The Relation between Ethical Leadership and Workplace Conflicts: The Mediating Role of Employee Resolution Efficacy

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ABSTRACT

Drawing on social learning theory (SLT), this research examined the role of ethical leadership in conflict situations. Specifically, ethical leadership was predicted to build employees’ resolution efficacy and subsequently increase employees’ ability to deal with conflict situations in the workplace (i.e., relationship, task, and process conflict). A multi-source study in Europe and a two-wave design study in Africa showed support for our mediation model. These findings expand and unite existing theory on conflict and ethical leadership.

Keywords: ethical leadership; resolution efficacy; relationship conflict; task conflict; process conflict
THE RELATION BETWEEN ETHICAL LEADERSHIP AND WORKPLACE CONFLICTS: THE MEDIATING ROLE OF EMPLOYEE RESOLUTION EFFICACY

Ethical leaders value trust and respect in their interactions with employees, and they communicate what is appropriate behavior. Ethical leadership is especially important because respectful and valued behavior in the workplace is central for the willingness and ability of employees to cooperate and avoid escalating conflicts (Gelfand, Leslie, Keller, & De Dreu, 2012). A type of behavior that is a continuous challenge for organizations to sustain respect and collaboration is workplace conflict—the interactive social process arising from tensions between two or more people due to actual or perceived differences in ideas or values (Wall & Callister, 1995; see also Jehn, 1997 on conflict types in the workplace). Because of divergent interests and values, conflict often creates dissatisfaction and hinders employees’ willingness to work together (De Wit et al., 2012). Lee Chaden, former senior vice president of HR for the Sara Lee Corporation, stresses the important role leaders who signal values have in workplace conflicts: “If the leader is confrontational, divisive, and plays individuals against one another...that modus operandi is going to permeate the organization. If, on the other hand, the leader sets a tone of collaboration and makes it clear that that’s his value system, it will become the value system of the whole organization.” —(Guttman, 2004: 49).

Indeed, in creating a value system where employees can respect each other’s ideas or values and effectively work with one another, ethical leaders provide employees with moral guidance by being ethical role models in the workplace (see ethical leadership; Brown & Treviño, 2006). Although ethical leadership has received much attention over the last decade, previous studies have mainly focused on its impact on direct (un)ethical outcomes (Mayer et al.,
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2009; Schaubroeck et al., 2012), while devoting less attention to how such leaders can set the tone for managing challenges inherent in the workplace, such as the different types of conflict employees may be confronted with. Recent evidence (Mayer, Aquino, Greenbaum, & Kuenzi, 2012) has suggested that ethical leadership – even when controlling for other dominant leadership approaches (e.g., transformational leadership) – is uniquely negatively related to unit-level relationship conflict (RC; conflict related to personal issues)—one of the three conflict types. However, it is unclear whether ethical leadership also may play an integral role in task conflict (TC; conflict regarding ideas or opinions concerning specific tasks) and process conflict (PC; conflict regarding the process of how tasks are performed), two other important conflict concepts. Even though PC has been shown to be equally dysfunctional as RC, TC in particular has been argued to have milder negative consequences for employees (compared to PC or RC) and sometimes even having positive implications (De Wit et al., 2012). A careful examination of the three types of conflict in relation to ethical leadership is therefore warranted. Moreover, the theoretical process underlying the unique relation between ethical leadership and conflict is yet to be tested. Shedding light on this process is important to better understand how ethical leaders actually disarm conflict in order to enable practitioners to effectively manage conflicts and foster cooperative behaviors in the workplace.

To address this theoretically and practically relevant research issue, our primary goal was to extend this promising line of research by using social learning theory (SLT; Bandura, 1977, 1986) as an overarching theoretical framework that integrates the ethical leadership and conflict literatures in order to examine the connection between ethical leadership and the three types of conflict (relationship, task, and process conflict). SLT suggests that subordinates learn appropriate ways to behave from modeling the behavior of attractive role models (Bandura,
1977, 1986). Hence, by observing and emulating the positive interpersonal behavior of ethical leaders (such as, respectful treatment of others, listening and valuing others’ ideas…), we argue that employees learn appropriate ways to manage workplace conflicts. Specifically, we draw on SLT to propose that ethical leaders are motivated to discourage potential interpersonally harmful workplace conflicts through building employees’ efficacy towards establishing common interests and qualitative social relationships with one another (Gini, 1997).

Within the SLT framework in which ethical leadership is rooted, an important mechanism through which ethical leaders influence behavioral outcomes is by boosting employees’ cognitive resources—especially their efficacy beliefs (Brown et al., 2005; Huang & Paterson, in press; Schaubroeck et al., 2012). Indeed, through observing ethical leaders’ behavior employees’ self efficacy is enhanced. Employees’ self-efficacy is essential as it provides the necessary cognitive resources in dealing with difficult circumstances and predicting successful attainment of desired outcomes (Bandura and Locke, 2003). A promising application of efficacy embedded in social learning theory lies in the conflict domain is resolution efficacy, which refers to employees’ belief in the ability to resolve or deal with conflict issues (Alper, Tjosvold, & Law, 2000; Jehn et al., 2008). Grounded in SLT, we propose that ethical leadership provides exemplary moral guidance and encourage employees to interact with coworkers in a respectable manner and build a trustful work environment so to become capable in reconciling different interests and develop employees’ efficacy in resolving conflict—resolution efficacy—which, in turn, reduces individuals’ experience or engagement in conflict (relationship, task, and process conflict). George Mitchell, who was an envoy in the Northern Ireland peace negotiations, indeed argues that building efficacy in how people can deal with conflict requires effort and discipline to get them to listen and consider what the other side has to say. And in order to do so, he states:
“What authority you have is derived largely from the respect and trust you’re able to generate. I did the best I could by being open and fair” (Beard, 2015). This illustrates how leaders who value respectful and trustworthy workplaces can instill employees’ efficacy in resolving conflict so that the experience of a conflict situation is reduced.

By developing and testing a theoretical model connecting ethical leadership to workplace conflicts (see Figure 1), our study offers at least three central contributions to the literature. First, in contrast to past research focusing on the consequences of conflicts for employees, we adapt insights from the SLT framework of ethical leadership (Bandura, 1977, 1986; Brown et al., 2005) to the domain of the conflict literature; to examine how ethical leadership might help deal with the three conflict types that have been proposed in the literature (i.e., relationship, task, and process conflict). In doing so, we extend and add to the limited research stream that focuses on the unique relationship between ethical leadership and conflict. Second, we offer a theoretical framework for understanding the underlying psychological process through which ethical leadership relates to workplace conflicts. By identifying resolution efficacy, our research not only provides new insights into previously unexamined antecedents or mitigating factors of different conflict types—ethical leadership—but also tests for the underlying mechanism involved. Moreover, we also respond to recent call for researchers to devote more attention to this connection (Walumbwa & Schaubroeck, 2009). Third, past research on ethical leadership has focused mainly on Western and Eastern countries (i.e., US, Europe, and Asia) and—at least to our knowledge—has not been carried out in an African context. Walumbwa, Avolio, and
Aryee (2011) noted that Africa provides a unique setting to extend ethical leadership research, considering the influx of both Western and Eastern corporations in African countries. As such, to enable us generalize our findings and examine the general applicability of ethical leadership, we test our hypothesized model in two studies using different populations (i.e., Europe and Africa), methodologies (multi-source and two-wave field studies), and unique samples of employees working in diverse sectors.

