Does Ethical Leadership Contribute towards Organizational Commitment? A Mediational Study of Employees in Hotel Industry

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ABSTRACT

Purpose: This study assesses how perceived corporate social responsibility by employees’ functions as a mediator between organizational commitment and moral leadership.

Design/Methodology/Approach: According to the social exchange theory, there is reciprocation between an employee and their employer, and how an employer conducts business shapes the perspective of its employees. Employees follow the same activities and behaviors that the corporation does. 348 front-line hotel employees in Pakistan provided the information. To test the data, structural equation modeling was used.

Findings: The findings show that a leader's moral and ethical behavior influences how employees view a firm's CSR and how committed they are to the organization. Results exhibit that when workers witness their supervisors performing ethically, it affects their attitudes and makes them more dedicated to their businesses.

Implications/Originality/Value: The study is distinctive in that by utilizing employee views of CSR as a mediator, the relationship between leadership and commitment was explored. The study has essential management and organizational ramifications, particularly for increasing employee engagement.

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Introduction
In the current business scenario, the emergence of ethical codes and its emblem casts an important effect on creating a loyal, dedicated, and committed task force in the organization. Corporations are experimenting with multiple techniques and ways to enhance the commitment of their employees.
According to researchers, a leader's ethical behavior might encourage employees to identify with and support the business (Anthony Wong & Hong Gao, 2014a; Mitonga-Monga & Cilliers, 2016). An emotional attachment to, identification with, and engagement in the organization are all considered to be signs of organizational commitment (N. J. Allen & Meyer, 1990). When an employee in an organization perceives and finds how its firm is carrying out legitimate operations and transparency, they try to identify with the organization and become attached to it (S. Lee & Yoon, 2018). Unethical behaviors and practices such as misuse of power and conflicts of interest are widely spread in the organization, affecting employees' behavioral actions like morals, and lowering their affection and commitment level to the organization (Kumasey, Bawole, & Hossain, 2016).

Researchers' understanding of commitment has expanded over the years, and they now classify it as a psychological condition that ties workers to their employers and produces positive outcomes (Karakuş, 2018). Workers' dedication to their businesses may be shown in their contact with clients and behavior. According to Garma and Bove (2011), front-line staff spend much time interacting with consumers. Therefore, they must have a strong commitment and loyalty to the company. Thus, an engaged employee is seen as a valuable resource for the company. Similar to this, other researchers claim that employees in the hospitality industry, particularly those working in hotels, play a crucial role in ensuring success because of the significant influence their attitudes and behaviors have on customers' expectations and experiences (S. P. Brown & Lam, 2008; Guillet & Mattila, 2010). As a result, how an employee views the company, and its operations creates a solid foundation for how those people behave. An effective way an employee's perception can be strengthened is through leadership (Wu, Kwan, Yim, Chiu, & He, 2014). How leadership makes decisions and carries out its responsibilities determines employees' attitudinal and behavioral aspects. Corporate issues and scandals harm an organization's reputation and influence employees' perception, and performance initiatives represent an organization's standards and values, which influence employee perception. Because these motivating states are probably important mediators between leadership and workers' behavioral responses, perceived CSR was chosen in this study (Patiar & Wang, 2016).

Previous research has laid down one relationship between ethical leadership, perceived employee CSR, and commitment (Çelik, Dedeoğlu, & Inanir, 2015; Karakuş, 2018) which has identified ethical leadership as essential for inducing commitment among employees. Similarly, others (Anthony Wong & Hong Gao, 2014; Khaleel, Chelliah, Rauf, & Jamil, 2017) have explored the direct and indirect effects of how CSR can help shape employee commitment. Similarly, researchers (S. B. Choi, Ullah, & Kwak, 2015; Gao & He, 2017; Groves & LaRocca, 2011) have studied the relationship between ethical leadership and CSR. However, the limited focus has been on CSR's mediational role, especially in the hospitality sector (Serra-Cantallops, Peña-Miranda, Ramón-Cardona, & Martorell-Cunill, 2018). Thus, this study aims to explore the relationship between ethical leadership and organizational commitment using employee-perceived CSR as a mediating link to understand better the underlying mechanism that creates positive employee attitudes. Dhanpat (2017) in his study on call center employees, asserts that a committed task force is beneficial for organizational success, and organizations should focus on ways to retain and create committed employees. The current study lies in this domain and will be helpful as it provides an integrated mechanism of factors, both organizational and individual, that shapes employees' psychological perceptions and can identify which casts more influence on shaping employee behavior. Thus, a study of this nature will be helpful in the literature compared to one-to-one relationships conducted in prior studies.

