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THE INFLUENCE OF ETHICAL LEADERSHIP ON INNOVATIVE WORK BEHAVIOR: THE MODERATING ROLE OF PERCEIVED ORGANIZATIONAL SUPPORT

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ABSTRACT
This study examines the influence of ethical leadership (EL) on innovative work behavior (IWB) by considering the moderating role of perceived organizational support (POS) in the context of lecturers at Indonesian universities. Ethical leadership, which emphasizes moral values, transparency, and justice, is believed to create an academic environment conducive to innovation. However, the level of organizational support perceived by lecturers can strengthen or weaken the relationship between ethical leadership (EL) and innovative work behavior (IWB), especially in the face of rapid technological changes such as artificial intelligence (AI). In this context, EL becomes crucial to ensure the responsible use of AI without sacrificing academic values, while high Perceived Organizational Support (POS) can encourage the adoption of new technologies and the development of AI-based solutions in academic practices. This study involved a population of 7,503 lecturers from West Java and Banten Provinces. Based on the Isaac and Michael table, with a 5% margin of error, a sample size of 332 respondents was determined and selected using random sampling to ensure it represents the population and reduces bias. Data were collected through a questionnaire designed to measure the research variables with appropriate measurement scales. The methodology used is quantitative with a Partial Least Squares (PLS) approach using SmartPLS software, chosen for its ability to handle non-normal data and test complex interactions between latent variables, especially in moderation effects. This research provides a theoretical contribution by enriching the literature on ethical leadership, organizational support, and innovation in the higher education environment, as well as a practical contribution in the form of policy recommendations for educational institutions to encourage innovative behavior among lecturers in the era of digital transformation.

Key words: ethical leadership; innovative work behavior; perceived organizational support

INTRODUCTION

Artificial intelligence (AI) has become a major catalyst for innovation in Indonesian higher education, with ethical leadership serving as a key enabler. Leaders who practice honesty, accountability, and care create an environment that encourages lecturers to explore innovative teaching and research methods, especially in West Java and Banten (Musenze & Mayende, 2023). This relationship strengthens when lecturers perceive strong organizational support (POS) through resources, training, and recognition, which increases their willingness to take risks and adopt new technologies (Islam et al., 2024). As AI tools like adaptive learning systems become more integrated, combining ethical leadership and institutional support helps enhance innovation and educational quality in the digital era.

However, despite theoretical agreement regarding their positive influence, empirical studies reveal inconsistencies. Ethical leadership fosters trust and psychological safety (Utomo et al., 2023; Jia et al., 2022), while organizational support boosts motivation to innovate (Simosi, 2012), yet contextual challenges, such as policy constraints, cultural norms, and workload, often hinder practical implementation (Khan et al., 2024). Moreover, autonomy and perceived long-term innovation success sometimes outweigh leadership effects (Musenze & Mayende, 2023). These findings underscore the need for contextualized strategies that integrate leadership ethics and organizational support to better drive innovation outcomes.

In West Java and Banten, structural disparities reflect these issues: of 2,083 lecturers across 374 private universities (PTS), only 105 hold professorial titles, about 5% of the total. This imbalance signals limited career development and institutional backing (Jia et al., 2022; Musenze & Mayende, 2023), which weakens academic quality and competitiveness. Strengthening professorial representation and fostering supportive, ethically guided leadership are thus essential to advancing innovation and research capacity, particularly amid rapid AI-driven transformations in education. This study contributes novel insight by linking ethical leadership (EL), innovative work behavior and perceived organizational support within the Artificial Intelligence context, thereby providing deeper theoretical insight and actionable guidance for promoting sustainable academic innovation.

METHOD

This study applies a quantitative design grounded in positivist philosophy and employs a survey method to analyze the effect of ethical leadership on lecturers' innovative behavior, with perceived organizational support positioned as a mediating variable.Data were collected from 332 randomly selected lecturers out of a population of 7,503 across West Java and Banten, determined using the Isaac and Michael table with a 5% margin of error.

