



Ethical Leadership and Creativity Among Employees: Does Leadership Trust and Organizational Climate Matter?

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ABSTRACT

Purpose: Leaders encourage employee innovation for organizational effectiveness, but the perception of ethical leadership and factors like trust and organizational climate can influence this dynamic. This study assessed leadership trust and organizational climate as explanatory factors influencing the association between ethical leadership and creativity.

Design: Responses were sought from 354 employees from a multinational organization in manufacturing in Ghana. The respondents completed questionnaires that measured ethical leadership, employee trust in leadership, organizational climate, and creativity.

Findings: The findings using the PROCESS macro indicated a positive relationship between ethical leadership and creativity. The influence of ethical leadership on creativity was confirmed to be moderated by organizational climate and partially mediated by employees' trust in leadership. The findings clearly highlight the eminence of leadership trust and organizational climate in explaining ethical leadership's impact on employees' creativity.

Practical Implications: The study implies that organizations aiming to enhance creativity and effectiveness should promote ethical leadership while considering the influence of trust and the overall work environment. This study is the first of its kind to assess the underlying mechanisms of leadership trust and organizational climate in explaining the linkage between ethical leadership and employee creativity.

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Introduction

In today's rapidly evolving and competitive business landscape, leadership and creativity stand as two pillars upon which the success and innovation of organizations often rest (Javed et al., 2018). Effective leadership has the power to inspire, guide, and nurture creative potential within teams and individuals. This

symbiotic relationship between leadership and creativity has become a focal point of research and exploration, as organizations seek to harness the transformative capabilities of creative thinking to thrive in an ever-changing world (Arokiasamy & Moslehpour, 2020).

Creativity in the organization is about bringing something novel and innovative into the organization (Caniëls & Rietzschel, 2013). Researchers have concentrated on examining the linkage between leadership and creativity (Amabile & Pratt, 2016; Arokiasamy & Moslehpour, 2020; Qian et al., 2017). These studies indicate that leaders, who are supportive and ethical, significantly improve creativity among employees. However, most studies have not concentrated on ethical leadership style, even though ethical leadership is among the most significant antecedents of creativity (Abdullah, 2021; Suifan, et al., 2018).

There are standardized norms that every employee is expected to follow (Qian et al., 2017). However, creativity requires employees to challenge the status quo and go beyond standardized norms. Consequentially, employees sometimes disagree with unsupportive leaders to be creative (Caniëls & Rietzschel, 2013). Since ethical leaders' open channels of communication that promote understanding and a supportive environment, it encourages creativity among employees (Addai et al., 2022; Karabey & Aliogullari, 2018). Consequently, leaders must be ethical and principled in their deeds to promote creativity among employees (Abdullah, 2021).

There are standardized norms that every employee is expected to follow which underscores the importance of establishing a cohesive and well-organized work environment within any organization. These standardized norms, often encapsulated in policies, codes of conduct, and regulations, play a pivotal role in shaping the workplace culture and guiding employee behavior (Caniëls & Rietzschel, 2013). Since ethical leaders promote understanding and a supportive environment, it encourages creativity among employees (Addai et al., 2022; Karabey & Aliogullari, 2018). Consequently, leaders must be ethical and principled in their deeds to promote creativity among employees (Abdullah, 2021).

The ethical leadership-creativity linkage does not occur in a vacuum; rather, it relies on specific organizational mechanisms (Arokiasamy & Moslehpour, 2020; Qian et al., 2017). There are certain factors that mediate and also moderate the relationship between ethical leadership and employee creativity. Karabey and Aliogullari (2018) suggested that future researchers should assess other factors that can influence the linkage between ethical leadership and creativity. In response to this call, the present study considers organizational climate and leadership trust as moderating and mediating factors respectively affecting the nexus between ethical leadership and creativity among employees.

