

# Ethical Leadership and Employee's Performance in Lagos State Government-Office of the Auditor General

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## ABSTRACT

*Ethical leadership is leadership that is directed by respect for ethical beliefs and values and for the dignity and rights of others. This study examined the effects of ethical leadership on employee performance in Lagos State Government-Office of Auditor General. The objectives of the study were to: examine the effect of ethical leadership on employee effectiveness in Lagos State Government-Office of the Auditor General; investigate the effect of ethical leadership on employee job satisfaction in Lagos State Government-Office of the Auditor General and evaluate the influence of ethical leadership on employee productivity in Lagos State Government-Office of the Auditor General. The study adopted a descriptive survey research design on a population of 381 of Lagos State Government-Office of Auditor General. Purposive sampling technique was employed in administering the research instrument. The research instrument employed was a questionnaire. Data were gathered from primary source. The research instrument employed was a self-constructed 5-point Likert scale questionnaire. The research instrument was validated through content validity and a Cronbach alpha reliability test of 0.875, 0.895 and 0.823 indexes were conducted. The results of the study revealed that ethical leadership has a significant influence on employee effectiveness, job satisfaction and productivity. Thus, the study recommended that the leadership of the commission should adopt equal treatment of its staff to help improve the quality and increase employees' sense of commitment towards their job.*

**Keywords:** Ethics; Ethical Leadership; Effectiveness; Productivity; Employee

## INTRODUCTION

As well-known companies have fallen from favor, the role of ethical leadership has grown (Khokhar & Zia-ur-Rehman, 2017). Confidence in corporate leaders has been shattered over the past decade by scandals such as the downfall of Enron, Lehman Brothers, and the housing market (Khokhar & Zia-ur-Rehman, 2017). As a result, in today's interconnected and international business and government community, it is crucial to comprehend and explore the potentially damaging actions of organizational leaders.

Leadership is widely recognized as a crucial component that has an undeniable impact on the productivity of any business (Obicci, 2015). Leadership is crucial because it ensures the survival of groups, societies, and civilizations. All members and stakeholders' interests must be coordinated and balanced, and a leader must establish a common goal, communicate that vision so others will gladly follow it, equip followers with the information, knowledge, and tools necessary to realize that vision, and do so (Agha, Nwekpa & Eze, 2017). Schein (2010)

defines ethics as a critical analysis of the beliefs that are passed down via an organization's teachings. Leadership positions and ethics have been linked in several ways. In order to create a productive workplace that will last, leaders must demonstrate ethical behavior (Trevio, Den-Nieuwenboer, & Kish-Gephart, 2014). In order to provide a moral compass, they must provide an example of the finest moral conduct in whatever they do. The majority of research on ethical behavior centers on the significance of ethics for leaders (Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009). Ethical leadership has been identified as a critical antecedent to organizational results in research studies that examine worldwide trends and attempt to define ethics. Respect for ethical views and ideals, as well as the worth and rights of others, are at the heart of ethical leadership. Trust, integrity, honesty, consideration, equality, fair treatment, charisma, and fairness are all connected ideas. Leadership that adheres to ethical standards involves having conversations, taking acts, and engaging in other activities that uphold these standards. Another definition of leadership is "the demonstration of normatively suitable behavior through personal acts and interpersonal interactions, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making" (Brown, Trevio, & Harrison, 2005). Leaders who model proper conduct in the workplace have a significant influence on the culture and morality of the organization as a whole (Wiernik & Ones, 2018).