**Literature Review and Hypotheses Development**

**Ethical Leadership**

Ethical leadership is the key to resolving problems brought on by moral uncertainty and disorientation in today's dynamic and international world (Zan, Zdemir, & Yirci, 2017). M. E. Brown, Trevio, and Harrison (2005) define ethical leadership as "the exhibition of normatively acceptable behavior through personal acts and interpersonal interactions, and the promotion of such conduct to followers through two-
way communication, reinforcement, and decision-making.". This definition pinpoints ethical leadership as a process having two phases: first, a leader's actions to be carried out appropriately, and second, reinforcements of activities through followers.

Leaders act as a source of guidance for individuals, and their actions help to establish ethical standards for employees (Brown, Treviño, & Harrison, 2005). Thus, an ethical leader helps define moral values and boundaries for its people and focuses on goals and means employed to achieve such goals. Ethical behaviors endorse positive outcomes for the organization and its individuals, i.e., it helps to enhance satisfaction, put in extra effort, induce a willingness to rate leaders and report issues or problems related to management, culture, and job characteristics (Brown & Treviño, 2006; Brown et al., 2005; Ofori, 2009; Piccolo, Greenbaum, Hartog, & Folger, 2010; Schaubroeck et al., 2012). Therefore, ethical leadership allows individuals to internalize value-driven actions and behaviors.

According to the social exchange theory, there is reciprocation between an employee and their employer, and how an employer conducts business shapes the perspective of its employees (Ekeh, 1974). Employees follow the same activities and behaviors that the corporation does. Researchers (Brown & Treviño, 2014; Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009; Schaubroeck et al., 2012) state that ethical leaders help to incorporate an ethical culture, where employees perceive a leader as a trustworthy person. Further, they try to reciprocate by engaging in work behaviors followed by the code of ethics. Studies have pointed out that managers' ethical conduct helps reduce employees' counterproductive behaviors (Resick, Hargis, Shao, & Dust, 2013); hence, employees idealize their managers as role models and try to imitate such behaviors and actions.

Employee Perceived Corporate Social Responsibility
A firm's adaptation of corporate social responsibility (CSR) is not only a matter of choice anymore but a strategically incorporated phenomenon (Myung, Choi, & Kim, 2017). CSR is "Company initiatives to improve socioeconomic and environmental situations and create a more sustainable world." CSR influences an organization's reputation and its employees' attitudes and behaviors (Johnson, Robinson, & Mitchell, 2004). Thus, CSR activities help shape employees' perceptions and views about the organization.

CSR has been an area of interest for researchers analyzing its multi-foci perspectives. For example, Carroll (1979) delineated a four-dimensional model based on the ethical, legal, economic, and philanthropic aspects. In addition, CSR has been explored from an external context regarding stakeholders and environmental viewpoints (Clarkson, 1995; Greening & Turban, 2000). Organizations have also enacted and espoused their CSR goals in their mission, vision, objective, and values system based on social and communal concerns (Blair-Loy, Wharton, & Goodstein, 2011). According to M. E. Brown, Trevio, and Harrison (2005), ethical leadership is "the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making, and the example of such conduct to followers through personal acts and interpersonal interactions. They further state that if employees perceive their organization suffices moral, philanthropic standards benefitting the society, it helps to deeply endorse and ground CSR activities in the organization's philosophy.