Trust deals with the positive expectation that a person will not betray the other (Eluwole et al., 2021). Trust existing between leaders and subordinates plays an imperative role in establishing stronger levels of support, collaboration, information sharing, and openness in the organization (Amabile & Pratt, 2016; Liu et al., 2021). Organizational trust aids employees to be secure and tenable, which in turn, can promote creativity among employees (Arokiasamy & Moslehpour, 2020). That is when employees trust their leaders, their preparedness to take on the risk of creativity increases (Duan et al., 2018). Leadership trust serves as a mediator because when employees trust their leaders, they feel psychologically safe to express their ideas and take creative risks without fear of negative consequences. This sense of safety fosters a conducive environment for creativity to flourish (Eluwole et al., 2021). Nevertheless, studies assessing leadership trust as a mediator in the linkage between ethical leadership and creativity among employees are scarce (Karabey & Aliogullari, 2018), and this study aims to fill this gap.

The literature further demonstrates that creativity occurs among employees in a conducive environmental context (Ahmad & Gao, 2018; Cigularov et al., 2010; Suifan, et al., 2018). This is because employees will not be creative if the organizational context is not supportive enough. Leadership plays a significant role in forming and maintaining this supportive environmental context of organizations. Thus, the linkage between ethical leadership and creativity among employees can be influenced by organizational climate.

Despite this, limited studies have assessed the moderating role of organizational climate in the ethical leadership–employee creativity relationship (Suifan, et al., 2018; Zahra & Waheed, 2017). It is evident that employees will perceive the climatic condition of the organization before exhibiting creativity (Cheng et al., 2019). Thus, employees will be creative when they perceive a higher level of organizational climate. Based on the above, the study contributes to the existing literature by achieving three objectives. First, this study attempts to examine the correlation between ethical leadership and creativity. Second, it takes a step further to assess the mediating effect of leadership trust in the underlying relationship. Lastly, the study seeks to examine organizational climate as a moderator in the ethical leadership–creativity nexus. Previous literature noticeably lacks adequate research in this regard and this study, therefore, provides some substantial contribution.

Research Setting

In recent years, Ghana has made efforts to promote industrialization and diversify its economy beyond primary sectors like agriculture (Abdullah, 2021). The manufacturing sector is seen as a key driver of economic growth and job creation, and as such, it continues to receive attention and support from both the government and private sector stakeholders. The manufacturing sector in Ghana covers a wide range of industries, including food processing, textiles and apparel, agro-processing, chemicals, pharmaceuticals, electronics, and building materials, among others (Eluwole et al., 2021). The country's manufacturing landscape continues to evolve, driven by both domestic and international demand, government initiatives, and efforts to promote industrialization and economic growth. Manufacturing organizations in Ghana contribute to employment generation. They provide jobs for a substantial portion of the country's workforce, including both skilled and unskilled labor (Abdullah, 2021). It also adds value to raw materials and agricultural products, increasing their economic worth. For example, cocoa beans are processed into cocoa products, and shea nuts are used to produce shea butter-based cosmetics. The Ghanaian government has implemented various policies and initiatives to support the manufacturing sector. These include tax incentives, export promotion, and efforts to improve infrastructure (Ahmad & Gao, 2018).

Theoretical Framework and Hypotheses

Creativity

Creativity plays a critical part in most organizations and assists organizations in not losing their sustainability and competitive advantage (Azam & Rizvi, 2021; Hayat et al., 2020). As defined by Asif et al. (2019), creativity is defined as bringing something unique and unusual into the organization. Creativity involves the ability and capacity of employees to bring into existence something novel, as well as helpful thoughts concerning the procedures, products, and services of the organization (Azam & Rizvi, 2021; Quade et al., 2019). Creativity is also about reasoning outside the box and offering something that did not exist hitherto. Employees who are creative discover customers' concealed needs and deal effectively with them to create something superior (Acar et al., 2019; Javed et al., 2017). Creativity can be grouped into two dimensions: divergent thinking and expertise (Park et al., 2021). Divergent thinking deals with creating diverse concepts and ideas. Expertise on the other hand deals with having knowledge of a phenomenon and the capacity to apply it in solving problems (Mendeley et al., 2021).