People have been unethical since the dawn of humanity, according to Trevino and Brown (2004 as referenced in Sabir, Iqbal, & Rehman, 2012), yet they're more ethical now than ever before. The environment has become increasingly complicated over the years, and it continues to undergo steady, predictable shifts in its state. This is the primary source of the problems and dangers from an ethical standpoint. There have always been both ethical and immoral leaders throughout human history. However, in the present day, their actions are the single most important component in the success of the company (Sabir, et al., 2012). As the Trump administration has taken office, unethical corporate practices have become the standard (Trevio, et al., 2014). We are also aware of the recent ethical crises that have rocked the corporate sector. These incidents are only the tip of the iceberg of unethical corporate activities, which have raised significant concerns among academics, policymakers, businesspeople, and members of civil society in recent years (Brown & Trevio, 2014). The globe over, people's unethical actions have been seen, especially from individuals who just care about themselves and their own interests. (Hussam, Kent, Hamdan, Mohammed & Hamid, 2019). For instance, Nigeria, one of the developing countries in the sub-Sahara Africa has witnessed unethical leadership practices in form of corruption and greed on the part of its leaders. Loots of Sani Abacha are still being recovered till today after how many years. Not to sound political, mistrust between the leadership of the government and its staff is also evidenced in its failure to fulfill its promise leading to the frequent ASUU strikes. The unwillingness of certain states to implement the new minimum wage rate in the pay structure of its staff despite the signing into bill by the federal power. All these influences employees performance and perception towards the leadership of their organization. Such self-centered actions usually have devastating consequences for the business as a whole, including its employees and its customers.

While studies on leadership and its effects in many contexts and settings have been conducted, studies on the moral dimensions of leadership, especially in developing nations and Nigeria in particular, are still lacking (Ogunfowora, 2014). Service delivery is driven by the people who work in an organization, especially in the public sector, where the bureaucracy was established to uphold the rule of law, provide openness, advance democracy, and guarantee citizen happiness (Oladimeji & Abdulkareem, 2022). Intellectual capital and human potential are more important in today's global economy. Typically, a leader's demeanor should either inspire or deter workers from carrying out their responsibilities. But motivating workers in the face of unscrupulous behaviors by superiors and government authorities, low pay, and deplorable working conditions is a persistent issue for many firms, especially in developing nations like Nigeria (Oladimeji & Abdulkareem, 2022). There is a widening chasm between first- and third-world countries as a result of the modern emphasis on efficiency and production, which has permeated every sphere of modern life (Hamid, Mehdi & Pejman, 2016). The efficiency of an organization's employees is a basic tenet of every successful business. That's why it's so important for businesses to work on raising both their own and their workers' productivity (Mousakhani, Alvani, Mirza'ee, & Muhammadi, 2012). Of course, the fact that individual performance in administrative organizations in our nation is significantly below that of the global average raises the importance of conducting a study on the subject of organizational and individual performances in the hopes of preventing performance reductions such as low-level output, low profitability, a decline in the quality of products and services, a rise in employee turnover, and so on (Faghihi, 2009).

To a large extent, the success of every business can be attributed to the quality of its leadership (Obicci, 2015). When it comes to matters of trust and integrity, which ultimately dictate the operations of the public sector, Tu et al. (2017) argue that public sector executives must lead by example. They take care that their acts don't undermine societal norms but instead serve to improve people's lives. Most public officials do not longer feel

the urge for ethical practices as they are only blinded by their ambition and greed to hold office. Their ability to influence and appoint the heads of agencies charged with responsibilities to hold them accountable for their unethical leadership practices has made sway the ease in making and implementing any decision they see fit. Those who can't influence these agency heads belong to political affiliations that will influence them. So, the nonchalant behavior and boldness of unethical behaviors increases.

Some research works have (such as Adebisi (2010), Voon Lo, Ngui & Ayob (2011), studied on the impact of leadership styles on employees' job performance and their outcomes revealed that there is a mix outcome of these studies. Also, the dependent variable was major on employees' job performance. However, employees are also the blood line of any organization including the public sector just as civil servants can frustrate and make ease tenure of any public official. They aid these public officials to lead appropriately. According to Dorasamy (2010), public trust can be readily damaged when leaders fail to uphold high ethical standards. According to Judge and Piccolo (2004), the reason most leaders overlook ethics is because they don't think their positions require it. There have been a number of studies on the topic of ethical leadership (Khokhar & Zia-ur-Rehman, 2017; Hamid, et al., 2016; Hussam et al., 2019; Sabir et al., 2012; Oladimeji & Abdulkareem, 2022); Agha et al., 2017; Obicci, 2015; Muhammad et al., 2016) with most to organization performance. However, just few have been related to the public sector. Thus, this study hopes to investigate the effect of ethical leadership on employee performance in the public sector.

