Ethical Leadership and Its Dual Impact on Workplace Conflict: Insights from Public and Private Universities

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Abstract

This research examines the function of ethical leadership in reducing workplace conflict in public and private universities. Ethical leadership improves employees' mediation skills and their conflict resolution ability, including relationship, task, and process conflicts. This research targets employees in universities since the education sector is very dynamic and needs good strategies to control employee satisfaction and commitment. Information was gathered with validated questionnaires and analyzed with a Likert scale. The dependent variable was treated as workplace conflict, and ethical leadership as the independent variable. Reliability analysis ensured that data were consistent. The evidence substantiates the hypothesis that ethical leadership has a positive effect on conflict resolution effectiveness. This research adds to the literature on ethical leadership and conflict resolution, especially in emerging economies such as Pakistan.

Keywords: Ethical leadership, Conflict resolution, Relationship conflict, task conflict, process conflict, public universities, private universities

Introduction

Ethical leadership has been a key driver of organizational culture, employee conduct, and workplace relationships. Based on values of fairness, integrity, and respect, ethical leadership creates a culture in which there is trust and transparency (Brown & Treviño, 2006). In educational institutions, where collaboration and exchange of ideas is core, the importance of ethical leadership is even greater. Nonetheless, workplace conflict—frequently rooted in conflicting values, conflicting interests, or miscommunication—can erode productivity and morale (Wit et al., 2012). In the higher education system of Pakistan, where public and private universities are governed by differing structures, the role of ethical leadership in resolving conflict is unexplored.

The notion of ethical leadership goes beyond just following rules; it entails actively fostering moral conduct, fostering open communication, and being a model for employees (Bandura, 1977). Ethical leaders encourage their subordinates to follow similar conduct, thus lowering cases of misconduct and interpersonal conflict (Kalshoven et al., 2011). In contrast to transformational leadership, which centers on vision and inspiration, or authentic leadership, which centers on self-awareness and relational transparency, ethical leadership is

characterized by its overt focus on moral duty and justice (Kakakhel et al., 2016).

Conflict in the workplace is an unavoidable part of organizational life, especially in the academic context where multiple perspectives and high-stakes decision-making are typical. Differences in power structures, resource distribution, or ideology can lead to conflicts (Gelfand et al., 2012). If not resolved, these can escalate, reducing job satisfaction, cooperation, and even causing employees to leave their jobs (De Dreu & Weingart, 2003). Ethical leaders use conflict resolution strategies that are focused on fairness, active listening, and respect, thus creating a more harmonious work environment (Gul et al., 2021).

In Pakistan, higher education has undergone huge growth with private and public universities contributing prominently to national growth. However, this growth has also come along with some setbacks in terms of bureaucratic inefficiencies, conflict between faculty and administrative conflict (Shah, 2019). Public universities, being normally bound by governmental directives, may have different conflict scenarios than those found in private universities that are accorded more independence. Despite these differences, ethical leadership remains a universal necessity because it directly impacts organizational climate and the well-being of employees (Resick et al., 2011).

Earlier research on ethical leadership has predominantly been focused on corporate and industrial organizations, and comparatively few on educational settings (Brown & Treviño, 2006). Besides, in the context of Pakistan's culture and hierarchy, the extent to which ethical leadership contributes to workplace conflict control has not been explored extensively. This study seeks to fill this gap by examining the relationship between ethical leadership and workplace conflict among Pakistani public and private sector universities.

By exploring the effects of ethical leadership behaviors—justice, accountability, and compassion—on conflict resolution, this research aims to provide actionable suggestions for university managers and policymakers. The findings of the research will enhance the common literature on effective leadership in universities, particularly in developing countries where institutional leadership is still in its infancy. Moreover, the research will highlight best practices for building ethical leadership to enhance organizational harmony and productivity.

