

ETHICAL LEADERSHIP IN THE EYES OF GEN Z: A LITERATURE REVIEW

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Abstract - Ethical Leadership emerges when a leader guides others using ethical principles and values, which include trust, integrity, empathy, justice, and charisma. Ethics also involves a person's moral character and intentions. This research focuses on a review of literature on ethical leadership in the eyes of Generation Z (Gen Z). Few articles provide an overview of the current library on this issue. The purpose of this paper is to provide a brief literary overview of Ethical Leadership in the vision of Gen Z. This paper will focus on the basic theories, definitions, dimensions, antecedents, consequences and managerial implications of ethical leadership within the eyes of Generation Z. It is hoped that this paper will be useful to researchers who are drawing up research proposals on the issue.

Keywords: ethical leadership, gen z, integrity, altruism, honesty, empathy

1. Introduction

Leadership is crucial to managing an organization well. Leadership is the process in which one influences a group of people to a common goal (Northouse, 2016). Although there are many ways to understand this term, the core of this definition is that leadership is a process that involves influence, occurs within a group, and involves a shared goal. In other words, leadership involves affecting others so that individual and collective efforts a common goal (Yukl, 2013).

The need for ethical leadership has been on the rise lately, especially with the number of recent scandals in the political and corporate realities in the world. Powerful leaders can do things that are unethical but appear legitimate and influence other members of the organization to commit a crime of obedience. They can prioritize their own personal interests for career and financial gain at the expense of members of society and organizations (Hinrichs, 2007). The interest of academics in conducting research into the ethical aspects of leadership is growing as public confidence in politics and corporate leaders is declining.

The success of a company is heavily influenced by leadership that places ethics as the primary foundation. Leaders with ethical principles determine the success of the organization. Leaders who believe in ethical values demonstrate behavior that is consistent with justice, transparency, accountability, honesty, and care (Northouse, 2016). They not only apply these values personally, but they also actively promote ethical practices through clear communication, provide a consistent example, and strengthen those values as the basis of a healthy culture in the company.

Gen Z is the youngest generation to enter the labour force. The 2020 Indonesian Population Census published by the Central Statistical Agency shows that the number of Indonesians in Gen Z amounts to 27.94% of the total population of Indonesia, which comprises 270.20 million people and is the most numbered generation today. Therefore, this literature review focuses on ethical leadership in the eyes of Generation Z as the workforce that will dominate the working world in Indonesia in the years to come.

2. Literature review

2.1 Basic theories of ethical leadership

Leadership theory

In the early 20th century, leadership studies used attributes, abilities, such as intelligence and skill levels, and personality aspects as criteria that were important to researchers. The emphasis on the style or behavior of leaders changed in the late 1940s due to the inability to consistently prove that individual character is the only precursor of good leadership. This method basically argues that a leader's actions are the aspects that make his leadership effective. In situations like this, research on leadership effectiveness focuses on two main ideas: task orientation and interpersonal aspects in the relationship between leader and follower (Bryman, 1992).

Other views began to dominate in the late 1960s. Leadership style alone is not enough to determine success. Therefore, the reasons that situations create suitable conditions for a leader's success are known as contingency approaches, among which are Fiedler's Contingency Theory in 1967, Hersey and Blanchard's Situational Leadership in 1969, House's Path-to-Goal Theory of 1973 and Kerr and Jermier's Leadership of 1978. The leadership decision-making behavior changed from autocratic or directive to consultative and participatory developed by Vroom and Yetton in 1973 (Aronson, 2001).

In the early 1980s there was dissatisfaction with behavioral approaches to leadership and situational roles. The weaknesses of this approach lie in understanding leadership as small-group supervision and ignoring the larger issues of leading the entire organization into the future. This led to the emergence of new leadership perspectives (Bryman, 1992). There are many researchers who investigate the phenomenon of charismatic leadership in this new era and associate it with Burns' idea of transformational and transactional leadership (Conger & Kanungo, 1998).

