

## Exploring Staff's Perceptions of Ethical Leadership Among Department Heads in Sabah, Malaysia: A Quantitative Study

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### ABSTRACT

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Ethical leadership enables PHEIs to build trust and credibility by creating a foundation of respect, credence, and assurance amongst staff, stakeholders, and the community. Further, it promotes a fair, transparent, and supportive environment that increases job satisfaction, making employees more motivated and more likely to stay. Underscoring compliance and ethical behavior, it minimizes risks of scandals, legal problems, and reputational damage. Additionally, it promotes long-term sustainability, ensuring that PHEIs practice ethical, values-driven decision-making that makes them more resilient, equitable, and diverse. The purpose of this study was to examine staff's perceptions of ethical leadership in Sabah, Malaysia. The sample consisted of 57 administrative and teaching staff from two PHEIs in Kota Kinabalu, Sabah, who were asked to complete the Ethical Leadership Questionnaire on Google Forms. Responses were subsequently transferred onto a spreadsheet, and SPSS 29.0 was used to analyze the data. First, ANOVA results revealed no significant age or gender differences in perceived ethical leadership among staff. Second, Wilcoxon signed rank test revealed that all 10 ethical leadership items were significantly different ( $p < .001$ ) from the hypothesized value of 3.5, indicating strong disagreement. Third, percentages of agreement indicated that only low

proportions of PHEI staff tend to strongly agree/agree that their department heads practice ethical leadership. In light of the findings, some recommendations were made on ways that PHEIs could incorporate ethical leadership elements in their day-to-day management.

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**Contribution/Originality:** This study addresses the crucial yet underexplored area of ethical leadership in the context of private higher educational institutions (PHEIs) in Sabah, Malaysia. It is the first research attempt to highlight the significance of ethical leadership in promoting organizational trust, staff retention, and sustainable development, besides eliminating risks of scandals and legal issues at local PHEIs.

## 1. Introduction

Ethical leadership requires individuals in top management to serve as an example of normatively acceptable conduct in their actions and relationships in the organization (VIA Institute on Character, n. d.; Western Governors University, 2020). In the higher educational landscape, ethical leaders are responsible for creating an organizational culture characterized by trust, which is a critical, intangible asset for both individuals and businesses. Students, parents, and other stakeholders often feel that they can trust and collaborate well with higher educational institution (HEIs) that practice ethical leadership. Further, ethical leaders boost staff's morale by acknowledging accomplishments promptly, offering professional development opportunities, promoting work-life balance, and encouraging transparent communication. By cultivating character strengths (such as honesty, humility and empathy), ethical leaders create an organizational culture that empowers staff, promotes fairness, and drives a sustainable growth mindset in the workplace. Additionally, leadership grounded on ethical standards is often linked to socially and culturally appropriate behavior, higher staff retention rates, and improved job satisfaction. Overall, HEI leaders who act with integrity and support often enhance organizational trust, which in turn increases staff's confidence in their leadership, drives high performance, boosts staff engagement, and promotes innovation and change.

### 1.1. Importance of Ethical Leadership

According Darby (2024), ethical leadership often leads to improved brand image, increased staff morale, a positive workplace culture, and consumer loyalty. First, PHEIs need to maintain ethical brand practices, which has gained significance in today's fast digital world where favorable image can promote a brand within minutes. By acting and behaving responsibly, PHEI leaders can drastically improve their brand name amongst students, parents, and other stakeholders. Second, PHEIs guided by ethical leaders, are able to lead, inspire, motivate, and make staff feel accountable for their work. Greater success becomes achievable because staff are enthusiastic in assuming a proactive role to attain organizational and student outcomes. Third, ethical PHEI leaders are able to establish a positive workplace culture by inspiring and motivating others to follow desirable behavior. Fourth, students and parents, as consumers, not only expect good products (courses/programs), but they also want their purchases to be of professional standards and socially/environmentally sound. For example, a PHEI that reuses as much recycled material as possible tends to inspire climate awareness initiatives, while another that treats others with respect, assists those in need, and acts sustainably to support a harmonious community will have immense societal impact.

Ethical leadership often leads to an increase in staff loyalty, recruitment, and investment (Darby, 2024). Ethical PHEI leaders are able to generate greater trust amongst staff by making them feel less threatened and less resistant to the organization's direction. With more staff working remotely, PHEI leaders need to employ suitable candidates who hold moral-ethical principles that reflect those of the organization and leadership. By establishing clear ethical and moral practices, PHEI leaders often attract more potential investors because they inspire public confidence by projecting a good impression and upholding a desirable brand in the student market.

## **1.2. Dimensions of Ethical Leadership**

The three dimensions (i.e., care, justice, and critique) of ethical leadership in educational settings were analyzed by Berges-Puyó (2022). Findings showed that the three dimensions help educational leaders balance the need for care with the responsibility to maintain academic standards, often requiring them to make difficult decisions that may not satisfy everyone. Ethics of care enables them to prioritize building, nurturing, and sustaining compassionate relationships with students and staff to foster holistic, emotional, and academic wellbeing. Rooted in empathy, benevolence, and responsiveness, this dimension differs from traditional, compliance-driven leadership by focusing on individual needs and creating a supportive, inclusive organizational culture.

Further, ethics of justice enables educational leaders to ensure fair and equitable treatment of individuals/groups by applying rules, laws, and policies in a consistent, non-biased, and even-handed manner. It allows them to uphold the legal, constitutional, and human rights of students, staff, and families, while creating an organizational climate where everyone feels respected, appreciated, and treated with equity. This dimension also enables educational leaders to critically evaluate policies by analyzing and challenging existing rules or laws that may create injustice or perpetuate inequity. It allows them to address systemic inequities by going beyond procedural fairness to confront institutional, structural, and historical forms of oppression and privilege (Berges-Puyó, 2022).

Lastly, ethics of critique allows educational leaders to actively identify, question, and dismantle systemic inequities, power imbalances, and oppressive structures to promote social justice. Ethical educational leaders often interrogate existing policies, school cultures, and societal norms that perpetuate inequity, viewing educational institutions as spaces for empowerment rather than just bureaucratic entities. Committed to change, ethical educational leaders often demonstrate the courage to confront institutional inertia and advocate for marginalized voices, ensuring that educational opportunities are equitable for all students (Berges-Puyó, 2022).