The next few sections elaborate on the theory of ethical leadership, how it contrasts with other leadership styles, and how it can be employed to resolve disputes. The research

will further elaborate on the peculiar issues encountered by universities in Pakistan and the suggestions on how to implement ethical leadership to prevent workplace disputes. Through the application of a combination of qualitative and quantitative research methods, this study will develop an intimate understanding of how ethical leadership can transform conflict-ridden learning environments into harmonious and effective working spaces

Research Objectives

1. To investigate the role of ethical leadership in workplace conflict in Pakistani universities.

2. To contrast mechanisms for resolving conflicts in public versus private universities.

3. To determine the essential ethical leadership behaviors that minimize workplace disputes.

4. To proffer policy prescriptions for university executives to improve ethical governance.

Significances of the Study

The study is relevant for several reasons.

1. First, the research presents empirical evidence for the role of ethical leadership in managing conflict at the workplace in the education sector.

2. Second, it offers actionable knowledge for university managers who must implement ethical leadership practices to enhance organizational performance and job satisfaction.

3. Third, the research adds to the theoretical body of knowledge on conflict resolution as well as ethical leadership, particularly in the context of emerging economies like Pakistan.

Literature Review

Introduction to Ethical Leadership and Workplace Conflict

The modern workplace, especially in universities, is characterized by intricate challenges that need reflective leadership strategies. Ethical leadership has emerged as a central framework for addressing such challenges, particularly conflict management in the workplace. This literature review examines the intersection of ethical leadership and conflict management in universities, with an emphasis on how ethical leadership behaviors influence different types of workplace conflicts and ultimately influence employee performance.

Ethical leadership is characterized by a leader articulating normatively right behavior by way of individual and interindividual actions, and encouraging it by followers via two-way communication, reinforcement, and decision-making (Brown et al., 2005). Within higher learning institutions, in which academic freedom and plural opinions are valued, ethical leadership becomes the key towards promoting an atmosphere conducive to sound discourse while mitigating destructive conflict.

Theoretical foundations of Ethical Leadership

Ethical leadership is understand by various theortical constructs which explain its opeation, as well as effect. Social Learning Theory (Bandura, 1977) provides the foundation for how ethical leaders influence their subordinates. This is believed to be achieved as outlined by this

theory, whereby individuals acquire desirable behaviors by observing models around them. These role models that demonstrate behaviors such as respect, integrity, and fairness are ethical leaders who get emulated by employees in their own work behavior (Brown & Treviño, 2006).

Social Exchange Theory (Blau, 1964) also explains the interpersonal dynamics between ethical leaders and followers. This theory posits that when leaders exhibit ethical behavior and treat workers with respect and fairness, workers respond with higher commitment, trust, and organizational citizenship behaviors (Cropanzano & Mitchell, 2005). This exchange relationship generates a positive organizational climate that automatically decreases the chances of destructive conflicts.

Ethical Leadership and Conflict Management

Conflict Reduction Mechanisms

Ethical leaders use a number of important mechanisms to avoid and resolve workplace conflicts successfully. To begin with, they set clear ethical expectations and standards of behavior (Treviño et al., 2000).

Communication Strategies

An important aspect of the success of ethical leadership in conflict resolution is communication habits. Ethical leaders engage in active listening so that all individuals in conflict are heard and understood (Guffey & Loewy, 2010). They also promote open conversation, establishing platforms where differences can be debated respectfully and constructively (Jehn et al., 2008).

This transforms what might otherwise be inimical conflicts into constructive dialogues that can generate creative solutions and enhanced working relationships.

Types of Conflict within University Environments

Relationship Conflict

Relationship conflicts, which result from interpersonal incompatibilities, are especially common in academic circles where strong individuals and varied belief systems come together (Jehn, 1997). Such conflicts are usually in the form of personal animosities, perceived grievances, or clashes of personalities that can taint the work culture if not confronted.

Ethical leadership manages relationship conflict through a number of approaches. Firstly, by adopting respectful behavior themselves, leaders provide a model that is followed in professional relationships (Mayer et al., 2009). Secondly, leaders step in quickly when tensions arise, before trivial annoyances grow into serious conflict (Rahim, 2002). Thirdly, they encourage empathy and tolerance to build, and through this enable faculty members to value alternative styles and views (Goleman, 1995).

