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Practices and Challenges of Ethical Leadership in Ethiopian Airlines Group

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Jun, 2018

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**Addis Ababa University
Addis Ababa, Ethiopia
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ACRONYMS

ET	Ethiopian Airlines Group
Ethiopian	Ethiopian Airlines Group
APA	American Psychological association
IRB	An institutional review board
BSC	Balanced Score card
ISC	Individual score card
KPI	Key Performance indicator

ABSTRACT

The purpose of this study was to investigate the practices and challenges of ethical leadership in Ethiopian Airlines Group. Quantitative method was used to collect data and survey design was employed to conduct the study. Ethiopian Airlines Group management employees twenty four Operational management (Team Leaders) and nineteen middle management (managers and directors) and twenty four non- management employees were involved in the study as primary source. Questioner was used for the purpose of collecting relevant information. Data obtained through questioners were analyzed using statistical tools like mean, standard deviation, frequency and percentage. In addition to these, the characteristics of fifty two respondents were used to analyze the statistical tool like frequency and percentage. The finding of the study revealed that the Ethiopian Airlines Group as an organization and as leaders practices ethical leadership. Integrity practiced widely and the leaders give service like coaching and mentoring for their followers. The interaction between the leaders and followers are respectfully, with understanding and empathy. The leaders of Ethiopian Airlines Group encourage their followers, build team spirit among followers and they take care of for followers feeling and value. The leaders of the Ethiopian Airlines group respect company policy and comply code of conduct. Moreover the leaders of the company are committed to safe employees, customers, fleets, properties, equipment's or other facilities from dangers and they never disclose confidential information. Gaps also identified that the organization would not forgive an honest mistake, when employees need special favor the organization is not willing, when decisions made it is not made in consultation with employees who have direct relation with that specific issues. In addition the organization is not judging all employees by their qualification, demonstrated skills and achievements. The recommendation forwarded to prepare a standard operating procedure, policy, BSC/ISC and training which helps to guide, aware, enforce and cross check the identified unethical behaviors.

CHAPTER ONE

INTRODUCTION

This chapter deals with the background of the study that shows the bright description of the study. It also comprises the statement of the problem, with basic research questions, the significance of the study and objectives. In addition to this, it reveals an overall organization of the study.

1.1 Background of the study

“A vision relevant for us today will build on values deeply embedded in human history and tradition... The materials out of which we build the vision will be the moral strivings of the species, today and in the past” (John William Gardner 1993, p.224).

Leadership ought to be ethical in order to be effective and successful over the long term. Leaders must demonstrate the highest moral standards and ethical conduct in their everyday talk, actions, decisions, and behaviors so that others in their organizations can follow suit. Philosophers, religious leaders, and thinkers from ancient times have emphasized the importance of ethics for leaders, if they are to attain effective governance.

Although “ethics” has been a subject of discussion for centuries, recent decades have observed the debate expanding across scientific disciplines and the business community. One probable reason for the increased interest in ethics is the ethical transgressions that have been revealed in the recent corporate scandals (see Manz et al., 2008; Mehta, 2003; Revell, 2003; Treviño and Brown, 2004). The world has seen that there are unethical and even toxic leaders, who exploit the loopholes in management systems and seek to fulfill their personal desires at the expense of their organizations and its employees (see Padilla et al., 2007; Schaubroeck et al., 2007). Treviño and Brown (2004) argue that unethical behavior has existed ever since the existence of humans and that people are not generally less ethical today. “But the environment has become quite complex and is rapidly changing, providing all sorts of ethical challenges and opportunities to express greed” (p. 77).

There have also been ethical and unethical leaders ever since the dawn of human civilization. However, the impact of their unethical behavior is far more pronounced in

today's organizations. The growing complexity of the businesses, escalating amount and speed of information flow, and greater pressure for performance have increased the probability of conscious – and sometimes unconscious – ethical slipups in decisions, actions, and behaviors of leaders. Carroll (2004) notes that “global business ethics will demand cutting-edge thinking and practice as companies strive to expand their products, services, sales, and operations throughout the world” (p. 114). Additionally, increasing awareness about one's rights, mounting concern of people about fair treatment, focus on social consciousness and procedural justice, and growing need of knowledge workers for self-actualizations are the forces compelling the need for ethical conduct of organizational leaders. Questions on managerial and leadership ethics are being raised more than ever before (Veiga, 2004), and the debate on ethical leadership has been revived in the recent years. Despite the surge in the volume of the discourse on ethics, the discussion of ethics in organizational studies is mainly about executive leadership and most studies on the subject “have tended to conceptualize ethical leadership in very broad and simple terms” (Treviño et al., 2003, p. 30). Veiga (2004) expresses the concern that ethics of leadership has not been sufficiently discussed in mainstream research agendas. Empirical research on ethical leadership is scarce (see Brown et al., 2005; De Hoogh and Den Hartog, 2008; Treviño et al., 2003).

Scholars have mostly discussed ethical leadership in theoretical and conceptual terms, but there are hardly any studies providing empirical evidence about ethical leadership. Brown et al. (2005) carried out field investigations to test and validate the “construct” of “ethical leadership” within organizations. The primary objective of this study is to examine the practice and challenges of ethical leadership in Ethiopian Airlines Group.

Ethiopian Airlines Group is (Ethiopian) the flag carrier of Ethiopia. During the past seventy plus years, Ethiopian has become one of the continent's leading carriers, unrivalled in Africa for efficiency and operational success, turning profits for almost all the years of its existence. Operating at the forefront of technology, the airline has also become one of Ethiopia's major industries and a veritable institution in Africa. It commands a lion's share of the pan African network including the daily and double daily east-west flight across the continent. Ethiopian currently serves more than 100 international and 21 domestic destinations operating the newest and youngest fleet.

To put up with this success and growth of the Ethiopian Airlines Group ethical leaders plays a big role. This study will examine the practice and recognize the challenges of ethical leadership in Ethiopian aviation group and finally facilitate the way forward to the solution.

1.2 Statement of the Problem

One of the organizational success factor is achieving the vision and objective of the organization, this can be achieved through committed, happy, experienced and fairly treated employees. In Ethiopian Airlines Group Some leaders do not keep their promise and make biased decisions due to this employees do not trust their leaders. In some sections there is 10 to 15 % employees' turnover due to mistreating the employees and lack of justice as we got it from employee exit interview form. This is lack of Ethical leadership. Because justice and respect for others are principles of ethical leadership (Dubrin, 2007; Northouse, 2010). This problem triggered me to study scientifically the practices and challenges of ethical leadership and the challenges to exercise ethical leadership in Ethiopian Airiness Group. I also believe that this research will show positive understandings of ethical leadership practice and challenges that might serve the Ethiopian Airlines Group context. In view of this, the study attempts to answer the following basic research questions:

1. What is the current practices of ethical leadership in Ethiopian Airlines Group?
2. To what extent the Ethiopian Airlines Group ethical leadership behavior and practices in line with the company ethics policy?
3. What are the main problems that influence the practice of ethical leadership in the Ethiopian Airlines Group?

1.3. Objectives of the Study

The main objective of this study was to assess the practice and challenges of ethical leadership in Ethiopian Airlines Group.

In order to achieve the general objective, the study specifically attempts to:

1. To explore the current practices of ethical leadership in Ethiopian Airlines Group.
2. To explore the position and role(s) of ethical leadership of the Ethiopian Airlines Group against the company policy.
3. To identify the most important concerns, problems, and challenges that may face in ethical leadership functions in Ethiopian Airlines Group.

1.4 Significance of the Study

The study provides possible suggestions and recommendations for ethical leadership practice problems of Ethiopian Airlines Group and it may help the organization to review the ethical leadership culture. Additionally; the researcher has got a chance to acquire knowledge and practical experience.

This research may also have significance for researchers who are interested in the field of ethical leadership in organizations. The findings may offer a helpful basis to continue the exploration of ethical leadership practices and challenges in organizations.

1.5. Delimitation of the Study

The study focus on the practice and challenges of ethical leadership in Ethiopian Airlines Group management members including first level, middle level and higher managements. But the study excluded one business unit which is Ethiopian airport enterprise out of eight group members because Ethiopian Airport enterprise joined the group company recently since September 2017 and it does not reflect the groups' ethical culture.

1.6. Limitations of the Study

Due to scarcity of time I did not strengthen the questioner with interview. In addition in the questioner there was an open ended questions but no one answered it and I didn't included it in the analysis part.

1.7 Definition of Key Terms

Ethical leadership: Accepted value that positively influences attitudes and conduct of employees, business unit or organizational performance of employees (Kalshoven et al., 2011).

Morality: Is a set of beliefs, religious and cultural values, and other principles which may or may not be logically coherent (William, 2009).

Organization: - Referring Ethiopian Airlines Group

Leaders: - In this study leaders are Team leaders, Manages, Directors and vice presidents of the Ethiopian Airlines Group.

1.8. Organization of the Study

The study comprises of five chapters. Chapter one deals with introduction of the study, statement of the problem, objectives of the study, significance of the study, delimitation of the study, limitation of the study, organization of the study and definition of terms. A comprehensive review of the literature is presented and discussed in chapter two. Chapter three consists of the data collection methods, procedures, instrumentation, and data analysis technique. An analysis of the results of the data collected during this study is presented in chapter four. Chapter five provides a summary, conclusions and recommendations.

CHAPTER TWO

Review of Related Literature

2.1. The Concept of Leadership

Researchers usually define leadership according to their individual perspectives and the aspects of the phenomenon of most interest to them. After a comprehensive review of the leadership literature, Stogdill (1974, p. 259) concluded that “there are almost as many definitions of leadership as there are persons who have attempted to define the concept.” The stream of new definitions has continued unabated since Stogdill made his observation. Leadership has been defined in terms of traits, behaviors, influence, interaction patterns, role relationships, and occupation of an administrative position. Leadership can be defined in different ways as below paragraph.

Leadership is an influence process that enable managers to get their people to do willingly what must be done, do well what ought to be done. (Cribbin, J.J. ‘Leadership: strategies for organizational effectiveness’). Leadership is interpersonal influence, exercised in a situation, and directed, through the communication process, toward the attainment of a specified goal or goals. (Tannenbaum, Weschler & Massarik). Leadership is not a person or a position. It is a complex moral relationship between people, based on trust, obligation, commitment, emotion, and a shared vision of the good. It is that process in which one person sets the purpose or direction for one or more other persons and gets them to move along together with him or her and with each other in that direction with competence and full commitment. It is the accomplishment of a goal through the direction of human assistants.

A leader is one who successfully marshals his human collaborators to achieve particular ends (Prentice, W.C.H. ‘Understanding Leadership’ Harvard Business Review September/October 1961 vol. 39 no. 5 p.143.). Leadership is the art of influencing others to their maximum performance to accomplish any task, objective or project. (Cohen,

W.A. 'The Art of a Leader' Englewood Cliffs, NJ: Prentice Hall (1990, p. 9). Leadership is the art of mobilizing others to want to struggle for shared aspirations. (Kouzes, J.M. & Posner, B.Z. 'The Leadership Challenge' San Francisco: JosseyBass) (1995, p.30). It is the behavior of an individual when he is directing the activities of a group toward a shared goal. (Hemphill) It is the capacity to translate vision into reality.