## **1.3. Theoretical Basis and Practices of Ethical Leadership**

The social learning theory proposed by Brown et al. (2005) forms the theoretical basis for examining ethical leadership, conceptualizing it as normatively acceptable conduct displayed through individual actions and interpersonal relationships, while promoting such behaviors to followers. Further, the theory emphasizes that ethical leadership, encompassing both role modelling and conventional standards, can influence followers' behaviors; for example, it can motivate individuals to unlearn obsolete, useless, or

destructive knowledge, behaviors, and practices, and cultivate ethical behaviors and constructive skills instead. Additionally, ethical leadership comprises two foundational blocks, namely, leaders as moral persons and leaders as moral managers. As role models, ethical leaders demonstrate trustworthiness, honesty, and concern for others, promote ethical behavior, and discourage unethical conduct. They instill honesty among followers and help them unlearn corrupt behaviors, such as stealing, cheating, or misappropriating company resources and time. Overall, ethical leadership encourages followers to unlearn unproductive practices, while facilitating both exploitative and explorative learning.

Additionally, ethical leaders promote normatively acceptable behaviors by practicing reciprocal communication, positive reinforcement, and team decision-making. Normatively acceptable conduct includes trustworthiness, honesty, care, and fairness, which enables ethical leaders to serve as legitimate and credible role models. Moreover, ethical leaders promote such conduct by acting in accordance with moral principles (e.g., integrity, respect, dignity, worth of others) across personal and professional contexts. They strive to do what is most appropriate, even under challenging circumstances, to build trust, maintain social order, and promote accountability, while ensuring that their actions are transparent and aligned with established standards. They also give followers a voice, which is a just process procedurally and interpersonally. Besides, ethical leaders underscore vicarious learning by setting codes of conduct, rewarding ethical behavior, and disciplining those who disrespect the values. Lastly, ethical leaders practice moral decision-making, which encourages individuals to consider the individual and shared consequences of their actions, besides making fair and principled choices that are observable and emulative (Brown et al., 2005).

Ethical leadership at HEIs is the underlying force behind all the rules that faculty and students are expected to follow, since it dictates what is appropriate or not. In today's world, more than ever, HEI leaders must adopt an ethical approach to decision-making because it sets the tone, guides them to act in the best interests of staff, students, and other stakeholders, and serves as a guiding light during uncertain times (Wake Forest University, n. d.). First, HEI leaders need ethical leadership to establish their institutional culture and climate by clearly communicating the norms and behaviors based on trust and respect, which is reflected in their everyday decision-making, ranging from budget distribution to communication with others. Second, ethical leadership enables HEI leaders to act in the best interests of staff, students, and other stakeholders by underscoring stakeholder wellbeing and success as the fundamental value in all decision-making and actions. For example, they try to avoid singling out a population of stakeholders as different to protect their humanity and self-esteem. Third, it allows PHEI leaders to respect contrasting viewpoints and approaches, while considering all stakeholders' needs in times of challenge and controversy. Overall, HEI leaders who anchor their actions and decisions on ethical principles are more successful in navigating difficulties, while acting in ways that are best for everyone in the higher education landscape.

Ethical leadership practices among principals in relation to performance-driven accountability were explored by Ehrich et al. (2015). Findings suggested that principals tend to (1) use data to influence their practices and have regular conversations with teachers, (2) regard ethics as a central consideration in their leadership, (3) perceive it as complex and challenging because of competing priorities, (3) employ a relevant framework for interpreting their ethical practices, and (4) implement various strategies

to deal with ethical dilemmas. Findings imply that ethical leaders demonstrate normatively appropriate conduct through personal actions and relationships. They also underscore performance accountability by holding individuals responsible for maintaining desired standards, besides achieving specific, measurable outcomes. They promote synergy by ensuring that the method of achieving results is ethical, rather than just chasing results. Lastly, they propagate a culture of trust by combining high-performance expectations with ethical conduct that makes employees feel safe, valued, and empowered, which in turn, boosts their professionalism and productivity.

#### **1.4. Traits of Ethical Leaders**

Ethical leaders possess several attributes. First and foremost, they lead by example, change when necessary, and respect others equally (Darby, 2024; Turley, n. d.; Western Governors University, 2020). Ethical leaders at HEIs hold the same expectations for themselves and staff, besides having in-depth understanding of staff's job descriptions and associated challenges. Apart from guiding staff in their daily tasks, ethical leaders also demonstrate ethical-moral behavior in their own work, acting as role models who constantly make decisions with integrity and honesty in mind. Second, ethical leaders evolve and adapt to changes that inevitably occur in higher education. As HEIs expand, merge, or are taken over, they are willing to face the forthcoming changes and meet them head-on positively and ethically. Third, ethical leaders respect everyone, from their senior administrators to staff, to create a congenial and deferential work context. By respecting all staff equally, ethical leaders make them feel that they are being treated equitably, which leads to significant positive consequences, including increased staff motivation, higher job satisfaction, and improved organizational performance.

Additionally, ethical leaders communicate openly, manage stress effectively, and mediate fairly (Darby, 2024; Turley, n. d.; Western Governors University, 2020). First, ethical HEI leaders practice reciprocal communication to foster trust, enhance collaboration, and drive innovation by encouraging transparency and the sharing of diverse ideas, besides increasing engagement, productivity, and organizational performance. Through reciprocal communication, they also foster psychological safety among staff, allowing for constructive, often challenging, conversations that drive growth. Second, ethical HEI leaders manage their internal or external pressures when facing daily stress, in a constructive manner without imposing on others. Third, as impartial mediators, they resolve issues fairly by considering the views of all those involved. They also try to be empathetic and benevolent when assisting others confront difficulties to ensure that everyone can move forward well after the conflicts are resolved.

#### **1.5. Statement of the Problem**

Ethical leadership plays a crucial role in helping HEI leaders grapple with the profound internal and external changes that influence their way of structuring teams, defining roles, and cultivating a productive culture to ensure operational efficiency and adaptability. However, a review of literature indicates a lack of empirical research on ethical leadership in Malaysia, particularly in the island state of Sabah. Ethical leadership has great relevance within the Malaysian HEI landscape because it fosters a robust organizational culture, ensures equitable opportunities, and helps establish favorable relationships with stakeholders, besides enhancing staff motivation, self-efficacy, and job satisfaction. It also helps improve staff and student outcomes through transparent

decision-making, integrity, and accountability. Consequently, the primary objective of this study was to provide new empirical information on ethical leadership amongst HEI leaders in Sabah.

### **1.6. Significance of the Study**

The main aim of this research was to investigate staff's perceptions of ethical leadership amongst department heads at PHEIs in Sabah. The study would fill the gap in the educational leadership and management literature, besides highlighting the significance of ethical leadership in fostering a virtuous organizational culture grounded on mutual trust, faith, and reliance. Moreover, findings would contribute to the theoretical understanding, practical applications, and methodologies in higher education in relation to ethical leadership, which could boost teaching and learning outcomes through integrity, transparency, and equity. Besides, findings would highlight the challenges and opportunities faced by PHEI leaders in upholding ethical standards amidst complex higher educational landscapes and diverse sociocultural contexts. This study could contribute to a deeper understanding of ethical leadership in the context of Malaysian higher education, besides providing a framework for educators, policymakers, and practitioners to prioritize moral consistency, trustworthiness, and incorruptibility to foster a safe environment characterized by physical security, psychological safety, and supportive administration.

