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**The Dynamic Relationship between Ethical Leadership and Employees Creativity through Mediating Effect of Self Efficacy Approach**

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**Abstract**

The research investigates the three-dimensional relationship between Ethical Leadership (ELDS), Self-Efficacy (SEF) and Employees' Creativity (EMC) in educational institutions. The research based on structural model analysis demonstrates that ethical leadership improves both self-efficacy and creativity levels among employees. Ethical leaders establish a workplace safety environment that lets employees generate innovative ideas without fear of adverse consequences. The research demonstrates that self-efficacy functions as the key factor linking ethical leadership to creativity by showing that confident employees engage more in creative problem-solving. This research demonstrates that organizations should maintain ethical leadership standards because they create supportive work environments, which promote teamwork and risk-taking behavior. Higher education institutions must create programs for ethical leadership development since this enhances both employee engagement and workplace performance. The resulting evidence adds to organizational behavior studies by proving that ethical leaders both advance workplace creativity and build greater self-efficacy which produces enhanced organizational achievements. The study provides vital insights that guide leadership-training strategies to enhance educational innovation development programs.

**Keywords:** Ethical Leadership, Self-Efficacy, Employees' Creativity, Higher Education

**Introduction.**

Creativity can be influential, across disciplines, in allowing an individual to shape society. The success of any business venture, whether manufacturing or service, largely depends on employee's creativity and innovation. However, employee's creativity is more crucial for the

service sector because customers do not measure quality based on the physical product; rather, on the quality of services provided by the employees (Yang, Lee, & Cheng; 2016)

Creativity is relatively important for educational institutions compared to other service sectors because it is a common belief that educational institutions are responsible for promoting creativity and innovation in modern societies. However, the study of Hammond, Neff, Farr, Schwall, and Zhao (2011) found that education is a significant factor in innovation in both the manufacturing and service industries. In any university, faculty are considered as a source of creativity, innovation, and organizational learning. Oshagbemi (2000) reported that faculty mainly performs three functions to justify the creativity aspect of the society, such as teaching, management, and research. Therefore, availability and the number of competent faculty is a prerequisite for creativity. As a result, educational institutes and governments provide a variety of fellowships, scholarships, and faculty development programs to meet the needs of creative faculty.

Only the number of faculty members does not matter unless they work enthusiastically. As Paracha, Ismai, and Amin (2014) and Veenman (1984) have pointed out that building a leading educational institution requires faculty's support, motivation, and enthusiasm. Competent and dedicated faculty would play a catalyst in creativity and innovation. Therefore, in the case of educational institutions, motivated, self-directed, and competent faculty are very much needed to promote knowledge sharing, learning, creativity, and innovation (Banks et al., 2021).

Creativity is mostly promoted by the vision of top management of organizational hierarchy. Since creativity is a core component of innovation, ethical leadership is important in enhancing employee creativity in higher learning institutions by creating trust and transparency as well as ensuring psychological safety (Dey et al., 2022). Ethical leadership fosters fruitful communication in organizations; faculty and staff share their opinions with a leader without any concerns about negative feedback (Simon et al., 2022). Organizational context: the second element of this framework therefore is a supportive climate since it fosters risks and creativity among the employees (Rego et al., 2012). Past studies (Simon et al., 2022; Banks et al., 2021) have pointed out that the concept of EL increases employees' job satisfaction and the level of organizational commitment hence promoting creative behaviors among employees (Walumbwa et al., 2008). Higher education leaders who encourage ethical behavior improve the creative performance of their workforce and create value-added solutions to organizational issues for the institution and its stakeholders (Lim, 2024).

It is clear that allowing employees the freedom to be creative in their work plays a critical role in organizational improvement and adds significant value.. According to De Jong & Den Hartog, (2019) in today's world the sustainability, the growth rate and overall development of the organizations are highly dependent on the creativity that is being nurtured in the work place. This creativity does not only improve the condition of employments but also brings added-value or edge that is hard to imitate. For such kind of creativity to flourish in organizations, there needs to be people management in form of knowledge management, high performance work systems and ethical leadership. In contrast, the present study found that in developing countries like Pakistan, there is a lack of conditions that create creativity and innovativeness that significantly affect organizational performance (Altaf, Hassan & Batool, 2021).

