

Leading with Integrity: Revealing the Nexus in Private Sector Dynamics between Ethical Leadership and Employee Engagement

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ABSTRACT

With a focus on the south-northern region of the Punjab, Pakistan this quantitative correlational study explores the relationship between work engagement and ethical leadership in private enterprises within a developed geographic area. Based on the theoretical framework of ethical leadership theory by Brown et al. and the conceptual dimensions of work engagement by Schaufeli and Bakker, this study uses survey data from the Ethical Leadership Scale (ELS) and the Utrecht Work Engagement Scale (UWES) to examine 150 conveniently sampled employees. The results, which were obtained using Pearson correlation analysis in SPSS V.24, provide strong evidence against the null hypothesis and show a substantial link between ethical leadership and total job engagement. Furthermore, particular job engagement dimensions—such as vigor, devotion, and absorption—show strong connections with ethical leadership in south-northern private enterprises. As a result, the results highlight the significance of ethical leadership in encouraging higher levels of employee engagement at work, offering insightful information to private enterprises looking to maximize worker productivity and results. In order to favorably impact the many aspects of work engagement and enhance the general well-being and productivity of employees in the private sector, especially in the south-northern region in Punjab, Pakistan the study suggests making strategic investments in ethical leadership.

Keywords: Job Engagement, Ethical Leadership, Ethics; Pakistan

INTRODUCTION

Private organizations have been paying more attention to ethical leadership since 2003. This is because it is believed to be linked to institutional practices (C. Yang, 2014), and there is an increasing need to stop employees from acting unethically (Jameel, Asif, & Hussain, 2019). Several scholarly works, such as (Dhar, 2016) and (Ali Chughtai, 2016) have investigated the influence of ethical leadership on the performance and results of employees. With a particular focus on the south-northern region of the Punjab, this quantitative correlational study attempts to explore the link between work engagement and ethical leadership in private enterprises within a developed geographical area. Theorists of ethical leadership place a strong emphasis on the value of two-way communication between leaders and followers, elevating employee perspectives to inform decision-making, and fostering efficient communication to inspire moral action (Freeman, 2016). According to the study, followers' subjective perceptions of ethical

leadership can affect how trustworthy and other leadership attributes are evaluated (Samad, 2015). In light of high-profile crises involving firms like Enron, Lehman Brothers, and WorldCom, it has been increasingly important in recent literature to investigate the decision-making processes and behavior of leaders (Kuenzi, Mayer, & Greenbaum, 2020). Although its definitions and results can differ between nations and business sectors, ethical leadership is recognized as a key component of organizational leadership and is well-known for its many beneficial benefits (Dust, Resick, Margolis, Mawritz, & Greenbaum, 2018). The need of a nuanced perspective was emphasized by (Ahmad & Gao, 2018), whose research in Pakistan revealed that the influence of ethical leadership on employee engagement was different from that of studies conducted in Western nations. They underlined the particularity of this connection in many settings, suggested further study that focuses on private business entities, and warned against making assumptions about public and private firms being the same. To fill this vacuum in the literature, the present study, which focuses on the Midwestern United States, uses a quantitative technique to examine the link between work engagement and ethical leadership in private enterprises within a developed nation (Jameel, et al., 2019).

According to several sources (Eldor, 2016), work engagement is a mental state that drives people to invest emotionally, cognitively, and physically in their job, fostering competitiveness, success, and meaningful connections with the business (Joplin, Greenbaum, Wallace, & Edwards, 2021). Honesty and reliability are qualities that define ethical leaders, and they are essential in building cooperative connections with subordinates that impact worker loyalty and overall well-being (Liao, Liu, Kwan, & Li, 2015). According to the study, ethical leadership is a values-driven style of leadership that affects followers' views and self-concept and guarantees that leaders have a significant impact (Zhang, Zhou, & Mao, 2018). This leads to the best possible involvement and the accomplishment of corporate goals (Kavathatzopoulos, 2003). The relationship between ethical leadership and work engagement has not received as much attention in business contexts, despite a wealth of research on the positive effects of ethical leadership on employee attitudes and behavior. This research fills this gap by focusing on the private sector in developed regions, specifically the south-northern region of Punjab, Pakistan.