In sum, drawing on SLT, we contend that ethical leadership, by building employees’ resolution efficacy, will negatively relate to conflict irrespective of whether it is relationship, task or process conflict. Specifically, for the mixed findings in the literature regarding task conflict, this offers an intriguing question—Why would ethical leaders discourage task conflict as well? Especially, if it would bring potential advantageous outcomes, such as enhanced creativity (Farh, Lee, & Farh, 2010). Given that ethical leaders wish to safeguard the moral ground and encourage values of being respected and valued, from a SLT perspective, ethical leaders do not only role model appropriate behaviors by valuing other’s ideas or values, being fair, showing care for others, and being trustworthy, but also encourage moral workplace behaviors and encourage employees to refrain from interpersonally harmful behaviors (Brown, Treviño, & Harrison, 2005). Indeed, each of the conflict types contains an inherent risk for potential harm. TC signals criticism and negative feedback in which one’s idea or opinion is deemed wrong and threatens one’s view of self-competence. Further, PC reflects a debate on the execution of tasks that often is seen as belittling and disrespectful (Meier, Gross, Spector, & Semmer, 2013), and RC is inherently harmful since it targets an individual’s identity and personality (Jehn, 1997). Based on this, ethical leaders will be motivated to uphold the morale and discourage potential conflict behaviors (regardless of whether it is task, process or
relational). In what follows, we discuss how ethical leadership relates to helping employees deal with workplace conflicts and the precise mechanism underlying the relation of ethical leadership and relationship, task, and process conflict. We then report results from two field studies and their implications for both theory and practice.

THEORETICAL FRAMEWORK AND HYPOTHESES

Ethical Leadership

Brown et al. (2005) defined ethical leadership as “the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making” (p. 120). Ethical leaders, through their personal and professional lifestyle, set a vivid example to employees and morally guide them to refrain from interpersonally harmful behaviors and instead encourage employees to display desirable and normatively appropriate behaviors; making use of their social power to advocate the best interest of others as well as their organization (cf. Brown & Trevino, 2006). Previous empirical research has shown that ethical leadership is distinct from other related leadership constructs (such as, authentic and transformational leadership), as it specifically focuses on the leader’s own moral behavior and the communication and encouragement of ethical behavior (Kalshoven et al., 2011; Mayer et al., 2012).

As outlined by social learning theory (SLT; Bandura, 1977, 1986), ethical leaders encourage moral behaviors in the work environment through role modeling appropriate behaviors. Brown and Treviño (2006) have drawn upon SLT to explain that employees look for attractive and credible role models from whom they derive what is appropriate and expected in terms of workplace behaviors and subsequently adopt these behaviors in their own job and
interaction with coworkers. Through modeling or vicarious learning, employees become more confident not only in their abilities to act in an ethical manner but also in resolving challenges that may arise in their social interaction with others. We argue that through ethical leadership leaders act as role models for how to deal with conflict and stimulate employees’ efficacy of how to successfully manage conflicts, that is, resolution efficacy. We will now turn to this in more detail below.

Resolution efficacy refers to the belief that one has the capabilities to resolve conflict issues (Alper et al., 2000; Jehn et al., 2008). Resolution efficacy is based on Bandura’s concept of self-efficacy—that is, an individual’s belief in his or her capabilities to obtain desired outcomes. Brown et al. (2005) draw upon Bandura’s (1977; 1986; 1997) SLT to highlight how such capabilities regarding efficacy beliefs can be developed, in part, through modeling or vicarious experience and enactive attainment. In the present study, we specifically expect that ethical leadership relate to employees’ resolution efficacy through direct modeling (vicarious experience) of behaviors that enhance resolution of conflicts. Ethical leaders proactively communicate the importance of demonstrating care and support for others and working cooperatively to ensure employee and organizational wellbeing (Brown et al., 2005; De Cremer & van Knippenberg, 2003). Because such leaders are regarded by others as genuine and trustworthy in interpersonal relationships (Trevino et al., 2003) – attributes that allow others to feel safe in expressing their ideas and voicing potential differences of opinion (Walumbwa & Schaubroeck, 2009) – they nurture norms on how to work cooperatively with others and encourage their employees to model similar behaviors towards their coworkers. SLT suggests that ethical leaders’ behavior can indeed trickle down to employees (Mayer et al., 2009; Schaubroeck et al., 2012). As a result, employees are motivated to emulate ethical leaders and as
a result are encouraged to approach conflicting interest more constructively. That is, employees are encouraged to value and respect others’ opinion, actively listen to others’ ideas and act in a considerate and appropriate way. Because ethical leaders actively stimulate employees to engage in valued behavior, employees are reinforced and rewarded for doing so, they nurture employees’ resolution efficacy. Indeed, research has shown that skills such as listening and considering each other’s ideas are the basis for developing higher resolution efficacy (e.g., Tjosvold, Wong, & Chen, 2014). Moreover, SLT clarifies conditions for modeling behaviors. That is, to learn or model appropriate behaviors, employees must find their leader a credible, attractive, and legitimate role model (which is the case for an ethical leader; Brown et al., 2005). Through ethical leaders’ explicit communication and emphasis on moral workplace behavior (e.g., encouraging the development of quality social relationships by caring for others and building trustworthy work environment), they encourage employees’ resolution efficacy not only because such leaders listen, value and consider other’s ideas but are also seen as legitimate role models who demonstrate expected moral behaviors.

Drawing on SLT, ethical leadership not only positively relates to resolution efficacy because they role model appropriate and valued behavior (Bandura, 1977; Brown et al., 2005), but ethical leaders also enhance employees’ resolution efficacy by allowing them to learn from social processes rather than mere attainment of goals. This is because such leaders define success not only in terms of results, but also by the processes involved in attaining results. In support, Weingart and Jehn (2000) argued that modeling and enactive attainment are particularly relevant for developing resolution efficacy. As such, ethical leaders are well equipped to enhance employees’ resolution efficacy in the work environment. Because ethical leaders encourage employees to act in a valued manner, are seen as caring about employees’ best interests, and
desire to help them reach their potential (cf. Brown & Treviño, 2006), they ensure that employees have successful enactive attainment or mastery, which enhances resolution efficacy. More specifically, when employees perceive that leaders are genuinely interested in them (e.g., by demonstrating appropriate behaviors, acting in their best interest, and asking “what is the right thing to do” when making decisions), employees are likely to treasure such learning processes because ethical leaders make them co-responsible for the achievement of corporate goals (Gini, 1997). Moreover, because ethical leaders role model valued behavior and encourage employees to always ask “what is the right thing to do”, employees experience a heightened sense of awareness about the moral consequences of their acts, triggering them to find resolutions. In other words, by witnessing and observing ethical leaders’ role modeling behaviors and their effort to help employees master appropriate behaviors as described above, employees gain mastery in going about their daily duties and social interactions with others. Thus, develop efficacy beliefs regarding their capability to engage in behaviors that stimulate resolution of potential conflicts in the workplace. Therefore, we predict a positive relationship between ethical leadership and employee resolution efficacy.

*Hypothesis 1*: Ethical leadership is positively related to employee resolution efficacy.

**Resolution Efficacy and Workplace Conflict**

According to Bandura (1997), efficacy beliefs refer to individuals’ estimation of their capability to organize and execute actions required to attain desired behavioral outcomes and manage prospective situations. Capturing these efficacy beliefs has proven to be successful and beneficial in attaining several domain-specific behaviors (e.g., leadership efficacy, Hannah et al., 2008; voice efficacy, Huang & Paterson, in press; creative efficacy, Tierney & Farmer, 2002; task related efficacy, Walumbwa et al., 2011). Consistent with the distinction made between
generalized self-efficacy and task-specific efficacy (Chen, Gully, & Eden, 2001), resolution efficacy is a specific form of efficacy targeted at conflict resolution. We propose that employee resolution efficacy negatively relates to experiences of conflict in the workplace. Employees of ethical leaders are better equipped with relevant skills to handle conflict and to consciously self-regulate their behaviors in social interactions with coworkers. Indeed, skills such as listening and considering each other’s ideas are the basis of resolution efficacy and are especially helpful in constructively handling conflict (Tjosvold et al., 2014). Moreover, Bandura (1997; 2000) posits that individuals high in efficacy beliefs are more likely to successfully face challenges or manage difficulties while working with others. As such, employees with increased resolution efficacy are therefore more likely to effectively manage different types of workplace conflict, including relationship, task, and process conflicts. Relationship conflict refers to disagreements that result from personal incompatibilities about individual beliefs, values, or clashes in personalities (Jehn, 1997). In contrast, task conflict refers to disagreements resulting from disparity in ideas or opinions concerning specific tasks being performed. For example, conflicts about procedures and the distribution of resources. Lastly, process conflict refers to disagreements about how tasks are approached or carried out and its general process (Jehn, 1997).