Warren G. Bennis Leadership is the incremental influence that a person has beyond his or her formal authority (Vecchio, 1988). It is the influential increment over and above mechanical compliance with the routine directives of the organization (Katz & Kahn 1978, p. 528). It is the initiation and maintenance of structure in expectation and interaction (Stogdill 1974, p.411). Leadership may be considered as the process (act) of influencing the activities of an organized group in its efforts toward goal setting and goal achievement (Stogdill, 1950, p.3). It is a social process in which one individual influences the behavior of others without the use of threat or violence (Buchanan and Huczynski). It is about articulating visions, embodying values, and creating the environment within which things can be accomplished (Richards and Engle). It is the ability to step outside the culture to start evolutionary change processes that are more adaptive (Schein). Leadership is the lifting of a man's vision to higher sights, the raising of a man's performance to a higher standard, the building of a man's personality beyond its normal limitations (Drucker, P. F). Leadership is the process of influencing the activities of an individual or a group in efforts toward goal achievement in a given situation (Hersey, P. & Blanchard, K. 'Management of Organizational Behavior'. Englewood Cliffs, NJ: Prentice Hall 1988 p. 86).

2.2. The Concept of Ethics and Morality

The word ethics comes from the Greek word *ethos*, meaning custom. The Latin equivalent of this term is *mores* (customs), from which we derive our words moral and morality. Although for our purposes we can use the terms ethics and morality interchangeably, there are those philosophers who argue that the two terms have slightly different meanings. In general, morality usually refers to specific moral codes that

different communities or societies impose upon their members to prevent harm to others or to promote group cohesion (Michael S., 2012).

Ethics is the branch of philosophy that used to study ideal human behavior and ideal ways of being. The approaches to ethics and the meanings of related concepts have varied over time among philosophers and ethicists. For example, Aristotle believed that ideal behaviors were practices that lead to the end goal of Eudaimonia, which is synonymous with a high level of happiness or well-being; on the other hand, Immanuel Kant, and 18th-century philosopher and ethicist, believed that ideal behavior was acting in accordance with one's duty. For Kant, well-being meant having the freedom to exercise autonomy (self-determination), not being used as a means to an end, being treated with dignity, and having the capability to think rationally.

As a philosophical discipline of study, ethics is a systematic approach to understanding, analyzing, and distinguishing matters of right and wrong, good and bad, and admirable and deplorable as they relate to the well-being of and the relationships among sentient beings. Ethical determinations are applied through the use of formal theories, approaches, and codes of conduct, such as codes that are developed for professions and religions. Ethics is an active process rather than a static condition, so some ethics use the expression doing ethics. When people are doing ethics, they need to support their beliefs and assertions with sound reasoning; in other words, even if people believe that ethics is totally subjective, they must be able to justify their positions through logical, theoretically based arguments. Feelings and emotions are a normal part of everyday life and can play a legitimate role in doing ethics. However, people sometimes allow their emotions to overtake good reasoning, and when this happens, it does not provide a good foundation for ethics-related decisions. Evaluations generated through the practice of ethics require a balance of emotion and reason. Throughout history, people, based on their culture, have engaged in actions that they believed were justifiable only to have the light of reason later show otherwise. Following a charismatic, but egocentric, leader.

As contrasted with ethics, morals are specific beliefs, behaviors, and ways of being derived from doing ethics. One's morals are judged to be good or bad through systemic ethical analysis. The reverse of morality is immorality, which means that a person's

behavior is in opposition to accepted societal, religious, cultural, or professional ethical standards and principles; example of immorality include dishonesty, fraud, murder, and sexually abusive acts. Amoral is a term used to refer to actions that can normally be judged as moral or immoral, but are done with a lack of concern for good behavior. For example, murder is immoral, but if a person commits murder with absolutely no sense of remorse or maybe even a sense of pleasure, the person is acting in an amoral way. Acts are considered to be non-moral if moral standards essentially do not apply to the acts; for example, choosing between cereal and toast and jam for breakfast is a non-moral decision.

When people consider matters of ethics, they usually are considering matters about freedom in regard to personal choices, one's obligations to other sentient beings, or judgments about human character. The term unethical is used to describe ethics in its negative form when, for instance, a person's character or behavior is contrary to admirable traits or the code of conduct that has been endorsed by one's society, community, or profession. Because the word ethics is used when one may actually be referring to a situation of morals, the process related or doing conception of ethics is sometimes overlooked today. People often use the word ethics when referring to a collection of actual beliefs and behavior thereby using the terms ethics and morals interchangeably (Pence G 2000).

2.2.1. Ethical Theories

Although there are many different ethical theories that have been influential Western thought, four are usually considered the “biggies” in the field of ethics ethical egoism, utilitarianism, deontology, and virtue ethics. Most people's moral perspectives have been shaped by at least one of these theories, whether they recognize it or not.

Ethical Egoism. (*“An act is morally right if, and only if, it produces the greatest happiness— or the best possible outcome—for oneself.”*) Ethical egoism is a theory that focuses exclusively what best serves the interest of the individual committing the act—namely you. When deciding whether or not to perform a particular act, the ethical egoist never considers the effect of the act on others, because the good of

others is fundamentally morally irrelevant. Instead, he only considers whether the act will benefit him in the long-run. If it does, the act is morally right; if it doesn't, the act is morally wrong.

Utilitarianism. (*"An act is morally right if, and only if, it produces the greatest happiness— or the best possible outcome—for all those who are affected by the act."*)

Unlike the ethical egoist, the utilitarian is concerned not just with his own good, but the good of all those who are potentially affected by his actions. Using a hedonist calculus, the utilitarian weighs the positive and negative outcomes of his action. If the act produces greater net happiness for those who are affected by it, the act is morally right; if it produces greater net unhappiness, the act is wrong.

Deontology. (*"An act is morally right if, and only if, it accords with a universal rule that all can follow."*)

Whereas the utilitarian looks exclusively to the consequences of his acts, the deontologist isn't interested in consequences at all. In fact, he considers the consequences of a given act to be morally irrelevant. Instead, he looks to intentions to determine if an act is right or wrong. If an act being considered can be universalized—that is, if it can be turned into a general rule that all can follow—then the act is right; if not, the act is wrong. According to this theory, acts like lying, cheating, stealing, or killing innocents can never be justified, because such actions can never be universalized.

Virtue Ethics. (*"An act is morally right, if, and only if, it is performed by a person of virtuous moral character."*)

Virtue ethics is unique among the big theories we are discussing in that the proponent of this theory is not particularly interested in acts themselves, but rather the character of the person who is performing the act. According to this theory, a person who embodies virtues, such as courage, justice, self-control, honesty, and the like, doesn't have to worry about his particular actions, because he is so well-trained in the life of virtue that he almost can't help but do the right things habitually.

In general, we can fit all these theories into two main categories: consequentialist theories and non-consequentialist theories. Consequentialist theories, such as ethical egoism and utilitarianism look, not surprisingly, to the consequences of an act to determine if that act is right or wrong. Non-consequentialist theories, such as

deontology and virtue ethics, maintain that the rightness or wrongness of an act have nothing to do with the consequences of the act, but rather have to do with something intrinsic to the act itself (i.e., whether it can be turned into a universal law or whether it accords with some kind of recognized virtue) (Michael S., 2012).

2.3. Ethical Leadership

In view of Ciulla (1995), when people ask what is leadership? , they are implicitly asking what good leadership is? Or what is ethical leadership. Therefore, there needs to be more emphasis on **ethical** dimension of leadership. For good leadership, it is important that leaders are not only competent but also ethical in their everyday conduct (Ciulla, 1995). Kodish (2006), while discussing Aristotle’s philosophy of leadership also argues that

Leadership is more than a skill, more than the knowledge of theories, and more than analytical faculties. It is the ability to act purposively and ethically as the situation requires on the basis of the knowledge of universals, experience, perception, and intuition. It is about understanding the world in a richer and broader sense, neither with cold objectivity nor solipsistic subjectivity (p. 464).

Bass and Steidlmeier (1999) take this discussion further and argue that leaders may be authentic transformational and pseudo transformational. They argue that inauthenticity of leaders is what makes them pseudo transformational. Pseudo transformational leaders are self-centered, unreliable, power-hungry, and manipulative. On the other hand, authentic transformational leaders have a moral character, a strong concern for self and others, and ethical values, which are deeply embedded in the vision. Ladkin (2008) believes that “leading beautifully” has three major dimensions: “mastery” in understanding the self and the context, “coherence” – congruence between various forms of self and with one’s purpose and message, and “purpose” attending to one’s goal. Ladkin (2008) argues that “leading beautifully brings into play the ethical dimension of a leader’s endeavor and

questions whether one's purpose serves the best interests of the human condition" (p. 33). Kanungo (2001) notes that "ethical leaders engage in acts and behaviors that benefit others and at the same time, they refrain from behaviors that can cause any harm to others" (p. 33). Scholars of leadership usually outline attributes and characteristics that pertain to good leadership.

These positive attributes of leadership include: character, honesty, integrity, altruism, trustworthiness, collective motivation, encouragement, and justice (see Bass and Steidlmeier, 1999; Den Hartog et al., 1999; Palanski and Yammarino, 2007; Resick et al., 2006; Toor and Ogunlana, 2008). Brown et al. (2005) suggest that the combination of integrity, ethical standards, and fair treatment of employees are the cornerstones of ethical leadership. However, research studies have shown that there is more to ethical leadership than simply possessing the attributes mentioned above (Treviño et al., 2000). Ethical leadership, in its true sense, promotes ethical conduct by practicing as well as consciously managing ethics and holding everyone within the organization accountable for it (Treviño and Brown, 2004). In interviews with executives and ethics managers, Treviño et al. (2000) found that ethical leadership has two important dimensions: "moral persons" and "moral managers". Brown et al. (2005) defined ethical leadership as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making" (pp. 120; also, see Brown and Treviño, 2002). The first part of this definition ("demonstration of normatively appropriate conduct") refers to the moral person, whereas the second part ("the promotion of such conduct to followers") refers to the moral manager aspect of ethical leadership.

Brown et al. (2005) explain that "moral persons" are those who model "normatively appropriate" conduct such that they appear honest, trustworthy, and credible to others. Moral persons are perceived as fair and just decision makers, ethically principled, caring, and altruistic (Treviño et al., 2000). "Moral person" is about how others perceive the leader's character, traits, attributes, and personal characteristics (Brown and Treviño,

2006). On the other hand, the “moral manager” dimension of ethical leadership means that the leader openly and explicitly talks about ethics and also empowers employees to be just and seek justice (see Brown et al., 2005). This aspect characterizes the proactive efforts by which the leader influences the followers’ actions and beliefs about ethics. Moral managers talk strongly about ethics in their messages to their followers, use reinforcement mechanisms (reward and discipline), and make them accountable for their actions and decisions.

Based on these conceptualizations, Brown et al. (2005) empirically tested the construct of ethical leadership. In their conceptualization of ethical leadership, Treviño and colleagues present a matrix comprising unethical leadership (weak moral person, weak moral manager), hypocritical leadership (weak moral person, strong moral manager), ethical leader (strong moral person, strong moral manager), and ethically “silent” or “neutral” leadership (weak/ strong moral person, weak moral manager). Treviño et al. (2000) proposed ethically silent or neutral leadership in their interviews with ethics officers and organizational executives who agreed that there are leaders who are neither clearly ethical nor clearly unethical. Ethically neutral/silent leaders, Treviño and Brown (2004) note, may be ethical persons but they fail to provide leadership in crucial areas where ethics are vital. This usually puzzles the followers who are not able to decide whether the leader is ethical or otherwise. Ethically neutral/silent leaders typically focus on the bottom-line gains without explicitly setting ethical standards for followers. Ethically neutral/silent leaders are self-centered, focused on short-term gains, are either unaware of, or less concerned about, improving the state of affairs in terms of ethics (see Treviño et al., 2000).

