Ethical Leadership and Followers’ Performance: The Mediation of Relational Identification

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**ABSTRACT**

This study investigated relational identification as a mediator in the relationship between ethical leadership and followers’ performance. Followers’ performance in the current study has been operationalized as the individual’s ability to be innovative, self-directed, and take personal initiatives. Various dimensions of employees’ performance have largely been studied but these aspects of individuals’ performance have rarely been explored except a few studies. The sample of this study consisted of employees working in various departments of State Life Insurance Corporation of Pakistan. Three hundred and fifty-two (352) properly filled responses were included in this study. Structural equation modeling techniques were applied for mediation analysis. The results showed that ethical leadership has a significant main and indirect effect on followers’ performance. The indirect effects were stronger than direct effects which shows the invaluable contribution of the mediator. Ethical leaders developed a sense of relational identification with their followers and in turn followers’ relational identification with their leaders showed improved performance in the workplace, showing that relational identification integrates like a bridge to the aforementioned relationship. The organizations should provide the environment to followers of ethical leaders in which dyads are likely to develop interpersonal relationships with each other and such bonding will ultimately lead to high performance of followers.

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Employees’ performance is the behavior on which a countless number of studies have been conducted. However, from interpersonal relations point of view, most of the studies have
measured performance behavior in general but there are a few studies that have focused on specific aspects of Followers’ Performance (FP). One such study was conducted by Walumbwa and Hartnell (2011). They measured the FP by integrating the three dimensions i.e., personal initiative, self-direction, and innovation. Taking inspiration from their work this study has also integrated these aspects of FP. Further, based on the traits of leaders, one such trait of a leader is his/ her ethical behavior. Academicians and practitioners have paid serious attention to promoting Ethical Leadership (EL) for reducing organizational business costs and developing innovation among the employees that can be helpful for both i.e., organization and the employee to meet the challenges and issues in a highly dynamic business environment (Awan & Tahir, 2015; Ishtiaq & Siddiqui, 2019; Walumbwa et al., 2011). According to Brown et al. (2005), EL refers to “the display of behaviors consistent with appropriate norms, which is visible through leader’s actions and relationships” (p. 120). Findings of past studies on EL (Halvorsen et al., 2023) have established that EL is instrumental in reducing organizational business costs by decreasing harmful and increasing useful employee behaviors at the workplace. For instance, EL showed a positive relationship with positive voice behaviors, psychological safety, and work engagement (Saddique et al., 2023) and FP (Walumbwa et al., 2011). These studies highlighted that EL is one of the strongest predictors of follower’s behaviors; although relatively less is known about the underlying psychological processes (Ishtiaq & Siddiqui, 2019; Walumbwa et al., 2011). Several studies have shown that EL has a significant impact on followers’ job performance (Walumbwa et al., 2011) and some studies have also been conducted, explaining underlying processes through which EL influences FP (Halvorsen et al., 2023; Saddique et al., 2023; Walumbwa et al., 2011). Based on RI theory (Sluss & Ashforth, 2007), we intend to extend the scarcely investigated underlying mediating mechanisms between EL and FP through RI which refers to “the extent to which one defines oneself in terms of given role-relationship” (Sluss & Ashforth, 2007, p. 15). Here, it is very important to differentiate between the relational identity and the RI. The concept of relational identity is related to having a clear sense of the relationship such as a subordinate is well aware about the relationship between him/ her and his/ her supervisor and the vis-a’ -vis. Individual are connected in a of social system through such identities. Further, such identities between both individuals can be roles based (i.e., supervisor gives instructions according to job description and subordinate performs such activities as per his/ her role (i.e., job description) and person based (i.e., moral values such as honestly, fair). But the concept of the RI refers to the extent to which an individual internalize that identity as the concept of self. RI is the process of giving meaning to the relationship. An individual may resist to that identity which may result in low RI (Sluss & Ashforth, 2007). In RI process an individual extends his/ her self to adopt the qualities of others. However, in case of negative relationship such as an abusive supervisor and his/ her follower can ultimately lead to unhealthy outcomes. But focusing on the positive aspects of such a relationship, RI looks very crucial because of regular interaction between supervisory leaders (ethical leaders) and their followers (employees). It should play a very crucial mediating role (Sluss & Ashforth, 2008; Young, 2006). In an organizational setting, ethical leaders shape followers’ identity in such a way that through value internalization followers tend to identify themselves to their leaders (Shamir et al., 1993). Young (2006) argued that RI can be more important than organizational relationships (organizational identification), because of regular interaction, especially for supervisory leaders and their psychologically closer relationship than
organization relationships. Therefore, we choose to test empirically only RI as an underlying mediating mechanism because it has rarely been tested. Thus, incorporating RI theory (Sluss & Ashforth, 2007), it has been argued that identification-based motivation process focuses on followers’ RI with ethical leaders, and being in an interpersonal relationship (i.e., RI) with their ethical leader, the subordinates’ try to fulfill the role obligations by displaying the behavior which results in their high performance in the workplace. This study has focused on the employees of State Life Insurance Corporation of Pakistan because it is the largest insurance company in Pakistan (Ishtiaq & Siddiqui, 2019). It plays a very vital role in the economy by providing employment opportunities to thousands of people but performing jobs in insurance companies is becoming challenging (Awan & Tahir, 2015). Insurance companies are categorized into the service sector, therefore, the performance of these companies ultimately depends on the performance of their employees (Awan & Tahir, 2015). Providing a conducive work environment can play a vital role in enhancing the performance of these employees (Awan & Tahir, 2015). This study will be helpful for insurance companies in Pakistan to understand the role of EL in enhancing the performance of employees through RI. Thus, this study tends to contribute by investigating RI as mediator in the relationship between EL and FP.