In relation to ethical leadership, researchers compared the ethical aspects of transactional and transformational leadership (Kanungo & Mendonca, 1996). Transactional leaders are thought to emphasize control strategies and gain the trust of followers; this can lead to the destruction of the self-esteem of the followers and direct their functions as programmed robots and are considered to have unethical moral consequences. However, transformational leadership is considered ethical because it focuses on empowering strategies aimed at changing the attitudes, beliefs, and core values of followers. Leadership in organizations tends to create a shared culture, values, and assumptions that are determined by a leader's personal beliefs. A highly transactional culture considers personal interests more important than organizational interests. The subordinates are strictly monitored, coerced, and controlled in this context, and they are not much involved in decision-making. However, transformational organizations emphasize teamwork and encourage discussion of visions, goals, and values. Transformational leadership produces a moral commitment between leaders and followers that unites them to higher goals together as a whole. This view of ethical leadership seems to suggest that transformational leaders have a moral influence on their followers, while leaders who use transactional strategies or dictatorship are unethical (Bass, 1998).

Although transformational leadership and other ethically leadership styles do not give room for transactional leadership or directive to be judged ethically, however different cultural norms in societies also influence the evaluation of ethic or not ethic a leadership style is, including transactional or directional leadership. A kindly autocratic leader can be seen as both effective and ethical. In certain situations, transactional leadership seems to make moral sense. For example, these leaders put more emphasis on day-to-day management than leadership; they may be responsible for ensuring that the organization maintains its goals and codes of ethics. If leaders are considered to act fairly, their followers are also inclined to act justly, feel respected, and are treated fairly and will probably endeavour more. The above shows that ethical

leadership depends on the level of moral development or the extent to which the process of influence is motivated by ethical values (Bird, 1999).

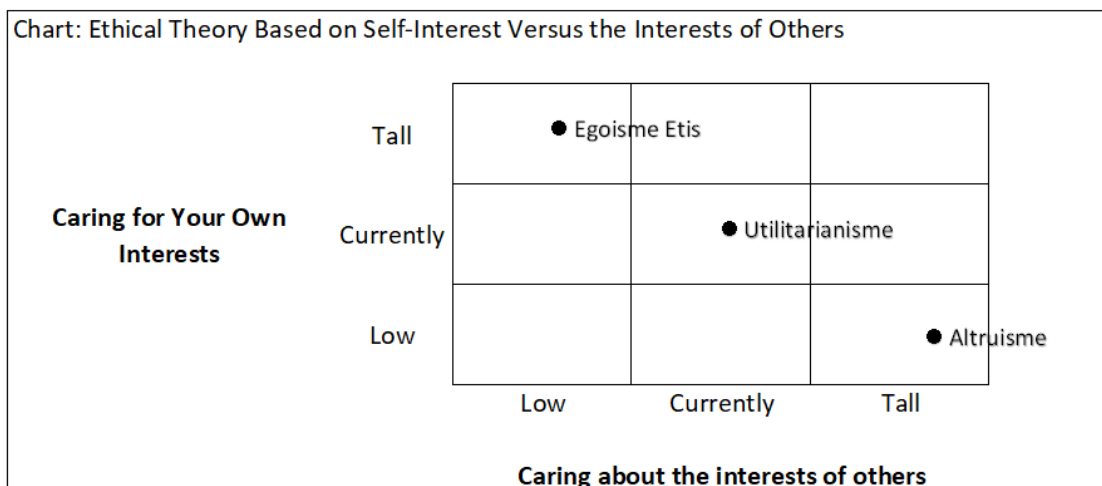
Entering the 21st century, leadership experts have come to the conclusion that they have not yet reached a consensus on the correct definition of what leadership is. Some people argue about whether management and leadership are different processes, while others focus on the characteristics, abilities, or elements that relate between them. Leadership will always have different meanings for different people due to generational differences and growing global influence. Basically, it is difficult to find a clear definition of the concept of leadership because it is so complex.