Research shows that these three types of conflict can have detrimental effects on employee wellbeing and organizational effectiveness, although to varying degrees (De Wit et al., 2012). Empirical studies have shown that relationship conflict is negatively related to employee performance and satisfaction (e.g., Jehn & Mannix, 2001). Given that relationship conflicts draw attention to the person, it hampers interpersonal relationships, reduce overall satisfaction, and one’s ability to focus on work tasks (Jehn, 1995; De Dreu & Weingart, 2003). Research has also consistently found that process conflict negatively influences employee performance and
satisfaction (Greer & Jehn, 2007; Jehn & Mannix, 2001; Vodosek, 2005), because, like relationship conflict, process conflict creates tensions among employees. Specifically, individuals may experience frustration and possible attacks on their self-worth from disputes regarding the distribution of workload and responsibilities (cf. Greer & Jehn, 2007; Jehn & Bendersky, 2003). In contrast, there have been debates as to whether task conflict is beneficial or not. While initial findings suggest that task conflict may have beneficial outcomes because it gives room for diverse opinions and enhances quality decision-making (De Dreu & Van de Vliert, 1997; Jehn, 1995; Matsuo, 2006), findings of two recent meta-analyses suggests that, even though task conflict is less detrimental compared to relational or process conflict, task conflict can equally lead to negative emotions and make employees less satisfied with their coworkers and work (for a review, see De Dreu & Weingart, 2003; De Wit et al., 2012). Moreover, task conflict quite often turns into a discussion on personal issues and thus can quickly amount to personal conflicts (De Dreu & Weingart, 2003; Simon & Peterson, 2000).

In line with Bandura’s (1997, 2000) assertion, a growing number of studies suggest that resolution efficacy is negatively related to conflicts among employees. For example, Weingart and Jehn (2000) argued that resolution efficacy reduces the level of conflict experienced in the workplace because, by attaining mastery and learning from experience, employees can figure out exact ways to best work with each other and manage interpersonal conflicts related to relationship, task, and processes. Below, we make in detail specific arguments for resolution efficacy and each of the different conflict types.

**Resolution Efficacy and Relationship Conflict**

Bandura (1997) argued that efficacy beliefs play an important role in achieving desired ends. With regards to conflict, an employees’ efficacy beliefs in resolving conflict therefore
serves as a cognitive resource and motivation required to attain a reduced level of interpersonal strive with coworkers. That is, with enhanced resolution efficacy, employees convert judgments and intentions about effectively resolving disagreements into concrete moral ends, which negatively relates to relationship conflict as it manifest through gossip, threats and intimidation, raising voices and expressing hostility toward others (Yang & Mossholder, 2004). Because of the trust, respect, and open communication associated with resolution efficacy (Greer, Jehn, & Mannix, 2008; Simon & Peterson, 2000), employees should therefore be less inclined towards relationship conflict. In other words, employees with the belief that they possess adequate capabilities in resolving conflict should be motivated to set aside their personal differences and find effective ways to engage with coworkers, which reduces the extent to which there is relationship conflict.

In line with the above argument, Jehn et al. (2008) indeed found that individuals with such cognitive skills in resolving conflict are more respectful of their coworkers. Hence, employees who display high resolution efficacy will refrain from engaging in relationship conflict as it signals lack of respect and threatens the maintenance of successful interpersonal relationships (De Dreu & Gelfand, 2008). Thus, we expect the following:

Hypothesis 2a: Resolution efficacy is negatively related to relationship conflict.

Resolution Efficacy and Task Conflict

Bandura (1989) suggests that increased efficacy beliefs often help regulate specific behaviors towards maximizing the chance of achieving goals (e.g., accomplishing task-related goals). As a result, employees who have confidence in their abilities to resolve conflict should focus more on attaining their goals and become positively inclined toward the task at hand. Indeed, based on Bandura’s efficacy theorizing embedded in SLT (Bandura, 1977, 1997),
employees with higher resolution efficacy should be more effective in handling different ideas or opinions regarding tasks, because they are inclined to use their efforts to successfully accomplish tasks and are more tolerant of other people’s view on specific tasks. As such, individuals who are highly efficacious with regards to conflict resolution should be less likely to engage in clashes/arguments about differing views or attack other people’s opinions regarding tasks and may make positive shift towards a cooperative mindset and enhanced listening skills (Tjosvold et al., 2014). This is because they are confident in their competence to deal with challenging situations that might potentially shift towards task conflict. In support, Jehn and Mannix (2001) argued and found that a mindset of competence geared towards maintaining cohesiveness and norms for open discussion was associated with lower propensity to engage in task conflict.

Therefore, resolution efficacy reflecting individuals’ beliefs regarding their ability to resolve conflict issues and maintaining cohesiveness may be a motivational source for employees to engage in acceptable/normative behaviors that demonstrate tolerance for others’ ideas on the job, hence is negatively related to conflict associated with differing views about tasks in the workplace. Thus, we expect that employee resolution efficacy should be associated with reduced levels of task conflict.

*Hypothesis 2b: Resolution efficacy is negatively related to task conflict.*

**Resolution Efficacy and Process Conflict**

In the extant literature, efficacy beliefs have been shown to encourage individuals’ efforts to improve the processes in dealing with difficult circumstances (Woodman & Bandura, 1989), making it more likely to reconcile different interests on *how* task processes are handled. In terms of conflict, efficacy beliefs in resolving conflicting issues should be helpful for employees to maintain and ensure the respectful treatment of others as well as to keep track of how tasks are
being approached or executed (for instance, in terms of distributing roles and responsibilities), thereby reducing process conflict. This is because employees with enhanced resolution efficacy beliefs communicate more effectively to coworkers about work processes and do so in a respectful way (Jehn et al., 2008), such that task delegation issues (e.g., the issue of equitably assigning tasks) are not seen as belittling and disrespectful; especially because such delegation may be seen as providing employees with opportunities to contribute to overall organizational goals, leading to reduced levels of process conflict.

Furthermore, following Bandura (1997) who argued that efficacy beliefs influence individuals’ choice of goal-directed activities and emotional reactions, employees high on resolution efficacy should proactively act with an expectation to effectively deal with others in a work setting and avoid a situation whereby they take offense from role assignments and bestow trust on others so that tasks can be successfully accomplished, hence reducing process conflict. Although previous research has not explicitly examined these relationships, there is indirect support for our proposition. Empirical evidence suggests that employees with high levels of resolution efficacy experience more trust, and respect for others in the workplace, in addition to being better communicators (Jehn et al., 2008). Greer, Jehn, and Mannix (2008) also found in a longitudinal study that when employees felt better able to solve disagreement around processes, they are less likely to experience other types of conflict. In sum, resolution efficacy is expected to serve as an important cognitive and motivational resource to attain lower levels of process conflict. Therefore we hypothesize:

Hypothesis 2c: Resolution efficacy is negatively related to process conflict.

To this point, we have argued and hypothesized that ethical leadership is positively related to employee resolution efficacy, and resolution efficacy is negatively related to
relationship, task, and process conflict. Based on the theoretical underpinnings of SLT, we especially suggest that the relation between ethical leadership and relationship, task, and process conflict should be explained through its effect on employee resolution efficacy.

Within the SLT framework in which ethical leadership theory is based upon, research indicates that efficacy beliefs are important mechanisms through which ethical leaders exert their influence on different employee outcomes and moral workplace behaviors (Brown et al., 2005; Huang & Paterson, in press; Schaubroeck et al., 2012). In regard to conflicts, SLT suggests that ethical leader behaviors may serve as a behavioral lens from which employees develop and learn appropriate ways to behave in the workplace. Ethical leaders, by setting behavioral and moral examples in terms of respectful treatment of others in social interactions and allowing for open communication enhance employees’ sense of efficacy to actively manage and find solutions in conflicts. Increased resolution efficacy that promotes caring, respect for coworkers, open discussions, and concern for building trustful work environment serves as a strong moral compass for employees, activating specific knowledge and moral awareness to tackle disruptive conflict behaviors. Therefore, employees with enhanced resolution efficacy model the ethical leaders’ exemplary guidance and are encouraged to refrain from interpersonally harmful behaviors. Further, employees’ improved skills to handle difficult and challenging situations also fosters their confidence and negatively relates to relationship, task, and process conflict.