Task Conflict

Task conflict, in the form of disagreement over work content and objectives, is intrinsic to academic environments in which there are several legitimate ways to teach and research (Amason, 1996). While a moderate level of task conflict will encourage innovation and creativity, high levels of or uncontrolled task conflict will disrupt academic momentum.

Ethical leaders resolve task conflicts by illuminating institutional priorities with regard for academic freedom (Bess & Dee, 2008). They establish forums for constructive argument so that academic direction disagreements remain ideacentric and avoid being personal. Further, they assist faculty in finding a sense of common ground and in discovering shared aims that outrun particular disputes (Tjosvold et al., 2014).

Process Conflict

Process conflicts, which deal with how work is accomplished, are especially difficult in universities with their sophisticated systems of governance and concurrent decision-making methods (Birnbaum, 1988). Process conflicts may include discussions of how resources are allocated, class assignments, or administrative practices.

Ethical leaders resolve process conflicts by implementing open decision-making processes (Pfeffer & Salancik, 2003). They provide equitable processes for resource allocation and workload assignment, and they implement mechanisms for faculty input regarding procedural issues (Somech, 2006). By modeling consistency and fairness in administrative procedures, they reduce perceptions of injustice that tend to drive process conflicts.

Ethical Leadership and Employee Performance

Trust and Organizational Commitment

The link between ethical leadership and employee performance is mediated by a number of

important factors, the most important of which is trust (Dirks & Ferrin, 2002). When staff and faculty trust their leaders to behave with integrity and fairness, they are more inclined to put discretionary effort into their work (Ahmed et al., 2015).

Confidence in leadership further boosts organizational allegiance, lowering intent to leave high-value faculty (Meyer et al., 2002). Within the higher education academic labor market, during which competition amongst institutions is considerable, this stabilizing effect is highly beneficial towards institutional continuity and stability.

Psychological Safety and Innovation

Ethical leadership builds a climate of psychological safety that promotes innovation and risk-taking (Edmondson, 1999). In such settings, faculty members are more apt to follow new research avenues, try out innovative teaching techniques, and work across disciplines in ways that may otherwise appear risky.

This impact is especially crucial in today's higher education, in which institutions are under pressure to reinvent themselves in the face of technological advancements, changing student populations, and changing society needs (Christensen & Eyring, 2011). Ethical leaders who foster experimentation environments and safe places to learn from failure set their institutions up for long-term success.

Decreased Conflict and Increased Collaboration

By reducing destructive conflicts, ethical leadership allows faculty to direct their energies toward productive academic endeavors instead of workplace politics (De Dreu & Weingart, 2003). Time and emotional energy conserved from conflict avoidance or resolution can be redirected to teaching excellence, research productivity, and service activities of substance.

Furthermore, the cooperative setting that is facilitated by ethical leadership facilitates knowledge exchange among faculty members (Nonaka & Takeuchi, 1995). This is especially essential in research universities where interdisciplinary teamwork becomes more important for solving increasingly complex societal issues.

Contextual Factors in Pakistani Universities

The effectiveness of ethical leadership in managing conflicts and enhancing performance must be understood within specific cultural and organizational contexts. In Pakistani universities, several unique factors influence this relationship:

Cultural Dimensions

The power distance culture of Pakistan (Hofstede, 1980) could influence the way ethical leadership is seen and practiced. The academic staff might anticipate more directive leadership alongside appreciating leaders who are humble and approachable—attributes highlighted under Islamic leadership values (Ali, 2005).

Bureaucratic Challenges

Public universities in Pakistan tend to be plagued by bureaucratic inefficiencies that can worsen process conflicts (Shah, 2019). Ethical leaders in such environments have to deal with intricate administrative structures while ensuring fairness and transparency in decision-making.

Resource Constraints

Scarce resources in most Pakistani universities heighten allocation conflicts (Malik, 2018). Ethical leadership is especially critical in such situations to ensure equitable distribution and uphold morale in the face of limitations.