It has been demonstrated that followers are more impacted by competent ethical leadership, which is defined by consistent actions that are in line with the idea of ethical leadership (Dhar, 2016). The study highlights the scarcity of data in the existing literature and the need for quantitative research to examine the association between job engagement and ethical leadership in developed geographical locations (Jameel, et al., 2019). Multidimensional models that take into account elements like attention, absorption, cognitive, emotional, and physical engagement are used to study work engagement, which is defined as the active expression of oneself physically, emotionally, and cognitively in work roles (Eldor, 2016). Previous studies by (Dhar, 2016) and (Ali Chughtai, 2016) show a strong correlation between a number of job engagement factors and ethical leadership in the workplace, highlighting the need for more study in private enterprises in developed regions. The research employs quantitative methodologies, utilizing modified versions of the Utrecht Work Engagement Scale (UWES) and the Ethical Leadership Scale (ELS) to evaluate work engagement and ethical leadership, respectively.

Since 2015, the focus of study has shifted from general leadership competencies to the distinctive characteristics of individual leaders, highlighting their innate traits and capacity to

influence work ethics and inspire workers (Kalshoven, Van Dijk, & Boon, 2016). According to recent research, ethics plays a critical role in raising work engagement and productivity, and leaders' moral conduct is just as important to the success of their organizations as their leadership abilities (Waldman, Wang, Hannah, & Balthazard, 2017). Despite this emphasis, (Ahmad & Gao, 2018) and (Jameel, et al., 2019) noted a noteworthy lack of quantitative research on the link between ethical leadership and job engagement in the context of private enterprises, particularly in developed geographical locations. The issue statement highlights how little is known about this connection within private organizations and stresses how critical it is to close this knowledge gap. The study also intends to provide light on how ethical leadership affects talent development and employee motivation, with a particular emphasis on private enterprises in the south- northern region of Punjab, Pakistan. Building on earlier research that demonstrated the detrimental effects of unethical leadership on employee engagement and overall organizational productivity, the study aims to determine whether there is a statistically significant relationship between ethical leadership and work engagement within this context.

The goal of the current study is to close the knowledge gap about the connection between ethical leadership and employee engagement in private enterprises located in the south-northern region of Punjab. It was observed (Kalshoven, et al., 2016) conspicuous dearth of quantitative evidence pertaining to this link in developed regions. The workplace, employee well-being, and productivity have all been found to be significantly impacted by unethical leadership behaviors (Jameel, et al., 2019). It was found (Schyns & Schilling, 2013) that unethical leadership was negatively correlated with a number of outcomes, including individual performance, turnover, and employee well-being—all of which had a direct impact on lower levels of job engagement (Treviño, Brown, & Hartman, 2003). The study acknowledges the impact that corporate culture, company type, and cultural origins have on work engagement and leadership styles. This study aims to provide quantitative insights into the link between work engagement and ethical leadership by focusing primarily on private enterprises in the south-northern region of Punjab, in response to the demand for a more focused investigation.

THEORETICAL FOUNDATION

The (Brown, Treviño, & Harrison, 2005) theory of ethical leadership and (Schaufeli & Bakker, 2004) conceptual elements of work engagement serve as the theoretical foundation for this study. According to Brown et al., ethical leadership entails setting an example of proper conduct, encouraging two-way communication, and making choices that have ethical implications. The elements of work engagement that are influenced by this leadership style include energy, devotion, and absorption. Effective communication improves commitment and absorption via the sharing of crucial organizational information, and leaders who set an example of ethics foster employee motivation and engagement. Employee commitment is further enhanced by the decision-making component, which is based on ethical concerns. By examining the connection between ethical leadership and employee engagement in the private sector, particularly in developing nations, the study seeks to close a research gap. It also provides a theoretical framework for a quantitative analysis within the context of Pakistani private enterprises (Jameel, et al., 2019).