Although we are aware of no studies tapping on SLT framework to address the underlying process explaining the connection between ethical leadership and workplace conflicts, based on social learning theory and empirical evidence, we expect the relation between ethical leadership and employee relationship, task, and process conflict to be realized through enhancing employee resolution efficacy. This argument is based on Bandura’s (1989) suggestion
that vicarious learning leads to domain-specific behavioral outcomes through observers increased efficacy beliefs in that domain. Similarly, we expect resolution efficacy to play a pivotal mediatory role in translating ethical leadership behaviors in the relationship with employee relationship, task, and process conflict. Therefore we propose the following hypotheses:

_Hypothesis 3a_: Resolution efficacy mediates the relationship between ethical leadership and employee relationship conflict.

_Hypothesis 3b_: Resolution efficacy mediates the relationship between ethical leadership and employee task conflict.

_Hypothesis 3c_: Resolution efficacy mediates the relationship between ethical leadership and employee process conflict.

We tested our hypotheses in two field studies using different methods and different samples. Study 1 employed a multisource design and drew from a sample of workers in Belgium; we used supervisor ratings of employee conflicts with coworkers (i.e., employee relationship, task, and process conflict), whereas employees completed ethical leadership and resolution efficacy measures. In Study 2, we used a sample of Nigerian workers. In this setting, we collected employee ratings of conflicts in order to ensure that the rating source was less likely to be a confounding factor. The different methods and samples of Study 1 using multiple sources (employee ratings of ethical leadership and supervisor rating of conflicts) and Study 2, which separated measurements of ethical leadership and conflicts in time, aimed to test the replicability and generalizability of our findings as well as aimed to reduce common method bias following the recommendations of Podsakoff et al. (2003). We chose to focus on conflict at the individual-level and depart from the unit-level measure of conflict used in previous research for two theoretical reasons. First, relationship, task, and process conflict is a multilevel phenomenon.
within the unit—*(individual-level)*; individuals’ experience of conflict with one or more members of their work group or unit, *dyadic*; mutual experience of conflict between two persons in a unit, and *unit-level*; conflicts experienced by all unit members)—with *individual-level* being especially relevant (Todorova, Bear, & Weingart, 2014). Second, as Jehn, Rispens, and Thatcher (2010) argued, individuals’ experience of relationship, task, and process conflict differs from one another as the lack of symmetry induces different attitudes and behaviors, and could stem from individuals’ perceptions of social influences, values or beliefs (see for a review; Korsgaard et al., 2008). Given the above premise, individuals’ experience of conflict within the work unit are likely to emerge even if conflict is experienced collectively or in a dyadic manner (cf. Todorova et al.). Moreover, given that individuals are more strongly influenced by their own experience (Lewin, 1951), we believe that our focus on individual-level experience of relationship, task, and process conflict is optimal and may be influenced by the extent to which leaders are perceived ethical.

**METHOD**

**STUDY 1**

**Sample and procedure**

We collected data from multiple sources, that is, employees and their direct supervisors working in different Belgian companies using paper surveys. 262 participants (i.e., employees with no supervisory responsibilities who participated in various public seminars and workshops linked to our research network with industries) were invited through an email to participate in a study on leadership, well-being, and teamwork. A total number of 250 participants signified interest in the study and were from various sectors including retail service, financial, human resource, education, public service, technology, telecommunication, medical, and the
manufacturing sector. We first delivered questionnaires to the 250 employees who then invited their direct supervisors to fill out a separate survey, which was returned directly to the researchers in sealed envelopes. Employees were asked to register their direct supervisors. We then sent those 250 supervisors a separate survey, which made it possible to ensure that not more than one employee per unique supervisor was able to participate. There was no overlap in employee-supervisor dyads, so that we did not have to choose one employee over the other in case they shared a supervisor. As such, we maintained that supervisor-employee dyads were unique. Both employees and their supervisors received a unique code to enable us to match their responses. In the surveys, we included a cover letter explaining the survey purpose and indicated that participation was voluntary. We assured participants that their responses would be anonymous and treated confidentially. We also included addressed envelopes for participants to return the survey directly to the researchers.

Of the 250 employee–supervisor questionnaires sent out, we received response from 187 employees (response rate was 74.8%) and 190 supervisors (response rate was 76%). Out of these respondents, 165-paired surveys were complete due to either incomplete data or missing information (i.e., in cases were we received an employee survey but not the supervisor survey, or vice versa). As such, the final sample consisted of 330 individuals—165 complete and unique employee—supervisor dyads (for an overall response rate of 66%). Employees were 43% male with an average age of 37 years ($SD = 10.7$), and an average tenure in their organization of 10.8 years ($SD = 10.3$). 4% completed primary school, 23% completed secondary school, 63% obtained a bachelor degree, and 10% obtained a master degree. Seventy-six percent of them worked full-time. Supervisors were 65% male with an average age of 45 years ($SD = 9.73$), and an average tenure in their organization of 15.9 years ($SD = 11.1$). 39% completed secondary
school, 51% obtained a bachelor degree, and 10% obtained a master degree. Ninety-two percent of the supervisors worked full-time.

Measures

All items were measured on a 5-point Likert scale (1 = strongly disagree, 5 = strongly agree).

**Ethical leadership.** Ethical leadership was measured by using Brown et al. (2005) 10-item scale. Employees provided ratings of their supervisors’ ethical leadership. Sample items are: “My supervisor makes set example of how to do things the right way in terms of ethics” and “My supervisor discusses business ethics or values with employees.” ($\alpha = 0.91$).

**Resolution efficacy.** Employees completed the measure of resolution efficacy using 6-item taken from Jehn et al. (2008). Sample items include, “I have confidence in my ability to resolve disagreements about the specific work being done” and “I am able to resolve disagreements about relationships with my coworker.” ($\alpha = 0.92$).

**Relationship conflict.** Supervisors provided ratings of subordinate relationship conflict with other co-workers, using the 4-item scale developed by Jehn (1995, see also Jehn et al., 2008). Sample items include “My employee fought over personal matters,” and “My employee disagreed about non-work (social or personality things).” ($\alpha = 0.92$).

**Task conflict.** Supervisors provided ratings of subordinate task conflict with other co-workers, using the 6-item scale developed by Jehn (2008). Sample items include “My employee often disagrees about work matters,” and “My employee has task-related disputes.” ($\alpha = 0.91$).

**Process conflict.** Supervisors provided ratings of subordinate process conflict with other co-workers, using 4-item scale developed by Jehn (2008). Sample items include “My employee
disagreed about the process to get work done,” and “My employee disagreed about delegation issues.” (α = 0.90).

**Discriminant validity analysis**

To examine the discriminant validity of the three conflict types (i.e., relationship, task, and process conflict), we conducted a CFA by comparing and testing a three-factor model including relationship, task, and process conflict with a one-factor model. The results indicated that the three-factor model showed a good and acceptable fit ($\chi^2 = 167.91$, $df = 74$, $p < .001$, CFI = .95, RMSEA = .07; RMSEA values not greater than .08 suggest an acceptable fit [Hu & Bentler, 1999]), whereas a one-factor model ($\chi^2 = 778.23$, $df = 77$, $p < .001$, CFI = .65, RMSEA = .18) or an alternative two-factor model where task conflict, and both relationship and process conflict were set to load on one factor ($\chi^2 = 655.27$, $df = 76$, $p < .001$, CFI = .71, RMSEA = .17) did not fit the data well. Therefore, providing additional evidence for the discriminant validity of relationship, task, and process conflict measures.