Organizations often face the challenge of incorporating the essence of CSR into their values. According to (Tsai, Tsang, & Cheng, 2012), both companies and employees need to share the same set of values and beliefs of CSR to help achieve enhanced benefits for both and society. Employees perceive CSR helps extract positive work attitudes, such as citizenship behavior, job satisfaction, and organizational performance (Y. Choi & Yu, 2014).

According to Park, Lee, and Kim (2018), firms often attempt to adopt CSR activities following their values and standards. This study incorporates CSR from an employee's perspective, as employees' perception is one of the critical ingredients in adopting and incorporating CSR practices. The extent to
which workers believe a corporation supports CSR-related activities is known as employee-perceived CSR (Y. Choi & Yu, 2014). According to Lange and Washburn (2012), employees try to evaluate a firm's CSR with their knowledge established based upon the schema of CSR in their minds, and this comparison, as per Zhou, Luo, and Tang (2018), helps to build up attitudinal and behavioral component of an employee.

**Organizational Commitment**

Organizational commitment (OC) has been explored from multi-dimensional perspectives and reported as employee association and loyalty towards its organization (Kumasey et al., 2016; H.-J. Lee & Reade, 2018). It is claimed that the conceptualization of organizational commitment comes from the work of Porter, Steers, Mowday, and Boulian (1974), who define OC as the degree to which a person identifies with and participates in a particular organization. Further, "a strong desire to retain participation in the group" is how you should define commitment (Mowday, Steers, & Porter, 1979). According to N. J. Allen and Meyer (1990), OC is "an individual's sense of belonging and psychological attachment to the organization." Thus, a common theme, which emerges from these definitions, is its employee's attachment with its organization, which might be emotional or psychological.

OC has been labeled a multi-dimensional construct with three dimensions (N. J. Allen & Meyer, 1990). Normative, an individual's perceived responsibility to remain in an organization, is followed effectively by one's emotional involvement, attachment, and identification with the organization. Finally, continuance commitment is the cost and benefits of leaving the organization. Among the three dimensions of commitment, this study focuses on affective commitment as it helps establish a value-based association with the organization. Besides this, it has also been identified as a determining factor in employee performance in the hospitality sector, i.e., hotel employees (Karatepe, 2013; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). Organizational commitment is an essential determinant of job behavior and attitudes (Hsieh & Chan, 2012) as it helps shape an employee's behavior by making them proactive towards the organization's tasks and reputation.

**Ethical Leadership and Organizational Commitment**

An ethical perceptive advocate's norms, policies, and procedures should prevail within the organization (Bedi, Alpaslan, & Green, 2015). Through the perception of ethical leadership, such aims can be achieved inside the firm. Ethical leadership is a strong medium within the organization for implementing and communicating ethical standards and expectations (Brown & Treviño, 2006). Hence, Organizational performance may be toned and shaped following moral norms with the aid of ethical leadership.

Ethically focused leaders aid in inducing attitudes and behaviors among employees, as they enjoy quality exchange relationships with their followers and promote behaviors that benefit both followers and the organization (Brown & Treviño, 2006). According to Bedi et al. (2015), workers respond favorably when leaders exhibit integrity and open communication. Reciprocate similar behaviors Karakuş (2018) states that ethical leadership is a stance that carries a solid influential ability on its employees.

Leaders with an ethical belief system assist in extracting excellent results from staff (Mitonga-Monga & Cilliers, 2016). They further specified that if the association among employees and cohorts is established on social standards instead of economic gains, it stimulates the perspective of commitment in employees. Previous studies show that by learning about a leader's objectives for justice and reliability, an employee's commitment increases (N. J. Allen & Meyer, 1990; M. E. Brown et al., 2005). This leads to hypothesize that,

H1: EL is positively related to OC

**Mediating Role of Employee Perceived Corporate Social Responsibility**

Leaders must guide their followers and serve as examples (De Hoogh & Den Dartog, 2008). According to Akdoan, Arslan, and Demirtas (2016), ethical leadership impacts workers' perceptions, strengthening their
commitment to CSR. As a result, employees are more likely to engage in CSR activities. The CEO is essential to an organization's decision-making, planning, and implementation processes. As a result, the CEO's beliefs and value system influence the initiatives and techniques they use to achieve objectives (Waldman et al., 2006). Therefore, leaders' moral principles and decisions affect their followers and may inspire or demoralize them.