In addition, creativity is not only confined to institutional performance but also helps in social development. Considering a large part of the population is still in a state of low income and finding it difficult to feed and shelter themselves (Pfeffer, 1998), universities can do much to reduce unemployment by providing training and education to would be employees (Lu, Leung & Koch, 2006). From the research, it is evident that unemployment rate in Pakistan is a little lower

than the world average though still higher to that of some of its neighbours indicating some systematic issues with education sector (International Labour Organization, 2022).

Among these, QS World University Rankings and others state that both research and education are rather critical components that determine a university's ranking, as they make up 60 percent of scores. These domains require the spirit of knowledge sharing, motivated faculty, and innovation domains that are quite wanting in the public sector universities in Pakistan today (Bashir et al., 2012; Saher et al., 2019). In 2025 only 2 universities from Pakistan namely Quaid e Azam University and NUST ranked among top 300 universities from total of 186 degree awarding institutes (QS World University Ranking 2025). These attributes include: Due to poor high performance work systems, little or no knowledge sharing, poor leadership, and low motivation are attributed to this underperformance (Sarwar, Aslam, & Rasheed, 2012; Grant Thornton Consulting, 2016). Even though QS World University Rankings revealed that there are no universities in Punjab which have provide quality education there is a dire need to know how to enhance creativity of the employees working in these institutions. As such, this study will seek to establish the relationships between self efficacy and ethical leadership, with knowledge sharing as mediator to fill these gaps in the higher education system of Pakistan.

The research aims to determine the relationship that exists between self-efficacy and ethical leadership and knowledge sharing alongside employee creativity.

1. Does the combined effects of ethical leadership, knowledge sharing and self-efficacy influence employee creativity. ?
2. How does self-efficacy directly support employees to develop creativity. ?
3. Self-efficacy functions as a mediator between ethical leadership and employee creativity during these connections in which both factors influence each other.

In a competitive environment, survival, sustainability, and development of organizations broadly depend on the employee's creativity. Employees are a unique source of competitive advantage for organizations nowadays. The importance of employee's creativity is though vibrant for the service and manufacturing sector, but creativity is predominantly crucial for the service sector because no physical product is there for quantitative measurement. Universities, more specifically the faculty members are considered to be the main source of creativity in a society. However, faculty members themselves are vulnerable to demotivation and static state. Resultantly, creativity in society would suffer. The literature reported that a boost in employee's creativity is possible through certain actions and education. Previous studies have revealed that self-motivated faculty members, along with stringent HPWS practice and ethical leadership, would be more creative than the counterpart. Organizational practices such as recognition, rewards, participative decision-making, ethical leadership, open communication, are vital for creativity among faculty members.

The research has significant contributions only then it is considered as useful and fruitful research. From a theoretical perspective, the past studies in the education sector, particularly Pakistani education sector, have not been examined in the background of current theoretical framework aspect as this study focusing on the self-efficiency, high-performance system, ethical leadership, knowledge sharing and employee's creativity, which is not been studied as the current schema.

## LITERATURE REVIEW

### Relationship between Ethical Leadership and employee's creativity

The correlation between ethical leadership and employee creativity has been a popular research topic in organizational behaviour. Ethical workplace, that is, leadership strength in

deeds, sound ethical corporate/commercial practices and principles offer the right climate for innovation (Brown & Treviño, 2006). Zhang and Bartol's (2010) study also suggests that creative behaviors are most likely to be exhibited when the employee regards their leader as being ethical. This link can be explained by the fact that ethical leaders create psychological safety which enables the employees to forward new ideas without expecting the worst to happen to them (Neubert et al., 2009). Besides, ethical leaders tend to model positive values in that regard and provide encouragement to be creative and to take risks (Zhang and Bartol, 2010). When employees realize that leaders are ethical, they feel pressured to become ethical in return, hence, they bring forward more creativity in the organization.

However, the mechanism in this relationship is psychological empowerment, which is discussed below. Ethical leaders grant the authority to their followers, and such actions improve employees' self-confidence in creative work (Zhang & Bartol, 2010). This leads to increase in intrinsic motivation empowering employees, which is critical element in creativity as pointed by Amabile (1996). Also, when ethical leadership is encouraged, the results are better collaboration owing to the fact that people feel valued and supported, therefore creating the impetus for coming up with new and novel ideas (Neubert et al., 2009). Hence, ethical leadership does more than impact on the creativity of employees in an organisation but also creates an environment for creativity in an organization.