We collected data from different sources—employees and their direct supervisors, in order to reduce the likelihood of common method bias (Podsakoff et al., 2003). Yet, in line with a number of past research on leadership and organizational behavior (e.g., Greenbaum, Mawritz, & Piccolo, 2015; Mitchell & Ambrose, 2007), we took further steps to assess the extent to which our results may be affected with common method bias by conducting a Harman’s one factor test. We loaded all of the items rated by employees onto one factor in an exploratory factor analysis (EFA) using an unrotated principal component analysis to examine whether a single factor accounts for the majority of the variance. If common method bias is present, the single factor will account for the majority of the covariance among the variables (Podsakoff et al., 2003). The results showed that 29.2% of the total variance was explained by one factor, indicating that
common method effects were less likely in our study. To confirm these results, we conducted an additional analysis following the procedure outlined by Williams, Cote, and Buckley (1989). We compared our hypothesized model, with a model including an uncorrelated method factor. The results showed that the model with the method factor improved the model fit and the method factor accounted for a total variance of 6.56%, which is less than half of the 25% method variance reported in past studies (Podsakoff et al., 2003). Therefore, both tests provide support for the fact that common method bias is less likely to play a role and is unlikely to confound the interpretation of our results.

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Insert Table 1 about here

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RESULTS

In Table 1, we show the means, standard deviations, reliabilities, and correlations for all variables in Study 1.

Before testing our hypotheses, we first conducted a CFA to test the factor structure as well as convergent and discriminatory validity of our measurement model (i.e., ethical leadership; EL, resolution efficacy; RE, and three conflict types RC, PC, TC). The CFA results show that our hypothesized five-factor model fits the data significantly well ($\chi^2 = 660.649, df = 395, p < .001, CFI = .92, TLI = .91, RSMEA = .06$). This hypothesized model showed a better fit compared to a series of alternatives we tested, including (a) a four-factor model in which EL and RE were loaded onto one factor, $\chi^2 = 1205.63, df = 399, CFI = .75, TLI = .71, RSMEA = .11$, (b) a four-factor model in which both RC and PC were loaded onto one factor, $\chi^2 = 1051.29, df = 399, CFI = .80, TLI = .77, RSMEA = .10$, (c) a three-factor model in which RC, PC, and TC were
loaded onto one factor, $\chi^2 = 1176.506, df = 402, CFI = .76, TLI = .73, RSMEA = .108,$ (d) a three-factor model in which both EL and RE as well as both RC and PC were loaded onto one factor, $\chi^2 = 1594.92, df = 402, CFI = .636, TLI = .579, RSMEA = .13,$ (e) a two-factor model in which both EL and RE as well as all the conflict measures were loaded onto one factor, $\chi^2 = 1720.89, df = 404, CFI = .598, TLI = .537, RSMEA = .14,$ and (f) a one-factor model in which EL, RE, and the three types of conflict were set to load on one factor showed a poor fit ($\chi^2 = 2585.02, df = 405, CFI = .335, TLI = .24, RSMEA = .18$) all demonstrated worse fit to the data. Thus, supporting the appropriateness of our measurement model compared to alternative models. In addition, all factor loadings ranged from .55 to .87 and were significant, thus demonstrating convergent validity.

In order to test our hypotheses, we tested for mediation using the PROCESS macro for SPSS (Hayes, 2013; see also Edwards & Lambert, 2007; Preacher, Rucker, & Hayes, 2007). We further assessed the indirect effects through bootstrapping. Bootstrapping treats the sample as a population and then resamples with replacement a number of times and computes relevant statistics for each replacement sample (Shrout and Bolger, 2002). As this technique does not require a normal distribution of the sample a confidence interval is computed. Thus, to explain the indirect effects, we computed the bootstrapped confidence intervals using 5000 replications.

The results of these analyses are presented in Tables 2 and 3. First, Hypothesis 1 predicted that ethical leadership is positively related to employee resolution efficacy. In support of this hypothesis, our results revealed that ethical leadership was significantly and positively related to resolution efficacy ($b = .37, p < .001$). Hypothesis 2 further predicted that employee resolution efficacy would be negatively related to (a) relationship, (b) task, and (c) process conflict. The results obtained indeed showed that employee resolution efficacy is negatively
related to relationship conflict \((b = -0.21, p < 0.01)\), task conflict \((b = -0.20, p < 0.01)\), and process conflict \((b = -0.19, p < 0.01)\). Therefore Hypotheses 2a-2c are supported.

In Hypotheses 3a–3c, we predicted that the relationship between ethical leadership and employee relationship, task, and process conflict respectively would be mediated by resolution efficacy. To establish mediation, first, the predictor (ethical leadership) should be significantly related to the mediator (resolution efficacy) (H1). Second, the mediator should be related to the outcome (in our case; employee relationship, task, and process conflict) \((H2a-H2c)\). Both conditions were met in Hypotheses 1 and 2 (see Table 2). Finally, we tested for the indirect effect of the relationship between ethical leadership and employee relationship, task, and process conflict through resolution efficacy using bootstrapping analysis (Hayes, 2013). As shown in Table 2, the results obtained from bootstrapping analyses show support and confirm Hypotheses 3a–3c, as the indirect effect of resolution efficacy could be shown to be significant.

 Insert Table 2 about here

In line with our propositions, the results from Study 1 suggest that ethical leadership is related to employee resolution efficacy, resolution efficacy is related to relationship, task, and process conflict, and that the relationship between ethical leadership and the different conflict types are mediated by resolution efficacy. Past research has demonstrated the appropriateness of using direct supervisor’s rating of employees’ experience of conflicts because they are argued to be familiar with employee work relationships and behaviors (e.g., Greenbaum, Quade, Mawritz, Kim, & Durand, 2014; Mayer et al., 2012). Yet, to increase the confidence and generalizability of our research findings, we conducted a time-lagged field study in Study 2, which allowed us to
separate the measures of ethical leadership and resolution efficacy as well as the conflict measures in time. In this second study, employees completed measures of conflicts.

**STUDY 2**

**Sample and procedure**

We administered online surveys in two phases to employees working in different organizations across various sectors including financial, pharmaceutical, oil and gas, education, medical, and the banking sector in the economic capital of Nigeria, Africa. We administered the questionnaires in the English language, as this is Nigeria’s official language. One of the authors was on ground to discuss the purpose of our study (i.e., to examine how leadership may elevate constructive work behavior) with top management and human resources professionals based on organizational contacts recruited through the network of a major Business School in the country. This approach is important as previous research suggests that gaining management support may help increase the response of potential participants (Dilman, 2000). With the help of several human resource professionals, 300 employees were randomly invited to participate in the study via email. Prior to the survey administration, participants were assured in a cover letter that their responses would be anonymous and strictly confidential, as it will be used only for research purposes. We also emphasized that their participation in the study was voluntary. Moreover, they were also told that all identifying information would be removed to preserve their anonymity. In exchange for their participation, we offered an overall feedback report and promised to invite them for a breakfast meeting where the report was discussed.

We collected data in two different waves separated by approximately six weeks. This temporal separation between the independent and dependent variable (i.e., time lag) was chosen in order to reduce common method bias (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003).
Podsakoff and colleagues noted that the choice of time lag should neither be too short nor too long. If the time lag is too short, memory effects may artificially inflate the relationship between variables. On the other hand, if the time lag is too long, certain factors (e.g., strong response attrition or leadership development programs) may mask existing relationship between variables (cf. Polyhart & Vandenberg, 2010). Hence, we considered six weeks provides an optimal choice of time lag (for similar approach, see Walumbwa & Schaubroeck, 2009). At time 1, participants were requested to fill in demographic information (e.g., age, gender and organizational tenure) and the ethical leadership measure. At Time 2, the same respondents were asked to provide ratings of resolution efficacy and workplace conflicts (i.e., relationship, task, and process conflict). Respondents were requested to provide four unique codes at the end of the surveys so that we could match their responses at Time 1 with those of Time 2. Time stamps and IP addresses were recorded when respondents completed the surveys and there were no irregularities found. A total of 211 employees completed the Time 1 measures (response rate was 70%), and 131 employees completed the Time 2 measures. Based on the unique codes provided at the end of each survey, we were able to match all the responses of 131 employees at Time 2 with their responses at Time 1 (62% of Time 1 respondents). We compared respondents with missing data to those respondents with fully completed data and there were no significant differences in demographics.

Employees were 53% male, 13% were 18–29 years of age, 73% were 30–49 years of age, and 14% were 50–64 years of age. They have worked in their organizations for an average of 7.3 years ($SD = 5.8$). 3% of them had an associate degree, 43% had a bachelor degree, and 54% had a master degree. All employees were full-time workers.