LITERATURE REVIEW

The link between job engagement and ethical leadership in Pakistani private enterprises is examined in this quantitative correlational study. Work engagement is the process by which

workers actively participate in activities with dedication, excitement, and energy. It is considered as essential to both company performance and employee motivation. The study focuses mainly on the south-northern region of the Pakistan and was prompted by the lack of research on the link between these variables in private enterprises. The three characteristics of job engagement are vigor, devotion, and absorption. Vigor is defined as mental toughness and energy; commitment is defined as excitement and pride in one's work; and absorption is defined as task immersion. The paper tackles the paucity of research on the connection between ethical leadership and employee engagement in the private sector, particularly in developing nations. According to (Chen & Hou, 2016), ethical leadership has a major influence on vigor and devotion, which are essential elements of job engagement and provide workers' work a greater sense of purpose and meaning. The fact that so few studies have looked at this issue in the context of the private sector in developing nations emphasizes how important the current research is in filling this knowledge gap. A positive work atmosphere, encouraging employees toward particular goals, and helping them understand their duties and responsibilities are all attributes of ethical leaders. The study highlights the need for quantitative research in industrialized nations, especially in light of the paucity of literature on the subject of the link between work engagement and ethical leadership in private enterprises.

Employee Engagement by Psychological Empowerment

Numerous studies have examined the role that leadership ethics play in promoting employee engagement through the process of psychological empowerment. It was examined (Eldor, 2016) the moderating impacts of power distance orientation as well as the mediating function of psychological empowerment in her investigation of the relationship between ethical leadership and job engagement. The study, which was carried out in Pakistan's banking industry, showed that power distance orientation impacted the positive association between ethical leadership and job engagement, whereas psychological empowerment moderated the relationship between ethical leadership and employee commitment. It was presented by (Zuo, Biswal, & Poldrack, 2019) comparable results, highlighting the important role that ethical leadership plays in fostering psychological empowerment and increasing employee engagement at work. According to a model put out by (De Hoogh & Den Hartog, 2008), ethical leadership increased corporate identity and employee engagement while decreasing job envy. The Turkish aviation sector verified this model, which demonstrated a strong and clear correlation between job engagement, organizational identity, and ethical leadership. In spite of these realizations, the majority of the literature now in publication concentrates on public sector organizations; therefore, more research in the developing world's private sector is required. To close this knowledge gap, the current study examines the statistically significant relationship between work engagement and ethical leadership in private south-northern Pakistani companies. This research adds to our understanding of how ethical leadership affects psychological empowerment and, in turn, work engagement in a different cultural setting.

Employee Engagement and Experience

Researchers like (Eldor, 2016) and (De Hoogh & Den Hartog, 2008) have studied the effects of ethical leadership on work experience and employee engagement. It was carried by (Eldor, 2016) out a critical study using surveys with 250 workers and discovered that ethical leadership is essential for balancing psychological empowerment and job engagement, which in turn increases worker motivation. Similarly, (De Hoogh & Den Hartog, 2008) found that moral leaders have a beneficial impact on job engagement and employee motivation based on

a sample of 440 workers. The importance of leadership ethics in raising employee motivation and job engagement is highlighted in both studies. Unlike past studies, the current study looks at the statistically significant link that exists between work engagement (vigor, devotion, and absorption) in private enterprises in the south- northern region of Punjab and ethical leadership. It was also emphasized (Carasco-Saul, Kim, & Kim, 2015) how important ethical leadership is for inspiring and involving workers, especially in HR departments. According to the study, ethical leadership changes how workers view themselves, which in turn improves how they see the company and encourages engagement at work. By investigating the connection between work engagement and ethical leadership in south- northern private companies of Punjab, the proposed research aims to close the gap in the literature and advance knowledge of the dynamics between these concepts in the context of private business in developed nations. The identification of a positive statistical association will address the existing dearth of study on this relationship in private enterprises and validate earlier results to the private sector.