**Theoretical Framework and Hypotheses**

The role of EL in the organizational context has widely been recognized in several studies. Ethical leaders are exceptionally essential for organizations because they enable followers to show desired behaviors and act as role models within the organization (Mugenda & Mugenda, 2003). SET (Blau, 1964) is the theory that highlights the role of obligations, and reciprocation which are induced by the interaction, help, and support among the individuals in the workplace. Building premises on this theory, it has been argued that ethical leaders treat ethically and give respect to their followers, in turn, they reciprocate by showing positive work behaviors. Social exchange theory defines how people build relationships and how they distribute power in those relationships. When employees do care and feel an affiliation with the leader or attachment to their organization, in turn, employees will be likely to incorporate their goals and values and make efforts (i.e. personal initiative) to accomplish these goals (Richtel, 2010). Ethical leaders treat their followers fairly, grant their rights, provide support, and protect them, and in turn, followers feel responsible for work (Walumbwa et al., 2011) which will increase employees' helping and initiative behaviors (Helou, 2012). Through interpersonal relationships with ethical leaders, the followers improve not only their own performance but benefit the organization as well through involvement in different performance activities such as taking initiatives (Walumbwa et al., 2009). Based on these performance activities, following, the conceptualization from the work of Walumbwa and Hartnell (2011), FP in the current study has been operationalized as the individual’s ability to be innovative, self-directed, and take personal initiatives. These performance behaviors are essential and can contribute to organizational effectiveness to a great extent (Walumbwa & Hartnell, 2011; Yidong & Xinxin, 2013). While various dimensions of employee performance have largely been studied these aspects of individuals’ performance have rarely been explored. Only a few studies have investigated employees’ innovative work behaviors (Yidong & Xinxin, 2013); and initiative aspects of performance (Bono & Judge, 2003). Thus, taking these aspects of FP, the first premise has been developed;
H1: Ethical leadership is positively associated with followers’ performance.