Though there are many ways to understand leadership, some of the main elements of this phenomenon can be found: leadership is a process, leadership involves influence, leadership occurs within a group, and leadership involves a common purpose. Based on these elements, leadership can be defined as the process of persuading one to a group of people to a common goal (Northouse, 2016).

Ethics theory

Studying ethics and leadership brings us to two areas: the theory of the character of a leader and the theories of leadership behavior. The ethical theory when applied to leadership is about how leaders act and how they behave as human beings. Essentially, ethics is the study of the standards for determining good and bad behavior. There are different ethical theories because philosophers have developed different ways to judge ethics. Morality is one thing that never changes, regardless of different perspectives. Basically, morality is about how an action affects others.

The ethical theory of leader behavior consists of two types: the teleological theory, which comes from the Greek word "telo", which means "purpose" or "use", and the deontological theories, which focus on the tasks or rules that govern the actions of a leader. The consequences of one's actions determine whether a particular behavior is good or bad. Three approaches -- ethical egoism, utilitarianism, and altruism -- are used to assess the consequences of moral behaviour (Northouse, 2016).



According to the theory of ethical egoism, people should act this way to the greatest good for themselves. Leaders with this orientation will choose careers or jobs that are pleasant for them (Avolio & Locke, 2002). In some business contexts, where culture or employees influence decisions to maximize profits, ethical egoism is common. According to utilitarianism, we should act to the greatest good for many people. According to this perspective, the right moral

action is an action that minimizes social costs while maximizing social benefits (Schumann, 2001). Altruism is related to utilitarianism which is the opposite of ethical egoism. According to altruism, action can be considered moral if its primary purpose is to serve the best interests of others, regardless of their own interests (Bowie, 1991).

The deontological theory, which derives from the Greek word "deon", which means "task", is different from the teleological theory. From a deontological perspective, intent is a morally relevant component of action. As long as a leader acts in accordance with his responsibilities or based on moral principles, he acts ethically, regardless of the outcome. According to the teleological theory, the ethics of action depend on the outcomes.

To explain the ethics of leaders, teleological and deontological theories are needed. Good leaders must not only be effective and ethical, but they must also act according to their duty and have some of the greatest concepts of goodness in their minds (Ciulla, 2009).

Teleological and deontological theories talk about ethics from the point of view of the attitude or behavior of a leader. This theory is known as the theory of good qualities (Pojman, 1995). Moreover, it is believed that moral and moral qualities are not possessed from birth, but are learned and acquired through practice. Families and communities around them teach people to be good people. A moral person according to Aristotle has the characteristics of courage, serenity, kindness, self-control, honesty, socialization, humility, justice, and objectivity (Velasquez, 1992). Velasquez suggested, by applying ethics to management and leadership, managers should develop qualities such as perseverance, public spirit, integrity, honesty, loyalty, kindness, and humility.

Table 1: Fields of Ethical Theory

Behavior	Character
Consequences (Teleological Theory)	A theory based on good traits
<ul style="list-style-type: none"> • Ethical egoism • Utilitarianism • Altruism 	
Duty (Deontological Theory)	

Ethical leadership is when a leader helps his followers overcome conflicts by applying change (Heifetz, 1994). This method combines workers' principles, organizational principles and community principles in their workplaces. Having the authority to help followers overcome the conflicting values that emerge in the working environment, the culture of a society that is changing rapidly, and from a moral point of view is the role of leadership. Burns (1978) stated, in line with Heifetz, that leaders should engage with their followers and help them deal with their personal problems relating to conflicting values. This relationship raises the morality of leaders and followers.

If someone is considered an ethical leader and can influence ethical outcomes, subordinates should see him as an attractive, confident, and legitimate leader (Brown, Treviño, & Harrison, 2005). This can be achieved by engaging in behaviour that is clearly appropriate, such as openness and honesty, as well as being motivated by altruism such as treating employees fairly and carefully. Leaders show ethical awareness by paying attention to the good of the group, the impact of methods and goals, the long-term and not just the short-term, and the interests and opinions of various stakeholders (Treviño, Brown, & Hartman, 2003).