Employee Engagement, Leader Trust and Ethical Leadership

The influence of ethical leadership practices on the growth of trust among leaders was examined by (Vikaraman, Mansor, & Hamzah, 2018) with a focus on Malaysian schools. The purpose of their pilot study, which included 31 secondary school teachers nationwide, was to assess school administrators' capacity for ethical leadership and the impact they had on stakeholders. High levels of trust and ethical behavior among secondary school administrators were shown to be positively correlated by the researchers, who analyzed their data using the statistical software for social sciences (SPSS). The study underlined how crucial ethical leadership is to inspiring and swaying stakeholders' opinions in order to achieve successful institute leadership. This is consistent with the results of other studies, like (Skubinn & Herzog, 2016) and (Joplin, et al., 2021) and (Sugianingrat, 2017) who emphasized the moral ideals that ethical leaders uphold and how this influences the growth of leaders' credibility, which in turn affects employee engagement at work. However, the link between ethical leadership and job engagement inside private companies—particularly in developed countries—has not been thoroughly explored in the literature to date, which emphasizes the necessity for the current study to fill this research gap.

Employee Engagement, Performance and Ethical Leadership

Studies like those by (Carasco-Saul, et al., 2015) and (Sugianingrat, 2017) show that ethical leadership is critical to employee performance, work engagement, and overall organizational success. Using a sample of 477 participants, (Sugianingrat, 2017) especially looked at the effects of ethical leadership on worker performance and engagement in the hotel sector in Bandung, Bali province. Variables like power-sharing roles, moral guidance, honesty, people-oriented behaviors, and equity in ethical leadership were found in the study. The study discovered a strong and positive correlation between ethical leadership and worker performance, with job engagement serving as a mediating factor. Similarly, research by (Engelbrecht, Heine, & Mahembe, 2014) and (Çelik, Dedeoğlu, & Inanir, 2015) supported the beneficial effects of ethical leadership on trust, organizational commitment, and job engagement. Despite these revelations, there is little research in the literature on the connection between ethical leadership and employee engagement in industrialized nations' private enterprises. By examining this link in private enterprises in the south- northern region of Punjab, the current study seeks to close this gap. Past studies, like those by (Naeem, Weng, Hameed, & Rasheed,

2020) highlight the significance of investigating this relationship, particularly in developed nations' private sectors, as it is still a topic that receives little attention in the literature.

Employee Engagement, Leader's Integrity and Ethical Leadership

The research conducted by (Naeem, et al., 2020) and (Engelbrecht, et al., 2014) that examined the connection between integrity, work engagement, and ethical leadership. The findings indicated a strong and direct association. Their cross-sectional methods, however, restrict the ability to draw conclusions about causality and identify relevant moderating or mediating factors. With a focus on the public sector, (Mostafa & Abed El-Motalib, 2020) discovered a positive relationship between work engagement and ethical leadership; however, it is unclear how applicable these findings would be in the private sector, favorable employee relations may be fostered by ethical leadership, as highlighted by (Jha & Singh, 2019) while (Özsungur, 2019) found a favorable correlation between union commitment and ethical leadership. Despite these realizations, there is still a dearth of research on the connection between ethical leadership and employee engagement in industrialized nations' private businesses. The goal of the current study is to close this knowledge gap and advance our understanding of this connection within the framework of private enterprises.

Following are the hypotheses

- H1: There is a noteworthy association between work engagement and ethical leadership.
- H2: There is a noteworthy association between the vigor component of job engagement and ethical leadership.
- H3: There is a significant association between the devotion component of job engagement and ethical leadership.
- H4: There is a significant association between ethical leadership and the absorption component of job engagement.

RESEARCH METHODOLOGY

The research utilized a quantitative approach, utilizing correlational statistics to clarify and measure the connections between variables (Cozby, Bates, Krageloh, Lacherez, & Van Rooy, 2012). Using statistical methods to examine correlations and extrapolate results to larger populations, quantitative approaches are centered on precise and numerical measures (Bryman, 2016 {Allwood, 2012 #1552}). Using a 5-point Likert scale in validated survey, workplace engagement and ethical leadership were quantified. The Utrecht Work Engagement Scale (UWES) consisted of nine items assessing dimensions (vigor, devotion, absorption), whereas the Ethical Leadership Scale (ELS) included ten items. Both (Ahmad & Gao, 2018) and (Odeneye, Hoon, & Phlypo, 2018) supported quantitative approaches, which is consistent with the goal of the current study to close the gaps noted by these academics. Since qualitative and mixed approaches deal with "how" and "why" questions—which are not the focus of this study—they were judged inappropriate for gathering information through observations, interviews, or case studies (Park, 2016). Because the study relied on a database, qualitative insights were not necessary, and the quantitative technique was thus the most effective means of addressing the research questions and hypotheses (Parker & Northcott, 2016).