Organizational research has shown a profound curiosity about how individuals bond and identify themselves with numerous referents (the leader) in organizational life (Sluss & Ashforth, 2008). Several studies have investigated how individual identifies with a group (Walther, 2008) occupation (Walther, 2015) organization (Riketta, 2005), and work relationships (Olkkonen & Lipponen, 2006) but they have usually investigated work relationships (e.g. coworker-coworker) in social exchange perspective, whereas identity-based relational components have largely been ignored (Sluss & Ashforth, 2008). Based on RI theory (Sluss & Ashforth, 2007), we argue that the followers of ethical leaders are involved in interpersonal relationships with their leader. Due to the ethical acts of a leader, the followers strongly identify himself/herself with their leader (Halvorsen et al., 2023). The role of RI becomes pivotal as, the actions and decisions of leaders can ignite the process of RI to occur (Young, 2006). But apart from these positive aspects of interpersonal relationships, it should be noted that the RI process is based on an individual’s evaluation of the role relationship. An individual evaluates based on another individual’s role (i.e., assigning tasks, providing feedback) and personal qualities (i.e., empathy, sense of humor). A high level of RI provides opportunities for followers that enhance their knowledge, and followers obtain new skills and learn from their leaders (i.e. ethical leaders, and transformational leaders (Walumbwa et al., 2011). RI enhances a range of benefits such as cooperation, loyalty, and empathy that lead to quick information sharing and trust (Van Knippenberg, 2000). RI is a strong psychological relational state that raises cooperation, empathy, liking, and in-role and extra-role performance (Ashforth & Sluss, 2006; Olkkonen & Lipponen, 2006). Further, based on RI theory, we presume that being in an interpersonal relationship (i.e., RI) with their ethical leader, the subordinates try to fulfill the role obligations by displaying behavior that results in their high performance in the workplace. The leadership identity approach emphasizes mechanisms through which the leader appeals self-concept of followers in the motivation and performance process, and interprets one level of identity (Griffin, 2000). EL develops an ethical identity that leads to the affection of followers’ attitudes and work-related behaviors (Kaplan & Haenlein, 2010). An ethical leader influences followers’ beliefs and their self-concepts and followers replicate the desired behaviors of ethical leaders by adopting trust, integrity, and shared values of ethical leaders that integrate their identity (Halvorsen et al., 2023). Ethical leaders treat ethically and give respect to their followers, in turn, they reciprocate by showing positive work behaviors (Mugenda & Mugenda, 2003). Leaders’ ethical behavior influences followers to develop an ethical identity that leads to the affection of followers’ attitudes and work-related behaviors (Kaplan & Haenlein, 2010). Supervisors and subordinates are complementary to each other (Sluss & Ashforth, 2007). Based on RI theory (Sluss & Ashforth, 2007), we presume that the subordinate binds themselves in a role relationship with their leader/ supervisor and they often see their self-concept through the lens of their leader (Lord et al., 1999), and being an ethical leader, the leader develops a relationship with his/ her subordinates based on the ethical norms which are very much visible in his/ her relationship with his/ her subordinate. Therefore, the leader’s ultimate objectives are converted into the subordinate’s objectives. Leaders often evaluate their subordinates based on their task performance (Sluss & Ashforth, 2008) which is assigned to subordinates in their job descriptions. Therefore, in order to continue the relational
identity-based role relationship with their leader, a subordinate tries their best to achieve the tasks that are assigned to them to fulfill the role relationship obligations. Thus, we propose that;

**H2**: Relational identification mediates the positive relationship between ethical leadership and followers’ performance

**Method**

**Sample**

Employees working in various departments of the State Life Insurance Corporation of Pakistan are selected as samples because this is the only public sector insurance corporation in our country and is considered the most reliable and trusted for insurance policies (Ishtiaq & Siddiqui, 2019). Employees’ performance influenced by their ethical leaders can play a vital role in trust-based organizations because ethical leaders enable followers to show desired behaviors according to norms and values and act as role models within the organization (Mugenda & Mugenda, 2003). Therefore, it could be interesting to investigate the performance of the followers of ethical leaders in the context of insurance companies. They offer a variety of policies for individuals and their families as well i.e., Jevan Sathi, whole life, shad abad, child protection, and many more. It has a network of offices located all over Pakistan. This study has collected data from the office as well as field employees located in Sukkur (a district of the Sindh province of Pakistan) zone offices. A total of around 500 questionnaires were distributed among the employees working in sub-zonal offices, sector offices, and area offices working under the Sukkur zonal offices. The authors personally visited the respondents and explained the questionnaire to the respondents to avoid biases and finally, 352 properly filled responses were included. Unfortunately, we were unable to find information regarding the total number of population and therefore we had to apply the non-probability convenient sampling method. The response rate was around 70.4%. Overall, 98% of respondents were male and 2% were female. 21% of the employees had an experience of 1 to 3 years, and 66% of the employees had an experience of above 3 years to 6 years. 12% of the employees had an experience of above 6 years to 9 years. Only 01% of the employees had an experience of above 9 years. The age of 02% of the respondent was 25 years or less, the age of 18% of the respondent was 26 to 30, the age of 32% of the respondent was 31 to 35, the age of 20% of the respondent was 36 to 40, the age of 18% of the respondent was 41 to 45, and the age of 10% of the respondent was 45 years or above. Regarding the education level, 53% of the respondents had 14 years degree and 47% had 16 years degree. In the first wave, data were collected for EL measure from the followers. In the second wave, data were collected from the followers for RI and FP measures.