According to Brown, Trevio, and Harrison (2005), as cited by Khokhar and Zia-ur-Rehman (2017), "Ethical leadership is defined as the demonstration of normatively suitable behavior through personal actions and interpersonal relationships, and the propagation of such behavior to followers through two-way communication, reinforcement, and decision-making." Since this is the theoretical and empirical basis for the vast majority of research in the subject, it provides the most accurate depiction of leadership and ethics in scholarly works. A number of authors have used this word in their research, including Piccolo, Greenbaum, Den Hartog, and Folger (2010), Walumbwa and Schaubroeck (2009), and Detert, Trevio, Burris, and Andiappan (2007). Since the turn of the millennium, research has been conducted on the issue of ethical leadership, one of the branches of the ethical behaviors (Avatefi monfared, Mahdad, & Mir-Jafari, 2012), with the goal of creating a more positive and productive work environment for the benefit of all employees. Their findings led to the development of the first theory of ethical leadership, which Brown et al (2005). There are two underlying ideas of social transactions and social learning that, in his view, explain the relationship between ethical leadership and follower behaviour (Walumbwa et al., 2011). From the perspective of social learning, this type of leadership is one in which normative principles and values govern behaviors, choices, and the application of punishments and incentives for good and poor conduct inside an organization. According to the aforementioned professor and other theorists, employees learn from their superiors' examples through exposure to their formal and informal authority and influence, and their viewpoints on workplace issues (Mayer, Aquino, Greenbaum, & Kuenzi, 2012; Zhang, Walumbwa, Aryee, & Chen, 2013).

The productivity of its workforce is crucial to its overall success. The HR department of a company is crucial to its success (AL-Qudah, Osman, Halim & Al-Shatanawi, 2014). The success of any organization ultimately depends on the conduct and decisions of its workers, despite many other aspects, such as the size of the organization, the environment in which it operates, and the activities it engages in, contributing to its performance. In today's highly competitive workplace, the trend toward greater employee performance is toward better HRM processes, which is why these topics frequently come up during performance evaluations (Caliskan, 2010; Bowra, Sharif, Saeed, & Niazi, 2012). An employee's performance is evaluated based on how successfully they do assigned duties in accordance with guidelines established by their superiors. Hamzah, Abdullah, and Hamzah (2014) provided the following guidelines for evaluating staff performance: A worker's attributes verify that they possess crucial qualities for the business, while a worker's behaviors are frequently used to evaluate or define the types of actions needed to carry out a role effectively, and a worker's achievements demonstrate the degree to which desired outcomes were attained. Hamzah and colleagues discovered this (2014). There is no guiding theory for raising productivity in the workplace. How well a corporation manages its employees, develops its talent, and inspires its workforce is fundamental to the organization's overall success. Consequently, production is significantly impacted by how well people are managed. The activities of workers in the workplace directly affect the quality of their work (Lodewijk, 2017).

Doing the correct thing is what we mean by "effective." Its principal focus is on carrying out tasks that further the organization's aims (Robbins & Coulter, 2013). High performance and goal completion are at the heart of effectiveness. Companies in today's uncertain economy know they must develop distinctive, adaptable features

to maintain their competitive edge. Employee performance, whether immediate or downstream, has an influence on business outcomes since it represents overall company efficacy (Kuruppu et al., 2021).