The research employed inferential statistical analyses, multiple regression, and path analysis, supported by the Partial Least Squares (PLS) technique via SmartPLS, chosen for its robustness in handling non-normally distributed data and complex moderating effects (Creswell & Creswell, 2018). The analytical process comprised measurement model testing, validity (AVE > 0.5; Fornell-Larcker criterion), reliability (CR and Cronbach's Alpha > 0.7), and structural model testing, which included evaluating path coefficients, R^2 values, effect sizes (f^2), and significance levels ($t > 1.96$; $p < 0.05$) through bootstrapping. Moderation analysis was also performed to assess whether organizational support amplifies or attenuates the association between ethical leadership practices and lecturers' innovative application of Artificial Intelligence (AI) within higher-education settings.

This study investigates three principal constructs: ethical leadership, innovative work behavior, and perceived organizational support. The study adapts the ethical leadership construct from Musenze and Mayende (2023), consists of three dimensions, honesty and transparency, ethical decision-making, and concern for employees—reflected in leaders' fairness, integrity, moral example, and care for staff well-being. Innovative work behavior, based on Dhruba Prasad Subedi and Dilli Ram Bhandari (2024), includes idea generation, innovation implementation, and risk-taking, characterized by employees' creativity, initiative, and willingness to experiment. Perceived organizational support, also from Subedi and Bhandari (2024), comprises resources and facilities, managerial support, and organizational culture, emphasizing institutional provision of tools, training, leadership encouragement, and an innovation-oriented work environment.

RESULTS AND DISCUSSION

Outer Model Evaluation Validity

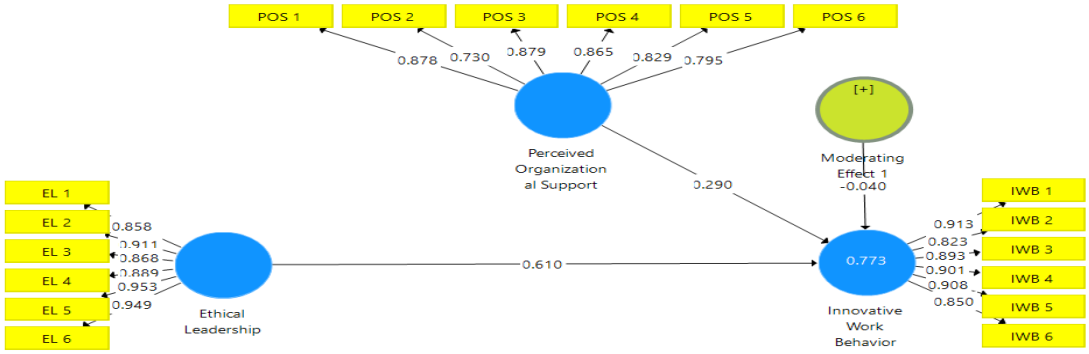

Figure 1. Convergent Validity

The figure above shows that ethical leadership (X) includes six indicators (EL 1–EL 6), with loading factors mostly above 0.7, meaning they strongly represent the concept. Perceived Organizational Support (M) also has six indicators (POS 1–POS 6), with loading factor values ranging from 0.730 to 0.878, indicating very high reliability. Perceived Organizational Support (M) includes six indicators (POS 1–POS 6), with loading factor values ranging from 0.730 to 0.878, showing that it is very reliable. Innovative Work Behavior (Y) includes six indicators (IWB 1–IWB 6), and each one has a high loading factor (greater than 0.7), which shows that it is a valid way to measure this concept.