**Measures**

A five-point Likert type of scale was used to measure all the variables. We used the 10-item scale of Brown et al. (2005) to measure EL. The scale had reliability of .96. The scale has frequently been used in several studies (Walumbwa et al., 2011; Young, 2006). A 10-item scale of RI and a 12-item scale of FP developed by Walumbwa and Hartnell (2011) were used. They measured the FP by integrating the three dimensions. Four items scales of personal initiative,
self-direction, and innovation were adopted from the studies of Bono and Jude (2003); Helou (2012); and Welbourne et al. (1998) respectively. The FP scale had a reliability of .96.

**Analysis Techniques**

According to Rucker et al. (2011), to derive the mediation, the effect of the independent variable (IV) should be significant on the mediator and further, the effect of the mediator should also be significant on the dependent variable (DV). It is not a necessary condition that either the total or direct effect of IV is significant on DV. There can be mediation even if the total or direct effects are insignificant. These effects are also called indirect effects. These effects answer the question of what or how the IV affects DV through some intervening variable called the mediator. Further, they have argued that words like full or partial mediation should not be used. If you say that there is full mediation then you are closing the search for any other mediator between the IV and DV. Conclusively, they have advocated looking for the significance and size of indirect effect to derive the sense of mediation results.

**Results**

Initially, data screening tests were performed i.e., missing and aberrant values, multivariate outliers, homoscedasticity, and multicollinearity. Further, mean results showed that followers perceived their leaders as ethical; they perceived RI and their performance. As presented in Table 1, EL was positively correlated to FP ($r = .76; p < .01$) and RI ($r = .82; p < .01$). RI was also positively correlated to FP ($r = .79; p < .01$). Controls didn’t show any significant correlation with either the mediating i.e., RI or dependent i.e., FP variable.

<table>
<thead>
<tr>
<th>1</th>
<th>Gender</th>
<th>NA</th>
<th>........</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Education</td>
<td>1.47</td>
<td>.50</td>
<td>.11*</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>Age</td>
<td>3.64</td>
<td>1.28</td>
<td>-1.7*</td>
<td>.22**</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4</td>
<td>Experience</td>
<td>1.95</td>
<td>.63</td>
<td>-1.07</td>
<td>.29**</td>
<td>.39**</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>Ethical Leadership</td>
<td>3.84</td>
<td>.97</td>
<td>.04</td>
<td>-.03</td>
<td>.02</td>
<td>-.01*</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>6</td>
<td>Relational Identification</td>
<td>3.71</td>
<td>.90</td>
<td>.06</td>
<td>-.05</td>
<td>-.01</td>
<td>-.00</td>
<td>.82**</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>7</td>
<td>Followers’ Performance</td>
<td>3.79</td>
<td>1.01</td>
<td>.04</td>
<td>-.05</td>
<td>-.01</td>
<td>-.02</td>
<td>.76**</td>
<td>.79**</td>
<td>1</td>
</tr>
</tbody>
</table>

Note. *N = 352, NA = Not Applicable, * $p < .05; ** p < .01

To check the model fit, a Confirmatory Factor Analysis (CFA) was performed. In the initial CFA, our model could not be specified as shown in Table 2.

<table>
<thead>
<tr>
<th>Model Fit</th>
<th>$\chi^2$</th>
<th>Df</th>
<th>$\chi^2$/Df</th>
<th>RMSEA</th>
<th>IFI</th>
<th>TLI</th>
<th>CFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model Fit</td>
<td>2206.34</td>
<td>461</td>
<td>4.78</td>
<td>.10</td>
<td>.87</td>
<td>.86</td>
<td>.87</td>
</tr>
</tbody>
</table>

Note. RMESA = “Root Mean Square Error of Approximation”, IFI= “Incremental Fit Index”, TLI = “Tucker-Lewis Index”, CFI = “Comparative Fit Index”.