According to Thompson and Phua (2012), there is a wide range of measures of job satisfaction, depending on whether they focus on workers' emotions (cognitive) or their experiences (affective) (cognitive). In addition, work satisfaction is described as an individual's level of contentment or pleasure in his or her current position (Mwesigwa, Tusiime & Ssekiziyivu, 2020). An individual's work ethic, productivity, and self-control in the office may all provide insight into his or her level of job satisfaction. As of 2017 (Jufrizen). An individual's level of job satisfaction may be used as a gauge of how content they are with their working conditions and their daily interactions with coworkers (Hasibuan, 2013). Employee happiness may be measured by their level of work satisfaction. Among the several subfields of organizational psychology, job satisfaction has received the greatest attention (2017). It is important to collect data on job satisfaction since the results may benefit both workers and businesses. It's obvious that individuals value fair treatment from the standpoint of their employees. Workers who say they are treated fairly at work are likely getting what they deserve. From the company's point of view, increased productivity due to happy workers is good for business (Smith et al. 2020). It's widely accepted that content workers are more likely to stick around and more productive overall. Employee happiness is a prerequisite for boosting output, responsiveness, quality, and customer appreciation.

Worker productivity refers to the sum of an organization's employees' individual factor productivity over a certain period of time. Quality, quantity, time, and efficiency in turning inputs into usable outputs, etc., are all measured by this metric (Shannon et al., 2001). Businesses rely heavily on the output of their employees as a means of expansion and survival. An organization's overall factor of productive capacity may be gauged in large part by its rate of productivity increase. As a common means of gauging an employee's value to a company, productivity also directly affects the efficacy of the business itself. According to Mihiravi and Perera (2017), worker output is crucial to the success of any business. The effectiveness of a company is measured by its ability to efficiently develop or manufacture a product that satisfies market demand. Productivity in the workplace affects a company's bottom line and, by extension, its capacity to stay in business and expand (Lamm et al., 2007). Worker happiness and output might be increased by providing a safe and healthy workplace (Faragher et al., 2005).

According to Al-Nasseri et al. (2013), leaders' approaches to leading the project and its processes must evolve with time. Leadership styles that encourage participation and democracy are more likely to be perceived as ethical than authoritarian ones (Mohammad, Mustabsar, Ahmad & Umer, 2016). While ethical leadership does provide workers motivation to accomplish their best, that motivation is amplified when combined with a solid set of corporate principles. Improvement programs focusing on ethical leadership are a certain way to raise morale because of the positive correlation between staff productivity and ethical management. According to recent research, businesses who put money into training and education for their employees see significant improvements in both productivity and employee satisfaction (Muhammad, et al., 2016). The scenario calls for workers to increase their knowledge and potential through technical and non-technical education and exercise. In today's times, research has shown that ingrained habits of leadership are crucial to the success of academic institutions. Ethical leadership is now a tool for inspiring and motivating employees to boost productivity. Institutional dedication among employees is significantly influenced by cultural and moral environment characteristics, as suggested by Trevio et al. (2006). Although there were noticeable behavioral differences. Some businesses have found that enforcing a code of ethics throughout the company has reduced instances of unethical behavior; this effect is stronger the more stringent the code of ethics is. In non-code contexts, unethical behavior was most strongly associated with an environment that emphasized individualism (Muhammad, et al., 2016). They similarly believed that components of a culture which help in promoting moral behavior and attitude include treating workers fairly, sustaining moral conduct, and keeping tabs on workers. The reformed incentive system that includes both moral and immoral behavior is an essential part of an ethical culture (Brown et al., 2005). According to the findings of several studies, the punishment and incentive systems of an institution significantly impact students' ethical behavior.