Therefore, the following can be understood as the studies of the intervening factors between ethical leadership and creative work engagement of employees, namely psychological safety, employee empowerment and role modelling. This is the type of environment the ethical leaders ensure that they make for creativity to thrive with emphasis on ethical practicing. This positive organizational climate is still required to help foster creativity and new solutions, which is why ethical leadership is essential in the improvement of employee creativity.

### **Relationship between Ethical Leadership and employee's self-Efficacy**

Ethical leadership and employee self efficacy is an important line of study in the field of organization Behaviour. Efficacy beliefs refers to people's expectations of their capabilities to accomplish given tasks, has a direct impact on both intrinsic motivation and personal well-being as well as the resultant performance according to Bandura (1997). Lack of ethical leadership was also significantly related to increased neuroticism and decreased self efficacy through creating an environment that fosters self promotion in the workplace (Walumbwa et al., 2017). Bai et al, (2019) state that when leaders act ethically and offer feedback, this enables the employees gain the assurance they need in their competence.

Further, ethical leaders perform activities that help personal growth, by offering coaching and mentoring that leads to enhanced self efficacy (Brockner et al., 2001). This kind of supportive relationship influences goal specification and achievement suggesting that the employees shall improve their performance irrespective of odds encountered in the process. Ethical leadership also create sense of responsibilities among the employees and as a result encourages them to enhance their skills and competencies (Walumbwa et al., 2017).

In addition, ethically transformational leadership and self-efficacy can be viewed from the perspective of psychological capital, hope, optimism, and resilience and self-efficacy. Leaders who maintain ethical personality and create favourable organizational environment positively stimulate psychological capital in order to help employees have faith in their possibilities to overcome difficulties (Bai et al., 2019). This connection underscores self-efficiency regarding the repercussions of ethical leadership not just on entity self efficacy but also on organizational culture.

In conclusion the association between ethical leadership and employee self efficacy is a rather complex, encompassing trust component, personal growth as well as psychological capital. Ethical leaders make sure that the subordinates are capable, with confidence in the fact that they can do their job in the best way possible. This, in turn, leads to improved employee performance and is a major factor to organizational achievement.

### **Relationship between Ethical Leadership and employee's creativity through self efficacy.**

Another important mediator that connects ethical leadership and employee creativity is self-efficacy, which refers to an individual's perception of his/her capability to achieve a task. Sub characteristic: Ethical leaders increase self-efficacy of followers by exemplifying ethical behavior and offering encouragement to employees so that they can take chances and experiment with solutions (Zhang & Bartol, 2010). Recent research of Neubert et al., (2009) has revealed that self directed employee teams are apt to solve problems creatively and propose new ideas when they have self belief (Saif et al., 2020b). Ethical leadership boosts self-efficacy in order to cultivate creative organisational environment, as Machumps pointed out that ethical leadership enabled the employees to be more confident about the implementation of their ideas (Walumbwa et al., 2017). Therefore ethical leadership can be seen to influence creativity both directly and indirectly through the influence it has on the self efficacy of employees.

### **Hypothesis**

**H1;** Ethical leadership significantly determine employees creativity in Higher Education.

**H2.** Ethical leadership significantly determine Self efficacy in Higher Education

**H3.** Employees Self Efficacy mediates the relationship between ethical Leadership and Employees' Creativity in Higher Education.

## **METHODOLOGY**

### **3.1. Research Design**

The current research proposes the following hypothesis; self-efficacy, ethical leadership have a positive relationship with creativity partially mediate for this relationship. The current study is descriptive in its approach as the major aim of this type of research is to describe the trends and features of the studied phenomena (Saif et al., 2023b; Saif et al., 2023c). Quantitative research method is well suited in relation to dissection and observation of interrelationship with in the provisions of the measurements relating to the socio-demographic characteristics of the population within organizations (Saif et al., 2023 d; Tahira et al., 2019). This approach is also crucial in sampling precise, credible and definitive information needed in developing public policies or decision making (Abbott & Bordens, 2011; Cooper & Schindler, 2006; Hair, Money, Samouel, & Page, 2007; Sekaran & Bougie, 2016; Zikmund, Babin, Carr, & Griffin, 2013). The research is proposed to use a cross sectional data collection method as the study tool.