2.4. Previous research

Some excellent reviews about the role of ethics in leadership have been contributed by Ciulla (1995), Bass and Steidlmeier (1999), Price (2003), and Brown and Treviño (2006). Most of the studies have been directed toward understanding executive ethical leadership in theoretical terms (see, for example, Ciulla, 1995; Hollander, 1995; Lincoln

et al., 1982; Murphy and Enderle, 1995). There has been a significant focus on ethical decision making (Butterfield et al., 2000; Jones and Ryan, 1998; Treviño, 1986; Treviño and Weaver, 1996).

Some studies have also focused on leadership ethics from a religious point of view (see Abeng, 1997). Others have addressed the issue of moral development of leaders and followers (see Graham, 1995; Harkness et al., 1981; Tietjen and Walker 1985). Some others have addressed the issue of ethics in relation to the organizational environment and its influence on employee satisfaction, performance, commitment, or citizenship behavior (see Graham, 1995; Jones and Ryan, 1998; Treviño et al., 1998; also see Treviño et al., 2000; Weaver and Treviño, 2001). Some recent works have also focused on the strategic dimension of ethical leadership in business (see Thomas et al., 2004). Treviño et al. (2000, 2003) undertook some of the most prominent empirical works on ethical leadership. They interviewed 20 chief ethics officers and 20 executives. Treviño et al. (2000) found many striking similarities in perceptions of ethics managers and executives about ethical leadership.

Their investigation showed that ethical leadership is not all about traits such as honesty and integrity, but it is also about transactional behavior of executives in which they use reward systems to make their followers accountable for ethics. These works opened the avenues for formal development and validation of “ethical leadership” construct. As a result, Brown and Treviño (2002) introduced their Ethical Leadership Scale (ELS) and produced its construct and predictive validity through empirical studies (see Brown et al., 2005). Brown et al. (2005) found that ethical leadership is associated with consideration behavior, honesty, trust in the leader, interactional fairness, and socialized charismatic leadership. These investigations also showed that ethical leadership predicts outcomes such as perceived effectiveness of leaders, employees’ satisfaction with the job, and their willingness to extra effort into the work and to report problems to management.

Walumbwa et al. (2008) ascertained that ethical leadership is positively associated with all four dimensions of authentic leadership (self-awareness, relational transparency, internalized moral perspective, and balanced processing), organizational citizenship

behavior (OCB), organizational commitment (OC), and satisfaction with the supervisor. Hoogh and Dartog (2008) propose another measure of ethical leadership comprising three dimensions – morality and fairness, role clarification, and power sharing. Hoogh and Dartog (2008) also note that their conceptualization of ethical leadership is not much different from that of Brown (2005).

However, to establish their measure of ethical leadership, Hoogh and Dartog (2008) use three scales (morality and fairness: 6 items, role clarification: 5 items, and power sharing: 6 items) that are adapted from the Multi-Culture Leader Behavior Questionnaire (MCLQ) (Hanges and Dickson, 2004; House and Aditya, 1997). The investigation of Hoogh and Dartog (2008) showed that ethical leadership is negatively associated with despotic leadership, but positively and significantly related to both top management team effectiveness and subordinates' optimism about their future. They also found that leaders scoring high on social responsibility were rated higher on ethical leadership but lower on despotic leadership.

2.5. Perspectives of Ethical Leadership

Three projecting leadership perspectives which relates to the leadership and ethics. Heifetz (1994) highlighted conflict and the responsibility of leaders to support followers in dealing with conflict and effecting changes that come from conflict. Heifetz concentrated on the values of followers, the values of the organizations in which they work, and the values of the communities in which they live. As he explained the utmost concern of leaders is to create a work environment branded by empathy, trust, and nurturance and to help followers to change and grow in case of conflicts (Northouse, 2010; Yukl, 2006).

Burns (1978) emphasized that the interaction between leaders and followers should nurture the behavior and character of ethical leadership. Leaders should work on values like equality, justice, and liberty (Burns, 1978; Ciulla, 1998). Greenleaf (1970, 1977)

promoted servant leadership. Servant leadership concept is nearby to altruism. Servant leadership focus on conscious of followers' concerns and needs, be present at followers' needs and concerns, empathize with followers, nurture and support followers, and take care of followers. Servant leaders make others better by their presence.

Through serving their followers, servant leaders encourage followers to gain more knowledge, freedom, and autonomy and to develop as servant leaders themselves. In addition, Greenleaf believed that servant leaders have a broader responsibility to society to accept the "have-nots" and to set right inequalities and social injustices (Graham, 1991; Northouse, 2010; Yukl, 2006). The above three perspectives emphasized that making good relationship between leaders and followers is necessary in the ethical leadership concept. The three ideas are also related and very important to develop collaboration and trust in organizations between leaders and followers (Brady, 1999).

2.6 Principles of Ethical Leadership

The below five principles are supposed to the development of ethical leadership. These are respect for others, service to others, justice for others, honesty toward others, and building community with others (Dubrin, 2007; Northouse, 2010).

Ethical leaders should give dignity and respect to followers. Respect recognizes that followers have their own goals and ambitions and confirms that followers as human beings who have worth and value to the organization. And respect tips to empathy, active listening, and tolerance for conflicting viewpoints. Ethical leaders should give service to followers. To be ethical Leaders expected to behaving in an altruistic fashion, mentoring followers, building teams, and empowering subordinates and avoiding egoism. The primary reason of the ethical leaders are support and nurture of followers (Kanungo & Mendonca, 1996).

Moreover ethical leaders make sure that justice and fairness when they make decision. Treating followers in very similar ways. Differential treatments should be handled

transparently, reasonably and morally sound. Ethical leadership necessitates honesty. Dishonesty ends trust, trust is a serious characteristic of any leader and follower relationship. On the other hand, honesty upturns trust and forms a good leader and follower relationship. Honesty means openness with others in that we show what we think and the reality what we as much as possible. Disclosing only what is suitable in a given situation parallel with balancing openness. Dalla Costa (1998) says that honesty for leaders means the following:

Do not promise what you cannot deliver, do not misrepresent, do not hide behind spin-doctored evasions, do not suppress obligations, do not evade accountability, do not accept that the “survival of the fittest” pressures of business release any of us from the responsibility to respect another’s dignity and humanity. (p. 164)

We would contend that leaders need to safeguard that what they believe, what they think, what they say, and what they do are internally regular. This internal regularity, along with openness, will build trust between leaders and followers. Ethical leaders build community with others. This is crucial because leadership is about influencing others to achieve a communal goal. This means that leaders develop organizational or team goals that are appropriate for the leader and his or her followers. These goals need to excite as many people as possible, and ethical leaders achieve this by taking into account the goals of everyone in the team or organization.

2.7 A matter of Trust

Trust is a multifaceted virtue that serves as an umbrella over the key values in organizations. Shore (2007) stated that **organizational trust** is essential ingredient, what he labeled as lubricant, facilitating everyday business and interactions. People can trust other people to follow through with their work and commitments just as people in the community can depend on organizations to uphold their words and promises to them. **Fiduciary relationships** hold a high value in organizations because these relationships

represent a formal duty to another or others imposed by loyalty, commitment, and organizational structure, meaning that others have placed trust in persons to carry out activities with morally good judgment related to a position.

Williams (2006) emphasized that only when the key element of fairness exists can trust thrive in organizations. Creating a culture of justice with a focus on trust is essential for an organization to flourish. Practicing the virtue of justice promotes fair distribution among individuals in the community while trust is the “adhesive that binds in members” (Para 1). According to (Gutmann, 1995; as cited in Williams, 2006), there are two principles that an organization must maintain so that the community of individuals it serves can have a sense of fairness: (1) nondiscrimination in the moral standing of each person, and (2) non repression so that each person has a deliberate voice if so chosen. Without those principles, an organization cannot be trustworthy or just.

Although the key virtues of fairness, honesty, integrity, and respect for others, promise keeping and prudence are the typical values seen in organizations, the vision and mission will often determine the differential values within each organization (Boyle et al., 2001; Kovanic & Johnson, 2004). Some of these differential values are teamwork, community, achievement, competence, knowledge, creativity, innovation, agility, having fun, leading by example, valuing diversity, encouraging others, and encouraging risk-taking. Organizations need to define their values operationally through their philosophy and mission; likewise organizations must define their ethical practices in writing and in verbal communication. Jack Welch, past chairman and CEO of General Electric, once said: “Good business leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive it to completion” (as cited in Kovanic & Johnson, P. 101).

Trust in organizations has been eroding for years to the point of a current all-time low level of trust (Shore, 2007). Most organizations are no different. The rapid transformation in health care organizations has been a contributing factor in the erosion of trust. As organizations must rapidly change to comply with regulatory standards, the demands of the internal and external stakeholders, and the needs of the population they serve, a greater

complexity of ethical questions has emerged that are more difficult to resolve, given that organizations even want to resolve them. Executives abusing power and making self-serving corporate decisions lead to unethical behaviors in organizations (Morrison, 2006).

Trust in organizations is an obscure concept that consists of a web of convoluted relationships. A violation of trust in organizations will prompt verbalization such as angry and sarcastic remarks by personnel, especially if trust has been previously entrenched throughout the organizational levels (Williams, 2006). A violation of trust in organizations is less forgiving than in a relationship where trust historically exists between two people. Researchers have found that trust critically matters in organizations for nurses and others because trust promotes economic value within organizations, increases strategic alliances, teamwork, productivity, and employees experience a more positive practice environment as a result of trust. Nurses experience increased empowerment, autonomy, and overall job satisfaction because of organizational trust. (Kramer & Schalenberg, 2002; Laschinger, Shamian, & Thomson, 2001; Williams, 2005; as cited in Williams, 2006)

2.8 Ethical Issues in Organizations

Organizations are sometimes compared to people in that an organization functions as a moral agent that can be held accountable for its actions; however, organizations ethics “focuses on the choices of the individual and the organization” (Boyle et al., 2001, p. 16). The term **organizational ethics** is a broad concept that includes not only culture and trust, but also processes, outcomes, and character and denotes “a way of acting, not a code of principles...[and] is at the heart, pumping blood that perfuse the entire organization with a common sense of purpose and a shared set of values ” (Pearson, Sabin, & Emanuel, 2003, p. 42). The ethic of an organization refers to an organization’s attempt to define its mission and values, recognize values that could cause tension, seek best solutions to these tensions, and manage the operations to maintain its values. The ethics process serves as a mechanism for organizations to address ethical issues regarding financial, business, management, and relationship decisions.

Even though organizational ethics often refers to an organization's image, people who work in the organizations are the ones to behave unethically or illegally and therefore are what shape the ambiance and character of the organization. Refer the below list of ethical and legal behaviors that one will observe or that one could engage in within organizations. The list is not exhaustive, but consists of the more common behaviors. Many unethical behaviors of organizations are also illegal, so the lines between ethical and legal are blurred.