To attract the attention of its followers to the moral message, an ethical leader must also be able to communicate ethics clearly and use power to support it, be careful in making decisions for an organization that conforms to ethical principles, and assume that the ethical side is always the right basis for making decisions. Leaders should emphasize the importance

of ethical behaviour and its benefits, as well as inform employees that maintaining ethics is an important part of their work (Cheteni & Shindika, 2017).

The most important principles for ethical leadership are honesty and integrity, including the consistency of actions with the values adhered to, behavior intended to convey or enforce ethical standards, justice in decision-making and the distribution of rewards that do not choose love or use rewards to encourage inappropriate behaviour. It is also a behavior that shows affection and concern for the needs and feelings of others that is not an attempt to manipulate, abuse, and exploit others for personal gain (Yukl et al., 2013).

2.2 Definition of ethical leadership and Gen Z perspective

Definition of ethical leadership

In the 1920s, leadership was defined as the ability to instill the will of a leader in his followers and cultivate respect, obedience, loyalty, and cooperation. In the 1930s, the activities of many people were gradually organized to certain goals meant as leadership. In addition to the prestige and power derived from external positions or circumstances, leadership in the 1940s was based on the ability to persuade or direct its followers. In the 1950s, leadership was defined as the action taken by a leader within a group. The other members of his group his leadership spontaneously. In the 1960s, leadership meant moving others in the desired direction. In the 1970s, the term "discretionary influence" was used to describe leadership. This term refers to the behavior of a leader under his control that may differ between individuals. Although the study of leadership was very complicated in the 1980s, it was quite clear that leadership is to inspire others to do things the way a leader wants them to do. In the 1990s, leadership was defined as a persuasive relationship between a leader and his followers who wanted real change to common goals (Ciulla, 2009).

Researchers have begun to consider ethical leadership as a combination of behavior or leadership style as a whole, not just the ethical aspect of other leadership styles (Brown, Treviño, & Harrison, 2005; De Hoogh & Den Hartog, 2008, 2009; Kanungo, 2001). According to the Webster Dictionary, the basics of ethics include what is good and bad, as well as moral responsibilities and obligations. An ethical leader driven by a proper system of belief and judgment, not self-interest, but rather benefiting followers, organizations, and society. Researchers emphasize the importance of ethical leadership in terms of how one leader affects others (Kanungo, 2001; Aronson, 2001).

Ethical leadership is the demonstration of normatively appropriate behavior through personal actions and interpersonal relationships and the promotion of its behaviour to its followers through two-way communication, reinforcement, and decision-making. Leaders are ethically open in communication and clear about the responsibilities and expectations of organizations, as well as communities (Brown, Treviño, & Harrison, 2005).

Followers supervised by ethical leaders have a higher chance of success, affiliation and engagement with better organizations (Kalshoven, Den Hartog, De Hoogh, 2011). If ethical leadership is combined with the code of ethics that applies in the workplace, employees will feel more motivated to do their efforts and more committed (Piccolo et al., 2010). Ethical leaders care about others, are fair, honest, and encourage their followers to behave ethically (Brown, Treviño, & Harrison, 2005). Because of its conceptual resemblance to transformational and authentic leadership styles, ethical leadership has gained critical review (Avolio & Gardner, 2005; Chughtai, Byrne & Flood, 2015; Walumbwa et al., 2008).

Ethical leaders are composed of two behavioral components: ethical people and ethical managers (Brown, Treviño, & Harrison, 2005). Self-perception as an ethical person and an ethical manager are two important pillars that shape a reputation of ethical leadership. Characteristics of ethical people include integrity, honesty, and trustworthiness, behavior to do the right thing, concern for society, openness, and personal morality. In decision-making, an

ethical person holds values, objective and fair, cares about society, and follows rules of ethical decision making.