According to Yukl (2001), ethical leaders try to motivate CSR activities by "communicating ethical standards, encouraging ethical conduct, modeling ethical behavior, and opposing unethical conduct". In addition, they also encourage practices that are less harmful to the environment, improve quality of life, and contribute to community-building services. So, an ethical leader attempts to match his moral values system with the wavelength of his organization.

CSR is a phenomenon that favors not only shareholders but considers all stakeholders (Y. Choi & Yu, 2014) because it covers everything from following the law to managing profitable transactions to labor rules and community development. According to Akdoan et al. (2016), CSR has been linked to company reputation, but its motivating effect on workers has been overlooked. As a result, CSR is essential in determining employee attitudes and actions. According to Brammer, He, and Mellahi (2014), how employees perceive CSR has a comparable impact on their emotional commitment as it does on their satisfaction (De Roeck, Marique, Stinglhamber, & Swaen, 2014; Hofman & Newman, 2014).

Chong (2009) claims that when CSR goals are linked to corporate identity, it gives workforces a logic of affiliation of why they are associated with the organization. Furthermore, according to E. M. Lee, Park, and Lee (2013), a worker's involvement in corporate social responsibility fosters an experience of self-reinforcement, increasing their loyalty to the company. According to Aguinis and Glavas (2013), corporate social responsibility positively correlates with an individual’s psychological needs. For example, self-esteem and affiliation, which aid in developing a relationship, are constructed on shared values within the organization. Further, a strong sense of commitment to that organization. Thus, following statements are hypothesized

H2: EL is positively related to employee-perceived CSR
H3: Employee perceived CSR is positively related OC
H4: Employee perceived CSR mediates the relationship between EL and OC

Methodology
Sample
Participants in the research were front-line workers from Pakistani hotels who had regular direct interaction with clients. According to prior studies, the study comprised employees working in 3-star and 4-star hotels (Leonidou, Leonidou, Fotiadis, & Zeriti, 2013; Oliveira, Pedro, & Marques, 2013). They chose such categories to study CSR activities being carried out. Thus, selecting these specified hotels aimed to identify the CSR practices and how they influence employee perceptions. A total of 450 questionnaires were distributed, and 400 were recorded. Among these, 16 had missing values, which were excluded from the study, resulting in 384 usable entries. The mean age of the sample was recorded at 1.625 (SD=1.08). Out of 348 respondents, 72% of the respondents were men, and 28% were women. 66% of workers were under 30, 50.5% of participants had bachelor's degrees, 37.8% had just high school diplomas, and 2% had master's degrees.

Measures
For analysis, adapted from earlier studies, the scale was assessed using a 5-point Likert scale. According to Clark & Watson (1995), using a 7-point or 9-point scale does not enhance the items' reliability or validity. Further, choosing between odd and even responses can be challenging to measure the mid-point, and it can fall off the fence. Babakus and Mangold (1992) also state that using a 5-point Likert scale helps reduce respondents' frustration and provides quality and quick responses. Therefore, a 5-point scale was used in the study. The questionnaire is enclosed in the appendix.
Ethical leadership
A ten-item scale adapted from Brown et al. (2005) which was used to measure the CEO's ethical leadership. The scale consisted of items like "My managers define success not just by results but also by how they are obtained" and "Listens to what employees have to say." The scale has been used in various studies (Gao & He, 2017; Wu et al., 2014) to analyze leaders' moral and ethical values.

Organizational Commitment
Allen and Meyer's eight-item scale examines the affective commitment dimension of organizational commitment (1990). The scale has been used to evaluate employees' commitment to the organization (G. W. Allen, Attoh, & Gong, 2017; Kumasey et al., 2016). The scale consisted of items like, "I would be happy to spend my career with this organization" and "I enjoy discussing my organization with people outside it."