The followings are largely quoted from Boyle et al. (2001). Organizational ethics in health care: Principles, cases, and practical solutions (pp. 19-20). San Francisco: Jossey-Bass/John Wiley & Sons. Corporate fraud, Greediness, Engaging in covert operations, producing misleading services, Reneging or cheating on negotiated terms and creating unclear or inappropriate policies that can cause others to lie to get the job done. In addition showing overconfidence in self-judgment, disloyalty, Exhibiting poor quality in performance and apathy in goal attainment, engaging in bigotry, sexism, or racism, showing favoritism, Suppressing rights such as freedom of speech and choice, Obeying authority in a mindless routine and Promoting people who are destructive go-getters yet they seem to outrun mistakes.

Moreover failing to speak up when unethical practices become evident, Stepping on others to climb the promotion ladder, Sacrificing innocent people to get jobs done, such as blaming subordinates, Knowingly exaggerating the advantages of a plan to garner support, Failing to cooperate with others, Abusing corporate perks, Corrupting the public process through legal means, Obstructing or stalling actions and processes.

2.9 Ethical Leadership and Related Concepts

There are so many leadership types which relates with ethical leadership concepts. Servant leadership, moral leadership and value based leadership is highly interrelated concepts with ethical leadership. Major literatures on the Servant leadership, moral leadership and value based leadership will be presented in the below titles.

2.9.1 Servant Leadership

Leadership in general is considered a means of influencing followers within an organization in such a way as to direct them and motivate them toward achieving specific shared goals (Barrow, 1977; Cyert, 2006; Plsek & Wilson, 2001). Servant leadership takes what seems to be a winding road to such ends by seeking first to serve the interests of the followers, rather than to first serve organizational goals. Servant leadership as defined by Greenleaf (1977) envisions a servant leader as a person who assumes the role of leader out of a desire to serve. Advancement of a shared vision is achieved by addressing the highest priority needs, empowering, and developing followers through a variety of mechanisms that will lead them to becoming servants as well. Much like Gilligan's (1982) ethic of caring, an advanced stage of moral development with a focus on others, servant leadership supports ethical behavior by promoting self-reflective, morally-centered leadership more than other leadership styles (Giampetro-Meyer, Brown, Browne, & Kubasek, 1998).

Servant-Leadership characteristics has been identified by Larry Spears, CEO of the Greenleaf Center for Servant Leadership. He views them as being critical to the development of servant-leaders. These are by no means exhaustive. However, they serve to communicate the power and promise this concept offers. They are Listening, Empathy, Healing, Awareness, Persuasion, Conceptualization, Foresight, Stewardship, Growth, Building Community, Calling and Nurturing the Spirit.

Traditionally, leaders have been valued for their communication and decision making skills. Servant-leaders must reinforce these important skills by making a deep commitment to listening intently to others. Servant-leaders seek to identify and clarify the will of a group. They seek to listen receptively to what is being done and said (not just said). Listening also encompasses getting in touch with one's inner voice, and seeking to understand what is being communicated. Servant-leaders strive to understand and empathize with others. People need to be accepted and recognized for their special and unique spirit. One must assume the good intentions of employees/partners and not reject

them as people, even when forced to reject or call into question their behavior or performance. Learning to heal is a powerful force for transformation and integration. One of the great strengths of servant-leadership is the potential for healing one's self and others.

In *The Servant as Leader*, Greenleaf writes, there is something subtle communicated to those being served and led if, implicit in the compact between the servant-leader and led is the understanding that the search for wholeness is something that they have." General awareness, and especially self-awareness, strengthens the servant-leader. Making a commitment to foster awareness can be scary one never knows what one may discover. Greenleaf observed, awareness is not a giver of solace it's just the opposite." Do others believe you have a strong awareness for what is going on? Servant leaders have a strong sense of what is going on around them. They are always looking for cues from their opinions and decisions. They know what's going on and will rarely be fooled (Shann, 2011).

Moreover, servant-leaders rely on persuasion, rather than positional authority in making decisions. Servant-leaders seek to convince others, rather than coerce compliance. This particular element offers one of the clearest distinctions between the traditional authoritarian model and that of servant-leadership. The servant-leader is effective at building consensus within groups. Servant-leaders seek to nurture their abilities to "dream great dreams." They have the ability to look at the organization, and any issues within the organization, from a conceptualizing perspective. This means the leader must think beyond day-to-day realities. Servant-leaders must seek a delicate balance between conceptualization and day-to-day focus. Foresight is a characteristic that enables servant-leaders to understand lessons from the past, the realities of the present, and the likely consequence of a decision in the future.

It is deeply rooted in the intuitive mind. Servant leaders are often characterized by a strong sense of stewardship. Stewardship stems from medieval times when a steward would be assigned to hone the skills and development of the young prince to prepare him

for his reign. A steward in an organization is responsible for preparing it for its destiny, usually for the betterment of society. When we describe a leader as having a strong sense of stewardship, we refer to a desire to prepare the organization to contribute to the greater good of society—not unlike preparing the prince to serve the greater good of the kingdom. Servant leaders have a strong commitment to the growth of people. They believe that all employees have something to offer beyond their tangible contributions. Servant leaders work hard to help employees develop in a number of ways. Servant-leaders need to connect to others' developmental needs and actively find ways to help them reach their true potential as employees (Michele, 2004).

In addition, Servant leaders have a strong sense of community spirit and work hard to foster it in an organization. They believe the organization needs to function as a community and work hard to build community within. Servant-leaders are aware that the shift from local communities to large institutions as the primary shaper of humanity has changed our perceptions and caused a sense of loss. Servant-leaders seek to identify a means for building community among those who are part of the organization. Servant leaders have a natural desire to serve others. This notion of having a calling to serve is deeply rooted and values-based. The servant leaders desire to make a difference for others within the organization and will pursue opportunities to make a difference and to impact the lives of employees, the organization and the community—never for their own gain. The servant leader is someone who understands the deep human need to contribute to personally meaningful enterprises. The servant-leader nurtures the individual's spirit through honest praise and supportive recognition. Criticisms and suggestions are not personal or harsh. The joy of the work is celebrated through means that acknowledge the value of employees' commitment to worthwhile activities. The servant leader reminds employees to reflect on the importance of both the struggles and successes in the organization and learn from both (Hamilton & Julie, 2003).

2.9.2 Value Based Leadership

According to Harry Kraemer Values-Based Leadership says has Four Principles

If you want to be a good leader do not compete with a role model or historic figure. Reasonably, your leadership must be deep-seated in who you are and what stocks most to you. When you accurately know yourself and what you position for, it is much easier to know what to do in any situation. It always comes down to doing the right thing and doing the best you.

Value based leadership is a way of being clear about your values and attempting to manage and live accordingly. It is important for leaders to explore their values and to consider to what extent they are able to manage in line with the things they believe in. If you are clear about your values then you become a stronger leader. All really great leaders are values driven. The impact of value based leadership on corporate governance would be through openness and clarity that owners or stakeholders would get from a board who had decided to manage in accordance with a clear set of values.

Kraemer neatly summarizes the four principles of values-based leadership as: self-reflection, balance, true self-confidence and genuine humility. You must have the ability to identify and reflect on what you stand for, what your values are, and what matters most to you. You must be willing to look within yourself through regular self-reflection and strive for greater self-awareness. If you are not self-reflective, how can you truly know yourself? If you don't know yourself, how can you lead yourself? If you can't lead yourself, how can you lead others? (Kraemer, 2011)

Balance, which means the ability to see situations from multiple perspectives and differing viewpoints to gain a much fuller understanding. Balance means that you consider all sides and opinions with an open mind. True self-confidence, accepting yourself as you are. You recognize your strengths and your weaknesses and strive for continuous improvement. With true self-confidence you know that there will always be people who are more gifted, accomplished, successful and so on than you, but you're OK with who you are. Genuine humility, Never forget who you are or where you came from. Genuine humility keeps life in perspective, particularly as you experience success.

In addition, it helps you value each person you encounter and treat everyone respectfully. I saw it work and believe it provides a strong dynamic and much focused leadership. Focus comes from leaders sharing the values they feel important and then aligning those values with those of the business. The most important gains can be had from moving this discussion down the organization. Where this is done the focus is massively improved and people really get where they are going, what they are doing and why.

Value based leadership requires greater clarity about the values of the organization and then a high degree of self-examination by all leaders to determine what they believe in, and asking “does what I believe in match the values of the organization?” The process of working through this is revealing and challenging but ultimately very rewarding. To follow the road of value based leadership you have to be interested in running a business on a set of values and then be open to looking at your own values, really questioning yourself to prevent empty rhetoric, being prepared to say what you stand for and be held to that (Jossey-Bass, 2011).

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This chapter deals with the methodology and procedure that will be followed to carry out the study. The research design which constitutes the blueprint for the collection, measurement, and analysis of data, sources of data, population of the study, sample which represent the population, instruments and tools for data collection, and quantitative data analysis method are discussed in this chapter.

3.1 Research Design

The researcher used survey research design and conducted by the quantitative research approach. The researcher used survey research because of the nature of the research question. To describing the characteristics of a large population of Ethiopian Airlines Group employees. Using survey research increase respondents openness and honesty as possible with their answers for the reason that the research title is somehow sensitive.

3.2 Sources of Data

Data were collected from primary data collection method. Primary data will be gathered from Ethiopian Airlines Group Management members at Addis Ababa through questionnaire. Employees of Ethiopian Airlines Group will be requested to fill the designed close and few open ended questionnaire. Among top, middle and operational management and employees of Ethiopian Airlines Group, will be considered as the best representative of the study because it is believed that they are highly responsible in performing the day to day activities and also they are the active participants and stakeholders of ethical leadership activities.

3.3 Sampling & Sampling Technique

3.3.1 Target Population

Since the study aimed to assess the practice and challenges of ethical leadership in Ethiopian Airlines Group, the population of this study is employees of Ethiopian Airlines Group which include management and non-management employees. Management employees are middle and operational management members. In ET context middle level managers titled as director and managers and operational managers titled as team leaders. Therefore, total 13,000 population of this study is management and non-management employees who are actively working within the organization. Out of the total approximately 1500 employees are management members.

3.3.2 Sampling technique

The sampling technique used for this study is Stratified random sampling by taking employees who work in the organization. The population consists of three elements. The population is divided into four groups, called strata. Each element of the population can be assigned to one, and only one, stratum. The groups are Non-management, middle level management (Directors and managers) and operational management member (Team Leaders) of employees. This method was used to give equal chance to the group of population to make sure the representativeness of the data and also to ensure the representative of all characteristics of the group population which it was not considered by the researcher.

3.3.3 Sampling size

Sampling size is to determine how many people you need to survey in order to get results that reflect the target population as precisely as needed. You can also find the level of precision you have in an existing sample. Roscoe (1975) provides the rule of thumb for determining sample size; as it is declared that sample size larger than 30 and smaller than 500 are appropriate for most of the studies. Therefore we have total of used 67 sample size. From the first stratum which is non-management 24 sample taken, the second

stratum middle level management 19 sample size and the third stratum which is operational managers 24 samples taken. The top level management members did not represented because of their nature of work and they have tight schedule.

Table 3.1. Populations and Sampling Size

No.	Group	Sub Group	Position	Total Population	Sample Size
1.	Non-management	Non- Management Employees	Employees	11,500	24
2.	Management	Middle level Managers	Directors and Managers	82	19
		Operational managers	Team Leaders	1,398	24
		Total		12980	67

3.4 Instrument of Data Collection

Accurate and systematic data collection is critical to conducting scientific research. Data collection allows us to collect information that we want to collect about our study objects. Depending on research type, methods of data collection include: documents review, observation, questioning, measuring, or a combination of different methods. The researcher decided to use the questionnaire. A questionnaire is a data collection instrument consistent of a series of questions and other prompts for the purpose of gathering information from respondents. The questionnaire was invented by Sir Francis Galton.

