the SEM-PLS, this research denotes a significant effort to link job satisfaction in association between leaders and employees to elucidate the connections among ethical leadership, employees' job performance, and their turnover intention.

Although this research does not analyse whether ethical leadership differs in general because the data were gathered from Pakistan; which varies considerably from a number of western developed economies. As a collectivist society with powerful religious effect on almost all the perspectives of life [80], studying ethical leadership concept and westernized social learning theory on data gathered from Pakistan seems to be very vigorous. The findings have proved that majority of the hypotheses is accepted, thus, this study contributes to the cross-cultural validity of the ethical leadership, employees' job satisfaction, performance and turnover intention research.

MANAGERIAL IMPLICATIONS

Despite the several conceptual implications, the results of this study also have considerable practical implications. The managers of the organizations should worth ethics and consider it as a major rock on which basis the culture of their organizations is constructed. For instance, leaders' honour, credibility, and faith are expected to develop a culture where employees' job satisfaction becomes the custom. Particularly, the results recommend that ethical leadership has a normative character by inspiring ethical attitudes among the employees [8, 16] as well

as positive influence on employees' job performance by fostering their job satisfaction and arranging the objectives between leader and employee. The argument that ethical leadership influences employees' job performance, establishes the scenario that managers should emphasize ethics as a compulsory part of their managers' training and development programs. From a strategic perspective, the results further suggest that organizations should employ ethics as a significant measure in the recruitment and promotional plans of the employees. This perspective is likely to get support from the positive outcomes of ethical leadership on employees' job satisfaction, performance and turnover intention.

LIMITATIONS AND FUTURE DIRECTIONS

This study also has few limitations, especially related to research design. This is cross-sectional study by design, no conclusion regarding causality can be induced. Likewise, it could be possible that job satisfaction develops employees' views of ethical leadership (i.e. rather ethical leadership fostering job satisfaction) alongside the causal relationship we proposed. So, future guidelines of this study should be longitudinal to solve the causality problems. Additionally, using the longitudinal method to this study stream would permit apprehending more data points provided during the period of time and would assist elucidate how employees' job satisfaction may affect employees' job performance and their intention to leave the organization. Next, although the sample of this study was enough to notice important results in the mediation analysis, the future study needs to use large sample size which permits to analyse this model with a more robust analytical way like multilevel SEM [81].

Finally, this research shows the relationship of employees' job satisfaction, performance, and turnover intention with only one style of leadership i.e. ethical leadership. Many of characteristics of another type of leadership can also overlap e.g. transformational leadership. From an academic point of view, the relationship of these variables can also be explained by other styles of leadership which was not tested in this study.

CONCLUSION

The major purpose of this study was to excavate our comprehension regarding the nexus of ethical leadership, employees' job satisfaction, performance, and turnover intentions in the tourism sector of Pakistan. The context of social learning theory was employed to establish further understanding of the relationship between ethical leadership and employees' behavioural outcomes. The data were gathered from Pakistan, which is performing progressively vital role in the world economy in general and in South Asia in specific. If Western theories are analysed in non-Western contexts, scholars and experts would have firm assurance regarding the wide applicability of these theories to other parts of the world [82]. This research gives better understanding regarding the applicability of notions of ethical leadership, job satisfaction, job performance, and turnover intention in Pakistan. Yet this research is just a bubble in the sea, we expect that it will motivate other researchers to endure to spread the insights of these conceptions in other countries.

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