Chapter 9

The Relationship Between Ethical Leadership and Innovative Work Behaviour: Role of Appreciative Inquiry

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ABSTRACT

Innovative work behaviour forms an important origin for obtaining competitive advantage, and its development gives a commanding challenge being faced by several organizations. In this chapter, the positive impact of ethical leadership at individual and collective levels is proposed to positively impact IWB by employing the theory of decomposed planned behavior. The authors present that appreciative inquiry plays an important role in development of EL, which leads to fairness, power sharing, role clarification, people orientation, integrity, ethical guidance, and concern for sustainability, which strengthens an individual’s positive job attitudes, subjective norms, and perceived behavioral controls by affecting the underlying behavioral, normative, and control beliefs. In putting forward a holistic and multi-level framework linking EL (at individual and collective levels) with IWB, this chapter contributes to both positive attitudes and EL literatures. At the end, the authors discuss the theoretical and pragmatic implications of the proposed model.

INTRODUCTION

Recent past provides plethora of cases of unethical practices carried out by various firms. There has been an increase in the significance connected to corporate social responsibilities and ethics in business due to which it has become essential for leaders to act ethically more than ever. As a result, EL has become
an area of interest for both academicians and practitioners in the past decade. One question that is frequently inquired by managers, students, and the general public at large is that how leaders can become ethical and what impact does this kind of leadership has on the behavior of the followers?

In the existing literature a huge number of scholars have enquired both theoretically and empirically into its impact on the work attitudes and behaviour of employees’ and established that EL was an effectual predictor of organizational commitment, IWB, job satisfaction and organizational citizenship behavior (Brown et al. 2005, Brown and Treviño2006) however the relationship of EL on employee outcomes still remains unexplored. EL has been presented as a unique leadership construct previously (Brown et al., 2005), but till date only few empirical studies have investigated the association between EL and positive job outcomes, the construct being relatively new. The role of AI in building ethical leaders is unexplored. Empirical investigation on EL is in its emerging stage, still a number of notable questions remain unanswered. This research bedrocks on - What are the components of EL and how does it relate to important employee behaviours? Brown and Treviño (2006b) put forward it as a boulevard of future research. In light of the above, the main impetus of this research is to throw light on how AI would assist in building EL and put forward how EL relates to IWB.

In this paper the focus is on the various aspects affecting IWB by suggesting a linkage between EL (at two levels- individual and organizational) and intentions to innovate. The article is put forward in the following way-The first section deals with the important literature on EL and IWB highlighting components of EL and differentiating it with other forms of leadership. Followed by explanation of the role of AI in building EL. The next part delineates the Decomposed Theory of Planned Behavior as the rationale for exploration of the relationship between EL and intentions to innovate. Later on, a set of propositions have been framed based on conceptual framework. The end section denotes a compendium of the key contributions, arguments and a discussion.

RESEARCH GAPS

In particular, this study examines two research gaps: the first gap is that EL as a potential predictor has received very little attention; there is need to highlight its components as well as how AI acts as a catalyst in making leaders ethical, second very little emphasis has been placed on examining the relationship of EL on IWB. To this end, we may need an integrated approach, wherein AI, EL and IWB are part of. The study endeavors to bridge these gaps by proposing a model, employing the theory of decomposed of decomposed planned behavior where both EL and IWB are considered.

OBJECTIVES

- The objectives of the paper subsume providing components of the construct of EL,
- Second objective is to describe the role of AI in building Ethical Leaders,
- Third is to describe an ethical leader’s personality also differentiating it from other forms of leadership.
- Lastly to present a model showcasing the positive impact of EL (at individual and collective levels) on the intent to innovate by using the theory of decomposed planned behavior as basis.