3.5 Data Collection Procedures

The researcher used questionnaires to collect the data. The questionnaires combine's two points which is multiple choices and open ended questions. The questioner is distributed

to Non- Management Employees, Middle level Managers and Operational managers. As an initial step to create access to data, authorities of the Ethiopian Airlines Group were consulted for their consent. Following obtaining consent, the instrument of data collection was dispatched to respondents. Respondents were also informed about the objectives of the study and date of a filled-in questionnaire return was fixed by consensus with participants. All the completed questionnaires returned on the date fixed earlier.

3.6 Methods of Data Analysis

After the data has been collected, it is necessary to utilize statistical techniques to analyze the Information, as this study is quantitative in nature. Therefore, the survey data was processed using an SPSS (version 20). First the relevant data was coded, summarized and then transferred to SPSS to be analyzed and presented. Frequency tables have been used to summarize the respondent's characteristics in the form of frequency and percentages, whereas the descriptive statistics such as mean and standard deviations as well as frequency and percentages of employees' answers on practices and challenges of ethical leadership used to get the respondents perception against it.

Scales of mean value these listed below are used to disclose the ideas or responses of respondents in all tables. Whatever this is the standard scale, this there is no international convention to limit the scale, this one is applicable for this study.

0-2.50 Agree, 2.51-3.50 Unsure and 3.51-5 Disagree for table 4.4.1, 4.4.2, 4.4.3, 4.4.4, 4.7.1 and 4.7.2

0-2.50 Disagree, 2.51-3.50 Unsure and 3.51-5 Agree for table 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.6.1, 4.6.2, 4.6.3, 4.6.4

3.7 Ethical considerations

In planning and conducting research, as well as in reporting research findings, researchers have to fulfill several obligations in order to meet the ethical standards set forth by the APA. The researcher didn't fabricate to making up the data or results and recording or reporting them and didn't used Falsification or manipulating research

materials, equipment, or processes, or changing or omitting data or results such that the research is not accurately represented in the research record. The researcher gave appropriate credit for another person's ideas, processes, results, or words. The researcher collected the data based on the respondent's willingness and keep the respondents information secret.

CHAPTER FOUR

DATA PRESENTATION ANALYSIS AND INTERPRETATION

In this chapter, the quantitative data is presented and discussed. As stated in the research methodology and approach survey data has been analyzed. The findings of the analysis generates conclusion and forward recommendations.

The quantitative data for this study were collected from Ethiopian Airlines group employees who were Non-management employees, team leaders, managers, and directors. Questionnaires were distributed to 67 sample respondents and 52 distributed papers were returned with valid responses.

4.1 Characteristics of Respondents

Table 4.1: Respondent by Sex and Age

Item		No of Respondents	Percent
Sex	Male	38	73.1
	Female	14	26.9
Total		52	100
Age	20-25	12	23.1
	26-35	28	53.8
	36-45	9	17.3
	46-60	3	5.8
Total		52	100

According to the data drawn from the self-administered questionnaire, participants of this study were males and females. Table 4.1 shows that the majority of participants were males with thirty eight (73.1 percent) and fourteen (26.9 percent) were females. The age of the majority of the employees was between 26 and 35 which twenty eight (53.8 percent) among the total number of respondents.

Our respondents are mix of male and females in terms of sex and different age group. Therefore all group is represented properly and we can get all rounded data from different homogenies groups.

Table 4.2: Respondents Position and Educational Background

Item		No of Respondents	Percent
Position	Non-management	44	84.6
	Team Leader	1	1.9
	Manager	7	13.5
Total		52	100
Educational background	Diploma	3	5.8
	BA/BED/BSC	37	71.2
	MA/MSc	12	23.1
Total		52	100

Table 4.2. Item 1 shows that most of the participants were non-management employees, team leaders and managers. This leads to understand the targeted samples were employees who can better describe about the ethical leadership practice and problems in Ethiopian Airlines Group. On the other hand, it implies that the respondents were none management and middle level management and they may focus on tactical situation of leadership and mid-term strategic one.

According to the data in the table 4.2, (Item 2) the vast majority of the respondents were employees BA/BED/BSC holders. This indicates that the organization has some numbers of MA/MSc employees and very few number of diploma holders. This implies views from different groups were presented and shows the completeness and representativeness of the data and samples respectively.

Table 4.3. Respondents Section and Work Experiences

Item		No. Of Respondents	Percent
Section	Not Specified	14	26.9
	Application Development	2	3.8
	Business Transformation	1	1.9
	Digital	1	1.9
	Digital Sales	1	1.9
	Digital Solution	2	3.8
	Director Digital	1	1.9
	Domestic	1	1.9
	EAA	1	1.9
	IT	4	7.7
	IT Security and Governance	1	1.9
	Marketing	4	7.7
	Market Research	1	1.9
	Offline Pricing	3	5.8
	Online Pricing	4	7.7
	PMO	1	1.9
	Pricing	2	3.8
	RAIAS	1	1.9
	Revenue Management	2	3.8
	RM	3	5.8
SAP	2	3.8	
	Total	52	100
Year Of Service	1-5	27	51.9
	6-10	15	28.8
	11-15	3	5.8
	16-20	3	5.8
	> 20	4	7.7
	Total	52	100

Table 4.3. Shows that most participants of this study did not specify their working section and most respondents' work experience is 1-5 years. This shows that the respondents' representativeness.

4.2 Presentation and Analysis of Data

The following different rates of mean value show that the variation of scales. Different groups of respondents rated different Likert scales and resulted in different mean values. In addition, these different Likert scales caused different results of mean values. The scales of mean value are used to disclose the ideas or responses of respondents in all tables.

4.3 Ethical Leadership Practices Presentation and Analysis

Ethical leadership creates an environment where the goals and values of people working in the organization align with its mission. People are encouraged to consider various paradigms to determine the actions that lead to positive, ethical behavior. Character and actions create a model for exploring an ethical leadership practice (Ann, 2017). Ethical leadership practices questions presented in different contracts.

As the presented data in the above table 4.4.1, 4.4.2, 4.4.3 and 4.4.4; shows the mean and the standard deviation of a set of data are descriptive statistics usually reported together. In a certain sense, the standard deviation is a measure of statistical dispersion if the center of the data is measured about the mean. This is because the standard deviation from the mean is smaller than from any other point.

Justice

As it is shown on table 4.4.1; 73%, 76%, 78.9 and 69.3% of respondents replied with a mean of 4.04, 4.15, 4.08, and 3.94 that their supervisors practice justice. The supervisors give the chance to employees to learn from their mistake, do not give special favor for some employees only, blame themselves in case of their mistake and do not treat employees better based on ethnic group. Ethical leaders make sure that justice and fairness when they make decision. Treating followers in very similar ways. Differential

treatments should be handled transparently, reasonably and morally sound (Durbin, 2007; Northouse, 2010).

Table 4.4.1 Ethical leader’s practices Justice.

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Justice						
1	My supervisor would use my mistakes to attack me personally.	52	4.04	1.283	17.3	73
2	My supervisor gives special favors to certain employees, but not to me.	52	4.15	1.073	13	76
3	My supervisor would allow me to be blamed for his/her mistakes.	52	4.08	1.169	15.3	78.9
4	My supervisor would treat me better if I belonged to a different ethnic group.	52	3.94	1.274	17.3	69.3

Integrity

In table 4.4.2 presented; 71%, 65 %, 78.9 %, 71.2%, 76.9 %, 69.2 % ,55.8 % , 73% and 78 % of respondents replied with a mean of 4.02, 3.85, 4.08, 4.04, 4.08, 3.90, 3.62, 4.17 and 4.33 that questions related to integrity and the respondents agreed that their supervisors are practicing integrity. The supervisors accept blame when they made a mistake, do not falsify records even if it would help them on work situation, do not deliberately distort what employees said. The supervisors are not hypocrite/double-dealer. Immediate supervisors do not take credit for employee’s idea, do not steal and engage in sabotage. In order to adopt an ethical leadership, ethical values have to be considered as important. One ethical value that is essential for ethical leadership and trust is integrity (Palanski and Yammarino, 2011; Van Aswegen and Engelbrecht, 2009). Integrity, which refers to adherence to moral principles (Fields, 2007), captures the essence of ethical values and therefore can be seen as an important driver of ethical leadership. One can also consider the impact integrity has on the concept of trust, in that

followers have confidence in leaders who are perceived as demonstrating integrity (Mayer, Davis and Schoorman, 1995).

Table 4.4.2 Ethical leader's practices Integrity.

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Integrity						
1	My supervisor would lie to me.	52	4.02	1.163	9.6	71.2
2	My supervisor would risks me to protect himself/herself in work matters.	52	3.85	1.377	19.2	65
3	My supervisor would allow me to be blamed for his/her mistakes.	52	4.08	1.169	15.3	78.9
4	My supervisor would falsify records if it would help his/her work situation.	52	4.04	1.154	11.5	71.2
5	My supervisor would deliberately distort what I say.	52	4.08	1.026	9.6	76.9
6	My supervisor is a hypocrite/double-dealer.	52	3.90	1.257	17.3	69.2
7	My supervisor would take credit for my ideas.	52	3.62	1.286	23.1	55.8
8	My supervisor would steal from the organization.	52	4.17	1.043	9.6	73
9	My Supervisor would engage in sabotage against the organization.	52	4.33	.857	2.9	78

Service to others

Table 4.4.3 Ethical leader’s practices Service to others.

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Service to others						
1	My supervisor makes fun of my mistakes instead of coaching me to do my job better.	52	4.27	.992	7.6	88.5
2	My supervisor would deliberately exaggerate my mistakes to make me look bad when describing my performance to his/her superiors.	52	3.96	1.328	21.2	76.9
3	My Supervisor avoids coaching me because he / she wants me to fail.	52	4.33	.964	5.7	82.7
4	My supervisor would limit my training opportunities to prevent me from advancing.	52	3.85	1.144	11.5	61.6

The respondent’s response regarding service to others related questions in table 4.4.3; 88.5%, 76.9 %, 82.7 % and 61.6 of respondents replied with a mean of 4.27, 3.96, 4.33 and 3.85 the respondents agreed that their supervisors are giving service to employees. The supervisors do not make fun and deliberately exaggerate employee’s mistake, coach employees and gives training opportunity for employees to advance employees knowledge. Ethical leaders should give service to followers. To be ethical Leaders expected to behaving in an altruistic fashion, mentoring followers, building teams, and empowering subordinates and avoiding egoism. The primary reason of the ethical leaders are support and nurture of followers (Kanungo & Mendonca, 1996).

Respect to others

Respect to others related two questions presented in table 4.4.4 and the respondents responded that 76.9% and 73.1% of respondents replied with a mean of 4.17 and 4.04 the respondents agreed that the supervisors respect their employees. The supervisors are kind and thoughtful and entertain employee's request. Ethical leaders should give dignity and respect to followers. Respect recognizes that followers have their own goals and ambitions and confirms that followers as human beings who have worth and value to the organization. And respect tips to empathy, active listening, and tolerance for conflicting viewpoints (Dubrin, 2007; Northouse, 2010).

Table 4.4.4 Ethical leader's practices Respect and Build to others.

