

A Study on the Impact of Ethical Leadership on Employee Motivation to Engage in CSR Program

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ABSTRACT

Corporate Social Responsibility (CSR) is not just a trend but it is meaningful in building trust and making an impact in the world. However, CSR only works if employees are engaged and committed to CSR programming. This study looked at how ethical leadership encourages employees to proactively engage around CSR. Ethical leaders by their behaviors of fairness, honesty and the willingness to be transparent, serve as role models of the culture of the organization and embolden employees to connect their own personal values with the organization's social mission.

Using observations from 113 employees in various industries, we demonstrated a strong positive relationship between ethical leadership and employee engagement, specifically interest and participation in CSR activities. When ethical leaders showed consistent ethical behavior (or commitment to high ethical standards), employees said they felt more motivated and engaged on social issues. Which is evidence that value-based leadership adheres to the premise that it strengthens employee morale and heightens the chance of CSR initiative successes.

This research advances the existing knowledge of CSR and leadership, as well as will provide practical recommendations to organizations that want to leverage their influence.

Organizations that develop ethical leaders will create a setting in which regular establishment employees will have both, the motivation and capacity to change positively within the organization and outside.

Key Words: Ethical Leadership, Employee Motivation, Employee Engagement, Corporate Social Responsibility (CSR)

1. Introduction

In recent years we have witnessed a change in corporate responsibility. CSR is now defined not necessarily as optional activity, but as essential to strategy. Businesses are coming to realize the long-term viability of their business is associated with their social contribution and environmental impact. Moreover, it is clear that it is not enough to have CSR programs, employees' active participation in these programs is foundational to their success.

Ethical leadership has made substantial contributions to the way employees think and behave. Leaders with strong values become leaders that can guide and influence how their employees think and assess their own integrity, fairness and ethical responsibilities for participating on behalf of something greater than themselves. This research is about how ethical leadership nurtures employee motivation and participation in CSR.

The study aims to address a key question: In what ways does ethical leadership influence employees' readiness to participate in CSR activities? By examining this connection research also provides useful guidance for organizations who strive to integrate social responsibility into their core culture.

2. Objectives

1. To examine the influence of ethical leadership on employee motivation to participate in CSR programs.
2. To identify key drivers of employee involvement in CSR under ethical leadership.
3. To assess how ethical leadership aids employees to align values with organizational CSR.
4. To examine the wider influence of ethical leadership on employee experiences and organizational culture.

3. Literature Review

Research into ethical leadership and CSR has gathered pace in recent years and several authors have examined the interplay of these two things in different cultural and industrial contexts.

Rodrigo (2024) observed that ethical leaders pay close attention to fairness, transparency and integrity in their leadership styles. Ethical leaders also foster organizational environments that favor CSR. The study conducted by Rodrigo (2024) of Peruvian companies that reported movements toward socially conscious business practices indicated that CSR programs will flourish in the presence of ethical leaders.

Gallego (2024) examined the relationship among organizational climate, ethical leadership and CSR. Gallego (2024) established that organizations which promote ethical leaders are in a better position to nurture relationships between employer and employee, thereby developing engagement in CSR and improving

organizational outcomes.

Bajpai et al (2024) conducted a systematic review of over 300 studies published in peer-reviewed journals and highlighted how ethical leadership influences job performance. When employees are led by ethical leaders, they tend to be better performers and are more engaged in company sponsored initiatives.

Elaqassa (2024) demonstrated that ethical leadership has a direct influence on CSR through the mediation of employee motivation. In multi-national contexts for example, operating the U.S. and Nigeria, cultural importance further defines this relationship.

According to Zhu and Zhao (2024), an extensive review of the literature surrounding ethical leadership and its role in values-based corporate social responsibility (CSR) was conducted. Moreover, they proposed that ethical leadership would be necessary to cope with the ethical dilemmas of the present while promoting a culture of sustainability within organizations.

In summary, these studies support the argument that ethical leadership has a direct impact on CSR engagement. Employees who view their leaders as both ethical and transparent are much more likely to take up the socially responsible vision of the organization.

4. Methodology

This study utilized a mixed-method approach in terms of data collection which included both quantifiable data, as well as qualitative data. The data was also collected from structured questionnaires and semi-structured interviews.

Sampling Method: A stratified random sampling method was used in this study to ensure responses were gathered from employees that represented all cases across different industries, roles and sizes of organizations. By utilizing this method, a wider and balanced understanding could be gathered from one sample.

Sample Size: A total of 113 employees participated in this study. Participants were selected utilizing both probability and non-probability sampling (e.g., convenience sampling and snowball sampling), in order to represent diversity.

Data Collection Tools:

- The survey was closed and scale based to establish perceptions of ethical leadership and its link to CSR.
- In depth semi-structured interviews were completed to gain a deeper understanding into the perspectives that were not able to be examined in the questionnaire form.

Hypotheses Tested:

H1: Ethical leadership is positively associated with employee motivation to participate in CSR.

H2: Employees under ethical leaders demonstrate greater awareness and commitment to CSR than those under less ethical leaders.