**Measures**
**Ethical leadership.** We assessed ethical leadership using the same scale as in Study 1 ($\alpha = 0.88$).

**Resolution efficacy.** We measured resolution efficacy using the same scale as in Study 1 ($\alpha = 0.86$).

**Relationship conflict.** We measured employee relationship conflict using the same measure of Study 1 but this time with self-ratings as opposed to supervisor ratings utilized in Study 1. Sample items include “I fought over personal matters with my co-worker at work,” and “I disagreed about non-work (social or personality things)” ($\alpha = 0.92$).

**Task conflict.** We measured employee task conflict using the same measure of Study 1 but this time with self-ratings as opposed to supervisor ratings utilized in Study 1. Sample items include “I often disagree about work matters with my co-worker,” and “I have task-related disputes with my co-worker.” ($\alpha = 0.90$).

**Process conflict.** We measured employee process conflict also using the same measure of Study 1 but this time with self-ratings as opposed to supervisor ratings utilized in Study 1. Sample items include “I disagreed about the process to get work done with my co-worker,” and “I disagreed about delegation issues.” ($\alpha = 0.93$).

**Discriminant validity analysis**

As in Study 1, we assess the discriminant validity of the three conflict types by conducting a CFA comparing and testing a three-factor model including relationship, task, and process conflict with a one-factor model. The results indicated that the three-factor model showed an acceptable fit ($\chi^2 = 179.89, df = 74, p < .001$, CFI = .94, RMSEA = .077), compared to a one-factor model ($\chi^2 = 736.54, df = 77, p < .001$, CFI = .61, RMSEA = .187) or an alternative two-factor model where task conflict, and both relationship and process conflict were
set to load on one factor ($\chi^2 = 567.57, df = 76, p < .001, \text{CFI} = .71, \text{RMSEA} = .16$). Therefore, these results provide additional support for the discriminant validity of our conflict measures and also lessens concern for common method variance.

In addition, because all variables in this study were self-reported, even though we collected data in two different waves (i.e., ethical leadership and conflict measures were separated in time) allowing us to reduce common method bias (Podsakoff et al., 2003), as we did in Study 1, we again took further steps to assess the extent to which our results may be affected with common method variance by conducting Harman’s one factor test. We entered all items into an exploratory factor analysis (EFA) using unrotated principal component analysis to examine whether a single factor accounts for majority of the variance. The results showed the presence of five distinct factors with eigenvalues greater than 1.0 and that only 30.55% of the total variance was explained by one factor, indicating that common method bias were less likely in our study. Similar to Study 1, we conducted an additional analysis following the procedure outlined by Williams et al. (1989). We compared our hypothesized model, with a model including an uncorrelated method factor. The results showed that the model with the method factor improved the model fit and accounted for a total variance of 8.85%, which is less than half of the 25% method variance reported in past studies (Podsakoff et al., 2003). Therefore, also in Study 2, our results show that common method bias is less likely to play a role.

**RESULTS**

The means, standard deviations, reliabilities, and correlations for all variables in this study are presented in Table 1.

Similar to Study 1, before testing our hypothesis, we conducted a CFA to examine the appropriateness of our measurement model (i.e., ethical leadership; EL, resolution efficacy; RE,
and three conflict types RC, PC, TC). The CFA results show that our hypothesized five-factor model fits the data significantly well ($\chi^2 = 552.20$, $df = 395$, $p < .001$, CFI = .937, TLI = .93, RSMEA = .055). This hypothesized model showed a better fit compared to a series of alternatives we tested, including (a) a four-factor model in which EL and RE were loaded onto one factor, $\chi^2 = 821.03$, $df = 399$, CFI = .83, TLI = .82, RSMEA = .084, (b) a four-factor model in which both RC and PC were loaded onto one factor, $\chi^2 = 941.29$, $df = 399$, CFI = .78, TLI = .76, RSMEA = .10, (c) a three-factor model in which RC, PC, and TC were loaded onto one factor, $\chi^2 = 1106.20$, $df = 402$, CFI = .717, TLI = .693, RSMEA = .11, (d) a three-factor model in which both EL and RE as well as both RC and PC were loaded onto one factor, $\chi^2 = 1208.81$, $df = 402$, CFI = .675, TLI = .649, RSMEA = .12, (e) a two-factor model in which both EL and RE as well as all the conflict measures were loaded onto one factor, $\chi^2 = 1375.45$, $df = 404$, CFI = .609, TLI = .579, RSMEA = .14, and (f) a one-factor model in which EL, RE, and the three types of conflict were set to load on one factor showed a poor fit ($\chi^2 = 1762.1$, $df = 405$, CFI = .45, TLI = .41, RSMEA = .16) all demonstrated worse fit to the data. Thus, supporting the appropriateness of our measurement model compared to alternative models. In addition, all factor loadings ranged from .50 to .90 and were significant, thus demonstrating convergent validity.

Next, we tested our mediation model using the PROCESS macro for SPSS (Hayes, 2013). The results of these analyses are presented in Table 2. The results revealed that ethical leadership was significantly and positively related to resolution efficacy ($b = .21$, $p < .05$). Thus, providing support for Hypothesis 1. In support of Hypotheses 2a-2c, the results showed that employee resolution efficacy was negatively related to (2a) relationship conflict ($b = -.28$, $p < .01$), (2b) task conflict ($b = -.27$, $p < .01$), and (2c) process conflict ($b = -.40$, $p < .01$).
Hypotheses 3a–3c predicted that resolution efficacy mediate the relationship between ethical leadership and employee relationship, task, and process conflict respectively. The results from the bootstrapping analysis used to test for the indirect effect of the relationship between ethical leadership and employee relationship, task, and process conflict through resolution efficacy are reported in Table 2. As shown in Table 2, the results obtained from the bootstrapping analyses (Hayes, 2013) show support for Hypotheses 3a–3c, as the indirect effect of resolution efficacy could be shown to be significant.

GENERAL DISCUSSION

Ethical leaders focus on valued, respectful and trustworthy behavior. In the present study, we build upon the ethical leadership literature by focusing on behavior that often goes hand in hand with a lack of value and respect, that is, conflict in the workplace, which often leads to severe consequences for employees and organizations (De Dreu et al., 2003). Relying on SLT (Bandura, 1977, 1986), our findings show that ethical leadership relates to employees’ increased feelings of efficacy in dealing with conflict situations. Specifically, we found consistently, in two unique samples and different populations (Belgium and Nigeria), that ethical leadership was positively related to employee resolution efficacy, which in turn influences employees’ ability to deal with relationship, task, and process conflict. Resolution efficacy mediated the relations between ethical leadership and these conflict types. These findings offer an important extension to the work of Mayer et al. (2012) on the unique relationship between ethical leadership and conflict and addressed Walumbwa and Schaubroeck’s (2009: 1284) call for researchers to examine the role of ethical leadership beyond its previously established linkages, specifically to focus on the relation of ethical leadership and employee relationship, task, and process conflict. Below, we discuss the theoretical and practical implications of our findings.
Theoretical implications

Our study advances knowledge about ethical leadership and conflict in the workplace and makes four important contributions. First, our main contribution lies in connecting theory on ethical leadership with the existing conflict literature. Although recent evidence emphasizes the role of leadership in conflict (Mayer et al., 2012; Zhang et al., 2011), most of the work on conflict has focused mainly on the consequences for employees, whereas leadership has not received much attention. To the best of our knowledge, this research is one of the first attempts to explicitly address the connection between ethical leadership and workplace conflicts. This connection is particularly important, as the only empirical study examining ethical leadership and conflict is the work of Mayer et al. (2012), even though they did not examine all the predominant conflict types nor the underlying process through which ethical leadership influences workplace conflicts. We took a further step to extend this initial evidence, which suggest that ethical leaders have an important role to play to help employees dealing with conflict issues. Specifically, we have argued that ethical leadership is well positioned to help employees deal with relationship, task, and process conflict, a contention empirically supported in this study. Relying on social learning theory (Bandura, 1977, 1986, 1997), our results suggest that leaders should be especially mindful of their ethical role modeling behaviors, as these behaviors helps manage conflicts in the workplace.