The CEO is regarded as the Chief Ethics Officer of an organization because he is an ethical manager and responsible for creating powerful values that attract the attention of employees and influence their minds and behaviors. Characteristics of an ethic manager such as giving an example or as an example through visible actions, giving appreciation for the ethical and disciplinary actions of the unethical, actively communicating ethics and values to his subordinates.

In addition to finding ways to focus organizational attention on ethics and values, an ethical leader must also set the principles that will guide the entire worker. In the era of the implementation of new systems in today's companies, where more employees work independently, off-site, and without direct supervision from management, ethical executive leadership may be more important now than ever. Values are the bonds that unite organizations like this, and these values must be communicated from the highest level of the organization (Treviño, Hartman, & Brown, 2000)

Ethical leadership in the eyes of Gen Z

Gen Z is considered to be the greatest transformation in the generation of workers (Mathur & Hameed, 2016). These workers have some characteristics that affect the way they interact and are oriented in the workplace. Gen Z born in an era of rapid digital technology development is a generation characterized as digital natives or i-generation. Since Gen Z was born in the world of technology, they feel comfortable and most importantly surrounded by the environment. They're always online with a variety of devices without end, so other forms of socializing are very difficult for them. Compared to the previous generation, Gen Z didn't care so much about the concept of fighting. They're more practical and smarter than wise, more impatient, more agile, and constantly looking for new challenges. They are not afraid of the constant change because through the world of the Internet there is a lot of information that can be obtained and can be used to find solutions in solving their problems (Bencsik, Horváth-Csikós, & Juhász, 2016).

Gen Z grew up in an uncertain and complex environment, which shaped their perspectives of work, education, and the world as a whole. They have different expectations at work. Gen Z has an excellent knowledge of technology and language. Employers must be able to prepare themselves to engage Gen Z by communicating well, helping them adapt to the corporate culture and community, and making them effective employees in the digital age (Elmore, 2014).

According to Graeme Codrington & Sue Grant Marshall's hypothesis, there are five human ages that are categorized from the year of birth. Generation X is a group of humans born between 1965 and 1980, while generations born between 1981 and 1995 are called Generation Y or Millennials. Gen Z is also known as Generation i, Generation Net, or Internet generation born between 1996 and 2010, and the last generation is Generation Alpha born between 2011 and 2025 (Komalasari et al., 2022).

Generation X (age 59–44), Generation Y (age 43–29), and Generation Z (age 28–14) are part of the current labour force population. To ensure that three different age groups can work together in one working environment, management faces a new challenge to ensure that the company runs well. The sooner the company plans to manage Gen Z, the stronger it will be in starting competition in a highly competitive industry (DeRosa, 2018).

Some of the characteristics that can be identified of Gen Z are (Tumbol, 2021):

- a. Media interfaces (Mediavora)
Research conducted on younger generations in the United States shows that Generation Z spends more than 7.5 hours a day with one or more media.
 - b. Multitasking
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Previously multitasking was associated with a female brain pattern, but it turned out to be a feature that marks today's Gen Z that can listen to music, talk, and watch simultaneously while studying, opening books, and doing homework.

c. Hyperconnections

Gen Z wants to connect to multiple networks at once.

d. FOMO: Fear of Missing Out

Gen Z always checks the gadget to stay up-to-date and fastest in getting the latest information so that no information is missed.

e. Tolerance

Gen Z is present in an era of openness, along with increased awareness of pluralism and the strengthening of relativism that nurtures tolerance for differences. Some of Gen Z believe that truth is relative and subjective, and are afraid of losing the moral compass. They tend to oppose "authority" and are open to accepting differences, norms, morals, and diversity perspectives.

f. Real-time

This generation grew up in an open culture and always interacted with each other so it became very expressive and communicative to convey what they felt and thought at the same time.

g. Interactive

Gen Z is very active and interactive in communication carried out through networks in the communities in which they are involved.