Further, an item of a variable (i.e., FP) with low factor loadings (i.e., .367) was removed, and error terms of a construct with stand-apart large modification indices were added to specify the model. These stand apart large modification indices are the main source of misspecification of the model (Byrne, 2013). Therefore, two error modifications were added to the items of the FP variable and five error modifications were added to the items of RI. There were no stand-apart large modification indices in the EL variable. As presented in Table 3, the model is fit.
Table 3
Summary of Model Fit (Model 1)

<table>
<thead>
<tr>
<th>Model Fit</th>
<th>$\chi^2$</th>
<th>Df</th>
<th>$\chi^2/df$</th>
<th>RMSEA</th>
<th>IFI</th>
<th>TLI</th>
<th>CFI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1481.775</td>
<td>424</td>
<td>3.49</td>
<td>.08</td>
<td>.92</td>
<td>.91</td>
<td>.92</td>
</tr>
</tbody>
</table>

Following the CFA, we checked the Composite Reliability (CR) and validity (i.e., convergent and discriminant). According to Hair et al. (2010), convergent validity is established when Average Variance Extracted (AVE) ≥.50; A value ≥ .70 shows CR and discriminant validity is established when Maximum Shared Squared Variance (MSV) and Average Shared Squared Variance (ASV) is less than AVE (see Table 4).

Table 4
Reliability and Validity

<table>
<thead>
<tr>
<th>Variable</th>
<th>CR</th>
<th>AVE</th>
<th>MSV</th>
<th>ASV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Leadership</td>
<td>.96</td>
<td>.70</td>
<td>.69</td>
<td>.61</td>
</tr>
<tr>
<td>Relational Identification</td>
<td>.97</td>
<td>.78</td>
<td>.70</td>
<td>.70</td>
</tr>
<tr>
<td>Followers’ Performance</td>
<td>.96</td>
<td>.69</td>
<td>.63</td>
<td>.58</td>
</tr>
</tbody>
</table>

Biases are very common in research and these can provide either the inflated or deflated interpretation of the relationships (Podsakoff et al., 2003). Therefore, it’s very important to have a check on them. They have proposed many solutions such as one of the most common analytical way out is to check through Harman single factor test. According to this test, either a single factor will emerge or will account for a major amount of covariance among the variables. We performed this test through CFA and results showed that one factor did not account for a significant amount of variance further, the model fit indices were also well below the acceptable level. Therefore, we may presume that CMV was not a big deal in our results.

Further, the Structural Regression (SR) model was run to check the fit of our hypothesized model (see Table 5). As can be observed from the correlations of control variables with either the mediator or dependent variable were insignificant and inclusions of such insignificant effects are likely to hamper the fit of our model. Therefore, these were excluded from the further analysis.

Table 5
Summary of Structural Regression (SR) Model Fit (Model 2)

<table>
<thead>
<tr>
<th>Model Fit</th>
<th>$\chi^2$</th>
<th>Df</th>
<th>$\chi^2/df$</th>
<th>RMSEA</th>
<th>IFI</th>
<th>TLI</th>
<th>CFI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1482.82</td>
<td>425</td>
<td>3.48</td>
<td>.08</td>
<td>.92</td>
<td>.91</td>
<td>.92</td>
</tr>
</tbody>
</table>

Further, regarding the proposed hypotheses, the results of the SR model, as presented in Table 6, showed a significant Total ($B = .78, p < .05$) and direct ($B = .23, p < .05$) effect of EL on FP. The indirect effect through the mediation of RI was also significant ($B = .55, SE = .08, CI95% [.41; .70]$). The indirect effects were more than the double direct effects which shows the invaluable contribution of the mediator. Therefore, H1 and H2 were supported.