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Respect to others						
18	My supervisor is vindictive/unkind.	52	4.17	1.232	13.5	76.9
19	My supervisor enjoys turning down my requests.	52	4.04	1.066	7.6	73.1
Build community with others						
20	My supervisor deliberately makes employees angry at each other.	52	4.02	1.291	17.3	76.9
21	My supervisor deliberately fuels conflict among employees.	52	4.29	1.091	7.7	84.6

Build community with others

As presented in table 4.4.4 questions interrelated with build community with others the respondents responded that 76.9% and 84.6% of respondents replied with a mean of 4.02 and 4.29 the respondents agreed that their supervisors build community with others. The supervisors try to make peace and understanding between employees and work

environment and do not fuels conflict among employees. Ethical leaders build community with others. This is crucial because leadership is about influencing others to achieve a communal goal. This means that leaders develop organizational or team goals that are appropriate for the leader and his or her followers. These goals need to excite as many people as possible, and ethical leaders achieve this by taking into account the goals of everyone in the team or organization (Dubrin, 2007; Northouse, 2010).

4.4 Organizational Practices Presentation and Analysis

Table 4.5.1 Empathy

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Empathy						
1	My organization strongly considers my goals and values.	52	3.33	1.354	53.9	26.9
2	My organization really cares about my well-being.	52	3.25	1.186	50	25
3	My organization would forgive an honest mistake on my part.	52	2.88	1.263	32.7	38.5
4	My organization cares about my opinions.	52	3.04	1.171	38.4	33
5	If given the opportunity, my organization would take advantage of me.	52	3.37	1.155	50	19.2

Empathy

As it is shown on table 4.5.1; 53.9%, 50 %, 38.4 and 50 % of respondents replied with a mean of 3.33, 3.25, 3.04, and 3.37 that their organization practice empathy. The

organization considers their goals, values, cares about their well-being, and cares about their opinions and take employees advantage. Most of respondents (38.5%) replied with a mean of 2.88 disagreed that their organization would forgive an honest mistake on their part. This shows most of employees of the organization perceived that the organization would not forgive an honest mistake on their part. Empathy is the ability to experience and relate to the thoughts, emotions, or experience of others. Empathy is more than simple sympathy, which is being able to understand and support others with compassion or sensitivity. Empathy is a construct that is fundamental to leadership. Many leadership theories suggest the ability to have and display empathy is an important part of leadership. Transformational leaders need empathy in order to show their followers that they care for their needs and achievement (Bass, 1985). Authentic leaders also need to have empathy in order to be aware of others (Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008). Empathy is also a key part of emotional intelligence that several researchers believe is critical to being an effective leader (Bar-On & Parker, 2000; George, 2000; Goleman, 1995; Salovey & Mayer, 1990).

Nurture and support

In table 4.5.2 presented; 48% of respondents replied with a mean of 3.17 agreed that their organization help them when they have a problem and 38.5% of respondents replied with a mean of 2.83 disagreed that their organization is willing to help them when they need a special favor. The primary reason of the ethical leaders are support and nurture of followers (Kanungo & Mendonca, 1996). Burns (1978) emphasized that the interaction between leaders and followers should nurture the behavior and character of ethical leadership. Leaders seek to nurture their abilities to "dream great dreams." They have the ability to look at the organization, and any issues within the organization, from a conceptualizing perspective. This means the leader must think beyond day-to-day realities.

Table 4.5.2 Nurture and support

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Nurture and support						
1	Help is available from my organization when I have a problem.	52	3.17	1.200	48	32.7
2	My organization is willing to help me when I need a special favor.	52	2.83	1.115	28.9	38.5

Take care of followers

The respondent’s response regarding service to others related questions in table 4.5.3; 71.2%, 78.8 %, 78.8 % , 73.1 % , 42% and 77 % of respondents replied with a mean of 3.67, 3.90, 3.96, 3.88, 3.15 and 3.98 the respondents agreed that their organization take cares of employees. The employees have strong sense of belongingness, feel sense of attachment to the organization and they are proud of telling to others and have a great deal of personal meaning working on their organization. The respondents agreed that they feel organization’s problem as their personal problem. Leadership focus on conscious of followers’ concerns and needs, be present at followers’ needs and concerns, empathize with followers, nurture and support followers, and take care of followers. Leadership is the genuine concern the leader shows for others. The ethical approach is people-oriented. This means that ethical leaders care about people and therefore relationships are at the very center of their work (Greenfield, 2004). A good leader is authentic, cares strongly about certain ideas that deserve robust concern and is a person of prudence.

Table 4.5.3 Take care of followers

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Take care of followers						
1	I feel a strong sense of belonging to my organization.	52	3.67	1.167	71.2	15.4
2	I feel personally attached to my work at my organization.	52	3.90	.975	78.8	9.6
3	I am proud to tell others I work at my organization.	52	3.96	.862	78.8	5.7
4	Working at my organization has a great deal of personal meaning to me.	52	3.88	.963	73.7	9.6
5	I would be happy to work at my organization until I retire.	52	3.15	1.227	34.6	23.1 (42% Unsure)
6	I really feel that problems faces by my organization are also my problems.	52	3.98	.960	77	5.7

Encouragement

Encouragement related three questions presented in table 4.5.4 and the respondents responded that 63.4 %, 51.9 % and 44.2 % of respondents replied with a mean of 3.65, 3.42 and 3.94, the respondents agreed that the organization encourage employees. The organization gives recognition for good work and offer opportunities for advancement. Most of the respondents perceived that they are not sure whether the organization offer opportunities for high earnings. The positive attributes of leadership include: character,

honesty, integrity, altruism, trustworthiness, collective motivation, encouragement, and justice (see Bass and Steidlmeier, 1999; Den Hartog et al., 1999; Palanski and Yammarino, 2007; Resick et al., 2006; Toor and Ogunlana, 2008). Leaders encourage followers to gain more knowledge, freedom, and autonomy and to develop as servant leaders themselves. Some of the differential values of leadership are teamwork, community, achievement, competence, knowledge, creativity, innovation, agility, having fun, leading by example, valuing diversity, encouraging others, and encouraging risk-taking.

Table 4.5.4 Encouragement

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Encouragement						
1	My organization gives recognition for good work.	52	3.65	1.046	63.4	11.6
2	My organization offers opportunity for advancement.	52	3.42	1.109	51.9	17.3
3	My organization offers opportunity for high earnings.	52	2.94	1.018	28.8	26.9 (44.2 unsure)

Participative Decision

As presented in table 4.5.5 questions interrelated with participative decision making respondents responded that 59.6%, 36.6 % and 67.3 % of respondents replied with a mean of 4.02 and 4.29 the respondents agreed that their supervisors build community with others. Important things are happening in the organization are informed to employees and meetings held frequently to discuss work problems. Most of employees of the organization perceived that decisions on work are not made in consultation with employees.

To summarize an overall concept of or organizational practice some of the respondents get positive attitude and perception towards the ethical leadership practice of the organization but some of the employees get negative attitude and perception towards the ethical leadership practice of the organization. Hence the organization should work to change negatively perceived practices.

Table 4.5.5 Participative decision

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Participative decision						
1	I am usually told about important things that are happening in this organization.	52	3.48	1.213	59.6	21.1
2	Decisions in work are usually made in consultation with the people who have to live with them.	52	2.87	1.268	36.5	36.6
3	Meetings are frequently held to discuss work problems with my co-workers and me.	52	3.52	1.196	67.3	25

4.5 Ethical practice against ET policy

Ethiopia Airlines Group ethics liaison unit prepared code of conduct having purpose of communicating Ethiopian values and standards of ethical business conduct to employees and third party representatives, providing clear framework of acceptable ethical conduct for employees and officials of Ethiopian to exhibit in their duty, supporting all efforts of

government in curbing unethical conducts and sensitizing employees that ethical values are important ingredients of excellent customer service. In this

Code of conduct section 7.2 says equitable treatment and non-discrimination sub section 7.2.1.1 says Ethiopian is an equal opportunity employer. It is firmly committed to the equitable treatment of all employees and qualified applicants for employment and promotes diversity within its work force. And subsection 7.2.1.2 says all applicants and employees must be judged by their qualifications demonstrated skills and achievements. Code of conduct sub section 7.2.2.1 says it is strictly prohibited to exert and actual or threatened physical intrusion of a sexual nature by force or where the victim is incapable of giving consent or under unequal or coercive condition.

In addition the code of conduct presents about reporting discrimination, harassment, abuse and /or retaliation. Prohibit alcohol and drugs in work environment. The code of conduct obliges to protect company assets, records, intellectual property rights and protecting confidential information.

In the below tables we prepared questioner for respondents to check the Ethiopian code of conduct practicality against the policy. The respondents requested to answer their perception about the organizational practice about ethical leadership against ET policy.

Equity

As it is shown on table 4.6.1; 61.5%, 42.3 %, 36.6% and 40.4 % of respondents replied with a mean of 3.5, 3.02, 2.90, and 3.21 that their organization practice Equity. Supervisors are committed to the equitable treatment of all employees. The organization is committed to the equitable treatment of all employment and promotion applicants but do not judges them by their qualifications, demonstrated skills and achievements. The organization is dedicated to the equal employment opportunity without regard to ethnicity, race, sex, religion, political outlook or any unjustified condition. According to the code of conduct section 7.2 says equitable treatment and non-discrimination sub section 7.2.1.1 Ethiopian is an equal opportunity employer. And it is firmly committed to the equitable treatment of all employees and qualified applicants for employment and promotes diversity within its work force, all this are practiced by the organization.

Subsection 7.2.1.2 says all applicants and employees must be judged by their qualifications demonstrated skills and achievements in practice this subsection is not exercised well.

Table 4.6.1 Equity

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Equity						
1	My supervisor is committed to the equitable treatment of all employees.	52	3.50	1.163	61.5	21.2
2	My organization is committed to the equitable treatment of all employment and promotion applicants.	52	3.02	1.196	42.3	34.7
3	My organization judge all employees by their qualifications, demonstrated skills and achievements.	52	2.90	1.142	34.6	36.6
4	My organization is dedicated to the equal employment opportunity without regard to ethnicity, race, sex, religion, political outlook or any unjustified condition.	52	3.21	1.160	40.4	26.9

Sexual Abuse

In table 4.6.2 presented; 71% of respondents replied with a mean of 4.0 agreed that their organization help them when they have a problem and 38.5% of respondents replied with a mean of 2.83 agreed that their supervisors do not take the advantages of sexuality and attractiveness of a person to make a personal gain or profit. Code of conduct sub section 7.2.2.1 says it is strictly prohibited to exert and actual or threatened physical intrusion of a sexual nature by force or where the victim is incapable of giving consent or under unequal or coercive condition. Which means the code of conduct and the practices are related.

Safety

Safety related question present; most of the respondents (82.7%) replied with a mean of 4.02 agreed that their organization is committed to safe employees, customers, fleets, properties, equipment's or other facilities from dangers. The code of conduct sub section 7.2.2.1 also obliges to protect company assets, records, intellectual property rights and protecting confidential information.

Smoking

Most of the respondents (86.5%) replied with a mean of 4.42 agreed that their supervisors are do not smoke at work, except at expressly designated area for such purpose. The code of conduct sub section 7.2.2.1 prohibit alcohol and drugs in work environment. The supervisor's behavior and the code of conduct is aligned.