Leading Gen Z requires not only openness, but also the hard work of the leader. A leader who wants to reach Gen Z successfully must use the language of leadership welcomed by the youngest generation in the labour force. Better performance and organizational success can be achieved by leaders who apply a philosophy that prioritizes relationships, results, service, and development to better work performance and successful organizations (Aguas, 2019).

Leaders must be accustomed to the different nature of each generation to reduce the possibility of conflict. The right leadership style will help the business its goals. To be a leader for Gen Z there are certain attitudes that must be, namely to be a good and worthy example, to build a positive communication relationship, and to show the purpose of the organization (Komalasari et al., 2022).

The leaders that Generation Z needs must be able to affiliate and motivate them to the desired achievement. Gen Z is looking for exemplary leaders to be imitated through what they do and focus on empowering others and achieving the potential they expect. In leadership literature, some of the most popular theories focus on ethical leadership. These theories include transformational leadership, servant leadership, authentic leadership and spiritual leadership (Yukl, 2013). The key values emphasized in the ethical leadership of these theories are:

- a. Integrity: communicate openly and honestly, keep promises and commitments, act in a manner consistent with the values adhered to, acknowledge and accept responsibility for mistake, do not attempt to manipulate or deceive people.
 - b. Altruism: enjoy helping others, be willing to take risks or sacrifice to protect or benefit others, prioritize the needs of others over their own needs, volunteer in activities that require extra time and are not part of formal job requirements.
 - c. Humility: treating others with respect, avoiding status symbols and privileges, acknowledging limitations and mistakes, being humble towards achievements, emphasizing the contributions made by others when collective efforts are successful.
 - d. Empathy and recovery: helping others overcome emotional stress, encouraging acceptance of diversity, acting as mediators or peacemakers, promoting forgiveness and reconciliation after divisive conflicts.
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- e. Personal growth: encourages and facilitates the development of self-confidence and individual abilities, although not essential to the current job; provides opportunities to learn even if there is a risk of making mistakes; provides support and training when necessary; helps people learn from mistakes.
- f. Justice: to encourage and support fair treatment of people, to oppose unfair practices or policies, to resist attempts to manipulate or deceive people or to undermine or violate their civil rights.
- g. Empowerment: consult with others about decisions that will affect them, give appropriate autonomy and freedom to subordinates, share sensitive information with them, encourage them to express their concerns or different views without being defensive.

The core values of ethical leadership above are in line with the leadership desired by Gen Z.

2.3 Dimensions of ethical leadership in a Gen Z perspective

Ethical leadership runs leadership through principles to influence followers who are morally good or deemed right (Rakhma, 2022). Ethical Leadership is an assessment of employee perceptions of ethical behaviour derived from the leadership behavior with indicators consisting of (Pahrudin, Marina, & Agusinta, 2018):

- a. Honesty
- b. Justice
- c. Integrity
- d. Altruism
- e. Care for values

Ethical leaders are seen as fair and principled decision makers characterized by concern for others and the wider society, as well as behaving ethically in their personal and professional lives (Brown and Treviño, 2006). As far as leadership is concerned, ethics is about what leaders do and how they behave and the goodness they do. When making leadership decisions, ethical issues involve implicitly or explicitly the choices made by leaders and the way they respond to a situation influenced by ethics and values held firmly. So it can be concluded that ethics should be an essential part of the ethical leader's self-concept as well as a guiding principle for leaders in every action they take (Giessner et al., 2015).

According to the findings of the experts, there are two dimensions of ethical leadership behavior that can be used to evaluate ethical leadership. These two dimensions are the moral person and the moral manager. Ethical leadership must include moral character as a manager and as an individual. Ethical leaders have qualities such as honesty, integrity, openness, respect, and principles in decision-making as well as caring for others. Managers' moral aspects of ethical leadership behavior relate to how leaders use their power and position as leaders to encourage and promote ethical behaviour and ethical standards in the workplace (Brown & Treviño, 2006). Moral leaders should set a good example for their employees to be moral (Brown & Mitchell, 2010).