### **1.7 Research Questions**

To narrow the research gap and provide a contextual framework for the study, three research questions were formulated to guide the research:

- i. What were the descriptive statistics of ethical leadership among department heads at PHEIs in Kota Kinabalu, Sabah, and the relevant implications?
- ii. Were there any significant differences in staff's perceptions of ethical leadership in terms of gender and age?
- iii. Were there any significant differences in perceived ethical leadership based on a hypothesized value of 3.5?

## **2. Review of Literature**

### **2.1. Contextual Factors of Ethical Leadership**

The contextual factors and their impact on ethical leadership in educational settings were investigated by Argyropoulou and Lintzerakou (2025). Findings showed that (1) the external context of an organization (e.g., social, economic, political, cultural environment) has a significant impact on ethical leadership as it constitutes the ethical bedrock of a society or community, (2) the external environment (e.g., values, religion, and democracy) tends to exert a significant impact on an organization, and (3) the reasoning underlining the external context and external environment tends to influence critical thinking in relation to ethical leadership. Findings imply that ethical leadership helps ensure compliance with environmental, social, and governance standards. Besides, it enables leaders to demonstrate cultural intelligence, which allows them to adapt their behavior to different contexts, while retaining their ethical intent. Lastly, it enables leaders to influence others by manifesting actions, behavior, or principles that are morally right, honest, and in accordance with accepted standards of conduct.

### *2.1.1. Models and Cultural Contexts of Ethical Leadership*

In a study, Valley (2023) examined models and cultural contexts of ethical leadership across different educational systems. Findings revealed that ethical leadership encompasses three models that guide leaders in fostering acceptable behavior, decision-making, and organizational culture, namely, transformational, servant, and distributed leadership. Findings imply that it is important for educational leaders to adopt diverse ethical leadership models that prioritize ethical values, social responsibility, and the collective wellbeing of stakeholders. These models provide frameworks for ethical decision-making and inspire followers to act ethically in pursuit of common goals. Moreover, cultural contexts also play a pivotal role in shaping ethical leadership practices amongst educational leaders. Different cultural norms, values, and expectations often influence leaders' perceptions of ethical behavior and leadership styles. Educational leaders need to gain a deeper understanding of, and navigate, cultural nuances to effectively promote appropriate conduct and foster inclusivity and diversity within their institution. They need to embrace ethical leadership principles to enhance organizational integrity, professional ethics, and student outcomes, besides creating a learning environment that nurtures ethical values, critical thinking, and responsible citizenship amongst staff and students, thereby contributing to the broader goal of educational excellence and social progress.

## **2.2. Challenges Faced by Ethical Leaders in Education**

### *2.2.1. Academic Outcomes and Resource Allocation*

Educational leaders often face ethical issues and challenges in terms of academic outcomes and resource allocation (Teaching Times, n. d.). First, PHEI leaders often face high demands to deliver academic and administrative results, which may result in ethical compromises. For example, they are often held accountable for academic outcomes and standardized test scores. The pressure to meet targets set by government agencies or educational authorities tends to result in teaching to pass exams, rather than promoting holistic student development. Ethical dilemmas may arise when leaders feel compelled to prioritize test scores over the broader educational needs and wellbeing of students. Since the Malaysian educational system often places a heavy emphasis on test scores and performance metrics, some PHEI leaders may be tempted to manipulate test results or neglect holistic student development to meet these targets. This unethical practice can harm students because it prioritizes short-term success over their long-term educational and personal growth. Second, many PHEIs face resource constraints, including budget limitations and insufficient staffing. Ethical challenges emerge when PHEI leaders are compelled to make difficult decisions about resource allocation, potentially leading to inequities in educational opportunities. Some PHEI leaders may make unethical choices that favor certain groups or individuals within the higher education community, while disadvantaging others, which can perpetuate inequalities and hurt those who are marginalized. Moreover, budget constraints and the need to allocate limited resources may lead to unethical practices, such as misappropriation of funds, embezzlement, or unethical procurement practices, which divert resources away from classrooms and negatively impact the educational experience of students.

### *2.2.2. Regulatory Requirements and Technology*

One ethical issue faced by educational leaders revolves around regulatory and compliance requirements and marketization of education (Teaching Times, n. d.). First, PHEI leaders often find themselves navigating complex bureaucratic systems and compliance demands that may inadvertently divert their focus from ethical considerations. PHEIs in Malaysia are subject to tight regulation by the Ministry of Education (MoE) and the Malaysian Qualifications Agency (MQA), which acts as the quality gatekeeper. PHEI leaders must navigate complex approval processes for new programs, at times struggling with slow, bureaucratic procedures that can hinder responsiveness to market demands. While it ensures that PHEIs maintain quality standards equivalent, the MQA may at times restrict their operational agility. Additionally, the shift to online learning during the pandemic has highlighted infrastructure disparities among PHEIs, further complicating their regulatory compliance. Besides government regulations, international student recruitment and visa processing may involve complex, periodically slow, bureaucratic procedures. Further, PHEIs also face governance challenges; their registrars and bursars may deal with conflicting interests from owners (seeking profit), academicians (seeking quality), and students. Second, marketization of education, with an emphasis on competition and choice, often creates ethical challenges for PHEI leaders. The need to attract students and funding can sometimes lead to marketing tactics that prioritize enrolment numbers over educational quality. Lastly, the number of Malaysian PHEIs is high, leading to intense competition for students, low enrolment in many, and a need for consolidation.

In their study, Gleim et al. (2025) found that, as remote work becomes increasingly common, the way employees perceive and experience ethical leadership is changing. Without face-to-face interactions, employees may struggle to respond to the same cues that signal ethical leadership in traditional office settings. For example, in conventional office environments, staff are more likely to witness in person spontaneous moments of ethical behaviors that may showcase how ethical leaders handle unexpected dilemmas or navigate tough decisions in real time. While technology allows for greater flexibility and global communication, it can also create barriers to trust and connection. Emails and messages often lack tone and nuance, and video calls, while more personal, still lack the spontaneous conversations that foster interpersonal relationships.

### **2.3. Impact on Commitment, Motivation, Staff Behavior, and Job Satisfaction**

The impact of ethical leadership on teachers' affective commitment and job satisfaction was studied by Negişlişik (2020). Findings revealed that ethical leadership tends to be significantly related to affective commitment and job satisfaction. Findings imply that ethical principals promote school effectiveness by building trust, which is fundamental for establishing a favorable and productive work culture. Principals who prioritize ethics can increase teachers' affective commitment and job satisfaction, which are directly linked to improved school effectiveness. By ensuring fairness in resource allocation, disciplinary actions, and staff professional growth, ethical principals promote school equity. By demonstrating transparency, integrity, power-sharing, and individual focus, they positively influence teachers' performance and encourage them to engage in citizenship behaviors that exceed their fundamental roles.