Table 4.6.2 Safety

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Sexual Abuse						
1	My supervisor doesn't take the advantages of sexuality and attractiveness of a person to make a personal gain or profit.	51	4.00	1.183	71.1	11.6
Safety						
2	My organization is committed to safe employees, customers, fleets, properties, equipment's or other facilities from dangers.	52	4.02	1.038	82.7	11.5
Smoking						
3	My supervisor doesn't smoke at work, except at expressly designated area for such purpose.	52	4.42	.893	86.5	3.8

Business Ethics

The respondent's response regarding service to others related questions in table 4.6.3; 84.6%, 73.1 %, 76.9 %, 51.9% and 73.1% of respondents replied with a mean of 4.31, 4.92, 4.12, 3.65 and 4.00 the respondents agreed that their supervisors respect business ethics. According to code of conduct section 7. 2 business ethics questions requested and the answers presented. Supervisors are free from the possession, sale, purchase, delivery, use or transfer of illegal substances on company property, within company premises or at company functions. And supervisors deal fairly, honestly and ethically with all customers and employees and do not make Kickbacks, bribes or other improper payments to influence or decisions. The organization obtain competitive bids, verifying quality and

service claims, and confirm the financial condition of supplier to make good purchasing decision. In addition supervisors would not solicit gifts of cash or cash equivalents from customers under any circumstance for personal use.

Table 4.6.3 Business Ethics

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Business Ethics						
1	My supervisor is free from the possession, sale, purchase, delivery, use or transfer of illegal substances on company property, within company premises or at company functions.	52	4.31	.940	84.6	5.7
2	My supervisor deal fairly, honestly and ethically with all customers and employees.	52	4.92	7.175	73.1	13.5
3	My supervisor don't make Kickbacks, bribes or other improper payments to influence or decisions.	52	4.12	.943	76.9	23.1
4	My organization obtain competitive bids, verifying quality and service claims, and confirm the financial condition of supplier to make good purchasing decision.	52	3.65	.968	51.9	7.7
5	My supervisor will not solicit gifts of cash or cash equivalents from customers under any circumstance for personal use.	52	4.00	1.085	73.1	9.6

Confidentiality

As presented in table 4.6.4 questions interrelated with confidentiality respondents responded that 71.1% of respondents replied with a mean of 3.92 the respondents agreed that their supervisors keep confidential information. Code of conduct section 7.2 obliges to keep company information in practice supervisors never disclose confidential information unless authorized by the corporate communication department. And they kept confidential employee personal information.

Table 4.6.4 Confidentiality

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
Confidentiality						
1	My supervisor never disclose confidential information unless authorized by the corporate communication department.	52	3.92	1.118	71.1	9.6
2	My supervisor kept confidential employee personal information.	52	3.96	.907	73.1	7.7

To summarize an overall concept of company policy practice the respondents get positive attitude and perception towards the ethical leadership practice of the organization against ET policy but some of the employees get negative attitude and perception towards the ethical leadership practice of the organization against ET policy. Hence the organization should work to change negatively perceived practices and carry on positively perceived practices.

4.6 Effectiveness in Ethical Leadership

Ethical leadership practice should be effective and free from problems who hinder the effectiveness of ethical practice. Ethical practice constitutes an essential part of the framework that an ethical leader uses to relate to others and face every situation (Shapiro & Stef kovich, 2005). On the one hand, ethical practice is the responsibility of the leader to fulfill his or her professional obligations in ways that are ethical (Sockett, 1993). Questions and responses related to problems which hinder the effectiveness of ethical leadership practices are presented in the below two parts.

Supervisors Effectiveness in Ethical Leadership

As it is shown on table 4.7.1; 57.6%, 67.3 %, 78.9 % , 80.7 , 77 % , 65.4 % , 59.6 % and 78.8 % of respondents replied with a mean of 3.57, 39.0, 4.02, 4.06, 4.0 , 3.88, 3.69 and 4.04 that there is no problem in supervisors ethical effectiveness. Supervisors are not under High levels of unmanaged stress due to factors such as uncertainty, poor information, rapid change, economically dependent. And they are aware of about ethical leadership, respect ethical codes and organizational values and use self-control. In addition the supervisors do not warped personal values he/she think doing things really fine even though it's not allowed, do not follow the crowd without confirming the legality of things and the supervisors are morally equipped.

Table 4.7.1 Supervisors Problems of ethical leadership effectiveness

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
1	My supervisor is under High levels of unmanaged stress due to factors such as uncertainty, poor information and rapid change.	51	3.57	1.269	25	57.6
2	My supervisor is economically dependent or in hardship.	52	3.90	1.125	11.5	67.3
3	My supervisor doesn't know ethical standards or expectations.	52	4.02	1.229	17.3	78.9
4	My supervisor Ignores boundaries of Ethics codes and organizational values.	52	4.06	1.145	15.3	80.7
5	My supervisor fails to use self-control and will do things even though it's not allowed.	52	4.00	1.048	15.4	77
6	My supervisor has warped personal values he/she think doing things really fine even though it's not allowed.	52	3.88	.983	9.6	65.4
7	My supervisor follows the crowd he do things what everybody else is doing it assuming that must be fine.	52	3.69	1.130	15.3	59.6
8	My supervisor lacks a moral.	52	4.04	1.154	15.3	78.8

Organizational Effectiveness in Ethical Leadership

Table 4.7.2 Organization Problems of ethical leadership effectiveness

No	Questions	N	Mean	Std. Dev.	Agreed %	Disagreed %
1	In my organization there is a perception that the organization's leaders are not ethical.	52	3.48	1.321	26.9	52
2	In my organization Individuals' values not being aligned with organization or community values.	52	3.37	1.268	25	53.8
3	In my organization Individuals feeling as though they are being mistreated, not valued or not respected by the organization's leadership.	52	3.15	1.304	30.8	46.2
4	My organization Lacks clarity about ethical leadership.	52	3.35	1.312	27	55.7
5	My organization doesn't have ethical leadership standards and rules.	52	3.75	1.169	13.4	73.1
6	My organization has Oversimplified rules for example "Just do the right thing."	52	3.19	1.299	30.7	40.4
7	In my organization there is Lack of positive role models, who do things the right way.	52	3.56	1.227	21.2	59.6
8	My organization doesn't have training or coaching on Ethical leadership.	52	3.69	1.164	15.4	61.5
9	In my organization there is no accountability and enforcement.	52	4.00	1.103	9.6	77

In table 4.7.2 presented; 52 %, 53.8 %, 46.2 %, 55.7 %, 73.1 %, 40.4 %, 59.6 %, 61.5 % and 77 % of respondents replied with a mean of 3.48, 3.37 , 3.15, 3.35 , 3.75 , 3.19, 3.56, 3.69 and 4.0 agreed that their organization help them when they have a problem and 38.5% of respondents replied with a mean of 2.83 agreed that their supervisors do not take the advantages of sexuality and attractiveness of a person to make a personal gain or profit. Ethiopian Airlines Group has good system in place to detect ethical violations or Compliance and the leaders are ethical. Individuals' values are being aligned with organization or community values and individual's feelings are not mistreated, valued or respected by the organization's leadership. There is no lack of clarity about ethical leadership. The organization has ethical leadership standards, rules, training or coaching, accountability and enforcement. In addition the organization does not has oversimplified rules and there is no lack of positive role models, who do things the right way.

To summarize an overall concept the respondents perceived that there is problem of ethical leadership practice but some of the respondents there is no problem of ethical leadership practice. Hence the organization should work to solve the identified ethical leadership problems.

CHAPTER FIVE

SUMMARY, CONCLUSIONS & RECOMMENDATIONS

Under this chapter, major findings of the research were summarized. After the results of the study were reviewed, conclusions are drawn and recommendations are forwarded as follows.

5.1. Summary

The ultimate objectives of the study was to assess the practices and challenges of ethical leadership at Ethiopian Airlines Group, investigate the common practices of its ethical leadership, the ethical leadership practice of the organization against company policy and problems which affect the effectiveness of ethical leadership practice in Ethiopian Airlines Group. To this effect special emphasis was given to get answers to the following basic questions:

1. What is the current practices of ethical leadership in Ethiopian Airlines Group?
2. To what extent the Ethiopian Airlines Group ethical leadership behavior and practices in line with the policy?
3. What are the main problems that influence the effectiveness of ethical leadership in the Ethiopian Airlines Group?

A total of 72 close ended items and 3 open ended item were distributed to a total of 62 respondents (non-management employees and management employees (team leaders, managers and directors) out of this, 52 respondents returned. And three open ended questions distributed with the questioner but the respondents did not responded.

As an indicated data on table 4.4; showed the respondents repaid with insignificant difference of mean values about their perception toward common ethical leaders practice.

Furthermore, on table 4.5; respondents revealed the organizational practice related to ethical leadership with the high and average mean values.

The study disclosed significance difference in perception of ethical leadership between respondents. As it can be observed on table 4.4, 4.5, 4.6 and 4.7 the respondents unveiled the insignificant difference.

This research divulged an excited changes the Ethiopian Airlines Group faced in its ethical leadership practices and challenges. The presented data of table 4.4, 4.5, 4.6 and 4.7 depicted that Justice, Integrity, Service to others, Respect to others, Build community with others, Empathy, Nurture and support, Take care of followers, Encouragement, Participative decision, Equity, Sexual Abuse, Safety, Smoking, Business Ethics, Confidentiality and Problems of ethical leadership effectiveness. The respondents replied with insignificance difference mean values.

In addition to this, this research paper raised the detail points on the concept of ethical leadership practice, organizational practices about ethical leadership, organizational policy and ethical leadership, the characteristics of an ethical leadership, problems of ethical leadership practices and perceptions of ethical leadership.

The positive attributes of leadership include: character, honesty, integrity, altruism, trustworthiness, collective motivation, encouragement, and justice (see Bass and Steidlmeier, 1999; Den Hartog et al., 1999; Palanski and Yammarino, 2007; Resick et al., 2006; Toor and Ogunlana, 2008). The majority of the respondents showed that the organization's leaders are exercising justice, integrity, empathy, trustworthiness and equity.

This five principles are supposed to the development of ethical leadership. These are respect for others, service to others, justice for others, honesty toward others, and building community with others (Dubrin, 2007; Northouse, 2010). Majority of the

respondents agreed that the organization is respecting employees. Leaders are building the capacity of their followers. Leaders of the organization make sure that justice and fairness when they make decision.

As Ethiopian Airlines Group Code of conduct section 7.2 says equitable treatment and non-discrimination. Majority of the respondents confirmed that Ethiopian leaders treat equitably and they do not discriminate employees. In addition the code of conduct strictly prohibited to exert and actual or threatened physical intrusion of a sexual nature by force or where the victim is incapable of giving consent or under unequal or coercive condition. Almost all respondents agreed that the leaders of the company comply with this policy. Furthermore the code of conduct obliges to protect company assets, records, intellectual property rights and protecting confidential information. And the organization's leaders implement all this rule without failure as most of respondents confirmed.

Rather than focusing on disciplinary action highlight a person's mistakes, Fishbowl has committed to teaching, expecting, and practicing forgiveness (Scott, 2017). Unfortunately Ethiopian Airlines Group leaders do not forgive employees honest mistake as most of respondents responded. The primary aim of participative decision making is for the organization to benefit from the "perceived motivational effects of increased employee involvement" (Latham, as cited in Brenda, 2001, p. 28). In reality the organization is not participating employees when decisions made. In the company code of conduct section 7.0 subsection 7.2.1.2 says all applicants and employees must be judged by their qualifications demonstrated skills and achievements. But most of the respondents said the organization is not judging employees by their qualification, skill and achievement.