Ethical Leadership and its Impact on Creativity

Ethical leadership is considered as the conduct through personal actions and interpersonal relationships that followers consider to be normatively appropriate, such as honesty, trustworthiness, fairness, and caring (Brown et al., 2005). The promotion of such normative behaviors to employees is through fair decision-making and positive reinforcement (Chen & Hou, 2016; Javed et al., 2017). Ethical leaders always set examples by

practicing what they believe in, believing in justice for humanity, and meaningfully communicating information. These leaders show concern for subordinates and employees approach them with their concerns knowing that these leaders will offer appropriate solutions (Demirtas & Akdogan, 2015).

The social learning theory assumes most human behavior is learned by observation via the process of role-modeling (Byun & Lee, 2021). This implies employees learn to be creative from their leaders through observation. Ethical leaders use different approaches to empower employees, transform their morals, and augment their self-efficacy to engage in creative behaviors. Studies have indicated that the impact of the ethical principles of leaders on subordinates supersedes that of other employees (Chughtai, 2016; Wang et al., 2020) because employees have the propensity to go along with their leaders' moral decisions to demonstrate any form of productive behavior (Asif et al., 2020). Ethical leadership is associated with creativity via cognitive and motivational mechanisms (Tu & Lu, 2013). One significant characteristic of cognitive mechanism is that ethical leaders always underline how significant the work of their subordinates is to the organization and other employees. This has the propensity to encourage employees to pay more attention to the relevance of work and form new ideas or ways to achieve the goals of the organization (Chen & Hou, 2016). The respect that ethical leaders have for the development and dignity of their employees forms the motivational mechanism that equips them to acquire new skills and work-related knowledge. Studies have demonstrated that ethical leaders play a crucial role in ensuring creativity among employees (DeConinck, 2015; Ma et al., 2013). However, Gu et al. (2020) found no significant relationship between ethical leadership and creativity. Because of the contradiction in findings, it is prudent to study the linkage existing between the constructs. Thus, it is postulated that:

H1: Ethical leadership positively predicts creativity among employees.

Employee Trust as a Mediator

Trust is the building block of every effective organization (Eluwole et al., 2021). Employee trust is considered an action by employees that increases their vulnerability to one another (Karabey & Aliogullari, 2018). Trusting behaviors involve increasing the vulnerability of other employees whose behavior cannot be controlled (Karabey & Aliogullari, 2018). Organizational trust seemingly reassures employees that they can take risky behaviors safely and reciprocate such behaviors (Yidong & Xinxin, 2013). Thus, trust is not entirely taking risky behaviors, but the readiness to take risky behaviors regarding the context of the situation (Me, 2016). In a leadership context, trust means and reflects employees' anticipation that their leaders will treat them well and as a result, are contented to be open with them.

This research intends to investigate if ethical leadership facilitates employee trust in leadership, which, in turn, nurtures creativity among them. As stipulated by Wang et al. (2021), when employees confide in their leaders by trusting them, they feel safe, speak honestly, and show respect, and this promotes positive productive behaviors such as creativity. According to the transactional cost theory, the economic system requires trust that depends on moral standards and the foundations of employees to create productive employee behavior and ensure the effectiveness of the organization (Williamson, 1986). However, a lack of transparency does not allow leaders to provide the information needed to ensure trust among employees (Wang et al., 2021). To promote trust, leaders must possess the trait of ethicality to boost employee morale, creativity, and sharing of information (Duan et al., 2018). Leaders, who are transparent in sharing information, promote trust which motivates employees to demonstrate constructive organizational behaviors such as creativity.

Studies have indicated that ethical leaders overcome communication gaps, which builds employees' trust to demonstrate creative abilities (Eluwole et al., 2021; Yidong, & Xinxin, 2013). Ethical leaders are transparent and communicate adequately because of their trustworthy traits which may reduce discrepancies in information dissemination in organizations and improve the trust necessary for employee creativity. Literature has concentrated on other leadership qualities as a mediator in the underlying relationship. For instance, the study by Iqbal et al. (2020) and Me (2016) found leadership knowledge as a significant mediator in the linkage between

ethical leadership and creativity. With leadership knowledge considered one of the factors that lead to trust in leadership, it is prudent to assess leadership trust as a mediator in the underlying linkage. Accordingly, it is predicted that:

H2. Perceived leadership trust positively mediates the linkage between ethical leadership and employee creativity.