Employee-perceived CSR
Employers' perceptions of corporate social responsibility were assessed using a 5-item Valentine and Fleischman scale (2008). The scale consists of items like "I work for a socially responsible organization that serves the greater community" and "My organization gives time, money, and other resources to socially responsible causes." Studies (Glavas & Godwin, 2013; Valentine & Fleischman, 2008) have utilized this scale to evaluate employees' perception of the firm's corporate social responsibility.

Results
Confirmatory factor analysis determines whether the data is consistent with the proposed measurement model. Therefore, confirmatory factor analysis was used in AMOS 23 for all three variables. The three line base model has a perfect match when compared to other models, and the data computed the values resulting in $\frac{\lambda^2}{df} = 344.89/181.52 = 1.90$, $CFI=.93$, $TLI=.92$, $RMSEA=.04$. The other models that were put to the test were a null model, three 2-factor models (combinations of 2 or 3 variables), and a 1-factor model (with all loadings of 3 variables onto 1 factor). The results from the confirmatory component analysis confirmed the discriminant validity, which explains why our constructs were distinctive.

Since these are the conventional indicators of scale reliability, scale reliability was determined using the composite reliability index and average variance extracted. Results showed that all constructs' composite reliability ranged beyond the acceptable value of 0.6, from 0.71 to 0.90 (Bagozzi & Yi, 1988). However, average variance value retrieved ranges from 0.51-0.65, above the permitted value of 0.5 (Fornell & Larcker, 1981). These results conclude that all structures have solid foundations for dependability. Additionally, the indicators' factor loadings are more significant than 0.5 (ranging from 0.549-0.769), with a significant t-value greater than 1.91 and p-value of .05, demonstrating a satisfactory model. As shown in Table 1, the one-factor model does not have a high level of data compatibility ($\frac{\lambda^2}{df} = 2321.45/207 = 11.21$, $SRMR=0.17$, $RMSEA=0.24$, $CFI=0.48$, $TLI=0.43$), which explains why standard method variance is not a significant issue in the study. Despite having identical components, the three-factor model could not be layered within the method factor model. From that point forward, CFI was modified for comparison. The effect of the technique component cannot be viewed as negligible because the variance in CFI was smaller than the benchmark recommended by Bagozzi and Yi (1988), i.e., 0.03. The method factor effect, however, somewhat improves the model fit. This factor's explanatory power was only around 18.31% of the method variance, less than the 25%–40% those previous researchers deemed sufficient (Williams, Cote, & Buckley, 1989).

The research demonstrated that CMV did not significantly influence our results and is less likely to do so. Table 2 provides the study's variables' means, standard deviations, and correlations. Our assumptions are supported by significant and favorable correlations among ethical leadership, employee perceptions of CSR, and organizational commitment. The structural model was generated following current research trends. Using the suggested technique, the mediator's relationship was evaluated (Mathieu & Taylor, 2006). At first, a model with direct path from ethical leadership to organizational commitment was
examined, keeping aside employee-perceived CSR (mediator). This model fits well with the data ($\lambda^2/df = 218.32/187 = 1.16$, SRMR = 0.03, RMSEA = 0.04, CFI = 0.92). Ethical leadership was directly connected to organizational commitment ($\beta = 0.54$, $p$-value < 0.001), proving our first hypothesis. Then, we tested the effect of ethical leadership on employee-perceived CSR (H2), the impact of employee-perceived CSR on organizational commitment (H3), and last of all, the role of employee-perceived CSR as mediator between ethical leadership-organizational commitment (H4).