### **3.2. Population and sample size**

The population for this study consists of the complete body of data sources, specifically the 29 government sector universities in Punjab, which have a total of 37,397 full-time faculty members, as reported by the Higher Education Commission (2017). Identifying this population is a crucial preliminary step in data collection, as the credibility of the findings relies on accurately defining the population (Sekaran & Bougie, 2013). For the analysis, a sample size of 369 was selected based on the recommendations of Krejcie and Morgan (1970), which provide a systematic

approach to determining an appropriate sample size in relation to the total population of public universities in Punjab, Pakistan (Shah et al., 2022; Saif et al., 2022a).

### 3.3. Instrument and Measurement

Employees creativity was measured through 5 item scale of creativity through adopted scale of (Kim, Hon,& Crant, 2009). Also, self-efficacy is viewed as a mediator in this research; the corresponding questionnaire is adopted from the study of Schwarzer and Jerusalem (1995).

The study also applied questionnaire evaluation methods based on (Kalshoven et al. 2011) ELD scale validated by (Khan, Shaheen, &Jahanzeb,2023) in the work context of Pakistan Higher education to measure ethical leadership dimensions. Shorten version of 12 items make up this measurement scale which operates through a 5-point Likert scale that uses responses from strongly disagree to strongly agree. Sample item to measure Ethical leadership is "My leader pays attention to my personal needs." (Alpha=0.822).

### 3.4. Data Analysis Tools

The data analysis process involved two key components: measurement models and structural models.

**Measurement Models:** These models assess how well the constructs (theoretical concepts) are represented by the measured variables (Abbas et al., 2024). This step ensures that the indicators used accurately reflect the underlying constructs in the study.

**Structural Models:** These models examine the relationships between the constructs. They help identify how the constructs interact and the strength of these interactions.

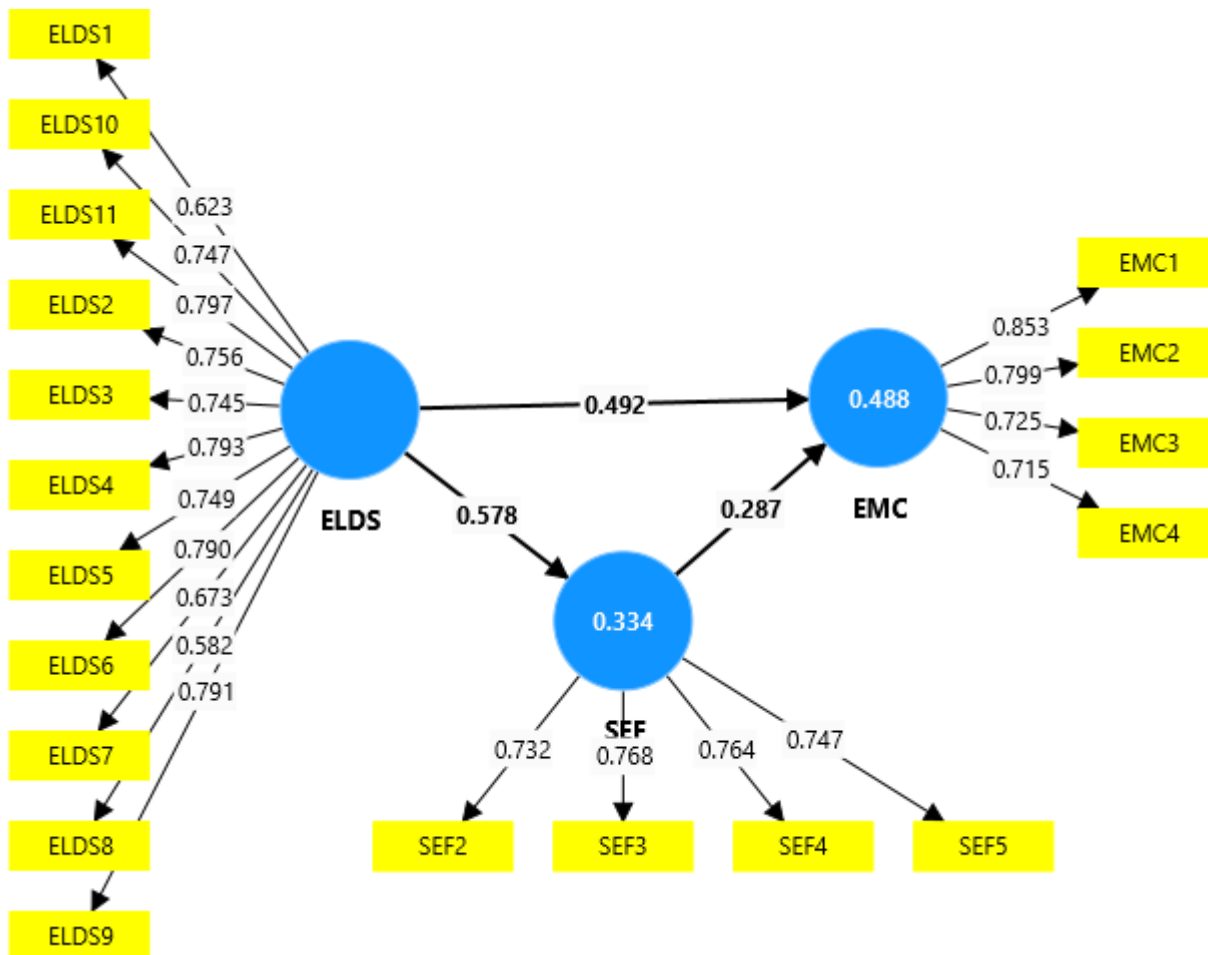
To evaluate mediation, which explores whether the effect of one variable on another is transmitted through a third variable, path coefficients were determined using Smart PLS (Partial Least Squares). This software facilitates the analysis of complex relationships in data. Additionally, reliability statistics were used to check the consistency and stability of the constructs within the higher education institutions (HEI) sector of Punjab (Shah et al., 2022; Saif et al., 2022a). This step is crucial for confirming that the measures used in the study are dependable and applicable in the context being researched.