The other dimensions of ethical leadership are as found in the Ethical Leadership at Work questionnaire (ELW) which covers components such as justice, integrity, ethical guidance, individual orientation, power sharing, role clarification, and concern for sustainability (Kalshoven, Den Hartog, De Hoogh, 2013). The need to explore the phenomenon of ethical leadership in organizations is triggered by an increasing public concern that cannot accept organizational leaders who are indifferent to moral responsibilities, let alone engage in unethical behaviour (Kanungo & Mendonca, 1996).

2.4 Antecedents and consequences of ethical leadership

Researchers have long believed that personality such as integrity is crucial to assessing effective leadership and research has proven it. For example, research studies have found a link between the perception of effective leaders and the perceptions of honesty, integrity, and trustworthiness of leaders (Posner & Schmidt, 1992; Kouzes & Posner, 1993; Den Hartog et al., 1999), as well as cognitive beliefs such as care in work, professionalism, and reliability have been associated with effective leadership styles (Dirks & Ferrin, 2002). Based on the results of the research, there is a link between these personal characteristics and ethical leadership, as well as leaders who are ethically regarded as honest and trustworthy.

An ethical leader is considered to be fair and principled, behaving morally in relation to others and to himself. It is called by researchers the moral aspect of ethical leadership because it represents an observer's view of a leader's personal nature, character, and altruistic impulses. Nevertheless, the moral manager dimension is another important component of ethical leadership revealed by this research. In this aspect of ethical leadership, a leader seeks to proactively influence the behavior of his followers with ethics. They do this by conveying messages and ethical values, providing examples of ethical behaviour explicitly, and using a system of reward and punishment to make their followers accountable for their conduct. In short, research shows that ethical leaders are honest, caring, and principled leaders, and who make decisions in a fair and balanced manner (Treviño, Brown, & Hartman, 2003).

Ethical leaders also often talk about ethics with their followers, set clear ethical standards, and use appreciation and punishment to ensure that standards are followed. Ethical leaders not only speak well; they also become proactive leaders and do what they say (Brown & Treviño, 2006). Based on studies referring to the Theory of Planned Behavior (TPB) to know the antecedents of ethical leadership, it has been found that the beneficial attitude of leaders to ethical behaviors and perceived behavioral control is an important antecedents of ethical leadership. The study investigated how leaders' attitudes to behavioral ethics, subjective norms of ethical behavior, and perceived behaviors control may contribute to ethical intent and, in turn, ethical leadership (Rahaman, Stouten, & Guo, 2019).

The two factors determining the antecedents of ethical leadership are the individual leader and the situational impact. Leaders must have proper attributes and personalities for ethical leadership (Brown & Trevino, 2006; De Hoogh & Den Hartog, 2008, Kish-Gephart, Harrison, & Treviño, 2010). Moral development is inevitable and some people experience it at a certain stage of their development. Leaders with a higher level of moral development are generally considered more ethical than leaders with a lower level of ethical development.

The theory of self-identity offers an additional explanation of moral behavior. A person with a strong moral identity has the motivation to act in a way that is consistent with his ethical values and beliefs. Moral identity is not important as a determinant of behavior when people agree to ethical behavior. Although most people who do not have a strong moral identity still adjust to social norms, if there is no agreement on a moral issue, then judgment of the ethical consequences of an action becomes more important as a determinant (Reynolds, 2006).

Situations can greatly influence moral behavior that occurs in the social environment (Brown & Trevino, 2006; Kish-Gephart, Harrison, & Treviño, 2010). The uncertainty and lack of government regulation can lead to more risky decision-making and illegal activities intended to improve the financial performance. When performance targets are very difficult to, there is high pressure to increase productivity, there are strict competition for reward and progress, and organizations do not have strong cultural values and norms about ethical behaviour and the responsibility of individuals can encourage and support unethical behavior by leaders and members.