### Table 1: Model Fit Indices

<table>
<thead>
<tr>
<th>Models</th>
<th>$\lambda^2$</th>
<th>df</th>
<th>$\lambda^2/df$</th>
<th>SRMR</th>
<th>RMSEA</th>
<th>CFI</th>
<th>TLI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Null model</td>
<td>3216.73</td>
<td>232</td>
<td>13.86</td>
<td>0.17</td>
<td>0.24</td>
<td>0.48</td>
<td>0.43</td>
</tr>
<tr>
<td>One-factor</td>
<td>2321.45</td>
<td>207</td>
<td>11.21</td>
<td>0.13</td>
<td>0.15</td>
<td>0.64</td>
<td>0.87</td>
</tr>
<tr>
<td>Two-factor (EL and EPCSR combined)</td>
<td>982.32</td>
<td>187</td>
<td>5.25</td>
<td>0.03</td>
<td>0.04</td>
<td>0.92</td>
<td>0.82</td>
</tr>
<tr>
<td>Two-factor (EL and OC combined)</td>
<td>218.32</td>
<td>187</td>
<td>1.16</td>
<td>0.04</td>
<td>0.07</td>
<td>0.95</td>
<td>0.92</td>
</tr>
<tr>
<td>Two-factor (EPCSR and OC combined)</td>
<td>760.95</td>
<td>187</td>
<td>4.06</td>
<td>0.11</td>
<td>0.14</td>
<td>0.78</td>
<td>0.94</td>
</tr>
<tr>
<td>Three-factor with a method factor</td>
<td>378.72</td>
<td>182</td>
<td>2.08</td>
<td>0.04</td>
<td>0.07</td>
<td>0.95</td>
<td>0.92</td>
</tr>
<tr>
<td>Three-factor (baseline model)</td>
<td>344.89</td>
<td>181</td>
<td>1.90</td>
<td>0.03</td>
<td>0.04</td>
<td>0.93</td>
<td>0.92</td>
</tr>
</tbody>
</table>

### Table 2: Descriptive Statistics, Correlations and Reliabilities

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean (SD.)</th>
<th>$\alpha$</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Organizational Commitment</td>
<td>17.84(4.56)</td>
<td>0.913</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Employee Perceived CSR</td>
<td>20.01(3.16)</td>
<td>0.943</td>
<td>0.325</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Ethical Leadership</td>
<td>26.65(4.24)</td>
<td>0.901</td>
<td>0.335</td>
<td>0.536</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Age</td>
<td>1.625(1.08)</td>
<td>0.075</td>
<td>0.027</td>
<td>0.003</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Gender</td>
<td>1.279(4.489)</td>
<td>0.075</td>
<td>0.005</td>
<td>0.003</td>
<td>0.064</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Education</td>
<td>.835(.871)</td>
<td>.130</td>
<td>0.090</td>
<td>0.072</td>
<td>0.213</td>
<td>0.230</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Experience</td>
<td>5.102(1.59)</td>
<td>0.099</td>
<td>0.057</td>
<td>0.049</td>
<td>0.047</td>
<td>0.074</td>
<td>0.015</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

* $p < .05$.  ** $p < .01$.  *** $p < .001$.

A comparison between the full and partial mediation models was made. Computed indicators (see Table 3) displayed that the partial-mediation model as the better-fit model ($\lambda^2/df = 344.89/181 = 1.90$, $p < 0.001$). The statistics of $\lambda^2/df$, RMSEA, and SRMR fulfilled the minimum cutoffs and were lesser for the partial-mediation model than to full-mediation model.

The value of CFI for partial-mediation model was higher than the agreeable value of 0.90 and thus surpassed the CFI value for full-mediation. Results from structural equation modeling (SEM) highlighted that ethical leadership positively and significantly predicts employee-perceived CSR ($\beta = 0.36$, $p < 0.001$), confirming Hypothesis 2. The employee-perceived CSR directly indicates organizational commitment ($\beta = 0.38$, $p < 0.001$), proving Hypothesis 3. In AMOS 23, based on 5000 bootstrap samples, the indirect effect was obtained, and ethical leadership on organizational commitment via employee perceived CSR were statistically significant ($\beta = 0.11$, Boot SE = 0.03, Boot 95% bias-corrected CI = [0.02, 0.18]).