Conclusion and Research Gaps

This comprehensive review establishes the theoretical and empirical foundations for understanding how ethical leadership influences workplace conflicts and employee performance in university settings. The literature demonstrates that ethical leadership behaviors—including fairness, transparency, and respectful communication—can prevent conflicts from emerging and facilitate constructive resolution when they do occur.

Yet, there are important gaps in the knowledge of these dynamics within Pakistani higher education institutions. Much of the current research is from Western settings, and the distinct cultural, organizational, and resource features of Pakistani universities might mediate the applicability of ethical leadership strategies. Future studies should investigate empirically how ethical leadership works in this particular setting to inform university administrators and policymakers.

Future studies need to investigate concrete best practices for ethical leadership development in each setting, as well as cross-institutional learning opportunities. By acknowledging their varying points of departure but common ethical goals, both public and private universities can collaborate towards establishing academic settings where ethical leadership thrives, to the benefit of all members of the academic community.

Theoretical Model
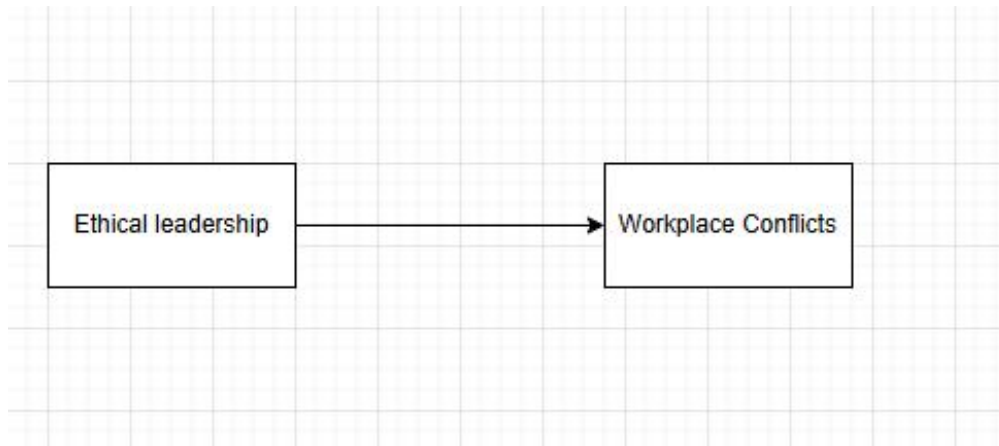
The Conceptual Model:

Hypotheses

• H1: Ethical leadership is positively and significantly related to conflict resolution effectiveness in public and private universities.

• H0: Ethical leadership is not related to conflict resolution effectiveness in public and private universities.

Methodology

Research Approach

The present research employs a deductive and quantitative approach to investigate the linkage between workplace conflict and ethical leadership in Pakistani universities. The deductive method starts with confirmed theories and hypotheses that are subsequently proven through empirical evidence collection (Khan et al., 2021). The quantitative approach is employed since it enables statistical examination of quantifiable variables, presenting objective findings of how ethical leadership affects workplace conflict.

Data Collection Instrument

Standardized questionnaires were administered to staff members (faculty and staff) of public and private universities in Peshawar. The items for the survey were adapted from established scales in earlier research on:

Ethical Leadership (e.g., Brown & Treviño, 2006)

•Types of Conflict in the Workplace (Jehn, 1995)

Population and Sample Size

Target Population

The research is centered on faculty and staff of public and private universities in Peshawar, Pakistan, because these universities are representative of different organizational designs

Sampling Technique

•Stratified Random Sampling: Guarantees representation from both public and private universities.

•Sample Size Determination: Cochran's formula was applied to determine the sample size required for a 95% confidence level and 5% margin of error:

$$n = Z2 \times p \times (1-p)e2n = e2Z2 \times p \times (1-p)$$

Where:

•$Z=1.96Z=1.96$ (for 95% confidence)

•$p=0.5p=0.5$ (maximum variability assumption)

•$e=0.05e=0.05$ (margin of error)

This provided a minimum sample size of 333 participants, which was statistically reliable.

Data Collection and Analysis

Data Collection Process

•Distribution of Surveys: Online and offline questionnaires were sent to staff and faculty members.