## RESULT AND DISCUSSION

**Table 1. Item loading and Reliability**

	ELDS	EMC	SEF	CA	CR	AVE
ELDS1	0.623			0.913	0.913	0.540
ELDS10	0.747					
ELDS11	0.797					
ELDS2	0.756					
ELDS3	0.745					
ELDS4	0.793					
ELDS5	0.749					
ELDS6	0.790					
ELDS7	0.673					
ELDS8	0.582					
ELDS9	0.791					
EMC1		0.853		0.779	0.802	0.601
EMC2		0.799				
EMC3		0.725				

EMC4		0.715				
SEF2			0.732	0.746	0.748	0.567
SEF3			0.768			
SEF4			0.764			
SEF5			0.747			



**Fig 1. Measurement Model for reliability through PLS**

The assessment of item loading together with reliability exists as an essential step for validating the constructs employed in this study. The table exhibits item loadings, which measure the relationship between Ethical leadership (ELDS), Employee Creativity (EMC) and Self-efficacy (SEF). The observed variables that contribute to the constructs show acceptable correlation according to values above 0.6 as defined by Hair et al. (2010).

The ELDS construct shows satisfactory levels of relation despite having ELDS8 with an item loading of 0.582 that needs further evaluation. The construct reliability assessment includes three measures that combine Cronbach's Alpha with Composite Reliability and Average Variance Extracted. The measurements of internal consistency through CA and CR at 0.913 for ELDS exceed the recommended value of 0.7 according to Nunnally & Bernstein (1994). The construct validity is supported through an Average Variance Extracted value of 0.540, which demonstrates the measurement of more than fifty percent of items' variance (Alam et al., 2023).

The EMC construct achieves strong reliability markers through its 0.802 CA and 0.802 CR and 0.601 AVE values. Each item under EMC shows a considerable loading value through EMC1's 0.853 specifically thus validating the construct representation of its items.

The reliability indicators for SEF indicate sufficient but moderate performance through CA 0.746 and CR 0.748 and an AVE measure of 0.567. The construct validity of SEF is supported by SEF2, SEF3, SEF4 and SEF5 because all these items display a loading above 0.732 (Saif et al., 2023a).

The measurement model presented in Fig 1 validates essential traits of reliability and usefulness for analyzing dynamic forces that influence higher education institutions (Hair et al., 2016).

