THE IMPACT OF ETHICAL LEDERSHIP ON EMPLOYEE JOB PERFORMANCE IN HOTEL INDUSTRY AT PASIKUDAH



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ABSTRACT

Nowadays, the hotel industry goes through turbulent times and is facing many ethical issues. In the current competitive business world, reducing the employee job performance has been a major problem for hotels.

The objectives of this study are to assess the levels of ethical leadership and employee job performance and to examine the relationship between these variables. In addition to that, the study identifies the impact of ethical leadership on employee job performance. Present study explores independent variable of ethical leadership and dependent variable of employee job performance. Hence, research aims at identifying whether the ethical leadership impacts on employee job performance in hotel industry at Pasikudah.

A cross-sectional survey using structured questionnaire was used to collect data from 200 employees in selected hotels in Pasikudah and all the items in the independent and dependent variables were tested through reliability test to ensure the consistency of the scale. Univariate analysis was carried out and the results show high level of ethical leadership on employee job performance. The correlation and simple linear regression analysis was carried out and the result indicated there was a strong positive relationship between ethical leadership and job performance. The multiple linear regression analysis was carried out and the results revealed that ethical leadership significantly and positively impact on employee job performance followed by trust and integrity of leaders in hotel industry at Pasikudah.

The results of the study suggest that overall impact of ethical leadership (trust, transparent, moral value and integrity) towards employee job performance and which was consistent with previous research findings. Therefore the study recommends that the management of hotels should put more focus on ethical leadership principles. The issue of generalizing the findings over the population, time availability and access restrictions to the hotels has been identified as limitations of the study.

Keywords- Ethical Leadership, Employee Job Performance

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