The Social Exchange Theory was used as the guiding framework for this analysis (SET). It was proposed at first for use in sociological and psychological research, and then it found its way into management (Cortez & Johnston, 2020; Cropanzano & Mitchell, 2005). The theory behind SET in the workplace is that workers' opinions of their employer are influenced by the benefits they receive from their employer. Companies need to fulfill responsibilities in specific areas to maintain employee satisfaction and loyalty (Gervasi et al., 2021). Ethical leadership and social exchange theory were linked in Brown et al.(2005) 's study of notable ethical leaders. Executives that act ethically in the workplace are heroes in the eyes of their employees. Leaders can set off a positive feedback loop by influencing employees' perceptions of the existence of a social exchange

relationship through the adoption of fair and balanced decision-making practices (Mayer et al., 2009). Kacmar et al. (2011) provide support for this. According to Gouldner, the principle of reciprocity underlies any social exchange relationship (1960). An employee's sense of obligation to their employer is important for many reasons, including that it prompts them to return any favors they've received from their bosses (Eisenberger et al., 2001), that it facilitates self-management (Dose & Klimoski, 1995), and that it typically precedes being directed in the workplace (Morrison & Phelps, 1999). Employee task performance, organizational citizenship behavior (Mayer et al., 2009), and counterproductive work behavior are all positively influenced by ethical leadership, as revealed in a number of empirical research (Avey, Palanski, & Walumbwa, 2011; Walumbwa et al., 2011). Organizational citizenship behaviors were proposed as an outcome of employees' feelings of commitment to the company, further applying the notion of exchange (Organ, 1990). In a similar vein, Konovsky and Pugh (1994) noted that the quality of superior-subordinate relationships is reflected in the kind of social interchange inside an organization. Deckop, Cirka, and Andersson (2003) proposed that the idea of social trade and norms of reciprocity better explains organizational helpful behavior (OCB). According to social exchange theory (Blau, 1964), people form social or transactional relationships with their coworkers based on their past interactions with them. The maintenance of these ties may rely on economic or interpersonal transactions (Bishop, Scott, & Burroughs, 2000). Transactional relationships, like those centered on money, don't last very long. Workers feel compelled within the time frame of the monetary exchange. Social exchange connections, on the other hand, are deep and lasting bonds of trust and affection. That one's behaviors and emotions to others are conditioned by their connection to them is a central tenet of this philosophy. In addition, the idea suggests that effective leadership decisions contribute to the development of healthy connections with staff. As a result, workers are more likely to reciprocate constructive feedback in the office (Settoon, Bennett, & Liden, 1996).

Observation and instruction alone can lead to learning, as proposed by Albert Bandura's (1977) Social Learning Theory; motor reproduction and reinforcement aren't always necessary. Bandura proposed the concept of social learning, which states that individuals learn from their peers via observation and imitation. The idea has been called a "bridge" between behaviorist and cognitive learning theories since it addresses issues of attention, memory, and motivation. People's actions are the result of a complex interaction between their own mental processes, the cues they get from others, and the circumstances in which they find themselves, as described by social learning theory. From the axioms of social learning theory, we may infer the relationship between morality, leadership, and effectiveness. According to this theory, we learn best by witnessing how others learn. According to social learning theory, people may learn about the world by seeing the behaviors of others and the outcomes of those activities. Learning in this manner is called "learning by proxy" since it is indirect (Bandura, 1977). According to social learning theory, leaders shape their followers' ethical conduct through modeling, or the repeating of actions (Bandura, 1986). His thesis was that influential executives in a company may significantly affect the effectiveness with which models are deployed by virtue of their positions and access to incentive systems (p. 207). People in groups often mimic the behaviours of individuals they find attractive, and social learning theory explains why (Brown et al. 2005). For instance, Pelletier and Bligh (2006) claimed that a person's level of citizenship behavior is affected by the competency of their role models.