Organizational Climate as a Moderator

One of the critical organizational factors that influence creativity is the perception of the work environment (organizational climate). Unhealthy working environments demotivate employees and dampen their spirit of creativity in them. According to Addai et al. (2019), organizational climate is the intervening factor within the organizational context and the behavior of employees which attempts to explain how employees perceive the working environment of organizations. Zahra and Waheed (2017) indicated that job stress, interpersonal relationships, disharmony, leadership support, and warmth are some examples of what characterizes organizational climate. Organizational climate may be perceived differently based on individual perceptions of what should exist within the organizational context. A high level of organizational climate tends to promote positive attitude and behavior and rebounds quickly when confronted with difficulties (Cigularov et al., 2010).

Based on the tenets of epistemology theory (Lahroodi, 2007), the study assessed organizational climate as a factor influencing ethical leadership-creativity association. As suggested by epistemology theory, workers who assume epistemic values manage to have auspicious perceptions of decent thoughts and process ethical circumstances of leaders based on their cognition, character, expertise, and skills (Lahroodi, 2007). Conditions that exist in the organization may influence employees to have such auspicious views (Addai et al., 2022). This means that workers who perceive ethicality in their leaders are more probable to be affected by the organizational climate because they may have decent thoughts and process ethical circumstances (Park et al., 2021). Ethical leaders create an atmosphere of trust, friendliness, and cordiality which have the potential to invite employees to initiate new ideas, views, and knowledge. Some researchers across Europe have indicated that organizational climate serves as a moderator in the nexus between ethical leadership and creativity among employees (Chen & Hou, 2016, Cheng et al., 2019). The researchers did not find any study in Ghana assessing organizational climate as a moderator in the underlying relationship. Thus, it is hypothesized that:

Hypothesis 3. Organizational climate would strengthen the positive correlation between ethical leadership and creativity.

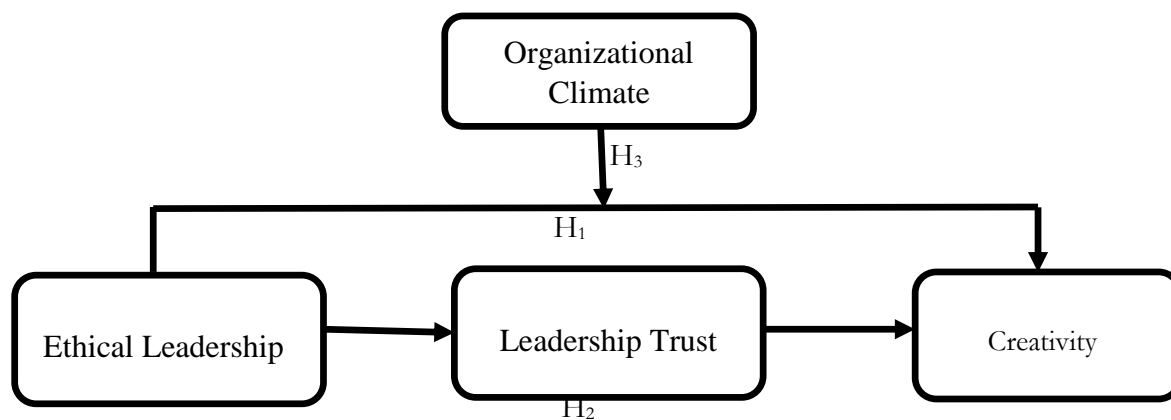


Figure 1. The hypothesized model.

Method

Research Design

The study was a survey assessing the explanatory mechanisms of employee trust in leadership and organizational climate in the linkage between ethical leadership and creativity. The design specifically used was quantitative cross-sectional which involved gathering data from different departments of a manufacturing organization within a specific time frame. The design was used because data was solicited within a short period of time.