Research on the correlation of ethical leadership has shown a positive relationship between the dimensions of ethical leadership behavior and the various attitudes and behaviors of followers as consequences, such as commitment, satisfaction with leaders, trust in management,

job satisfaction, and OCB (Organizational Citizenship Behavior) or extra-role behavior (Brown, Treviño, & Harrison, 2005; De Hoogh & Den Hartog, 2009; Mayer et al., 2009). Although there is a positive correlation between the dimension of justice and the clarification of roles in ethical leadership, there is no positive correlation between the effectiveness of the top management team perceived and the division of power (De Hoogh and Den Hartog, 2008).

Not much research has been done to date that explicitly discusses the relationship between ethical leadership and effectiveness. However, honesty and integrity are highly effective leadership qualities for middle managers (Den Hartog et al., 1999). A positive correlation between interactive justice and performance was also obtained from the results of research, where fair treatment among individuals resembles the element of justice in the ethical behavior of leaders (Ayree, Budhwar, & Chen, 2002). Ethical leadership has a positive and significant impact on employee satisfaction. In other words, if job satisfaction is to be improved, leaders must behave ethically, build good relationships, and shift their focus to leadership (Pahrudin, Marina, & Agusinta, 2018).

Recent research concludes that ethical leadership is crucial to predicting services provided, job satisfaction, and labour turnover (Theriou, 2024). Ethical leadership can drive employee voices so that can be heard by management and support digital startup innovation. Digital startups prioritize employee opinions and desire to build better HRM functions so that employees can share ideas within the organization. Management responses to employee opinions are needed because digital startups see it as an important way to encourage innovative behaviour (Hosseini, 2023).

3. Conclusion: managerial implications

Gen Z is the generation that in the coming years will dominate the workforce in the company and ethical leadership irrespective of the choices of leadership styles carried out in the management of the company will affect the employees of the Gen Z in commitment, satisfaction to the leader, confidence in management, employment satisfaction, and extra-role behavior that exceeds the demands of their work (OCB: Organizational Citizenship Behavior) (Brown, Treviño, & Harrison, 2005; De Hoogh & Den Hartog, 2009; Mayer et al., 2009). It is therefore important for management to be able to present leaders with ethical leadership within their company in order to destroy the ethical culture to the company's goals.

When companies want leaders who behave ethically and use appreciation and punishment to ensure their subordinates behave in the same way, it is unlikely that employees behave unethically and have employment conflicts. This can be achieved through the recruitment of ethical leaders, the establishment of procedures that assess the moral development or integrity of managers as leaders and role models of ethics for their subordinates. Ethical leadership tends to bring follower confidence not only to superiors but also to organizations that in turn help managers to make employees more engaged.

One way to encourage ethical behaviour in organizations is by providing ethical training to managers about the kind of behaviours that ethical leaders demonstrate. Training can be provided in the form of workshops or other interactive and practical training models so that training participants can learn to practice and understand how to do, and can strengthen or activate the moral identity of leaders. By developing relevant training programmes and interventions within organizations to promote ethical leadership can drive the ethical intentions of leaders by changing their attitudes and beliefs of control over ethical behavior (Rahaman, Stouten, & Guo, 2019).

The use of signals in the corporate environment is another way to encourage ethical behavior to activate moral identity. This can be done by using posters, slogans, or material symbols that contain moral constructions and prominent concerns (Aquino & Freeman, 2009). Moral identity is very important to many people when defining themselves in society, because

most people want to see themselves generally well. Therefore, leaders and employees must be motivated to maintain their moral identity to avoid false identity. Leaders who have a high score in moral identity assessment are expected to behave in a way that matches their moral identities, including showing examples of ethical leadership (Mayer et al., 2012).

From a practical point of view, Gen Z judges effective leadership as being exemplary, understanding, and team-oriented. These three abilities are crucial to today's organizations. Corporate leaders must be able to adapt their leadership styles to encourage collaboration and autonomy. Therefore, it is suggested that intergenerational leaders should be able to communicate in acceptable languages and provide space for Gen Z to express themselves (Aguas, 2019).

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