Table 6
Mediating Effect of RI on the Relationship between EL and FP

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>S.E</th>
<th>Lower</th>
<th>Upper</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Effect</td>
<td>.78</td>
<td>.07</td>
<td>.65</td>
<td>.89</td>
<td>.00</td>
</tr>
<tr>
<td>Direct Effect</td>
<td>.23</td>
<td>.11</td>
<td>.05</td>
<td>.42</td>
<td>.03</td>
</tr>
<tr>
<td>Indirect Effect</td>
<td>.55</td>
<td>.08</td>
<td>.41</td>
<td>.70</td>
<td>.00</td>
</tr>
</tbody>
</table>

Note: Biased Corrected 95% Confidence Intervals with 5000 bootstrap were used; S.E = Standard Error; N = 352
Discussion
Based on SET (Blau, 1964), this study proposed and found that EL positively influences the FP which highlights the unique role of EL in empowering the FP. These results are consistent with several studies, investigating EL as a predictor of FP (Halvorsen et al., 2023; Udin, 2024; Walumbwa et al., 2011). This study has validated the aforementioned relationship in the context of the employees of an insurance company. Further, the results showed the significant mediating role of RI in the relationship between EL and FP as proposed. These results are consistent with the RI theory (Sluss & Ashforth, 2007) on the basis of which we proposed that the followers of ethical leaders are involved in interpersonal relationships with their leader and being in an interpersonal relationship (i.e., RI) with their ethical leader, the subordinates’ try to fulfill the role obligations by displaying the behavior which results in their high performance in the workplace. Organizational identification (Walumbwa et al., 2011) and many other mediators have been established as missing links in the relationship between EL and FP (Halvorsen et al., 2023; Saddique et al., 2023). As aforementioned RI can be more important than organizational relationships (organizational identification), because of regular interaction, especially for supervisory leaders and their psychologically closer relationships than organizational relationships (Young, 2006). Therefore, this study has extended these past mediational studies by establishing RI as a mediator in the relationship between EL and RI. Our results showed that RI integrates like a bridge to the aforementioned relationship. This bridging role looks crucial as the indirect effects were stronger than the direct effects.

Conclusion
By incorporating the RI theory (Sluss & Ashforth, 2007), we predicted the role of ethical leaders in shaping the RI of their followers, and in turn the followers bound in RI with their leaders reciprocated the improved performance behavior in the workplace. Ethical leaders create a social exchange relationship with their followers to improve their performance by shaping their relational identities. Further, following, the conceptualization from the work of Walumbwa and Hartnell (2011), FP in the current study has been operationalized as the set of several performance activities of employees that have rarely been explored. This study highlights the role of interpersonal relations at work and how EL contributes to forming the RI of followers. Although, there are many traits of leaders EL is unique in the sense that it guides their followers through moral values. Therefore, organizations should provide an environment to followers of ethical leaders in which dyads are likely to develop interpersonal relationships with each other, and such bonding can persuade employees to be relationally identified with their leaders and make his/ her goals their own goals which ultimately leads to high performance of followers. Overall, the contribution of this study is to establish RI as the missing link and such psychological bonding can be crucial in the workplace for the FP. This study has implications for the insurance companies in Pakistan to understand the role of EL in enhancing the performance of employees through RI.

Limitations and Future Research Directions
This study has collected data from the office as well as field employees located in Sukkur (a district of the Sindh province of Pakistan) zone offices only but it has a network of offices located all over Pakistan. Therefore, the use of longitudinal data with samples from various
other offices can provide more fruitful insights. In order to reduce the bias, the data can be collected in dyads, i.e., data for FP can be collected from their respective supervisor and similarly, data for EL can be collected from the followers. Due to the display of positive actions and behavior of an ethical leader in a given role relationship, we presumed that ethical leaders will develop RI with their subordinates but that is not always the case. There are many styles of leadership (i.e., authoritative) in which a subordinate may not be able to evaluate their leader positively based on his/her role and personal qualities and which may result in other forms of RI such as relational disidentification or ambivalent identification (Sluss & Ashforth, 2007). Therefore, a study with other forms of leadership and identification is recommended. It can be very interesting to test a serial mediation model in which relational identity mediates at step one and RI at step two in the current model. Further, several other outcomes can be incorporated such as employees’ ethical conduct at work, leader’s performance, and employees’ psychological capital (hope, optimism, self-efficacy, and resiliency).

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