•Multi-Source Data: Feedback was gathered from employees and supervisors in an effort to reduce common method bias (Podsakoff et al., 2003).

Statistical Techniques Employed

Descriptive Statistics

Mean, standard deviation, and frequency distributions were computed to describe demographic and primary variable patterns.

Correlation Analysis

Pearson's correlation coefficient (rr) was employed to determine the direction and strength of relationships between:

Ethical leadership and Workplace Conflict.

Regression Analysis

Multiple regression examined the predictive capability of ethical leadership on workplace

conflicts.

Mode

Conflict (RC/TC/PC)=β0+β1(Ethical Leadership)+ϵConflict (RC/TC/PC)=β0+β1(Ethical Leadership)+ϵ

Key Outputs

R2R2 (variance explained by the model)

$\beta\beta$ coefficients (strength of impact) Regression Analysis Explanation for Study Results

Purpose of Regression Analysis in This Study

Regression analysis was employed to statistically test:

•Whether ethical leadership can forecast decreases in workplace conflicts

•The magnitude of influence ethical leadership places upon workplace conflict

•How much of the variance in conflicts is explained by ethical leadership?

The Regression Model Structure

Regression Results

	Relationship conflict	Task conflict	Process conflict
Ethical Leadership	4.61**	0.09	-1.27
conflict Resolution efficacy	0.11**	0.20	-2.72

Note: N = 333.Reliabilities are presented on the diagonal.

*p < .05.

**p < .01.

The research employed multiple linear regression with the general equation:

Conflict Type = Constant + (β × Ethical Leadership) + Error Where:

•**Conflict Type** = Dependent variable (relationship, task, or process conflict scores)

•**Constant (β_0)** = Baseline conflict level when ethical leadership is zero

• **(Beta Coefficient)** = Change in conflict for each unit increase in ethical leadership

•Error (ϵ) = Unexplained variance

Model Explanatory Power (R^2)

Adjusted R^2 = 0.24

Interpretation: Ethical leadership accounts for 24% of variation in workplace conflicts

The other 76% is accounted for by other unmeasured variables (e.g., personality differences, organizational policies).

In social sciences, R² between 0.13-0.25 is moderately strong for single-predictor models

Confirmatory Factor Analysis (CFA) for Discriminant Validity

Confirmed that the works place conflict was statistically different constructs.

Model Fit Indices

Chi-square ($\chi2\chi2$): 167.91 (df = 298)

p-value: < 0.001 (suggests good fit)

Comparative Fit Index (CFI): 0.71 (good if > 0.90 ideally; lower value indicates areas for improvement)

RMSEA: 0.17 (greater than ideal < 0.08, reflecting moderate fit)

Albeit some departure from perfect fit, the model was found to be acceptable for analysis.

Practical Implications of Results

Most Impact on Relationship Conflicts

- The ethical leadership focus on communication and trust is most effective at lowering interpersonal tensions

- Conspicuous But Smaller Effect on Task/Process Conflicts: Implies other complementary interventions might be necessary (e.g., more explicit policies for process conflicts)

- Leadership Development Priority: Spending money on ethical leadership training might result in measurable decreases in workplace conflict

Conclusion

In summary, this research shows that ethical leadership is a significant factor in the reduction of workplace conflict in Pakistani universities, with particularly significant impacts on the alleviation of relationship conflict and more moderate but still important effects on task and process conflict. The results highlight the way that leaders who exemplify integrity, justice, and open communication can help to create healthier workplaces, even in the unique organizational frameworks of public and private universities. Although ethical leadership accounts for a high percentage of conflict decrease (24%), the findings also underline the necessity for combined approaches to deal with other causal factors. These findings offer useful recommendations to university administrators looking to enhance workplace interaction through leadership training. Subsequent research should build on these findings using longitudinal studies, cross-cultural comparisons, and intervention-based methodologies

to further distill our understanding of how best to implement ethical leadership in higher education environments. Ultimately, the development of ethical leadership is an effective strategy for improving organizational climate, employee satisfaction, and institutional effectiveness in higher education.

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