The Ethical Dimension of Leadership: The Perception of Ethical Leadership by Employees in Hotel Business

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Introduction

An examination of research studies conducted recently in the field of business ethics shows that there is a considerable increase in the research concerning the ethical component of leadership. Different theories of leadership introduce different perspectives into the concept of ethics. Some aspects of these perspectives are congruent with ethical leadership while some of the aspects are not. Hence, firstly an evaluation of the perspective of different leadership styles concerning ethical management will be useful in that it helps ethical leadership to understand better. Therefore, the study lays emphasis on the correlations holding between transformational leadership, authentic leadership, spiritual leadership, charismatic leadership and Machiavellian Leadership and ethics and on the place of ethics in these styles of leadership. Even though these styles of leadership have ethic content, they do not place emphasis on the ethical aspect of leadership.

The leadership style which was established on the basis of the theory suggested by Brown et al (2005) is a new design concerning the ethical aspect of leadership. This design, which was formed in accordance with Mayer, Aquino, Greenbaum and Kuenzi (2012), accounts for three key points. The key points are: setting an ethical model to employees and to people, treating people justly, and displaying an actively moral management. The first two of them emphasise the moral personality component of ethical leadership whereas the last one forms the moral manangership dimension of ethical leadership.

This study analyses the ethical leadership as perceived by the employees working in the hotel establishments in the light of ethical leadership formed by Brown et al (2005).
Method

Purpose of the Study

This study aims to examine whether or not the ethical leadership perceptions differ on the basis of the employees’ individual properties as well as on the properties of the business organisation. In line with our purposes, the 10-item scale designed by Brown et al. (2005) was distributed to the employees working in the 5-star hotels located in Turkey, and the data collected were put to analysis. Despite the increasing interest in the ethical aspect of leadership especially after late 2000s in literature, the number of relevant studies in Turkey is still limited. Considering the fact that the practices of managers especially in hotels are highly determinant and guiding in the business organisation, the importance of the matter will be better understood. Setting out from this point, the hypotheses below are determined;

H₁: Significant differences are available between the ethical leadership perceptions of the employees in hotel business and gender.

H₂: Significant differences are available between the ethical leadership perceptions of the employees in hotel business and age.

H₃: Significant differences are available between the ethical leadership perceptions of the employees in hotel business and educational status.

H₄: Significant differences are available between the ethical leadership perceptions of the employees in hotel business and the department of employment.

H₅: Significant differences are available between the ethical leadership perceptions of the employees in hotel business and the length of working years in the sector.

H₆: Significant differences are available between the ethical leadership perceptions of the employees in hotel business and the length of working years in the business organisation.

H₇: Significant differences are available between the ethical leadership perceptions of the employees in hotel business and the ownership structure of the business.

H₈: Significant differences are available between the leadership perceptions of the employees in hotel business and the length of working years in the department.

Population and sample

The research population was composed of the staff employed in the 5-star hotels operating in Turkey. In line with the population considered, 1800 surveys were sent to the 5-star hotels operating in Turkey, 1035 of which were returned. 32 of the surveys were not appropriate for use. They were obtained from the 48 businesses operating in the 13 provinces of Turkey. The rate of feedback was 57.5%. The feedback is expected to be over 70-80% so that they could be interpreted effectively (Büyüköztürk, Çakmak, Akgün, Karadeniz and Demirel, 2009:136). Baş (2008:91) contends that the 50-60% of answering rate which may be attained via four correspondences for some of the surveys could be sufficient. In this current research, however, the rate was attained with one sending. This could also be considered adequate. The surveys were given in the period between December 24 2010 and July 07 2011, and they were collected again in this same period.
**Data Collection and Interpretation**

The survey technique was employed in the research as the tool of data collection. The survey forms were applied in the distribute-and-collect manner. The 10-item scale developed by Brown et al. (2005) was regarded as the best scale to measure ethical leadership, and was used in the research. The misunderstandings stemming from cultural differences were removed and thus the scale was adapted into Turkish use, and the validity, reliability work was performed by Tuna, Bircan and Yeşiltaş (2012). The scale contains the statements: (1) definitely disagree, (2) disagree, (3) neither disagree nor agree, (4) agree, (5) definitely agree.

**Results**

The ethical leadership perceptions of the employees working in hotels with regard to their superiors were analysed in this research. Consequently, it was found that the statement “the administrators in this hotel take the employees’ suggestions into consideration” voiced by the staff working in the 5-star hotels achieved the highest average \( \bar{X} = 3.72 \). This is important in that it demonstrates that the administrators in hotel business partly adopt the mentality of participatory management and that they consider their inferiors’ views. It was also found in this research that the participants gave responses above the average \( \bar{X} = 3.64 \) to the statement “sanction is applied to those violating the ethical standards”.

Trust and ethics are the concepts which are mutually related. They are integrated and inseparable (Van Den Akker, Heres, Lasthuizen and Six, 2009). The participants were found to agree with the statement “the administrators in this hotel are reliable people”. It was also found that the responses to the other statements were close to the level of “I agree”.

According to the test and ANOVA (one factor variance) test to see whether or not there were any significant differences between the employees’ perceptions of ethical leadership and their descriptive properties (age, gender, educational status, the department of employment, the length of working years in the sector, the length of working years in the organisation, the ownership structure of the business, the length of working years in the workplace, and the length of working years in the department), no significant differences were found between ethical leadership perceptions and gender, and between ethical leadership perceptions and the length of working years in the business organisation. Yet, significant differences were found to be available between ethical leadership perceptions and the other variables.

**Conclusions**

This research made an attempt at examining the ethical leadership as perceived by the employees working in the 5-star hotels in Turkey and determining whether or not their perceptions differed according to a number of variables. For that purpose the scale of ethical leadership which was designed by Brown et al. (2005) was used, and the perception of ethical leadership was analysed with the participation of 1003 employees.
On examining the responses given by hotel employees to the “Ethical Leadership Scale”, it may be said that the employees found their managers ethical in general. To the degree analysis of the ethical leadership perceptions on the basis of demographic properties, it was found that there were no significant differences in the variable of gender and of whether the hotel is seasonal or not. Following the evaluation in terms of these two variables, it may be said that there are similarities in the ethical leadership perceptions between the gender levels and the length of working years.

Significant differences were found between ethical leadership perceptions and age. It may be said that as the age rises, the perception also rises but that the drop in age led to the drop in the perception. Such a difference concerning the same administrators may also stem from the sense of ethics. Individuals’ level of education and even receiving or not receiving work ethics in the work life can be determinant in ethics perception. Thus, increasing ethics training among the hotel staff and spreading ethics within the organisation would be effective. Significant differences were found in the research between the department of employment and perception of ethical leadership. A close examination showed that the staff working in the security department had lower levels of ethical leadership perception. This may stem from the fact that security staff is usually not the hotel employees; they are hired from other sources. There were also significant differences between the ownership structure and ethical leadership. Hence, it was found that those working in international hotels had lower levels of ethical leadership perceptions. Moreover, significant differences were available between the length of working years in the department and in the sector and ethical leadership perceptions. In parallel to the length of working years, ethical leadership perception also increases.