**Table 2. HTMT Results**

	ELDS	EMC	SEF
ELDS			
EMC	0.768		
SEF	0.687	0.728	

**Table 3. Fornell-Larcker criterion**

	ELDS	EMC	SEF
ELDS	0.735		
EMC	0.658	0.775	
SEF	0.578	0.572	0.753

Tables 2 and 3 present important assessments of discriminant validity for the constructs in the study, specifically Ethical Leadership (ELDS), Employees Creativity (EMC), and Self Efficacy (SEF). The Heterotrait-Monotrait Ratio (HTMT) table in Table 2 reveals the inter-construct relation strength. The HTMT values of 0.768 between ELDS and EMC as well as values of 0.687 between ELDS and SEF and 0.728 between EMC and SEF show sufficient discriminant validity because they remain below the recommended threshold of 0.85 (Saif et al., 2024 c). The measurement approach shows that each construct monitors different components of the theoretical model's constructs. Table 3 demonstrates fit between Average Variance Extracted (AVE) square roots and construct pairwise correlations by using the Fornell-Larcker criterion. The square roots of the AVEs for ELDS (0.735), EMC (0.775), and SEF (0.753) surpass their correlation values with other constructs, which establishes their distinctiveness. The robustness of the model confirms through these findings from both tables because good discriminant validity demonstrates that the constructs capture different dimensions of the study's theoretical framework effectively.

### Structural Model analysis for hypothesis testing

**Table 4. Hypothesis Testing**

Hypothesis	Beta	STDEV	T statistics	Sig	Decision
H1; ELDS -> EMC	0.492	0.058	8.424	0.000	Accepted
H2; ELDS -> SEF	0.578	0.058	9.913	0.000	Accepted
H3; SEF -> EMC	0.287	0.052	5.467	0.000	Accepted
H4; ELDS -> SEF -> EMC	0.166	0.036	4.580	0.000	Accepted

A structural model analysis serves as a fundamental method to evaluate the connections between Ethical Leadership (ELDS), Self-Efficacy (SEF), and Employees' Creativity (EMC). The hypothesis testing results appear in Table 4 to illustrate the construct relationships in higher education.



**Hypothesis H1: ELDS → EMC**

Ethical leadership demonstrates a substantial influence that creates significant changes in employee creativity as demonstrated by Hypothesis H1. The obtained beta coefficient value of 0.492 demonstrates that ethical leadership positively affects employee creativity at a moderate to strong level. The hypothesis test results demonstrate the t-statistic value exceeds 1.96 by 8.424 and has a significance level of 0.000 below 0.05. The results confirm H1 because ethical leadership creates an environment that boosts creativity at the employee level. Exemplary leadership conduct combined with integrity creates a motivational environment that enables employees to present innovative ideas alongside active participation in novel practices.

**Hypothesis H2: ELDS → SEF**

The connection between ethical leadership practices and higher education self-efficacy stands strong according to hypothesis H2. The obtained beta value of 0.578 confirms a very substantial positive effect on the relationships between variables. A t-statistic value of 9.913 together with a 0.000 level of significance demonstrates the statistical significance of this relationship. H2 indicates ethical leadership as a significant contributor to employee self-efficacy based on the results. Employees develop competence through leader support and ethical modeling because it leads them to embrace their personal strengths for creative work.

**Hypothesis H3: SEF Mediates ELDS → EMC**

The hypothesis H3 assesses the mediation role of self-efficacy between ethical leadership and employee creativity. The beta coefficient for this mediation effect equates to 0.287 while its t-statistic reaches 5.467 and shows a 0.000 significance level. Self-efficacy stands as a primary mediation factor between different elements of the study. The positive effects of ethical leadership on employee creativity become possible because ethical leadership increases self-efficacy. When ethical leaders give their teams power they strengthen employees' confidence in their creative talents which in turn produces better innovative results.

The results demonstrate that self-efficacy functions as a mediator that translates ethical leadership into employee creativity according to Hypothesis H3. The acceptance of this result becomes evident because of a beta value of 0.166 alongside a t-statistic of 4.580 and a significance level of 0.000. Research findings maintain consistency because self-efficacy functions as an essential mediator connecting ethical leadership to employees' creativity. Both mediation hypotheses show that self-efficacy serves as an essential bridge for ethical leadership to produce higher creativity levels in employees.

The structural analysis of the model shows complete hypothesis support which establishes meaningful interaction between ethical leadership together with self-efficacy and employee creative output in educational sectors (Saif et al., 2024a; Tahira et al., 2019; Saif et al., 2024b). Findings reveal that ethical leadership contributes directly to employee creativity together with increased self-efficacy, which creates additional conditions for creative performance. The development of innovation in the workplace depends heavily on ethical leadership practices, which should be prioritized by institutions to engage their employees effectively.