Sampling and Procedure

All the employees in Unilever Ghana Limited, a manufacturing sector which is located in Tema in the Greater Accra region of Ghana served as the population. This multinational was selected because, even though it is one of the world's leading manufacturing companies (Addai et al., 2019), there is a high level of competition in that sector and therefore requires employees to be creative in order to meet its target and remain competitive. It has some branches. However, the Tema branch was used because it is the organization's biggest branch with many employees.

The convenient sampling technique was utilized in this study. This method of sampling was easy to carry out due to its very few rules and researchers are assured of a good return rate (Bell, et al., 2018). Respondents who were prepared to respond to the questionnaires, irrespective of age and gender, were selected. An introductory letter that elucidated the rationale and confidentiality was included in each package of the questionnaire given to the respondents. Partaking in the study was exclusively voluntary and no incentive was presented to respondents. In all, 400 questionnaires were administered, of which 354 usable questionnaires were retrieved, giving an 88.5% response rate.

Of the 354 respondents, 51.7% were males and most of the respondents (60.2%) were within the age of 35 and 44 years. Most of the respondents were highly educated with 52.5% having bachelor's degree. Demographic features are shown in Table 1 below.

Table 1: Demographic features (n=354)

Variable	Categorization	Respondents	Percentage
Gender	Male	183	51.7
	Females	171	48.3
Age	18 - 25 years	63	17.8
	26 – 35 years	82	23.2
	36 – 45 years	113	31.9
	Above 45 years	96	27.1
	Up to Senior High	17	4.8
Education	Diploma	80	22.6
	Degree	186	52.5
	Postgraduate	71	20.1
Work Experience	At least 5 years	68	19.2
	6 – 15 years	194	54.8
	Above 15 years	92	26.0

Source: Field data 2023

Measures

Ethical Leadership

The Ethical Leadership Scale (ELS) developed by Brown et al. (2005) was used to measure ethical leadership. The ELS is a 10-item measure with a 5-point Likert which ranges from 1 “strongly disagree” to 5 “strongly agree”. Sample of the items include “My leader defines success not just by results but also the way that they are obtained” and “My leader discusses business ethics or values with employees.” Scores ranging from 10 – 50 were awarded.

Leadership Trust

Leadership trust was reported using a 6-item Leadership Trust Scale (LTS; Podsakoff et al., 1990). It has a reliability of .79. Sample items on the scale include “I have a strong sense of loyalty toward my leader” and “I feel a strong loyalty to my leader.” The LTS uses 5-point Likert response options which ranges from strongly disagree to strongly agree. Total scores ranging from 6 – 30 were awarded.

Organizational Climate

The 10-item Perceived Work Environment Scale (Patterson et al., 2004) with a Cronbach’s alpha of .88 was used to measure organizational climate. Sample item includes “It is important to check things first with the boss before taking a decision.” Respondents attempted each item of the scale using 4-point Likert response options ranging from strongly disagree to strongly agree. Possible scores ranging from 0 – 30 were awarded.

Employees Creativity

Creativity was assessed with the 13-item Employee Creativity Questionnaire (Zhou & George, 2001) with a reliability of .94. Some items on the scale include “I suggest new ways to achieve goals or objectives” and “I search out new technologies, processes, techniques, or product ideas.” Scores were awarded based on respondents’ responses to a 5-point Likert option. Possible scores ranging from 13 – 65 were awarded.

Control variables

To test the hypothesized model, the variables that have the potential to influence the predicted relationship were controlled. In this study, age, gender, education, and tenure (work experience) were controlled because they had the potential to influence creativity (Addai et al., 2019). Age was coded as 1 (“18 – 25”), 2 (“26 – 35”), 3 (“36 – 45”), and 4 (“above 56”); gender was coded as 1 (“male”) and 2 (“female”); level of education was coded as 1 (“primary”) to 6 (“postgraduate”); and a number of years of work-experience were coded as 1 (“1 – 5 years”), 2 (“6 – 15 years”), and 3 (“above 16 years”).