Research Design

In order to identify correlations between quantitatively measured variables, this study used a correlational research methodology (Goodwin & Goodwin, 2016). The evaluation of the strength and nature of these associations is made easier by correlational research (Baez, Hoch, & Cramer, 2019). The dependent variables in this study were work engagement and its three dimensions: vigor, devotion, and absorption, whereas the independent variable was ethical leadership. In keeping with the goal of the study, individual participants—that is, employees—were the unit of observation and analysis. The study's approach of examining participant characteristics without interventions was incompatible with the use of causal-comparative and experimental designs, which were deemed inappropriate because the former dealt with explaining differences across groups and the latter with treatments or experiments (Baez, et al., 2019).

The study concentrated on non-executive workers in private businesses in the south-northern region of the Punjab, encompassing the fast food, education, and manufacturing sectors. It was difficult to pinpoint the exact number of private enterprises in this area due to their diversity. According to (Guðlaugsson, Aðalsteinsson, & Guðmundsdóttir, 2018) a private corporation is a corporate entity in which the government or government agencies do not hold all of its shares. The persons working for these private firms in the south-northern region of the Punjab who were also members of the Google Survey Audience were the target audience. G*Power was used to do a power analysis in order to establish the suitable sample size for this investigation. It was determined that 119 individuals were required for the correlation analysis based on a medium effect size ($r = 0.30$), a power of .80, and a Bonferroni-corrected alpha level of .0125. The target sample size was established at 150 in order to account for a possible attrition rate of 25%. By email, the Google Survey form support staff verified that they satisfy the requirements to collect the requested sample of 150 participants, since they have access to 27,000 panelists in the south-northern region of Punjab.

The convenience sampling method was used by the researcher to choose study participants. Convenience sampling is a non-probabilistic technique in which participants are selected according to predetermined inclusion and exclusion criteria, mostly depending on the researcher's availability (Etikan, Musa, & Alkassim, 2016).

DATA ANALYSIS AND RESULTS

The purpose of this quantitative correlational study was to ascertain the degree to which ethical leadership and work engagement are related in private enterprises located in the south-northern region of the Punjab. The researcher used a quantitative correlational study methodology since there is a dearth of quantitative evidence about the relationship between ethical leadership and job engagement, especially in private firms located in developed areas, as noted by {Kalshoven, 2016 #1565}. The study looked at the connection in general as well as particular aspects of job involvement including vigour, devotion, and immersion. The Utrecht Work Engagement Scale (UWES) and the Ethical Leadership Scale (ELS) were used in an online survey to collect data.

The replies to the raw data were transferred to an MS Excel spreadsheet in order to prepare them for analysis. The data analysis sheet included all the responses from all participants who agreed with the informed consent form. At first, 150 people in total consented to participate in

the research. The total sample size for the analyses was 150 after invalid and incomplete responses were eliminated. Numerical codes were assigned to the participants' responses: 1 denoted strongly disagrees, 4 agreed, 3 neither agreed nor disagreed, and 5 strongly agreed. To calculate the ratings for ethical leadership, vigour, devotion, absorption, and overall job involvement, the researcher computed average replies.

Prior to utilizing Pearson's correlation analysis to investigate the research issue of the study, the investigator confirmed the necessary assumptions needed for the analysis. The first presumption is that interval or ratio level measurements should be made for both variables. The work engagement dimension, composite variables, and ethical leadership variable are all measured at the interval level in this study. The existence of a linear relationship between the two variables is the second presumption.

Reliability and Validity

In order to evaluate the internal consistency of the questions in the ELS and UWES questionnaires—which measure concepts like ELS, vigor, devotion, absorption, and overall job engagement—the researcher further conducted a reliability study. Table 1 displays the results of the reliability analyses. The results showed that when measuring the constructs of ethical leadership and work engagement, both in particular dimensions and overall, the items for ELS (Cronbach's alpha = 0.934), vigor (Cronbach's alpha = 0.798), dedication (Cronbach's alpha = 0.891), and UWES (Cronbach's alpha = 0.981) show internal consistency.