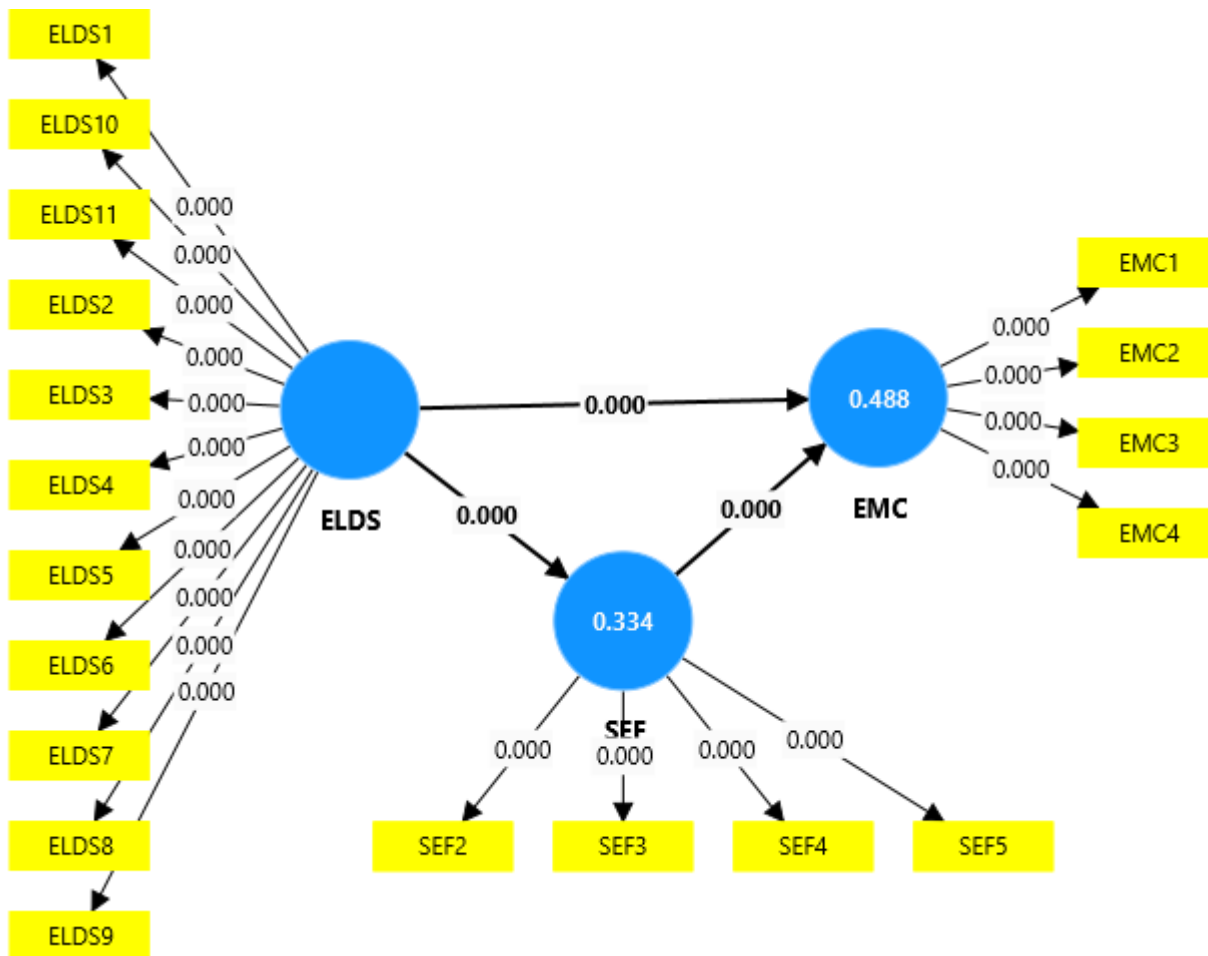


Fig 2. Measurement Model for reliability through PLS

## CONCLUSION AND RECOMMENDATIONS

The structural model results show that Ethical Leadership (ELDS), Self-Efficacy (SEF), and Employees' Creativity (EMC) demonstrate meaningful statistical relationships which validate the importance of ethical leadership for fostering staff creativity in existing academic research. Brown and Treviño (2006) established ethical leadership develops workplaces that meet highest ethical standards through proper practices while promoting conditions for innovation. The research findings show that ethical leadership enhances creativity among workers based on the significant positive relationship revealed in Hypothesis H1.