5.2. Conclusion

The result of this research identified that how it looks like the ethical leadership practices of Ethiopian Airlines Group and the problems or challenges that hinder the effectiveness of ethical leadership practice. In addition the practices of ethical leadership assessed, the

company ethics code of conduct and the actual practice studied and finally the potential problems which hold back the effectiveness of the ethical leadership practice studied.

As the finding asserted Ethiopian Airlines Group is practicing ethical leadership even if some unethical practices are exercised. In general we can conclude that Ethiopian Airlines Group as organization as well as a management it is practicing the ethical leadership. The organization leadership and the organization has just behavior.

Integrity practiced widely and the leaders give service like coaching and mentoring for their followers. The interaction between the leaders and followers are respectfully, with understanding and empathy. The leaders of Ethiopian Airlines Group encourage their followers, build team spirit among followers and they take care of for followers feeling and value.

Ethiopian Airlines Group leadership comply the company ethics policy. This research studied and concluded that the leaders of the company are committed to the equitable treatment of all employees and free from sexual abuse and work place smoking. Moreover the leaders of the company are committed to safe employees, customers, fleets, properties, equipment's or other facilities from dangers and they never disclose confidential information. In addition the leaders are free from the possession, sale, purchase, delivery, use or transfer of illegal substances on company property and they never solicit gifts of cash or cash equivalents from customers under any circumstance for personal use.

There are some unethical behaviors which affect the organization negatively and should be corrected. Among the confirmed unethical behaviors not forgiving honest mistake, lack of willingness to favor employees, lack of employees engaged decision making and lack of judging employees by qualification, skill and achievement

5.3. Recommendation

The following recommendations are forwarded based on the findings and conclusions drawn. The finding disclosed, many leaders of the organization committed some unethical behaviors and this behaviors should be corrected.

1. The organization would not forgive an honest mistakes of employees. We recommend the organization to forgive the honest mistakes of employees through incorporating forgiveness awareness in to the company leadership trainings.
2. Ethiopian Airlines Group is not willing to favor employees when they need. We recommend the organization to favor employees when they need unless it is against company policy and standard operating procedure. In the organization there is employee benefit section, in this section's mega process employee favoring process should be incorporated.
3. When decisions made it is not made in consultation with employees who have direct relation with that specific issues. We recommend the company to consult employees when decisions made and preparing a standard operating procedure which inforce employee participation in decision making process.
4. ET is not judging all employees by their qualification, demonstrated skills and achievements. We recommend the organization to prepare employee performance evaluation procedure which judges employees by their qualification, demonstrated skills and achievements. In addition the organization should incorporate this process and enforce through company policy. In every leaders BSC/ISC target the performance based employee judgement KPI should be included.

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APPENDIX A
ADDIS ABABA UNIVERSITY
SCHOOL OF GRADUATE STUDIES
COLLEGE OF EDUCATION AND BEHAVIORAL STUDIES
DEPARTMENT OF EDUCATIONAL LEADERSHIP AND
MANAGEMENT

Dear respondents,

This Questionnaire is prepared for the study entitled “**Practices and Challenges of Ethical Leadership in Ethiopian Airlines Group.**” This is for the partial fulfillment of MA in Educational Leadership and Management.

Through this questionnaire, I would like to get your view regarding the Ethical Leadership of your Leaders at your workplace which is Ethiopian Airlines Group. Since the information you provide will serve as a basis to know practice and challenges of ethical leadership, your genuine responses to the questions that follow are highly valued and taken as essential assets to the success of this study. I would like to make sure that all the information you provide will remain confidential and will be used for research purpose only. So please be confident and frank to give your responses to the best of your knowledge.

Note:

1. There is no need to write your name.
2. For every item, you have to give only one answer.

Thank you in advance for your cooperation!

Part I: Background information of the respondent

Please respond to the following questions by putting (x) mark in the box and write on the space provided when necessary.

A. Name of the Section _____

B. Sex

1. Male 2. Female

C. Age (Years)

1. 20-25 2. 26 -35 3. 36-45 4. 46-60

D. Level of education

1. Diploma 2. BA/BED/BSC
 3. MA/MSc 4. Other (Please specify)

E. Total years of service as an employee in Ethiopian

1. 1-5 2. 6-10 3. 11-15 4. 16-20 5

F. Your position in Ethiopian

1. Non-management 2. Team Leader 3. Manager
 4. Director

Part II: Close Ended Questionnaire and Interviews

For

Non-management employees and management members

Instructions

The following Questions/ Items/are prepared to ask about ethical leadership practices and challenge in Ethiopian Airlines Group. You will rate the ethical leadership practices and challenges in Ethiopian Airlines Group where you are working on a scale from the codes Strongly Disagree (SD), Disagree (D), Unsure (U), Agree (A), and Strongly Agree (SA) based on the degree to which you are agreed. The questions are divided into four categories so that you can determine various aspects of leaders and organizational perception towards ethical leadership practice and challenges. Please respond to the following questions by putting (x) mark under the box provided.

Rate	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree
Codes	SD	D	U	A	SA
Value	5	4	3	2	1

A. Questions related to ethical leaders practice		SD	D	U	A	SA
Justice						
1	My supervisor would use my mistakes to attack me personally.					
2	My supervisor gives special favors to certain employees, but not to me.					
3	My supervisor would blame me for his/her mistakes.					
4	My supervisor would treat me better if I belonged to a different ethnic group.					
Integrity						
5	My supervisor would lie to me.					
6	My supervisor would risks me to protect himself/herself in work matters.					
7	My supervisor would allow me to be blamed for his/her mistakes.					
8	My supervisor would falsify records if it would help his/her work situation.					
9	My supervisor would deliberately distort what I say.					
10	My supervisor is a hypocrite/double-dealer.					
11	My supervisor would take credit for my ideas.					
12	My supervisor would steal from the organization.					
13	My Supervisor would engage in sabotage against the organization.					
Service to others						
14	My supervisor makes fun of my mistakes instead of coaching me to do my job better.					
15	My supervisor would deliberately exaggerate my mistakes to make me look bad when describing my performance to his/her superiors.					
16	My Supervisor avoids coaching me because he / she wants me to fail.					
17	My supervisor would limit my training opportunities to prevent me from advancing.					
Respect to others						
18	My supervisor is vindictive/unkind.					
19	My supervisor enjoys turning down my requests.					
Build community with others						
20	My supervisor deliberately makes employees angry at each other.					
21	My supervisor deliberately fuels conflict among employees.					

Rate		Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree		
Codes		SD	D	U	A	SA		
Value		1	2	3	4	5		
B. Questions about organizational practice related to ethical leadership				SD	D	U	A	SA
Empathy								
1	My organization strongly considers my goals and values.							
2	My organization really cares about my well-being.							
3	My organization would forgive an honest mistake on my part.							
4	My organization cares about my opinions.							
5	If given the opportunity, my organization would take advantage of me.							
Nurture and support								
6	Help is available from my organization when I have a problem.							
7	My organization is willing to help me when I need a special favor.							
Take care of followers								
8	I feel a strong sense of belonging to my organization.							
9	I feel personally attached to my work at my organization.							
10	I am proud to tell others I work at my organization.							
11	Working at my organization has a great deal of personal meaning to me.							
12	I would be happy to work at my organization until I retire.							
13	I really feel that problems faces by my organization are also my problems.							
Encouragement								
14	My organization gives recognition for good work.							
15	My organization offers opportunity for advancement.							
16	My organization offers opportunity for high earnings.							
Participative decision								

17	I am usually told about important things that are happening in this organization.					
18	Decisions in work are usually made in consultation with the people who have to live with them.					
19	Meetings are frequently held to discuss work problems with my co-workers and me.					

Rate	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree
Codes	SD	D	U	A	SA
Value	1	2	3	4	5

C. Questions related to Ethical practice against ET policy		SD	D	U	A	SA
	Equity					
1	My supervisor is committed to the equitable treatment of all employees.					
2	My organization is committed to the equitable treatment of all employment and promotion applicants.					
3	My organization judge all employees by their qualifications, demonstrated skills and achievements.					
4	My organization is dedicated to the equal employment opportunity without regard to ethnicity, race, sex, religion, political outlook or any unjustified condition.					
	Sexual Abuse					
5	My supervisor doesn't take the advantages of sexuality and attractiveness of a person to make a personal gain or profit.					
	Safety					
6	My organization is committed to safe employees, customers, fleets, properties, equipment's or other facilities from dangers.					
	Smoking					
7	My supervisor doesn't smoke at work, except at expressly designated area for such purpose.					
	Business Ethics					
8	My supervisor is free from the possession, sale, purchase, delivery, use or transfer of illegal substances on company property, within company premises or at company functions.					

9	My supervisor deal fairly, honestly and ethically with all customers and employees.					
10	My supervisor do not make Kickbacks, bribes or other improper payments to influence or decisions.					
11	My organization obtain competitive bids, verifying quality and service claims, and confirm the financial condition of supplier to make good purchasing decision.					
12	My supervisor will not solicit gifts of cash or cash equivalents from customers under any circumstance for personal use.					
	Confidentiality					
13	My supervisor never disclose confidential information unless authorized by the corporate communication department.					
14	My supervisor kept confidential employee personal information.					

Rate	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree
Codes	SD	D	U	A	SA
Value	5	4	3	2	1

D. Questions related to problems of ethical leadership effectiveness		SD	D	U	A	SA
1	1. My supervisor is under High levels of unmanaged stress due to factors such as uncertainty, poor information and rapid change.					
2	My supervisor is economically dependent or in hardship.					
3	My supervisor doesn't know ethical standards or expectations.					
4	My supervisor Ignores boundaries of Ethics codes and organizational values.					
5	My supervisor fails to use self-control and will do things even though it's not allowed.					
6	My supervisor has warped personal values he/she think doing things really fine even though it's not allowed.					
7	My supervisor follows the crowd he do things what everybody else is doing it assuming that must be fine.					
8	My supervisor lacks a moral.					
9	In my organization there is poor system in place to detect ethical violations or Compliance.					
10	In my organization there is a perception that the organization's leaders are not ethical.					

11	In my organization Individuals' values not being aligned with organization or community values.					
12	In my organization Individuals feeling as though they are being mistreated, not valued or not respected by the organization's leadership.					
13	My organization Lacks clarity about ethical leadership.					
14	My organization doesn't have ethical leadership standards and rules.					
15	My organization has Oversimplified rules for example "Just do the right thing."					
16	In my organization there is Lack of positive role models, who do things the right way.					
17	My organization doesn't have training or coaching on Ethical leadership.					
18	In my organization there is no accountability and enforcement.					

Part III: If you have any comment/ suggestion about your organization practice and challenges please answer the below questions:

1. Could you please explain Ethiopian Airlines Group ethical leadership practice?

2. Could you please explain the ethical leadership challenges in your organization?

Thanks You!

DECLARATION

I undersigned declare that this thesis entitled “Practices and Challenges of Ethical Leadership in Ethiopian Airlines Group” is my original work. I also declare that this thesis has not been presented for a degree in any other university, that all source of material used for the thesis have been duly acknowledged.

Name: Mesuid Ahmed

Signature: _____

Date: _____

This thesis entitled “Practices and Challenges of Ethical Leadership in Ethiopian Airlines Group” has been submitted for examination with approval as a university advisor.

Advisor Name: Kenenisa Dabi(PhD)

Signature: _____

Date: _____