In their study, Guo et al. (2023) examined the impact of ethical leadership at a public educational institution by analyzing its employees' ethical work behavior. Findings showed a significant and positive effect of ethical leadership on employees' ethical work behavior, with organizational commitment acting as a significant mediator between the two variables. Findings imply that ethical leadership boosts employees' ethical work behavior by fostering a culture of integrity, trust, and accountability, with ethical leaders acting as role models for appropriate conduct. It also increases job satisfaction, encourages knowledge sharing, enhances organizational commitment, and reduces unethical undertakings.

In their investigation, Urooj et al. (2024) explored the impact of principals' ethical leadership on elementary teachers' motivation. Findings revealed a significant and positive relationship between ethical leadership and intrinsic motivation. Ethical principals tend to demonstrate integrity, honesty, and considerate treatment of teachers. Findings imply that ethical leadership improves teacher motivation through enhanced trust and commitment, whereby principals, who demonstrate ethical, fair, and just behavior, can foster a deep sense of trust, leading to higher teacher commitment. Besides, ethical principals foster both intrinsic motivation and the internalization of extrinsic goals, encouraging teachers to go beyond their formal duties. By propagating a positive organizational culture, ethical principals create a supportive environment that enhances job satisfaction, reduces turnover, and mitigates feelings of burnout. They improve teachers' performance and empowerment, which encourages them to implement innovative teaching strategies and improve academic outcomes. Lastly, they promote moral alignment by prioritizing ethical values, which strengthens teachers' own moral motivation.

The relationships among ethical leadership, motivation, and commitment among public school teachers were examined by Neves (2025). Findings revealed that ethical leadership tends to be positively and significantly correlated with intrinsic motivation and organizational commitment, with commitment acting as a mediator in the impact of ethical leadership on teachers' intrinsic motivation. Findings underscore the significance of promoting ethical leadership in schools, not only to foster teachers' motivation, but also to strengthen their organizational commitment. Ethical leaders enhance teacher motivation by creating a supportive environment where teachers feel valued, which increases their job commitment in turn. Being transparent, fair, and trustworthy, ethical leaders strengthen teachers' organizational commitment by fostering a stronger, long-term emotional attachment to the school, thus reducing turnover. Lastly, their fair, consistent decisions and open communication often lead to higher levels of trust and commitment.

#### **2.4. Impact on Professional Values, Individual Learning, and Digital Inclusion**

In an investigation, Ampomahi (2021) probed the impact of ethical leadership and teacher professional values on high school students' academic achievement. Findings showed that mentorship, honesty, and trust tend to be the core ethical leadership attributes that impact the empowerment, job satisfaction, and morale amongst teachers. Moreover, ethical, supportive leadership strengthens teachers' agency, allowing them to make critical, context-aware decisions. Being transparent and caring, ethical leaders enhance teacher morale by prioritizing fairness, open communication, and staff wellbeing. They also propagate a secure and respectful environment that reduces teacher stress, burnout, and emotional exhaustion.

The effects of ethical leadership on individual learning and unlearning among employees at dental and surgical manufacturing firms were investigated by Khan et al. (2024). Findings showed that ethical leadership tends to have a direct positive effect on (1) unlearning (discarding obsolete knowledge), (2) explorative learning (seeking new knowledge), and (3) exploitative learning (refining existing knowledge). Besides, effective supervisory commitment (the emotional bond between employee and leader) tends to significantly mediate the relationship between ethical leadership and unlearning and explorative learning. Findings imply that organizations can enhance their knowledge base and reduce destructive behaviors by adopting ethical leadership styles that foster emotional commitment amongst staff.

In an empirical study, Mphatsoane-Sesoane and Jita (2025) analyzed the impact of ethical leadership on teachers' inclusive digital pedagogical innovation. Findings revealed that ethical leadership tends to yield collaboration, trust, and equity, which empowers teachers to become agents of digital inclusion. Findings imply that ethical leaders create a culture of trust and shared responsibility, encouraging teachers to experiment with digital tools, which is particularly crucial for addressing digital inequalities. Ethical leaders increase teachers' agency, which makes them become active, empowered agents of digital transformation rather than passive recipients of digital directives. Additionally, ethical leaders emphasize justice-oriented digital inclusion by treating digital transformation as a moral imperative, ensuring that technology adequately serves all teachers and students, while combatting technocratic limitations by underscoring the human element in increasing technological engagement amongst them.

## **2.5. Impact on Decision-making, Moral Identity, and Compliance**

An investigation by Arar et al. (2016) probed the impact of ethical leadership on decision-making among school leaders. Findings indicated that ethical leadership tends to be significantly related to decision-making, whereby school leaders embed ethics into the decision-making process by considering the long-term consequences on all staff, students, parents, and other stakeholders. Findings imply that ethical school leaders often reduce risks and improve staff performance by eliminating legal/reputational risks, which enhances job satisfaction and long-term organizational performance. Further, they practice proactive risk management by focusing on fairness, integrity, and transparency, whereby decisions are primarily based on ethical considerations. As role models, their consistent, ethical decision-making encourages staff to emulate the behavior, thereby fostering a positive and trust-driven organizational culture.

In their study, Al Halbusi et al. (2023) examined the impact of ethical leadership on subordinates' moral identity. Findings showed that ethical leaders tend to strengthen subordinates' moral identity by modeling ethical values, fostering a sense of responsibility, and reducing workplace misconduct. By acting as moral role models, ethical leaders encourage subordinates to internalize moral standards, which enhances both their moral identity and their commitment to ethical behavior. Findings imply that subordinates often observe and emulate their leaders' ethical behaviors, which helps them define themselves as moral individuals. Ethical leaders instil high moral identity that reduces unethical actions, while encouraging discretionary and informal communication of ideas, suggestions, opinions or concerns about work-related issues (voice behavior). Lastly, ethical leaders, combined with a strong moral identity, often

increase job satisfaction, organizational commitment, and enhanced knowledge-sharing, while reducing job stress.

The impact of ethical culture and leadership on environmental, social, and governance (ESG) compliance at public sector organizations was determined by Zahari et al. (2024). Findings showed that ethical leadership tends to be significantly and negatively related to integrity violations in ESG compliance, suggesting that organizations with strong ethical leadership practices tend to commit fewer integrity violations related to ESG compliance. Findings imply that ethical leaders, characterized by trustworthiness, active listening, and ethical decision-making, often create an organizational culture that prioritizes adherence to ESG principles. In short, they lead by example and communicate ethical values, fostering a climate that discourages unethical ESG behaviors.