Organizational citizenship behavior and counterproductive work behavior were shown to mediate the relationship between ethical leadership and employee performance in a study by Khokhar and Zia-ur-Rehman (2017). The purpose of this study is to investigate the effects of ethical leadership on several aspects of performance, including employees' pro- and anti-productivity on the workplace and their involvement in the community. Sampled from 107 schools, the principals, vice principals, headmasters, and deputy headmasters make up the experimental evaluation of this method. Information was gathered through the use of questionnaires. Only 237 of the original 300 surveys returned were suitable for statistical analysis. A total of 190 people (90 males and 130 women) responded to the survey (a response rate of 79%). Ethical leadership was found to have a statistically significant positive relationship with organizational success. There was also a relationship between ethical leadership behavior and worker productivity, albeit CWB mediated this association. The role of motivation and job satisfaction as mediators between ethical leadership and public sector employee performance was studied by Oladimeji and Abdulkareem (2022). This was a quantitative research, and information was gathered from federal government employees in five different Ministries across Nigeria by use of a pre-tested, pre-administered questionnaire. The PLS-SEM method was used to evaluate and assess a conceptual model that was developed on the basis of seven assumptions. All hypotheses were found to be true with a probability less than 0.001. Their research suggested that leaders' moral behavior and their relationships with subordinates had a significant impact on employees' motivation to work and their adoption of the company's core values. Priya (2016) uses co-integration and correlation analysis to look at how ethical leadership affects employee engagement in an

organization. Researchers discovered that ethical leadership and employee dedication go hand in hand, with the former having a direct impact on the latter to boost productivity. Khuong and Dung (2015) investigated the link between ethical leadership and equity in the workplace. The majority of the information was gathered from three hundred and twelve technicians. Multiple statistical techniques, including exploration factors analysis, multiple regressions, and route analysis, were used to assess the study's hypotheses. Ethical leadership, as well as ethics-based contingent reward and employee engagement, were found to have a strong association in the data. These aspects, together with organizational justice, impacted employee engagement indirectly through trust. Consequences, equity, ethics, and incentives all play crucial roles in maintaining order. The combination of these factors has the ability to increase trust and maintain employee engagement. Hamid et al. (2016) looked at the impact of ethical leadership at Guilan University of Medical Sciences on the productivity of their staff. Descriptive correlation analysis was used for this investigation. All employees at the University of Medical Sciences in Rasht were included in the statistical population, and 337 of them were picked at random using a non-probability sampling approach. The data was gathered through the use of a standard questionnaire, and 349 replies were analyzed. In inferential statistics, the KolmogorovSmirnov test was used to determine if data were normally distributed. The distributional assumptions were tested using Pearson correlation and hierarchical regression parametric tests in SPSS. Using structural equation modeling in LISREL, we tested the robustness of the research model and probed for all conceivable associations. All of the hypotheses were confirmed by the data, showing that ethical leadership has a substantial, albeit indirect, effect on productivity in the workplace.

The main objective of this study is to examine the effect of ethical leadership on employee performance in Lagos State Government-Office of the Auditor General. The specific objectives are to: (1) examine the effect of ethical leadership on employee effectiveness in Lagos State Government-Office of the Auditor General; (2) investigate the effect of ethical leadership on employee job satisfaction in Lagos State Government-Office of the Auditor General and (3) evaluate the influence of ethical leadership on employee productivity in Lagos State Government-Office of the Auditor General.

## METHODS

### Conceptual Framework

- H<sub>0</sub> 1: Ethical leadership has no significant effect on employee effectiveness in Lagos State Government-Office of the Auditor General
- H<sub>0</sub> 2: Ethical leadership has no significant effect on employee job satisfaction in Lagos State Government-Office of the Auditor General
- H<sub>0</sub> 3: Ethical leadership does not significantly influence employee productivity in Lagos State Government-Office of the Auditor General