It is noteworthy that the only aspect of work engagement that is below the criterion of 0.70 is the absorption dimension (Cronbach's alpha = 0.641). But according to {Tavakol, 2011 #1571}, scales with a small number of items—like the absorption subscale—typically have lower alpha values. As such, the Cronbach's alpha value is deemed appropriate in this particular scenario.

Table 1: Reliability Testing – Cronbach's Alpha

	Sample Size	N	Cronbach's alpha
ELS	150	10	0.934
Vigor	150	3	0.798
Dedication	150	3	0.891
Absorption	150	3	0.641
UWES	150	9	0.981

Results

Descriptive Statistics:

The descriptive data concerning the demographic attributes of the research participants. In terms of household income, thirty-one participants make between Rs.25, 000 and Rs.49,999 (20.66%), thirty participants make between Rs.50,000 and Rs.74,999 (20%), and eighteen participants make between Rs.75,000 and Rs.99,999 (12%) and Rs.100,000 and Rs.124,999 (10%) annually. In terms of geography, the east north central region had a higher percentage of participants (n = 91, 66.9%) than the Southern Punjab (n = 90, 60%). The distribution of participants by gender showed that there were more males (n = 80, 53.33%) than females (n = 70, 46.66%). In addition, 59 participants (39.33%) were between the ages of 30 and 44, 50 individuals (33.33%) were between the ages of 45 and 60, and 30 participants (20%) were between the ages of 18 and 29.

To investigate the relationship between the dimensions and composite scores of work engagement and ethical leadership scores, the researcher performed a number of Spearman's Rho correlation studies (Table 2). The data had a non-normal distribution, which prevented the Pearson's correlation analysis from being carried out as planned. As a result, the researcher used Spearman's correlation analysis, which is the nonparametric equivalent.

Table 2: Spearman's Correlation Analysis

	Pearson's Correlation	P-Value
ELS	0.683	<0.001
UWES	0.693	<0.001
Vigor	0.632	<0.001
Dedication	0.680	<0.001
Absorption	0.361	<0.001

The variables for work engagement dimensions and ethical leadership scores, together with composite scores, were included in the analyses using SPSS in order to perform the Spearman's correlation analysis. The ELS and UWES composite scores were used as variables to test hypothesis 1. The ELS and vigor ratings were used to test hypothesis 2, while the ELS and devotion scores were used to test hypothesis 3. ELS and absorption were the factors analyzed for hypothesis 4. The findings were supplied by SPSS, which also showed the corresponding p-value and Spearman's Rho value.

The null hypothesis is rejected when there is a statistically significant association between the variables, as shown by a p-value less than 0.05. A p-value greater than 0.05, on the other hand, suggests that there is insufficient statistical evidence to reject the null hypothesis and that there is no statistically significant link between the variables.

Hypothesis 1

- H1: There is a noteworthy association between work engagement and ethical leadership.

Table 2 presents the findings of the Spearman's correlation analysis, which showed a significant association ($\rho = .693$, $p < .001$, $N = 150$) between the work engagement ratings and ethical leadership. The positive correlation coefficient indicates a tendency for work engagement ratings to rise in tandem with ethical leadership scores. There is a significant association ($p < .001$) between work engagement ratings and ethical leadership, with a p-value below the significance threshold of 0.05. As a result, there is evidence to refute the null hypothesis, showing a strong association between ethical leadership and employee engagement in south-northern region of Punjab private enterprises.

Hypothesis 2

- H2: In private enterprises in the south-northern region of Punjab, there is a noteworthy association between the vigor component of job engagement and ethical leadership.

The findings showed a strong correlation ($\rho = .632$, $p < .001$, $N = 150$) between vigor ratings and ethical leadership. The vigor sub-variable of job engagement and ethical leadership has a substantial link, as indicated by the positive correlation coefficient. Strong evidence exists to

reject the null hypothesis, with a p-value below the significance threshold of 0.05. This indicates a notable link between vigor ratings and ethical leadership ($p < .001$). The null hypothesis proposed that the vigor dimension of job engagement and ethical leadership do not significantly correlate.