## **2.6. Practice and Perceptions of Ethical Leadership**

The practice of ethical leadership among Malaysian school principals was investigated by Vikaraman et al. (2020). Findings showed that principals tend to be cognizant of the fundamentals of ethical leadership; however, they lack knowledge of how ethical leadership influences staff's work patterns, performance, and behaviors. Findings imply that, since ethical leadership is still a new concept, principals should modify their traditional leadership practices and integrate it into their regular management styles. As a form of value-based management, ethical leadership is essential among principals to propagate a productive school culture, instil trust, and enhance staff morale, which promotes academic performance and organizational wellbeing. By modeling integrity and fairness, ethical principals often create a supportive, collaborative environment that enhances retention, encourages pedagogic innovation, and ensures equitable treatment for all staff and students.

On the other hand, Hubchen et al. (2024) examined how a research university's tenured faculty perceived ethical leaders. Findings showed that female staff members tend to have clearer views of ethical leaders' behaviors. Key behaviors of ethical leaders include (1) fundamental fairness and integrity, whereby they display consistent ethical conduct and fairness in decision-making, besides acting with honesty, (2) ability to cultivate psychological safety by creating a supportive environment based on mutual respect, trust, and two-way communication, (3) interpersonal care and listening by exhibiting empathy, kindness, and active listening skills, and (4) modeling and accountability through leading by example, demonstrating academic values, and taking responsibility for actions, and (5) support for professional development by actively appraising, valuing, and mentoring staff.

In their research, Özan et al. (2017) studied teachers' perceptions of ethical leadership among school administrators. Findings revealed that administrators tend to act within ethical standards; however, they often face ethical dilemmas when deciding upon personnel issues. Additionally, teachers tend to perceive that ethical leadership revolves around (1) trust and integrity, which is vital for building a healthy work environment, (2) fairness and transparency, which eliminate favoritism and promote open communication to create a favorable organizational culture, (3) support and care, whereby administrators mentor and actively listen to teachers' problems and involve them in decision-making.

Perceptions of ethical leadership among educators from Eastern and Western cultures were explored by Göçen (2021). Findings indicated that both cultures do not seem to differ significantly in their perceptions of ethical leadership. The Eastern sample tends to endorse honesty, respect, fairness, and justice as the primary attributes of ethical leadership, besides relating it with flexibility, religiosity, and responsibility. On the other hand, the Western sample tends to associate it with rationality, team spirit, and active listening. Findings imply that Eastern cultures prioritize collective harmony, family-like dynamics, and group welfare, while Western cultures emphasize individual rights, independence, and accountability. In terms of decision-making, Eastern leaders tend to focus on relationships and context, while their Western counterparts often make decisions based on rules and fairness. In Eastern cultures, leaders are viewed as moral role models who are nurturing and authoritative, while in Western contexts, they are regarded as fair, transparent, and objective arbitrators.

Lastly, a study by Malik et al. (2022) investigated staff's perceptions of middle-level managers' ethical behavior and bottom-line mentality at textile organizations. Findings showed that middle-level managers tend to focus on bottom-line demands, while ignoring ethical values. Findings imply that middle-level managers, characterized by the bottom-line mentality, are frequently under immense pressure to prioritize profitability and cost-cutting, which often leads them to neglect ethical considerations and staff wellbeing. Social undermining occurs when middle-level managers strive to meet bottom-line targets by demonstrating unethical behavior, such as falsifying reports, sabotaging competitors, or abusing subordinates.

### **3. Methodology**

#### **3.1. Research Design and Approach**

This study used a quantitative research design for the following reasons. First, it allows for the systematic investigation into perceived ethical leadership by using numerical data, which are analyzed statistically to determine PHEI staff's perceptions of ethical leadership, with the key objective to draw meaningful conclusions and generalize results to a wider PHEI context in Sabah. Second, it permits the use of statistical methods to calculate percentages of agreement, significant differences in terms of age and gender, and significant differences based on a hypothesized median value of 3.5. Third, the quantitative research design enables the authors to (1) formulate three research questions, (2) obtain a convenient sample of PHEI administrative and academic staff, (3) procure a questionnaire to assess ethical leadership, (4) adopt a survey for data collection, and (5) utilize specific statistical methods for data analysis.

#### **3.2. Research Context**

The current research was conducted in Kota Kinabalu, the capital city of Sabah, Malaysia, where quantitative studies on ethical leadership at PHEIs are limited. Kota Kinabalu was chosen for its vast educational landscape, with 16 PHEIs ( $N = 16$ ) that can give a sufficiently representative sample of the PHEI administrative and academic staff in the setting, which allows a relatively fair assessment of staff's views of ethical leadership in Sabah.

### 3.3. Sample and Justification

The participants of this study comprised 57 administrative and academic staff ( $n = 57$ ) recruited from two PHEIs in Kota Kinabalu, Sabah, who possess at least a bachelor's degree, English proficiency, and a full-time contract at their respective institutions. Initially, deans, coordinators, and registrars of 10 randomly selected PHEIs were contacted via email and phone, but eventually, only two (2) agreed to participate in the study. Subsequently, PHEI leaders shared the survey link with their staff and urged them to respond. The sample reflected Sabah's multi-ethnic, indigenous-majority landscape, including Kadazandusun, Bajau, Murut, and other indigenous groups. A large proportion belonged to the middle-aged group. They were university-educated, with a significant percentage holding a bachelor's degree. In general, the central limit theorem states that having at least 30 participants is sufficient for statistical power, enabling the findings of a basic survey research to be generalized (Roscoe, 1975; RUBIKTOP, 2023; Turney, 2022). With  $n = 57$ , the sample was deemed representative of administrative and academic staff from the local PHEIs. The sample size of this study also ensured an acceptable margin of error and sufficient power to determine modest effects in the ANOVA and Wilcoxon signed rank test for data interpretation.

The participants involved 38.6 percent males and 62.4 percent females. Age-wise, 15.8 percent are 24 to 34 years old, 42.1 percent are 35 to 45 years old, and 42.1 percent are 46 to 56 years old (see Table 1).

Table 1: Demographic Information of Respondents ( $n = 57$ )

| Profile | Description | Frequency | Percentage |
|---------|-------------|-----------|------------|
| Age     | 24-34       | 9         | 15.8       |
|         | 35-45       | 24        | 42.1       |
|         | 46-56       | 24        | 42.1       |
|         | Above 56    | 0         | 0          |
| Gender  | Male        | 22        | 38.6       |
|         | Female      | 35        | 61.4       |

### 3.4. Instrument

Data were collected by administering the Ethical Leadership Questionnaire (Brown, 2005). It consists of 10 Likert-scale items, ranging from 5 = Strongly Agree to 1 = Strongly Disagree. Brown et al. (2005) used the instrument to investigate the relationship between psychosocial constructs and ethical leadership, besides calculating its predictive validity for outcomes related to employees. Findings revealed that ethical leadership tends to be connected to considerate behavior, interactional fairness, trust in the leader, honesty, and socialized charismatic leadership. To determine its suitability for the current study, it was pilot-tested on 20 teachers in Sabah. Data were analyzed by using SPSS 29.0. Results indicated that its Cronbach's alpha is .954, indicating high internal consistency.