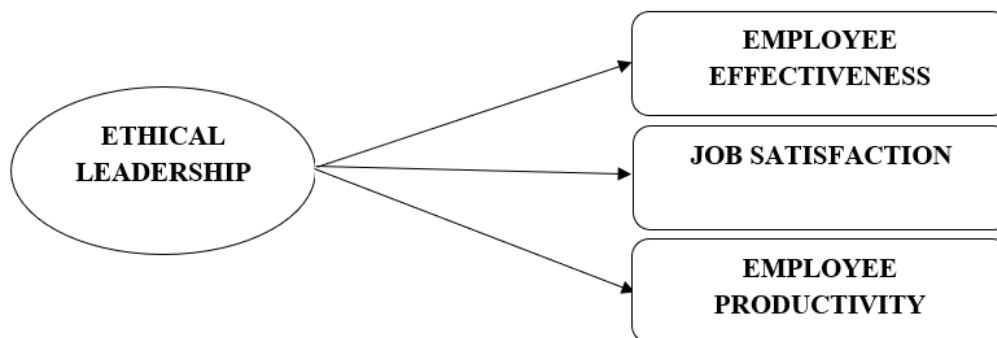


Figure 1. Researcher Hypotheses (2022)

### Research Design

Research design is a blueprint or guideline used in the analysis of data for a study (Ajali, 2017). The descriptive survey research design was adopted for this study. According to Cooper and Schindler (2006), this type of study calls for a descriptive survey since it seeks to characterize the connection between two variables in which one variable causes a stated effect on the other. Data from the population may be collected using the chosen study methodology, and then the associations between variables can be measured (Njeri, 2017).

## Population of the Study

According to Popoola (2011), the study population is all the things under the research scope. The study's population includes all of the variables and subjects being examined. All of the workers of the Lagos State Government Auditor General's Office make up the study's population. About 381 people work in the Office of the Auditor General for the Lagos State Government (Lagos State Government-Office of the Auditor General, 2022).

## Sample Size and Sampling Technique

The number of people in the sample is a fraction of the total population. From a statistical point of view, "sample size" refers to the selected subset of total observations. There are 381 people in the sample. When drawing inferences or conducting hypotheses about a larger population based on a subset of that group, the size of the sample is crucial. However, the study adopted the entire population as sample because of availability and accessibility of respondents. Purposive sampling technique was adopted in this study.

## Validity of the Instrument

Due to the survey's essential role in gathering information, the researchers employed a face and content validity index to ensure the survey's reliability and validity (CVI). The tool was evaluated by a panel of three professionals.

## Reliability of the Instrument

Cronbach's alpha was used to determine whether or not the instrument used was reliable; the indexes for the three hypotheses were 0.875, 0.895, and 0.823, respectively. Each key data variable's items' measurement scales are examined for internal consistency using a reliability test.

## Method of Data Analysis

Both the direct and inferential analyses were performed on the data. Data was analyzed using basic percentages and regression with the help of SPSS 23 (Statistical Package for the Social Sciences). Hypothesis testing and effect size estimation were accomplished using regression analysis.

# RESULTS AND DISCUSSIONS

## Data Analyses and Interpretation

Table 1. Regression Summary for Hypothesis 1

Variable(s)	Coefficient	t-value	p-value
Constant	1.942	1.520	0.132
Ethical Leadership	0.851	10.845	0.000
F-stat=117.611			R <sup>2</sup> =0.536
P-value=(0.000)			

Source: SPSS (2022)

The findings in Table 1 above show that in the Lagos State Government-Office of Auditor General, ethical leadership has a substantial impact on staff effectiveness. This may be inferred from the probability value and regression coefficient (B=0.732, P 0.05). This means that employee performance at the Lagos State Government's Office of Auditor General would vary by 0.732 units for every unit change in ethical leadership. According to the Lagos State Government-Office of Auditor General's co-efficient of determination (R<sup>2</sup>) of 0.536, ethical leadership is responsible for 53.6 percent of the variation in employee performance. As a result, the alternative hypothesis will be accepted and the null hypothesis rejected.