Table 1. Construct Reliability and Validity

Variable	CA	rho_A	CR	AVE
EL (X)	0.956	0.958	0.965	0.820
IWB (Y)	0.944	0.953	0.954	0.778
Moderating Effect 1	0.973	1.000	0.969	0.675
POS (M)	0.909	0.914	0.930	0.780

Reliability indicates the extent to which measurement items consistently reflect a latent variable within the proposed model. In this research, internal consistency was examined through Composite Reliability and Cronbach's Alpha. The findings reveal that every construct obtained Composite Reliability values exceeding 0.70 and Cronbach's Alpha coefficients above 0.60. These results confirm that the indicators used in this study possess satisfactory reliability and are consistently able to measure their respective constructs.

To evaluate convergent validity, the Average Variance Extracted (AVE) was employed. AVE represents the proportion of variance captured by a construct relative to the variance attributable to measurement error. A minimum benchmark of 0.50 suggests that the construct accounts for more than half of the variance of its indicators. The AVE scores for all variables surpassed this threshold, demonstrating that the indicators adequately represent their underlying constructs and meet the criteria for convergent validity.

Table 2. Output Bootstrapping

Variable	(O)	(M)	SD (STDEV)	(|O/STDEV|)	P Values
EL → IWB	0.610	0.607	0.050	12.319	0.000
Moderating Effect 1 → IWB	-0.040	-0.037	0.039	1.024	0.306
POS → IWB	0.290	0.289	0.051	5.721	0.000

The Partial Least Squares (PLS) analysis reveals that ethical leadership has a strong positive and statistically significant effect on innovative work behavior, with a path coefficient of 0.610, a t-statistic of 12.319 (>1.96), and

a p-value of 0.000 (<0.05), confirming that ethical leadership effectively enhances employees' innovation. Conversely, the moderating effect shows a weak and statistically insignificant relationship (path coefficient = –0.040; t = 1.024; p = 0.306 > 0.05), indicating that moderation does not meaningfully influence innovative behavior. Meanwhile, perceived organizational support also exerts a significant positive impact on innovative work behavior (path coefficient = 0.290; t = 5.721; p = 0.000 < 0.05), demonstrating that supportive institutional environments foster higher levels of creativity and innovation among employees.

Inner Model Evaluation

Model evaluation was conducted using several statistical indicators, including the coefficient of determination (R^2), overall model fit, and hypothesis testing procedures. These measures were applied to determine how well the proposed model explains the relationships among variables. The results of the structural model analysis, obtained through the bootstrapping procedure in Partial Least Squares (PLS), are presented in Figure 3.

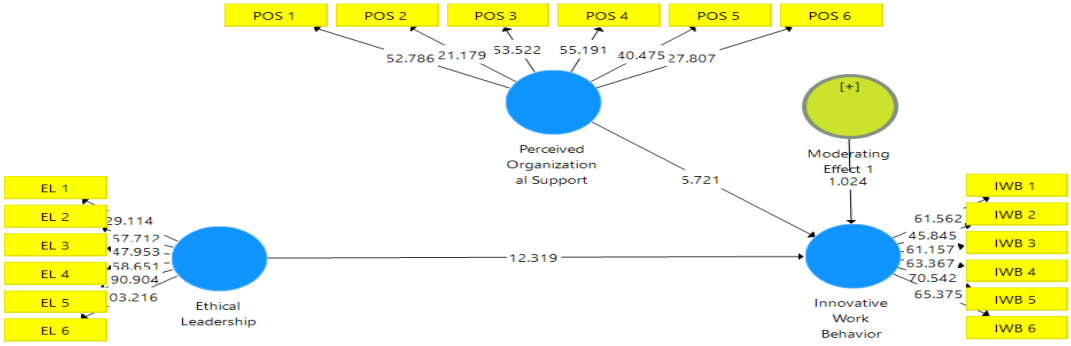

Figure 2. Inner Model Evaluation

Hypothesis Testing

A relationship is regarded as statistically significant when the T-statistic surpasses 1.96 and the p-value falls below the 0.05 threshold at the 5% significance level. Meanwhile, the path coefficient indicates the direction and strength of the effect, reflected in whether the coefficient value is positive or negative in the sample estimate. The summary of the hypothesis testing results is presented in Table 4.