### 3.5. Data Collection and Analysis

PHEI administrative and academic staff were told that completing the questionnaire was a sign of consent to participate in the study voluntarily. All of them were informed of the research purpose and that they could withdraw whenever they wanted without any repercussions. After the questionnaires were completed, all the responses were

anonymized to ensure confidentiality, and the data were stored securely. Only the first author has data access for scholarly purposes.

Data collected were analyzed using SPSS 29.0. First, percentages of agreement (agreed/strongly agreed) on perceived ethical leadership were collapsed to gain an overall view of the construct. Second, ANOVA was conducted to determine if significant differences existed in perceived ethical leadership in terms of gender and age. Third, Wilcoxon signed rank test was employed to see if any of the ethical leadership items were significant at 3.5, the hypothesized value.

## 4. Findings

### 4.1. Percentages of Agreement

Percentages of agreement (strongly agree and agree) were combined to provide an overall impression of ethical leadership among department heads at PHEIs in Sabah. A very low proportion (47.4 percent) of staff strongly agreed/agreed that they tend to trust their department heads. Additionally, a low proportion (50.9 to 59.7 percent) of staff strongly agreed/agreed that their department heads tend to (1) have the best interests of employees in mind, (2) set an example of how to do things the right way in terms of ethics, (3) conduct their personal lives in an ethical manner, and make fair and balanced decisions. Lastly, a low-average proportion (61.4 to 64.9 percent) of staff strongly agreed/agreed that their department heads tend to (1) listen to what employees have to say, (2) discipline employees who violate ethical standards, (3) define success not just by results, but also the way that they are obtained, (4) ask whether it is the right action when making decisions, and (5) discuss business ethics or values with employees (See Table 2).

Table 2: Percentages of Agreement on Ethical Leadership

| My department head ....                                                      | 1   | 2    | 3    | 4    | 5    | 4+5<br>(collapsed) |
|------------------------------------------------------------------------------|-----|------|------|------|------|--------------------|
| Listens to what employees have to say                                        | 7   | 10.5 | 21.1 | 47.4 | 14   | 61.4               |
| Disciplines employees who violate ethical standards                          | 3.5 | 5.3  | 29.8 | 52.6 | 8.8  | 61.4               |
| Conducts his/her personal life in an ethical manner                          | 0   | 7    | 36.8 | 45.6 | 10.5 | 56.1               |
| Has the best interests of employees in mind                                  | 3.5 | 8.8  | 36.8 | 43.9 | 7    | 50.9               |
| Makes fair and balanced decisions                                            | 1.8 | 12.3 | 26.3 | 43.9 | 15.8 | 59.7               |
| Can be trusted                                                               | 7   | 8.8  | 15.8 | 26.3 | 21.1 | 47.4               |
| Discusses business ethics or values with employees                           | 7   | 7    | 21.1 | 50.9 | 14   | 64.9               |
| Sets an example of how to do things the right way in terms of ethics         | 1.8 | 17.5 | 24.6 | 36.8 | 19.3 | 56.1               |
| Defines success not just by results, but also the way that they are obtained | 1.8 | 10.5 | 26.3 | 49.1 | 12.3 | 61.4               |
| When making decisions, he or she asks, "What is the right thing to do?"      | 0   | 14   | 24.6 | 49.1 | 12.3 | 61.4               |

*Strongly disagree = 1, Agree = 2, Neutral = 3, Agree = 4, Strongly agree = 5*

## 4.2. Gender and Age Differences

ANOVA revealed that no significant age or gender differences in perceived ethical leadership among staff. Statistical analysis (with  $p < .05$ ) demonstrated that observed variations between age and gender groups were likely due to chance rather than a real, meaningful effect. While it did not necessarily prove equality or similarity between groups, the study failed to detect a significant difference (see Table 3).

Table 3: Age and Gender Differences

|        |                | Sum of Squares | df | Mean Square | F    | Sig. |
|--------|----------------|----------------|----|-------------|------|------|
| Age    | Between Groups | .994           | 2  | .497        | .748 | .478 |
|        | Within Groups  | 35.854         | 54 | .664        |      |      |
|        | Total          | 36.848         | 56 |             |      |      |
| Gender | Between Groups | .274           | 1  | .274        | .411 | .524 |
|        | Within Groups  | 36.574         | 55 | .665        |      |      |
|        | Total          | 36.848         | 56 |             |      |      |

## 4.3. Wilcoxon Signed Rank Test

Wilcoxon signed rank test was used to test hypotheses about the median of the population distribution. The null hypothesis ( $H_0$ ) was that the population median ( $\eta$ ) was equal to the hypothesized median of 3.5. Findings showed that all 10 items were significantly different from the hypothesized value of 3.5, indicating strong disagreement. All 10 null hypotheses were therefore rejected (see Table 4).

Table 4: Wilcoxon Signed Rank Test Results (Hypothesized Value = 3.5)

| My department head .....                                                     | p-value   | Conclusion                                                                      |
|------------------------------------------------------------------------------|-----------|---------------------------------------------------------------------------------|
| Listens to what employees have to say                                        | <0.001*** | Median significantly differs from the test value indicating strong disagreement |
| Disciplines employees who violate ethical standards                          | <0.001*** | Median significantly differs from the test value indicating strong disagreement |
| Conducts his/her personal life in an ethical manner                          | <0.001*** | Median significantly differs from the test value indicating strong disagreement |
| Has the best interests of employees in mind                                  | <0.001*** | Median significantly differs from the test value indicating strong disagreement |
| Makes fair and balanced decisions                                            | <0.001*** | Median significantly differs from the test value indicating strong disagreement |
| Can be trusted                                                               | <0.001*** | Median significantly differs from the test value indicating strong disagreement |
| Discusses business ethics or values with employees                           | <0.001*** | Median significantly differs from the test value indicating strong disagreement |
| Sets an example of how to do things the right way in terms of ethics         | <0.001*** | Median significantly differs from the test value indicating strong disagreement |
| Defines success not just by results, but also the way that they are obtained | <0.001*** | Median significantly differs from the test value indicating strong disagreement |

|                                                                         |           |                                                                                 |
|-------------------------------------------------------------------------|-----------|---------------------------------------------------------------------------------|
| When making decisions, he or she asks, "What is the right thing to do?" | <0.001*** | Median significantly differs from the test value indicating strong disagreement |
|-------------------------------------------------------------------------|-----------|---------------------------------------------------------------------------------|

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\*\*\* $p < .001$

## 5. Discussion

### 5.1. Implications

Findings imply that relatively low proportions of PHEI staff tend to strongly agree/agree that their department heads practice ethical leadership. Staff perceptions could be influenced by the unethical conduct of a few authority figures in education. Previous research showed that several educational leaders and academics were involved in unethical activities. For example, in 2013, the Malaysian Minister of Education was urged to put an immediate stop to the marketing and sale of food supplements at some national schools by school leaders, with parents complaining that their children had been compelled to purchase chewing tablets marketed as having the properties to improve students' academic performance. Besides, marketing was done using the Malaysian Federation of the Council of Headmasters and Ministry of Health logo, which was deemed highly unacceptable, unethical, and perhaps even illegal. On top of that, one of the promoters/shareholders was also attached with the Ministry of Education, presenting a clear conflict of interest (Pua et al., 2013).