This SEM outcome verified our last hypothesis that employees could mediate the impact of ethical leadership on organizational commitment through their perceived CSR. Hence, H4 was also confirmed. The SEM findings determined that it is a partial-mediation, with coefficient for direct path from ethical leadership to organizational commitment has been statistically significant ($\beta = 0.47$, $p$-value < 0.001).
Discussion
In this study, we evolve from earlier research on ethical leadership, corporate social responsibility, and organizational commitment to establish a framework to understand how an employee perceives CSR and the moral traits of a leader influences employees' organizational commitment. A connection among EL, CSR, and OC, particularly emotional commitment, may be shown, supporting some of our ideas.

According to the findings, managers who exhibit more robust ethical leadership qualities inspire workers to be more dedicated to the company, and the workers' perceived CSR mediates this link. Our findings support prior studies showing that an ethical leader motivates staff to show greater loyalty to the organization while they are in charge. From the above literature review, we understand that a leader demonstrating ethical behavior escalates an employee's commitment to the organization. The perception of employees about the morality of an employer influences their job satisfaction level, which eventually impacts their commitment to the firm.

Considering the stakeholder theory, managers and leaders keep all stakeholders' interests in mind. Leaders with honesty, legitimacy, and righteousness establish relationships with their subordinates by displaying moral and ethical behavior. (Yan Zhu.et al, 2013). Therefore, it is right to say that ethical leaders acknowledge the confidence and concerns of all involved parties by assimilating CSR into their fundamental business tasks.

CSR has a vital role in employees' organizational commitment. Employees who realize the leader's interest in the betterment of the community feel pride in identifying themselves with the leader. Consequently, this pride or association leads to more effort toward achieving organizational goals because of organizational commitment. Next, we will discuss the implications and future directions of this research.

Implications of Study
Various theoretical and managerial implications are discernible from this research.

Theoretical Perspectives
The analysis offers some exciting prospects theoretically. First, it incorporates a process that hasn't been studied in literature before, opening up the formerly unexplored field. Second, this study confirms the benefits of CSR in non-Western cultures, where substantial support for these activities is still needed. Thirdly, it adds to the research by highlighting employee perceptions of CSR and ethical leadership as possible predictors of employee commitment. The study has been conducted in the hotel sector of hospitality, and it can be replicated in different contexts, such as hospitals or other CSR firms, to ensure its validity.

Managerial Perspectives
From the managerial point of view, managers can extract various topics from the study that can be helpful for the organization. First and foremost, this research points out how leaders may recognize and respond to continuing societal concerns at the level of their organizations. Additionally, it broadens the application

<table>
<thead>
<tr>
<th>Fit Indexes</th>
<th>Partial Mediation Model</th>
<th>Full Mediation Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\lambda^2$</td>
<td>437.9</td>
<td>485.7</td>
</tr>
<tr>
<td>$\lambda^2/df$</td>
<td>1.69</td>
<td>1.84</td>
</tr>
<tr>
<td>DF</td>
<td>259</td>
<td>263</td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.052</td>
<td>0.055</td>
</tr>
<tr>
<td>SRMR</td>
<td>0.04</td>
<td>0.05</td>
</tr>
<tr>
<td>CFI</td>
<td>0.93</td>
<td>0.89</td>
</tr>
<tr>
<td>TLI</td>
<td>0.92</td>
<td>0.90</td>
</tr>
</tbody>
</table>
of stakeholder theory by demonstrating how the company's actions affect stakeholders such as consumers, partners, suppliers, and staff (Wong, Ormiston, & Tetlock, 2011).

As stated earlier, organizations need a committed task force and experiment with multiple ways to form a committed task force, so this study highlights a solution: by shaping employee perception about its organization's CSR activities and leader's ethical conduct, a committed task force can be created. This research has implications for top executives on how, where, and to what degree they should promote and adhere to CSR. Since subordinates get inspiration from their leaders, leaders should instill ethical values into their employees and corporate culture. Acting as a resolute and determined role model and executing commitment to moral and ethical values are crucial for leaders.