Second, our finding that ethical leadership was positively related to employee resolution efficacy supports the social learning perspective of ethical leadership (Bandura, 1977; Brown et al., 2005) which suggests that employees learn appropriate and ethical ways to behave within a social context through modeling and enactive attainment. Through these processes employees become more confident about their abilities to resolve conflicting interests that may arise in their
social interaction with others. These findings fill an important gap in the conflict and ethical leadership literatures by suggesting ethical leadership as an important source for developing employees’ conflict resolution efficacy. Specifically, it suggests a broader potential value for ethical leadership in organizations and its potential impact on followers beyond its linkages with ethical/unethical and prosocial/antisocial outcomes as shown by previous research (e.g., Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009; Piccolo, Greenbaum, Den Hartog, & Folger, 2010; Stouten et al., 2010; Walumbwa & Schaubroeck, 2009). Although resolution efficacy, which draws upon Bandura’s self-efficacy, has not received much attention in the literature, our findings suggest that a renewed empirical focus on this concept is central for both leadership and conflict literatures to better understand the offspring and management of conflict in the workplace. This is important given that past research has found domain-relevant efficacy beliefs to be crucial for predicting several domain-specific behaviors (e.g., career efficacy, Lent & Hackett, 1987; creative efficacy; Tierney & Farmer, 2002; leadership efficacy, Hannah et al., 2008; teaching efficacy, Dellinger et al., 2008; voice efficacy, Huang & Paterson, in press).

Third, based on SLT (Bandura, 1986; 1997), our finding that ethical leadership indirectly relates to relationship, task, and process conflict through resolution efficacy contributes to a better understanding of the psychological mechanism linking ethical leadership and conflict. Our findings suggest that ethical leadership relates to the development of resolution efficacy, which ultimately helps employee deal with different conflict situations. This finding corroborates existing evidence suggesting that individuals with higher resolution efficacy are better able to deal with conflict at work (Weighart & Jehn, 2000; Jehn et al., 2008). Although Jehn et al. (2008) considered resolution efficacy as a moderator, research has shown that efficacy beliefs could either serve as a moderator (Avey, Palanski, & Walumbwa, 2010) and a mediator (Huang
& Paterson, in press; Walumbwa et al., 2011) of ethical leadership on employee behaviors. Further, employee resolution efficacy helps us better understand why and how ethical leadership may help manage conflicts that are prevalent in the workplace. In addition, this finding highlights that fostering and developing ethical leadership deserves extra attention, since it relates to employees’ resolution efficacy and, in turn negatively links to conflicts at work.

Fourth, although the impact of ethical leadership has been established in Western and Eastern societies, such research is scarce in African societies. Given the influx of multinational companies from both Western and Eastern societies in African countries such as, Nigeria one of Africa’s biggest and fast growing economies and the fact that African societies are high on collectivism as opposed to for instance, Western societies (Hofstede, 1980). It is therefore difficult to literally assume that the effectiveness of ethical leadership will equally apply in African societies. Our research findings provide initial support for the applicability and generalizability of ethical leadership construct in African societies. Thus, we answer the call of Walumbwa, Avolio, and Aryee (2011) for researchers to extend ethical leadership research to African societies and can tentatively conclude that ethical leadership can equally be effective in Nigeria and perhaps other African societies, as it is in Western and Eastern societies.

Practical implications

The current findings have several practical implications for managers who seek to foster a work environment where employees can work together and at the same time guide against the potentially deleterious effects of conflicts (De Dreu & Weingart, 2003). First, our findings that ethical leadership behaviors may enhance employee resolution efficacy suggest that leaders might be crucial in building a work environment that morally encourages and fosters employees’ efficacy in finding resolution in conflict situations, through applying social learning principles of
ethical leadership (Bandura, 1977, Brown et al., 2005). Specifically, leaders could serve as ethical role models for employees and provide them avenue to apply conflict resolution skills (enactive attainment; by allowing them to learn processes and giving them independent room to develop). These principles are likely to encourage the development of employees’ resolution efficacy. Along these lines, organizational leaders could in fact improve employees’ efficacy in several domains by practically leveraging on social learning principles (Bandura, 1977).

Second, our findings have implications for the development of leadership programs. It suggests that providing ethical leadership training may be beneficial for the enhancement of employee’s conflict resolution efficacy, which in turn helps employee successfully deal with relationship, task, and process conflict in the workplace. Hence, alleviating the potential problems associated with conflicts among employees. In this regard, managers who want to enhance employees’ resolution efficacy might consider developing ethical leadership skills as a way of managing conflicts in the workplace. This is highly important since organizations nowadays increasingly rely on employees to work together in order to increase effectiveness (Mohrman et al., 1995).

Third, our finding that the relations between ethical leadership and conflict types is mediated by employee resolution efficacy suggests that paying attention to developing conflict resolution efficacy may be beneficial to help employees manage relationship, task, and process conflicts. Where employees are increasingly required to carry out specific tasks and are faced with different kind of difficulties, it might be helpful to particularly pay close attention to develop their resolution efficacy. Doing this might help because when an employee believes conflict can be resolved, employees’ level of communication and interpersonal respect for others increases (Jehn, et al., 2008), thus helping to manage conflicts. This is consistent with Bandura’s
(2000) suggestion that individual efficacy beliefs are crucial in handling difficulties being faced in the workplace. Hence, training efforts in developing resolution efficacy might likewise help in arming employees against the potentially deleterious consequences of conflict.

**Strengths and Limitations**

An important strength of this present research is our ability to replicate and extend our findings in two unique population and samples. Schmidt (2009) contends that replication indicates underlying assumptions are functional and are transferable for testing new ideas. Moreover, we also used both supervisor-rated and self-rated conflicts in order to investigate whether the hypothesized relationships are independent of the specific way of measurement of employee relationship, task, and process conflict.

Yet, the current study is not without its limitations. First, one potential limitation is that employees rated both ethical leadership and resolution efficacy in Study 1, which may raise concerns about common method variance (Podsakoff et al., 2003). Following the recommendations of Podsakoff et al. (2003) to reduce common method bias/variance (such as, collecting measures of independent variables from supervisors or collecting data at different times), we obtained measures of relationship, task, and process conflicts from the supervisor in Study 1 and measured resolution efficacy six weeks after employees provided ethical leadership ratings in Study 2. Moreover, we separated the measures of ethical leadership and workplace conflicts in time. As a result of both designs, common-method bias is less likely to be a threat to the validity of our results. Moreover, relying on self-report measures in the research question we had concerning employees’ perceptions of ethical leadership and resolution efficacy has been documented as a suitable approach for this particular research (Spector, 2006). Regardless, it
might be helpful for future research to consider utilizing multiple sources or additional time frames for the measurements.

Second, the cross-sectional nature of our data does not allow us to draw strong causal claims. For example, an interesting research avenue is whether the causal direction between ethical leadership, employee resolution efficacy, and conflict types can be reversed. However, due to the formal position power leaders hold in an organization (Yukl, 2010) and the causal ordering of social learning theory (Bandura, 1977, 1997; social learning processes are more likely to occur through enhanced efficacy beliefs in several domains), we believe the relationship directionality of our hypothesized model is more theoretically viable and consistent with prior studies establishing how ethical leadership influences employee behaviors through efficacy beliefs (e.g., Huang & Paterson, in press; Walumbwa et al., 2011). That is, where inferred, relationship directionalities were in line with theory and empirical evidence. Moreover, from a theoretical point of view and our theoretical underpinnings tied with SLT, reversed causality is less likely. That is, it seems less theoretically plausible that lower levels of workplace conflicts would lead to enhanced resolution efficacy, and in turn result in ethical leadership behaviors. With that said, future research could utilize a longitudinal research or field experiment in order to establish causal relations.