Results

From Table 2, ethical leadership, leadership trust, organizational climate, and creativity are all positively correlated. Ethical leadership has proven to be positively and significantly related to leadership trust ($r = 0.66$, $p < .01$), organizational climate ($r = 0.49$, $p < .01$), and creativity ($r = 0.43$, $p < .01$). Leadership trust also showed a positive and significant relationship with organizational climate ($r = 0.37$, $p < .01$) and creativity ($r = 0.39$, $p < .01$). There was also a positive significant correlation between organizational climate and creativity ($r = 0.49$, $p < .01$).

Table 2: Correlations among the variables

Variable	Mean	SD	1	2	3	4	5	6	7	8
1. Gender	-	-	-							
2. Education	-	-	-.108	-						
3. Age	-	-	.016	.038	-					
4. Work Tenure	-	-	-.175	.222*	-.022	-				
5. Ethical Leadership	29.95	6.26	-.155	.269**	.048	.173	-			
6. Leadership trust	17.84	4.83	-.060	.137	-.045	.140	.66**	-		
7. Org Climate	26.64	5.79	-.010	.276**	.045	.137	.49**	.37**	-	
8. Creativity	30.23	8.14	.023	.495**	-.071	.332**	.43**	.39**	.49**	-

*p < .05, **p < .01

Source: Field data 2023

Hypotheses Testing

Hypothesis 1 postulated that “ethical leadership will positively predict creativity among employees” and hypothesis 2 emphasized that “the relationship between ethical leadership and creativity will be mediated by leadership trust.” Hypothesis 3 also projected that “organizational climate will moderate the association between ethical leadership and employee creativity.” All the hypotheses were analyzed using the PROCESS macro.

Table 3: Ethical leadership, trust, and organizational climate on employee creativity

Model	Coeff.	Se	t	p	LLCI	ULCI
Ethical leadership	0.32	0.03	11.40	0.00	0.26	0.37
EL → LT → CR	0.05	0.02	2.36	0.02	0.01	0.10
Leadership X Climate	0.02	0.00	5.35	0.00	0.03	0.01

NB: EL, ethical leadership; LT, leadership trust; CR, creativity

The process model depicted in Table 3 reveals a positive impact of ethical leadership and creativity ($t = 11.40$, $p < 0.01$). To bolster these findings, the bootstrap method was employed with 5000 replications. The results clearly demonstrate that ethical leadership exerts a direct and significant impact on creativity (LLCI = 0.26, ULCI = 0.37). Consequently, the statistical analysis provides support for H1.

Moreover, a noteworthy indirect effect of ethical leadership on creativity through leadership trust emerged ($t = 2.36$, $p < 0.05$) (Table 3). Employing the bootstrap method with 5000 replications reaffirmed that leadership trust significantly mediates the relationship between ethical leadership and employee creativity (LLCI = 0.01, ULCI = 0.10). These findings substantiate the second hypothesis, suggesting that leadership trust moderates the association between ethical leadership and employee creativity.

Furthermore, from Table 3, the interaction effect of ethical leadership and organizational climate on employee creativity proved to be significant ($t = 5.35$, $p < 0.01$). A comprehensive understanding is illustrated in the simple slope diagram (Figure 2), which supports the moderated relationship between ethical leadership and organizational climate on employee creativity. A closer examination of Table 4 reveals that at lower levels of the moderator (organizational climate), the effect of ethical leadership on employee creativity is more pronounced (LLCI = 0.38, ULCI = 0.53) compared to higher levels of the moderator (LLCI = 0.12, ULCI = 0.26). These findings support the third prediction.

Table 4. Conditional effects of the focal predictor at values of the moderator

Group Statistics	Eeffect	SE	95% CI	
			Low	High
Low climate (SD): 1	0.45	0.04	0.38	0.53
M: 0	0.32	0.03	0.26	0.37
High climate (SD): 1	0.19	0.04	0.12	0.26