Hypothesis 3

- H3: There is a significant association between the devotion component of job engagement and ethical leadership.

The study came to the conclusion that there is a substantial correlation ($\rho = .680$, $p < .001$, $N = 150$) between the devotion scores and ethical leadership. The dedicated sub-variable of work engagement and ethical leadership appear to be strongly correlated, as indicated by the positive correlation coefficient. There is sufficient evidence to reject the null hypothesis, with a p-value below the significance threshold of 0.05. This indicates a substantial link between the devotion ratings and ethical leadership ($p < .001$). According to the null hypothesis, there is no discernible association between the devotion component of work engagement in private enterprises in the south-northern region of Punjab and ethical leadership.

Hypothesis 4

- H4: There is distinct association between ethical leadership and the absorption dimension of job engagement.

The findings indicate that there is a substantial correlation ($\rho = .361$, $p < .001$, $N = 150$) between absorption ratings and ethical leadership. The absorption sub-variable of job engagement and ethical leadership has a high link, as seen by the positive correlation coefficient. There is strong evidence to reject the null hypothesis, with a p-value below the significance threshold of .05 indicating a meaningful link between absorption scores and ethical leadership ($p < .001$). According to the null hypothesis, there is no meaningful association between the absorption components of work engagement in private enterprises in the south-northern of the Punjab and ethical leadership.

DISCUSSION AND IMPLICATIONS

There was an upsurge in unethical business activities between the turn of the 2000 and the following decade. Notable examples of these scandals include FIFA and Volkswagen, as well as Enron, Lehman Brothers, and WorldCom (Waldman, et al., 2017). Scholars have underscored the significance of examining moral behavior in companies and the critical function of ethical leadership (J. Yang, Feng, & Feng, 2020). This study focused on the dynamics of ethical leadership in private firms, its relationship to work engagement, and its differences among developed nations. Ethical leadership is defined by its efficacy in modeling ethical conduct. Employee ethical conduct was shown to be significantly influenced by ethical leaders, who highlighted the need of providing both monetary and non-monetary rewards as a means of providing positive reinforcement (Brown, et al., 2005).

Work engagement, which is an affective state related to work that motivates individuals to invest emotionally, intellectually, and physically in their job, has emerged as a critical factor associated with an organization's productivity. It has been discovered that innovative work behavior is strongly impacted by ethical leadership, which also fosters a supportive work

environment and improves interpersonal interactions among subordinates. The research revealed an incomplete understanding of the differences in ethical leadership between public and private companies, as well as across various regions. As a result, the study concentrated on private enterprises in industrialized nations. Drawing on the conceptual components of work engagement by (Schaufeli & Bakker, 2004) and (Bakker, Demerouti, & Verbeke, 2004) and the ethical leadership theory by (Brown, et al., 2005), the research sought to build a relational framework clarifying how leaders' morality effects workers' job engagement.

Theoretical Implications

This work fills in important information gaps about the effects of ethical leadership in private enterprises in industrialized economies, which have been brought to light by other studies (Jameel et al., 2019; Kalshoven et al., 2016; Rahmadani et al., 2019) and (Jameel, et al., 2019 {Kalshoven, 2016 #1565}). The research, which focuses on the South-northern region of Punjab of the United States, demonstrates a strong correlation between work engagement and ethical leadership that also extends to its subcomponents (Rahmadani, Schaufeli, Ivanova, & Osin, 2019). The results affirm the applicability of well-established theories of ethical leadership, especially those impacted by the paradigm of (Brown, et al., 2005), stressing the long-lasting importance of developing interpersonal connections via two-way communication, reinforcement, and moral decision-making. The study offers empirical proof of how ethical leadership transcends standard compliance and influences subordinates' job engagement, as defined by (Schaufeli & Bakker, 2004) This demonstrates the beneficial effects of ethical leadership on workers' well-being and productivity.