Third, another potential limitation is that we did not control for other leadership constructs in our model (e.g., transformational leadership). We did not have sufficient empirical evidence to include for example, transformational or authentic leadership in our model because of their implicit focus on moral management whereas ethical leadership focus is explicitly on the leader’s own moral behavior and the communication and encouragement of ethical behavior (Brown & Treviño, 2006). This preference does not conflict with our aim to extend current
understanding of the unique relationship between ethical leadership and conflict, as past empirical evidence has shown that because of the strong emphasis of ethical leadership on managing morality, it accounts for additional variance beyond other theories of leadership (e.g., transformational leadership) in explaining the relationship between ethical leadership and unit-level relationship conflict (Mayer et al., 2012). The current research findings therefore clarify the position of ethical leadership in relation to other leadership theories (Brown et al., 2005). By explicitly focusing on ethical leadership in this study, we provide additional insights into the unique role of ethical leadership in the workplace. Specifically, we advance our understanding of how such an explicit focus on leader’s own moral behavior and moral management may help manage workplace conflicts. Moreover, from a theoretical perspective ethical leadership is also a more viable alternative compared to other theories (see Ng & Feldman, 2015). That is, the theoretical underpinnings of resolution efficacy point to social learning theory, which is also the theoretical basis of ethical leadership. Nevertheless, future research may include other related leadership constructs in their model to further improve such claim.

**Directions for future research**

Research on the role of ethical leadership in conflict situations is still developing and seems promising, and much can still be learned. Based on our findings, it would be worthwhile to further explore how the model presented in this research could help better understand the relationship between ethical leadership and specific work-related outcomes (e.g., performance or emotion outcomes). For instance, it is possible that employees’ performance may improve as a result of their enhanced resolution efficacy and subsequent lower levels of conflict. Clearly, taking this into consideration would be a fruitful area of inquiry.
Similarly, our research findings pertaining to task conflict raise an important question for future research—to what extent is reducing task conflict equally important for employee and organizational functioning. Although some research suggests that under certain conditions task conflict may not always be detrimental (e.g., De Wit, Jehn, & Scheepers, 2013), research has also shown that it potentially impedes the optimum functioning of employees and easily shifts towards personal attacks (De Dreu & Weingart, 2003; Simons & Peterson, 2000). As such, in organizations where the associations between task and relationship conflict are high (for instance, observing the correlations between them in both studies presented in our research and a large number of previous studies), it may be strategically beneficial to minimize employee’s engagement in task conflicts because it might equally be interpersonally harmful. Nevertheless, in addressing this research question, it may be helpful to explicitly categorize task conflict into mild and intense task conflict as done in the work of Todovora et al. (2014). Then, it could be that ethical leadership behaviors may reduce intense task conflict while it may encourage mild task conflict. Exploring this direction may provide solutions to lasting debate regarding whether task conflict is beneficial or otherwise.

Consistent with the work of Mayer and colleagues (2012) and the present research, ethical leadership seems to play a vital role in conflict situations. Because research has shown that people differ in their opinion of what is ethical or not (Hannah et al., 2014), ethical leadership in itself might pose ethical challenges due to ethical relativism. As such, another promising avenue for future research is to explore the role of ethical leader’s role modeling not only on the different conflict types but also on specific conflicts dealing more with ethical challenges. This is very important especially considering the recent unfolding ethical scandal involving Volkswagen and their cheating on the emission testing. It appears that there was an
absence of conflict regarding ethical issues. That is, nobody seemed to have questioned the use of technology to cheat emission testing—and that in part, facilitated unethical behavior (i.e., emission test cheating)\(^2\). In order to increase sales, VW had to comply with emission standards for their vehicles. VW’s unrealistic sales’ goals combined with a lack of being able to discuss the ethical consequences of the emission technology has likely facilitated unethical behavior, what VW at a press release referred to as maintaining a ‘mindset’ of tolerance for cheating. Given our findings that ethical leadership can help develop employees’ efficacy in dealing with conflict situations with coworkers, it would be interesting to examine whether unethical leaders as well as ethical leaders minimize or stimulate ethical-specific conflict between employees and superior officers respectively (e.g., immediate supervisors or top management). Especially, since VW pronounced to encourage honesty and moral awareness.

Moreover, in moving forward with ethical leadership research using the SLT framework, future research would benefit from investigating the active role of ethical followership in shaping ethical leadership behavior or peer ethical behavior. We speculate that ethical followership may influence peer ethical behavior as well as ethical leadership behavior in a reciprocal manner. Thus, enabling organizations to build an ethical workplace where unethical practices can be discouraged.

**CONCLUSIONS**

This study offers a number of important contributions to both ethical leadership and conflict research. We illustrate that ethical leadership is important to help employees deal with different conflict situations and that resolution efficacy is an important underlying process through which ethical leadership influences employee relationship, task, and process conflict. Thus, we provide additional support for the organizational importance of ethical leadership and
its generalizability in other domains such as conflict at work. Our findings are significant because they draw attention to the role of ethical leadership in managing conflicts in the workplace and provide new grounds for practical interventions that may help leaders and organizations deal with conflicts more effectively. Clearly, there is much avenue for further exploration in terms of ethical leadership and conflict, and we hope our findings attract more scholarly attention to further explore the connections between ethical leadership and conflicts in the workplace and under which conditions they may relate to important employee and organizational outcomes.

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ETHICAL LEADERSHIP AND CONFLICT IN THE WORKPLACE


**FOOTNOTE**

1. We thank one of our anonymous reviewers for this suggestion.

2. We equally thank one of our anonymous reviewers for this stimulating line of reasoning.
Table 1

Means, Standard Deviations, Scale Reliabilities, and Intercorrelations for Study 1 and 2

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<th>Study 1</th>
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<td>M</td>
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<tr>
<td>1. Ethical leadership</td>
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<tr>
<td>2. Resolution efficacy</td>
<td>3.57</td>
<td>.80</td>
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<tr>
<td>3. Relationship conflict</td>
<td>1.72</td>
<td>.69</td>
</tr>
<tr>
<td>4. Task conflict</td>
<td>2.40</td>
<td>.68</td>
</tr>
<tr>
<td>5. Process conflict</td>
<td>2.36</td>
<td>.71</td>
</tr>
</tbody>
</table>

Notes: (Study 1, N = 165; Study 2, N = 131). Reliabilities are presented on the diagonal.

* p < .05

** p < .01
Table 2
Regression Results for Resolution Efficacy and Conflict

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Resolution efficacy</th>
<th>RC</th>
<th>TC</th>
<th>PC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Leadership</td>
<td>.37</td>
<td>.04</td>
<td>-.09</td>
<td>-.08</td>
</tr>
<tr>
<td>Resolution efficacy</td>
<td>-.21</td>
<td>-.20</td>
<td>-.32</td>
<td>-.19</td>
</tr>
<tr>
<td>R²</td>
<td>.11**</td>
<td>.05**</td>
<td>.09**</td>
<td>.07**</td>
</tr>
</tbody>
</table>

Study 2
Ethical leadership       | .21                 | -.25| -.18| -.30| -.187 |
Resolution efficacy      | -.28                | -.27| -.25| -.40| -.293 |
R²                       | .03*                | .07**| .09**| .10**|

The Mediation of Resolution Efficacy in the Relation between Ethical Leadership and Employee Relationship, Task, and Process Conflict

<table>
<thead>
<tr>
<th>Predictor</th>
<th>b</th>
<th>SE</th>
<th>LLCI 95%</th>
<th>ULCI 95%</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL → RE → RC</td>
<td>-.08</td>
<td>.03</td>
<td>-.15</td>
<td>-.03</td>
</tr>
<tr>
<td>EL → RE → TC</td>
<td>-.08</td>
<td>.03</td>
<td>-.16</td>
<td>-.02</td>
</tr>
<tr>
<td>EL → RE → PC</td>
<td>-.07</td>
<td>.03</td>
<td>-.15</td>
<td>-.02</td>
</tr>
</tbody>
</table>

Study 2
EL → RE → RC             | -.06  | .05 | -.19     | -.00     |
EL → RE → TC             | -.06  | .04 | -.17     | -.00     |
EL → RE → PC             | -.08  | .05 | -.23     | -.01     |

Notes: number of bootstrap samples for bias corrected interval = 5,000. EL = ethical leadership; RE = resolution efficacy; RC = relationship conflict; TC = task conflict; PC = process conflict.
* p < .05
** p < .01
Figure 1

Research Model

Ethical Leadership → Resolution Efficacy → Relationship Conflict, Task Conflict, Process Conflict