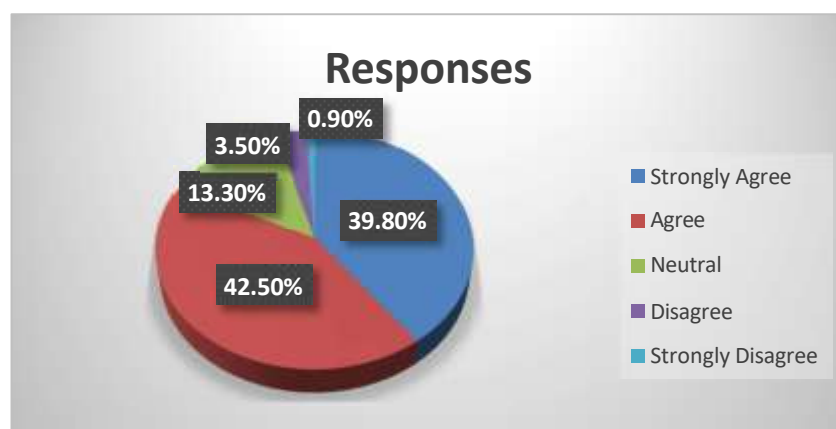
H3: Perceived ethical behaviour enhances employees' sense of organizational responsibility.

H4: Trust in leadership mediates the relationship between leadership style and CSR motivation.

H5: The influence of ethical leadership is stronger in organizations with an ethical work culture.

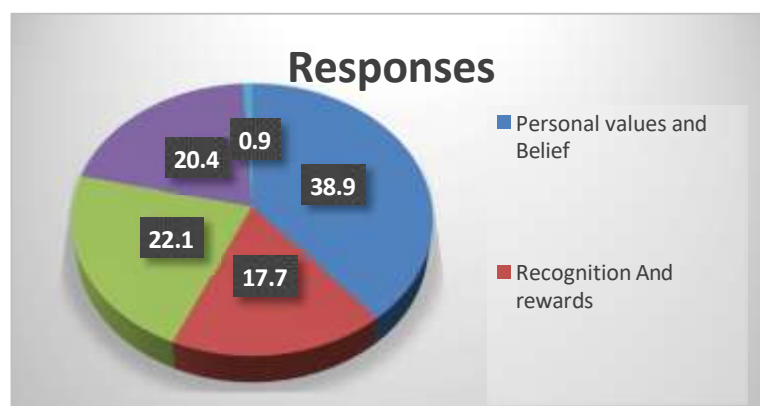
5. Data Collection and Analysis

1. Ethical leadership fosters a work environment that attracts employees to be more engaged in CSR initiatives.



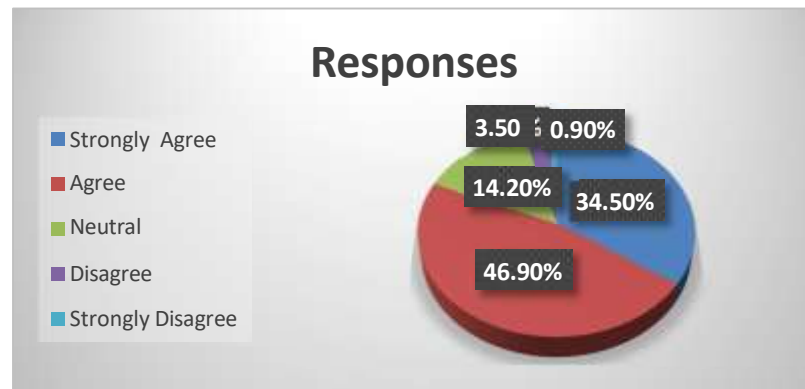
Survey respondents were asked if they believed ethical leadership contributes to a positive work environment that attracts resilient CSR engagement, 42.5% indicated that they agreed and 39.8% indicated that they strongly agreed. Only 4.4% disagreed with the idea, giving high evidence to support the idea that we can relate ethical leadership to CSR engagement of employees.

2. What drives you the most to become engaged in CSR program?



Surveying participants disclosed that personal values and beliefs (38.9%) was the greatest driver of CSR participation, 22.1% stated their leaders drove them, 20.4% of participants indicated career development opportunities being their number one driver and 17.7% of participants identified being recognized or rewarded for engagement. Only 0.9% cited organizational CSR culture alone as a motivator.

3. Organization provides enough resources and time for employee participation in CSR activities.



46.9% of respondents agreed and 34.5% of respondents strongly agreed that their organization provides adequate time and resources to support CSR activities.

Demographic Insights

Most respondents were the age of 25 or younger and had less than a year of working experience. This suggests that younger generation is more influenced by ethical leadership and CSR opportunities.

6. Key Findings

- Almost 85% of participants felt that ethical leadership positively impacts CSR.
- 83.3% felt a motivation to engage in CSR, partially because of personal values, but also through the actions of leaders.
- 81.4% confirmed that their organizations provide enough resources to conduct CSR activities.

The findings provide strong support for the hypotheses and demonstrate the positive role of ethical leadership with regards to the alignment of organization and personal values, to ultimately encourage CSR engagement.

The executives foster an environment of respect and commitment to moral values. This creates the climate in which staff can uphold their employment obligations as well as the CSR values they are committed to and be involved in or promote CSR activities for the benefit of the company's overall efficacy, team cohesiveness and its reception among the public.

7. Suggestions

1. Investing in leadership training will help managers to demonstrate transparency, fairness and accountability.
2. Recognition and reward employees' contributions to CSR.
3. Make CSR values part of the organization's mission statement and communicate it to employees often.

4. Design CSR activities that reflect employees' interests and personal beliefs.
5. Enable CSR activities during work hours to help encourage participation.

8. Conclusion

The work discusses the impact of ethical leadership in enhancing employees' motivation to engage in socially responsible behaviour. Organizations with ethical leadership develop trust and commitment with employees and encourage an environment in which employees relate to the company's social ideals on a personal basis.

9. References

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