Practical Implications

The findings enable developed-region private businesses to adopt ethical leadership as a way to encourage normatively acceptable behavior and reduce unethical behavior among their employees. This is especially important because private organizations have not received as much attention in prior research (Locke, 1987{Ahmad, 2018 #1521}). According to the study, (Bedi, Alpaslan, & Green, 2016{Cheng, 2014 #1569; De Hoogh & Den Hartog, 2008}) ethical leaders foster a work climate that is favorable to immersion in work, encourage energy and devotion among employees, and favorably affect job engagement. To improve employee productivity and well-being, managers and leaders in developed private organizations are urged to embrace ethical leadership principles.

RESEARCH FINDINGS

A final sample of 150 participants was used in the study, and the findings demonstrated a strong correlation between work engagement and ethical leadership in private enterprises located in the Midwest of the United States, hence rejecting the null hypothesis. The results of the investigation showed that there are statistically significant relationships between the vigor, devotion, and absorption dimensions of job engagement and ethical leadership. The positive correlation coefficients indicated that there was a direct relationship between increased job engagement and ethical leadership. The results are consistent with other studies that highlight the beneficial influence of ethical leadership on employee engagement at work. It has been discovered that moral leaders mold the careers of their staff members by creating atmospheres that are favorable to creativity and problem-solving. The study also validated the beneficial relationships between absorption, energy, and dedication—the constituents of job engagement—and ethical leadership. This is consistent with the body of research showing how

ethical leadership affects worker happiness, job satisfaction, and organizational effectiveness. In order to ensure anonymity and streamline data collecting, the dissertation process made use of modern research techniques, such as virtual surveys via platforms like Google forms. The research offers significant perspectives for under developed-nation private businesses, supporting the implementation of ethical leadership behaviors to improve output and worker satisfaction.

FUTURE RESEARCH DIRECTIONS AND LIMITATIONS

The study effectively filled in gaps in the literature by demonstrating the relationship between ethical leadership and employee engagement in industrialized nations' private enterprises. It particularly examined the connections between ethical leadership and workers' vigor, commitment, and job absorption, offering insightful comparisons of commercial and public organizations' leadership philosophies. Nonetheless, several intriguing topics were not yet investigated. The study failed to evaluate the long-term effects of ethical leadership in private enterprises, explored the role of corporate culture on ethical leadership, and took worker age disparities into account. Furthermore, the causal link between ethical leadership and employee engagement was not investigated. Although it filled a research vacuum, the report makes a number of recommendations for more studies. First of all, researchers are urged to apply stratified or cluster random sample methods in order to improve impartiality and dependability using random probability sampling procedures. Second, in order to evaluate the long-term effects of ethical leadership on employee engagement and support companies in their long-term strategic planning, longitudinal research is advised. Thirdly, it is essential for efficient management and productivity to investigate how different age groups in the workforce see ethical leadership. Fourth, it is instructive to look at the ways that ethical leadership helps to avert business crises and the fallout that follows. Finally, going beyond correlation analysis, figuring out the cause-and-effect link between job engagement and ethical leadership is required. The study's actionable suggestions include implementing ethical leadership in private enterprises, carrying out leadership responsibilities morally to inspire vigor and commitment, and acknowledging the beneficial relationship between ethical leadership and work engagement subcomponents for improved output and performance.

CONCLUSION

Using a focus on the South-northern region of Punjab of the United States, this study sought to close significant knowledge gaps about the connection between ethical leadership and employee engagement in private enterprises. The results showed a significant positive relationship between job engagement, including its subcomponents of vigor, devotion, and absorption, and ethical leadership. By throwing light on the particular dynamics within private enterprises in developed geographies—an area that has received relatively little attention—the research successfully added to the body of current material. Still, there are a few areas that need more research. Future studies should investigate the following: generational differences in the perceptions of ethical leadership; the role of ethical leadership in preventing corporate scandals; the cause-and-effect relationship between ethical leadership and work engagement; random probability sampling for increased objectivity; and longitudinal studies to evaluate the long-term impact of ethical leadership. From a practical standpoint, the study suggests that ethical leadership be implemented in private businesses to promote employee vigor, absorption, engagement, and dedication—all of which would ultimately contribute to increased productivity and organizational success.

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