Table 2. Regression Summary for Hypothesis 2

Variable(s)	Coefficient	t-value	p-value
Constant	8.558	9.673	0.000
Ethical Leadership	0.477	8.452	0.000
F-stat=71.444			R <sup>2</sup> =0.412
P-value=(0.000)			

Source: SPSS (2022)

The findings in Table 2 above show that in the Lagos State Government-Office of Auditor General, ethical leadership has a substantial impact on employee job satisfaction. This may be inferred from the probability value

and regression coefficient ( $B=0.642$ ,  $P 0.05$ ). This suggests that a 0.642 improvement in work satisfaction for employees of the Lagos State Government-Office of Auditor General will result from a one-unit change in ethical leadership. According to the Lagos State Government-Office of Auditor General's co-efficient of determination ( $R^2$ ) of 0.412, ethical leadership is responsible for 41.2 percent of the variation in employee job satisfaction. As a result, the alternative hypothesis will be accepted and the null hypothesis rejected.

Table 3. Regression Summary for Hypothesis 3

Variable(s)	Coefficient	t-value	p-value
Constant	9.800	6.988	0.000
Ethical Leadership	0.311	3.610	0.000
F-stat=13.034			$R^2=0.116$
P-value=(0.000)			

Source: SPSS (2022)

The findings in Table 3 above show that in the Lagos State Government-Office of Auditor General, ethical leadership has a considerable impact on worker productivity. This may be inferred from the probability value and regression coefficient ( $B=0.341$ ,  $P 0.05$ ). This suggests that the Office of the Auditor General of Lagos State would see a 0.341 change in staff productivity for every unit change in ethical leadership. According to the Lagos State Government-Office of Auditor General's co-efficient of determination ( $R^2$ ) of 0.116, ethical leadership is responsible for 11.6 percent of the variation in employee productivity. As a result, the alternative hypothesis will be accepted and the null hypothesis rejected.

### Discussion of Findings

Specifically, a co-efficient of determination ( $R^2$ ) of 0.536 suggests that ethical leadership accounts for 53.6% of the variation in employee performance in the Lagos State Government-Office of Auditor General, supporting the first hypothesis. Oladimeji and Abdulkareem's research supports this conclusion (2022). Ouakouak et al. (2020), Shareef and Atan (2001), and the results of the present study all agree (2018).

A co-efficient of determination ( $R^2$ ) of 0.412 between ethical leadership and employee job satisfaction in the Lagos State Government-Office of Auditor General shows that this hypothesis is supported, demonstrating that ethical leadership accounts for 41.2% of the variation in employee job satisfaction in this organization. This is consistent with the research of Yousaf, Abid, Butt, Ilyas, and Ahmed (2019), which found a favorable correlation between flourishing in one's career and ethical leadership and the mental health of one's workforce. This conclusion is further supported by the work of Kern, Waters, Adler, and White (2014), Abid (2016), and Patterson, Luthans, and Jeung (2014).

We discovered evidence to support the third hypothesis, showing that ethical leadership has a significant impact on employee output at the Lagos State Government-Office of the Auditor General. An  $R^2$  of 0.116 shows that ethical leadership is responsible for 11.6 percent of the variation in employee output at the Lagos State Government-Office of the Auditor General. Similar findings were made by Otero-Neira, Varela-Neira, and Bande (2016), who discovered that sales managers who exhibited servant leadership had a positive effect on the output of their staff. The studies of Oladimeji and Abdulkareem further supported this fact (2022).

## CONCLUSIONS

According to the study's findings, effective ethical leadership significantly affects staff productivity, job satisfaction, and effectiveness. Employees respect and are eager to provide their best effort for a boss or leadership with moral qualities including justice, charisma, respect, equitable treatment, and integrity.

From the above results, the study further recommends the following:

- The leadership of the commission should adopt equal treatment of its staff to help improve the quality and increase employees' sense of commitment towards their job.
- Ethical leadership has proven to have an influence of employee job satisfaction. Thus, the leadership should ensure they are fair, just and honest in their dealings as this build trust in the mind of the employees and make them more satisfied with their job.
- The leadership of the commission should practice ethical leadership in terms of trust, fairness and transparency among its staff to help improve productivity.



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