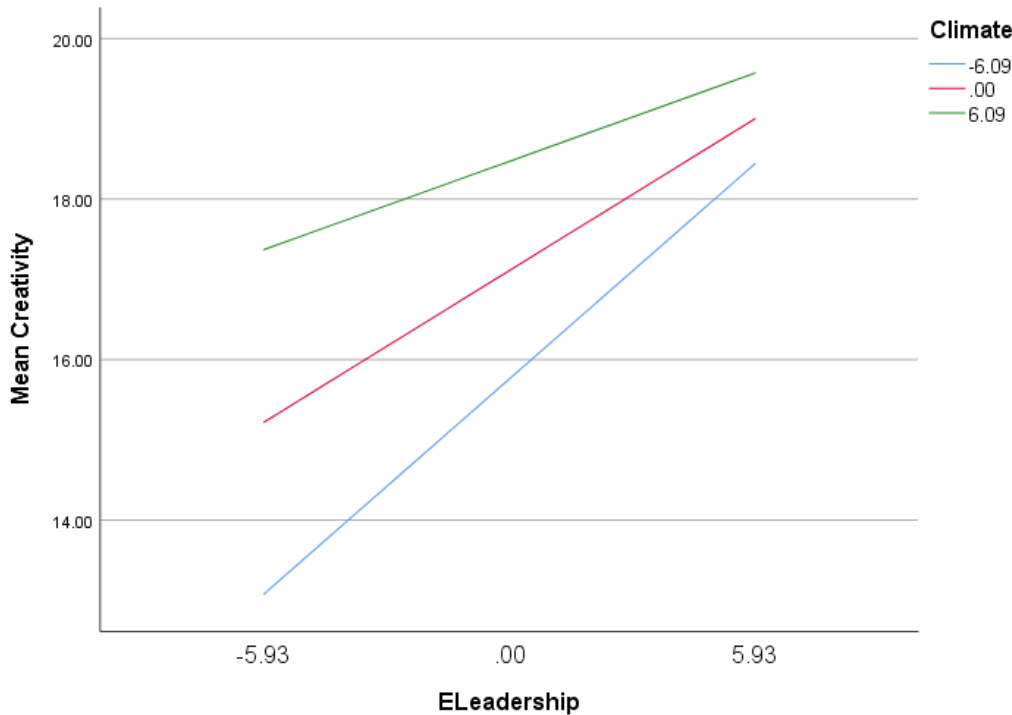


Figure 2. Graph of the moderating role of organizational climate

Discussion

This study aimed to assess the linkage between ethical leadership and employee creativity as well as the mediating and moderating roles of leadership trust and organizational climate. The results generally indicated that ethical leadership was positively associated with creativity. This relationship was found to be mediated by trust in leadership and moderated by organizational climate.

Regarding the link between ethical leadership and creativity among employees, this study corroborates with previous studies that have demonstrated the positive impact of ethical leadership and creativity (e.g., Byun & Lee, 2021; Chen, & Hou, 2016; Tu & Lu, 2013). The linkage between ethical leadership and creativity also agrees with the assumption of the social learning theory, which suggests that most human behavior is learned by observation through the process of role-modelling (Byun & Lee, 2021). This means that employees learn to be creative from their leaders who demonstrate creativity through observation. According to Chen and Hou (2016), ethical leaders serve as role models who engage in outstanding ethical behaviors and principles. When employees recognize remarkable ethical behaviors and principles among their leaders, it motivates them to be more creative through social learning. Leaders who are ethical also inspire employees to engage in decision-making and give subordinates autonomy over their assigned responsibilities which fosters creativity. Ethical

leaders are typically seen as trustworthy, honest, and fair. When employees trust their leaders, they feel psychologically safe to express their ideas, take risks, and engage in creative thinking without fear of retribution. Ethical leaders often exhibit behaviors that align with fairness and equity. When employees perceive that their contributions and creative efforts will be recognized and rewarded fairly, they are more motivated to engage in creative endeavors. Ethical leadership can enhance intrinsic motivation by creating a sense of purpose and fulfillment in one's work.