Variable	Original Sample	T-statistic	P-value	Description
Ethical Leadership → Innovative Work Behavior	0.610	12.319	0.000	H1 is Supported
Ethical Leadership → Innovative Work Behavior Moderating Perceived Organizational Support	-0.040	1.024	0.061	H2 is not Supported

Table 4. The Hypothesis Testing Outcomes

Table 4 indicates that ethical leadership has a strong and significant positive effect on innovative work behavior, with an original sample value of 0.610, a T-statistic of 12.319 (>1.96), and a P-value of 0.000 (<0.05). These results confirm Hypothesis 1 (H1), demonstrating that leaders who act honestly, transparently, and fairly can effectively encourage employees to engage in innovative activities. However, perceived organizational support does not significantly moderate this relationship. The moderation effect shows a weak and negative coefficient (–0.040), with a T-statistic of 1.024 (<1.96) and a P-value of 0.061 (>0.05), indicating that the interaction between ethical leadership and perceived organizational support does not meaningfully influence innovative work behavior. Consequently, Hypothesis 2 (H2), proposing a moderating role of perceived organizational support, is not supported.

The research findings reveal that ethical leadership significantly enhances lecturers' innovative work behavior in universities across West Java and Banten. Leaders who uphold integrity, transparency, and fairness foster a conducive academic environment that promotes creativity and innovation (Brown & Treviño, 2006; Abuzaid & Ghadi, 2024). In line with Bandura's Social Learning Theory (Nabavi & Bijandi, 2024), lecturers tend to emulate the ethical behavior of their leaders, resulting in greater creativity and engagement in developing innovative teaching and research methods. Ethical leadership further strengthens lecturers' psychological safety and job satisfaction, motivating them to adopt technology-based teaching and multidisciplinary research practices (Khan et al., 2024; Musenze & Mayende, 2023). In the era of artificial intelligence (AI), ethical leadership becomes even more crucial to guide lecturers through digital transformation while preserving humanistic academic values. Leaders with strong ethics help lecturers navigate moral dilemmas in AI use—such as academic honesty, transparency in assessment, and data protection (Kandasamy, 2023)—while fostering a psychologically safe environment that supports experimentation with AI-based learning tools like chatbots, adaptive systems, and automated grading (Crawford et al., 2023; Islam et al., 2024).

Meanwhile, the study also finds that Perceived Organizational Support (POS) does not moderate the relationship between ethical leadership and innovative work behavior. Although POS is theoretically expected to enhance motivation (Eisenberger et al., 1986), strong ethical leadership appears sufficient to drive innovation without additional organizational reinforcement. This aligns with Self-Determination Theory (Dunn & Zimmer, 2020),

which posits that individuals with intrinsic motivation continue to innovate when their psychological needs are fulfilled. Empirical evidence confirms that ethical leadership alone fosters a supportive climate that sustains innovation, even under varying levels of institutional backing (Iqbal et al., 2020; Liu et al., 2023). Therefore, universities should prioritize the cultivation of ethical leadership through ethics-based training, the promotion of academic freedom, and the establishment of fair reward systems to strengthen a creative and resilient academic culture.

CONCLUSION

This study shows that ethical leadership is crucial in promoting lecturers' innovative behavior, as ethical leaders create an open, trusting, and psychologically safe environment that encourages experimentation and creativity. The findings also indicate that organizational support does not significantly moderate this relationship, suggesting that institutional policies or incentives have limited impact when ethical leadership effectively fosters academic freedom. Therefore, higher education institutions should focus on strengthening ethical leadership through targeted training and cultivating a culture of integrity and creativity, while future research should explore other factors, such as motivation, institutional culture, and collaboration, that may further enhance the link between ethical leadership and innovation.

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