Additionally, in their study, Olesen et al. (2018), who explored unethical authorship practices at Malaysian institutions, discovered that unethical authorship practices are not so unusual among academia; however, the exact incidents are underreported. The culture of 'publish or perish' may result in unethical authorship practices among academics because their career paths rely heavily on journal publications. On the other hand, in 2025, a professor from a Malaysian university was fined RM20,000 after pleading guilty to submitting false claims related to non-existent research work amounting to RM38,000. The professor admitted to conspiring with a research assistant to falsify documents to claim money for a study that had never been conducted (Chan, 2025). In the same year, the Malaysian education ministry removed several officers from some institutions under its jurisdiction following reports of their alleged involvement in immoral activities; all department heads were reminded to strengthen monitoring and ensure that immoral activities are eradicated at all levels (So, 2025).

In a study, Ishak et al. (2019) examined the factors that could lead to unethical behavior at Malaysian institutions of higher learning. Findings showed that ethical leadership and ethical climate tend to ameliorate unethical conduct among academics and students. Students' unethical practices include plagiarism, cheating in examinations, falsifying research data, and submitting fraudulent assignments. Administrative and staff's unethical practices include abuse of power for personal gain, unethical procurement, and student exploitation. Influencing factors of unethical conduct may include high-performance expectations, self-interest, weak organizational culture, and the lack of clear ethical guidelines. An example of unethical behavior was reported in 2022 when the Malaysian Higher Education Ministry was urged to take disciplinary action against a lecturer who demonstrated unethical, unsympathetic, and unprofessional conduct in class, berating a B40 student for lacking a laptop (Sinar Daily, 2022).

In an investigation, Cha (2025) claimed that perceived corruption is not uncommon among Malaysian employees. Factors influencing perceived corruption include a lack of

ethical leadership, an ineffective internal control system, and negative attitudes toward corporate social responsibility (CSR), highlighting the importance of adopting ethical leadership practices along with CSR initiatives to prevent and prosecute bribery, abuse of power, and malpractice in the public and private sectors.

A recent integrity crisis at a local university, culminating in the resignation of its vice-chancellor, has exposed the unethical practices that have long affected Malaysian higher education (Fernandez-Chung, 2025). Its top management, including deputy vice-chancellors and governing board members, has been complicit in a system designed to benefit a select few at the institution's expense, which reflects a deeply entrenched culture of unethical leadership, where loyalty is valued over competence, and dissent is countered with exclusion. The scandal reflects a broader crisis where university leadership is determined not by merit, integrity, or academic excellence, but by political connections, where integrity is sidelined.

Lastly, the Universities and University Colleges Act is perceived as limiting academic freedom, reducing universities to bureaucratic outposts (Fernandez-Chung, 2025). A few vice-chancellors are regarded as chosen based on political allegiance, rather than academic or managerial excellence. Moreover, some Malaysian universities are perceived as adopting outdated and politicized administrative structures with a weak autonomous framework. Accommodating poor-quality academics and flawed selection processes tend to result in deteriorating standards, with university leadership positions being held by individuals who seem to lack the vision, expertise, or ethical grounding required to elevate institutional rankings.

## **5. Recommendations**

### **5.1. Balance Between Managerial and Ethical Considerations**

According to Azman et al. (2012), the corporate managerial model has changed the value placed on academic leadership at universities, which has been subsumed under corporate management practices, whereby leadership automatically aligns with position in management hierarchy. Some PHEIs, being for-profit institutions, may favor management over ethical leadership within a hierarchical structure, with their management posts being held by those who may not necessarily be ethical leaders. Nevertheless, their values may be questioned when managers without ethical leadership are allowed to assess organizational direction and priorities. When PHEI leaders identify more with management rather than with ethical leadership, the gap may widen between top management priorities and ethical core values and interests. In the Malaysian PHEI context, the managerial and hierarchical model may assume that authority and power are proportional to one's position in the administrative order, without incorporating consideration of ethical leadership. In other words, academic decisions are mostly based on managerial and administrative criteria with limited ethical considerations. Additionally, the prevalence of the corporate management culture at PHEIs tends to have undesirable consequences on ethical leadership, which may lead to unethical practices. Therefore, it is suggested that PHEIs value or incorporate the expertise of ethical leaders into their management practices to direct and influence staff through behavior rooted in integrity, fairness, and respect for stakeholders' rights and dignity, while fostering trust, transparency, and accountability to ensure that decisions align with ethical values rather than just profitability goals.

## 5.2. Succession Plan for Ethical Leaders

With the changing higher education scenario in Malaysia, a succession plan for educational leaders is urgently needed for organizational sustainability and national development (Azman et al., 2012). Therefore, aspiring ethical leaders should be placed on the right path by using an appropriate model of succession planning, which requires an academic environment and culture that allows academics to excel and realize their full potential to become recognized ethical leaders. Annual appraisal is one of the most effective tools for succession planning. The appraisal process can be used to identify achievements, weaknesses, threats, and explore opportunities to further enhance academics' potential to become ethical leaders.

In the context of teaching and research supervision, aspiring educational leaders need to demonstrate quality in terms of delivery, content preparation, student engagement, teaching effectiveness, and students' acceptance (Azman et al., 2012). The teaching and supervision goal among aspiring ethical leaders is to produce students of outstanding quality, who are equipped with knowledge and skills that reflect academic excellence. Additionally, aspiring ethical leaders need to demonstrate research capacity in terms of output generation that benefits the academic community and national development. Research output should include publication of MyCite- or Scopus-indexed articles that reflect academic knowledge, skill, and experience in field expertise, channelled through policy advocacy, technical advice, consultancy, or special services. Overall, aspiring ethical leaders can realize their teaching and research excellence through strategic approaches and tools to harness their potential.

On the other hand, senior academics can form a strong bench of educational leaders via yearly appraisal and academic promotion exercises to nurture their inclination to become instructional or research leaders (Azman et al., 2012). PHEIs can use yearly appraisal as an inventory of academic talents in terms of career progress, experience, relevant education and training, and self-reported interests. They can also use yearly appraisals to assess bench strength within the organization and identify academics' potential for ethical leadership. To maintain and enhance prestige amongst aspiring ethical leaders, PHEIs should demand evidence of scholarly work and excellence for promotion in each path. For example, teaching-oriented academics should provide research evidence in various aspects of pedagogy and how they have integrated novel ideas from research into their instructional and supervision activities.