Moreover, the finding of leadership trusts not mediating the linkage between ethical leadership and creativity is in line with extant studies which have not proven that the linkage between ethical leadership and creativity is moderated by employee trust in their leaders (Karabey & Aliogullari, 2018; Iqbal et al., 2020; Me, 2016; Yidong & Xinxin, 2013). Though leadership trust often serves as a mediator in the relationship between ethical leadership and creativity, the study indicated that this is not the case in manufacturing companies. This can be due to the existing trust in the manufacturing organization. If an organization already has a strong culture of trust where employees generally trust their leaders regardless of their ethical behavior, then leadership trust may not significantly mediate the relationship between ethical leadership and creativity. Individual factors, such as employees' intrinsic motivation to be creative, can also play a role (Addai et al., 2019). If employees are highly intrinsically, as in the manufacturing companies, motivated to innovate and come up with creative solutions, they may do so irrespective of their trust in their leaders, as creativity is personally rewarding to them (Chen & Hou, 2016).

Relating to the buffering effect of organizational climate, findings also indicated that the correlation between ethical leadership and creativity was influenced by work climate. Figure 1 indicates that organizational climate strengthens the positive linkage between ethical leadership and creativity. This means that ethical leadership has a greater influence on creativity among employees with a positive perception of the organizational context than with a negative perception of the organizational context. The finding suggests the buffering effect of work climate on the nexus between ethical leadership and employee creativity. As explained by epistemology theory (Lahroodi, 2007), employees who perceive their leaders as ethical are more likely to be affected by the conditions of the environment to exhibit construct behaviors with the organization, because they may have decent thoughts and process ethical circumstances (Park et al., 2021).

Organizational climate acts as a contextual factor that can enhance the impact of ethical leadership on creativity in the manufacturing industry. It shapes the perceptions, attitudes, and behaviors of employees, which, in turn, influences how they respond to ethical leadership and engage in creative activities. Moreover, the manufacturing industry often has its own unique culture, norms, and values. The organizational climate in manufacturing organizations can vary widely based on factors like the organization's history, leadership style, and workforce composition. A positive organizational climate that aligns with ethical leadership principles is likely to enhance the positive effects of ethical leadership on creativity. Conversely, a negative or unsupportive climate may hinder the impact. Organizational climate reflects the shared priorities and focus areas within an organization. In manufacturing, the climate may prioritize efficiency, safety, and quality control. If ethical leadership principles align with these priorities and are perceived as supportive of them, the organizational climate is more likely to moderate the relationship positively. However, if ethical leadership is seen as conflicting with these priorities (e.g., if ethical decisions are perceived as time-consuming), the climate may moderate the relationship negatively.

Limitations, Practical Implications, and Conclusion

Even though this study achieved some significant findings, it is also worth noting that there are some limitations that need to be curbed by future researchers. Firstly, employee creativity has two components (divergent thinking and rewards) which were not considered in this study due to the questionnaire used. This did not help in finding out which dimension of creativity is affected by ethical leadership and the moderating-

mediating factors. Further studies assessing these same variables with different measures are needed to re-examine the projected linkages. Secondly, the study utilized only convenient sampled employees in a food manufacturing industry from one city, which constrains the generalization of the findings. The leadership style in the manufacturing industry generally differs from other service organizations. The study was conducted in only one manufacturing organization. Conducting a study within a single manufacturing organization can limit the generalizability of the findings. The unique characteristics, culture, and context of that specific organization may not represent the broader manufacturing industry or other organizations. Future studies can use randomly sampled employees in other service sectors from different regions of Ghana.

The present study has significant practical implications despite the limitations. The linkage between ethical leadership and employee creativity signifies that ethical leadership is a solution for the challenges that stifle employee creativity and contends for the promising signs that come up with ethical leadership. There is a need for organizations to train ethical leaders to improve creative ideas. Managers should also try as much as possible to create a conducive climatic atmosphere to promote ethical leadership in enhancing creativity among employees. Managers must create a healthy environment and must also trust the employees. This will help to encourage employees to maximize their efforts and inspire creativity.

In conclusion, the study expands the literature on the linkage between ethical leadership and employee creativity by assessing the mediating effect of leadership trust and the moderating effect of organizational climate. The findings contribute to the growing body of research on the significance of leadership trust and organizational climate as contributing factors in the nexus between ethical leadership and creativity among employees.

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