Zhang and Bartol (2010) proved employees demonstrate creative behaviors if they feel their leaders maintain ethical conduct. Ethical leaders create a safe environment for employees to present innovative thoughts because of their ability to offer psychological protection against negative consequences (Neubert et al., 2009). The approval of Hypothesis H2 demonstrates ethical leadership results in substantial improvements to personnel self-efficacy. Self-efficacy stands out as a fundamental concept because it describes a person's confidence to achieve success and drives intrinsic motivation as well as creativity (Amabile, 1996). Ethical leaders who empower their teams by demonstrating positive values increase workforce confidence about their capabilities thereby creating an environment suitable for creativity.

According to Hypothesis H3 self-efficacy acts as an intermediary bridge for ethical leadership to impact creativity in organizations. Ethical leaders build up self-confidence in their employees so

they can complete creative tasks with enhanced dedication. Research by Zhang and Bartol (2010) revealed that ethical leaders enable their followers to test innovative solutions while taking risks within an innovative environment.

Research shows that ethical leadership generates more than creativity benefits because it establishes workplaces through psychological empowerment as well as collaborative support systems. Ethical leadership creates valued employees which results in better collaborative work and increased motivation to develop new ideas (Neubert et al., 2009; F arooq et al., 2022; Saif et al., 2019; Saif and Shaheen ., 2022). The inclusive support network allows employees to participate actively in creative work thus building organizational conditions needed for creative success.

The research findings demonstrate direct links between ethical leadership and creativity and they establish self-efficacy as the crucial mediating factor. The research demonstrates that ethical leadership creates an environment which bills employee creative potential because it enhances both employee self-belief and empowers them. Ethical leadership practices should be made top priorities for organizations because they build innovation-oriented work spaces which result in enhanced performance and organizational success.

### **Conclusion**

This research reveals the essential function of Ethical Leadership (ELDS) in building higher education employees' Self-Efficacy (SEF) while simultaneously developing Employees' Creativity (EMC). Evaluation of structural model relationships demonstrates that ethical leadership directly creates creativity combined with two indirect effects which establish stronger employee self-efficacy to further enhance creative outcomes. Data supports established research findings which show that ethical leadership should be seen as essential for achieving environments that generate innovation. Psychological safety develops under ethical leaders so their employees can make proposals while protected from negative consequences which results in creativity combined with collaboration. This research demonstrates that ethical leadership practices enhance employee strength through capability growth while boosting their trust in themselves to perform more risky work which drives innovative performance. The increased self-confidence enabled by ethical leadership lets employees participate actively in creative work activities which create innovative outcomes for organizational success. The study backs the hypothesis that ethical leadership generates both individual employee advantages and essential organizational conditions needed to promote innovative creative behavior. Institutions must establish ethical leadership training as a strategic initiative because this approach advances employee participation and workplace achievements.

### **Recommendations**

The conclusions drawn from this investigation provide advice to educational institutions regarding their efforts to maximize employee creativity with superior performance outcomes. Institutions must create specialized training packages about handling ethical leadership so all staff members learn correct behavior. The training sessions offer students and future leaders dependable knowledge about ethical standards as well as teaching them how their choices affect workplace culture and innovation.

Employees will feel more comfortable sharing innovative ideas by maintaining a workplace atmosphere, which promotes security. Employees will build an innovative culture through open communication channels and constructive feedback and visible appreciation of their innovative work.

Organizations should elevate employee empowerment by letting staff participate in decision-making together with freeing them up for independent work. Employee self-efficacy increases when such organizational strategies are used because they empower staff members to take initiative while seeking creative solutions for workplace problems.

The organization should establish mentoring relationships to offer guidance and support which elevate employee self-efficacy. In their leadership role, ethical leaders need to use coaching methods, which target individual as well as career advancement.

To track leadership effectiveness assess both creative development of employees and their self-efficacy through consistent evaluations. Leadership program evaluation needs to use feedback systems that identify suitable changes for better results.

Higher education institutions that embrace these recommendations will develop ethical leadership practices that boost employee creativity along with self-efficacy to create an innovative organizational environment for success.

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