Conclusion
The study sought to investigate how ethical leadership may increase employee commitment and how this connection might be straightened in the presence of employee-perceived CSR as a mediator. Results show a positive relationship between ethical leadership and direct and indirect employee commitment. Thus, employee commitment to the organization is influenced by how ethically the leaders act, and CSR perceptions provide an underlying mechanism for establishing this relationship. According to research conducted on hotel industry employees, when workers witness their supervisors performing ethically, it affects their attitudes and makes them more dedicated to their businesses. These elements have a more significant role in an organization's growth and performance than devoted employees do.

Limitations
This study is limited in specific ways and has a scope for further exploration for future researchers. We have used employee-perceived CSR as a mediator while other variables such as work motivation, work-life balance and organizational change can also be examined. Another limitation of this research is restricted time and inadequate budget. This study has been carried out in four and five-star hotels in Pakistan with the help of the survey method. Future researchers can opt for interviews and other qualitative methods to make it more comprehensive. In this way, the complete reflection and view of respondents can be comprehended. In addition, different leadership styles can be explored with the existing variables. A transnational comparison of the hotel industry in different cultural contexts can also give this study a new understanding. Other than that, the data obtained was in a single time, making it a cross-sectional study, and we can say that data has the possibility of subjective bias. To avoid this, future studies can gather data with time lag. Other stakeholders like customers and suppliers can also be incorporated with employees. In a nutshell, this study can be explored further in different dimensions.

Ethical Considerations
Ethical Approval
All procedures used in this study which necessitated involvement from humans adhered with the ethical standards outlined by the institutional or national research committee. No animal research has been performed by the authors.

Informed Consent
All study participants had the option of providing their informed consent when questioned.

Conflict of Interest
The study did not come across any conflicts of interest.

References


APPENDIX

**Questionnaire**

Dear Respondent

Your support in completing this survey is voluntary and highly appreciated. The responses will be kept anonymous and confidential. Please provide thoughtful and honest answers to the questions. Please provide answers to all sections, as it is important for research applications.

**Gender:** (1) Male (2) Female (3) Others

**Age:** (1) 25---30 (2) 31---35 (3) 36---40 (4) 41----45 (5) 46 and Above

**Qualification:** (1) Bachelors (2) Masters (3) MPhil /M.S (4) PhD

**Organization:** ________________ **Designation:** ________________

Please indicate the extent you agree or disagree with the statements on scale of 1--- 5, from strongly agree to strongly disagree.

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>My Manager….</th>
<th>(S.A)</th>
<th>(AG)</th>
<th>(N)</th>
<th>(DG)</th>
<th>(SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Conducts personal life in an ethical manner.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.</td>
<td>Defines success not just by results but also the way that they are obtained.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3.</td>
<td>Listens to what employees have to say.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4.</td>
<td>Disciplines employees who violate ethical standards.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5.</td>
<td>Makes fair and balanced decisions.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>6.</td>
<td>Can be trusted.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>7.</td>
<td>Discusses business ethics or values with employees.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>8.</td>
<td>Sets an example of how to do things the right way in terms of ethics.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>9.</td>
<td>Has the best interests of employees in mind</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>10.</td>
<td>I work for a socially responsible organization that serves the greater community.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>11.</td>
<td>My organization gives time, money, and other resources to socially responsible causes.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>12.</td>
<td>The organization I work for upholds generally accepted ethical business standards.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>13.</td>
<td>My organization takes care of its customers, employees, suppliers, and investors.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>14.</td>
<td>I work for a firm that does its best to enhance the financial well-being of its stakeholders</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>15.</td>
<td>I would be happy to spend my career with this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>16.</td>
<td>I enjoy discussing my organization with people outside it</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>17.</td>
<td>I really feel as if this organization’s problems are my own</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>18.</td>
<td>I think that I could easily become as attached to this organization</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>19.</td>
<td>This organization has a great deal of personal meaning for me</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>20.</td>
<td>I feel emotionally attached to this organization</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>21.</td>
<td>I like to be part of the family at this organization</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Thank you for your participation