## 5.3. Culture of Trust, Transparency, and Collaboration

To promote ethical leadership in educational administration, various strategies and interventions can be implemented at the individual, organizational, and systemic levels (Valley, 2023). PHEIs can establish clear ethical standards and codes of conduct, foster a culture of trust and transparency, provide ethical leadership training and development programs, implement ethical decision-making frameworks, and cultivate ethical role models and mentors. Further, they can adopt collaborative approaches that involve educators, administrators, policymakers, and community stakeholders to create an ethical learning environment that yields favorable and sustainable educational outcomes. Additionally, PHEIs can adopt ethical leadership to uphold professional ethics, foster an inclusive and equitable learning environment, and ultimately, augment organizational success.

Nevertheless, educational leaders may also face personal challenges, such as moral ambiguity, role conflict, and ethical decision-making fatigue (Valley, 2023). PHEIs can address these predicaments through proactive strategies, including organizational support, professional development, and ethical training to enhance ethical awareness and reflexivity amongst leaders and staff. By embracing ethical leadership principles and practices, PHEIs can contribute to the cultivation of ethical values, social responsibility, and ethical citizenship amongst staff and students, which enables them to navigate complex ethical challenges in an increasingly interconnected world. In brief, PHEIs need ethical leadership to pave the way for a productive organizational culture, shape their decision-making processes, and influence their leaders and staff's moral-ethical behavior.

#### **5.4. Development of Ethical Leadership Attributes**

Ethical leaders strive to demonstrate integrity, empathy, and accountability to build a prolific workplace culture within their organization by developing an ethical decision-making framework and practice open communication (Taufik, 2025). First, PHEI leaders often need to balance business priorities, stakeholder interests, and other pressures when making high-stakes ethical decisions. Therefore, they need to establish a clear decision-making model to help them consider various perspectives, which involves identifying major ethical issues and brainstorming possible solutions, besides examining relevant regulations, contractual obligations, and ethical guidelines. They should seek advice from experts and gather input from relevant stakeholders, which helps them make better-informed decisions based on all available resources. Second, by practicing open communication, PHEI leaders can cultivate a culture that encourages honesty and allows staff to freely voice their ethical concerns without fear. PHEI leaders should lead by example by acting as active listeners who welcome feedback from all levels, besides engaging in meaningful discussions with all staff to resolve problems. Through reciprocal communication, they become transparent about organizational changes, thus making staff feel included and appreciated.

Additionally, ethical leaders enforce the code of conduct in the workplace and demonstrate courage in doing what they believe is best for the organization and staff (Taufik, 2025). First, PHEIs leaders should strive to do the right thing at all times, while ensuring that staff uphold similar standards. They should ensure that everyone adheres to the organization's code of conduct, and those who commit ethical violations receive appropriate warning and face the consequences. By upholding rules and regulations, PHEI leaders help reduce risks and prevent any unethical activities that cause reputational harm, legal issues, or financial loss, while affirming expectations of themselves and others on how everyone should act to maintain a safe and trustworthy work environment. Second, PHEI leaders should be courageous in driving change by implementing necessary, sometimes unpopular, decisions for the long-term benefit of the organization. Further, they should maintain a strong ethical stance by standing against, and not being complicit in, any unfair or oppressive practices. While handling conflict, they should navigate challenges, such as community disagreements or crises, with integrity, besides demonstrating the moral courage to assert against unethical practices and advocating for systemic reform.

### 5.5. Autonomy, Integrity, and Accountability

To increase the quality of Malaysian higher educational institutions (HEIs), several steps can be taken (Fernandez-Chung, 2025) to promote ethical leadership. First, HEIs should demonstrate the political will and moral courage needed to revamp the appointment process, restore university autonomy, ensure accountability and integrity, and recognize talents beyond identity politics. HEIs should ensure that university leadership appointments are based purely on merit, free from political influence. They should adopt a transparent and rigorous selection process involving independent panels of academics and industry experts to ensure that vice-chancellor appointments are not dictated by political preferences. Second, HEIs should be granted the full right to manage their affairs without excessive political interference, upholding autonomy as a requisite for academic excellence. Besides, they should eliminate the culture of impunity, which is characterized by the exemption from punishment, penalties, or negative consequences for wrongdoing. In other words, HEIs need to prosecute leaders who are guilty of corruption, abuse of power, or gross negligence, besides implementing robust whistleblower protection mechanisms to encourage transparency and ethical governance. Lastly, HEIs should consider leadership appointments that transcend considerations of race, gender, or political affiliation, employing the most qualified to steer them forward.

### 6. Conclusion

This study is restricted by its focus on two specific PHEI settings, which may limit generalizations of findings to other contexts, particularly outside Sabah. Additionally, while it emphasizes the ethical dimension of leadership, it does not fully account for other influencing factors, such as cultural, socioeconomic, or political variables, that might also shape leadership behaviors and perceptions at PHEIs. Moreover, reliance on self-reported data may introduce bias, as participants could be influenced by social desirability or personal experiences when responding to ethical leadership practices. Future research can expand the investigation into the relationship between ethical leadership across different educational contexts and cultures. Specifically, exploring these variables in diverse geographic regions within and outside Sabah could provide a more comprehensive understanding of how ethical leadership functions in varying educational environments. Moreover, comparing perceived ethical leadership between PHEI leaders and other stakeholders, such as instructors, students, and parents, could uncover nuanced insights into how it is experienced across different levels of the private educational system. It is also suggested that a mixed-methods design be used to observe how ethical leadership evolves over time and how it influences educational outcomes in the long run.

Additionally, this study highlights the need for future research that examines the impact of ethical leadership in diverse educational settings, especially in the Malaysian context, where empirical studies on this construct remain limited. Investigating differences in perceptions between department heads and academics can yield valuable insights into the dynamics of ethical leadership at PHEIs. Ultimately, this study represents an important contribution to the discourse on the ethical dimension of leadership, besides pinpointing the need for future research. Finally, future research can also explore the relationships between ethical leadership, organizational commitment, job motivation, and other psychosocial variables to gain deeper insight into the complexities of ethical leadership and its impact on the higher educational dynamics in Malaysia.

## Ethics Approval and Consent to Participate

This study has strictly adhered to all ethical procedures involving the use of human subjects. Informed consent was obtained from all respondents who were informed of their anonymity, with their responses kept strictly private and confidential. They were also advised that the study was at low risk and that they could stop participating at any time without any repercussions.

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## Conflict of Interest Statement

The authors declare that there is no conflict of interest regarding the publication of this study.

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