



# The Role Leaders' Narcissism on Employees' Performance: A Moderating-Mediated Model

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**Abstract-** In the quest of exploring unique trends in the service sector research, this study highlights prevalence of leaders' narcissism and provides a framework to investigate the mediating effect of moral disengagement. For this purpose, the current study was undertaken to examine employees' performance working in the Rescue Department in KP. The department is rendering its services in 32 different districts throughout the KP. A total of 4000 employees are working in these districts. The data were gathered through an adopted questionnaire. The data was analyzed using a variety of statistical methods and techniques, including demographics, descriptive statistics, correlation analysis, and mediation analysis by Preacher and Hayes (2004). The results found that Leaders' Narcissism has negative effect on Employee performance and moral disengagement has negatively associated between Leaders' Narcissism and employees' performance. Moreover, implications for the leaders and future research directions were discussed at the end.

**Key words:** Leaders' Narcissism, Moral Disengagement, Employee Performance.

## I. INTRODUCTION

Narcissism in leaders (LN) is a distinct individual difference, personality trait, and leadership trait synonymous with dominance, grandiosity, excessive self-love, and inflated self-views" (Carnevale et al., 2018). The most widely used, primary forms of narcissism are overt (grandiose) narcissism and covert (vulnerable) narcissism (Higgs, 2009). According to studies, narcissists in leadership positions, such as leaders and managers, are more likely to be grandiose narcissists, who have high self-esteem, are dominant, seek attention, are unwilling to accept criticism, are aggressive, lack empathy, and are exploitive and manipulative in relationships (Erkutlu et al., 2016). Also, this notion is backed by recent researches on US President Elect, Mr. Donald Trump stating him as a leader with 'Narcissistic Grandiosity' (Leary, 2018).

Since construction leadership still dominates existing literature, there is a growing trend focusing on dark triad characteristics; the dark side of narcissistic leadership in various works environment and its dramatic results on the performance of employees (Stephen, 2016). Being a "dark triad" leadership trait, narcissistic leadership is directly associated with negative interpersonal behavior in the workplace (Braun, 2017). Studies have evidenced that narcissistic leaders occupied with an inflated ego, self-centeredness and excessive demand for admiration is extremely unfavorable to employees (Frieder et al., 2018). Our study is focusing on the dark side of narcissistic leadership and the impact it imposes on employee's performance.

Employee's performance is predicted in a number of ways across various disciplines and remains a major research question (Frieder et al., 2018). It refers to the capability of workers to attain desirable goals in an effective and efficient manner. Good performance is a combination of individual's attributes, effort, role perception, experience, motivation and behaviors that an employee donates to accomplish organizational goals (Stephen, 2016).

The study shows increasing analysis into its context and effects in teenagers and the general population, following the emergence of the idea of moral disengagement about two decades before. However, scholars have started to explore only over the last decade causes that lead people to MD in organizational environments and their repercussions for organization's performance (He et al., 2017). Researchers showed that immoral behavior offenders have applied morality to justify their misdemeanors (Kennedy et al. 2017). Given the disruptive and ultimately harmful implications for companies, which result in personally or collectively disengaging workers and behaving immorally without causing pain, it is

important that we investigate why employees disengage morally and the causes in the workplace that can discourage them.

It's more important for individuals to be moral when they have a moral identity (Kavussanu, 2017). Furthermore, it has been revealed that moral identity in the individual informs him of ethical acts and motivates moral actions, and then he/she needs to be truthful about his job duties (Thornton, 2016). It means the person with a moral identity is less likely to disengage morally (Yang, 2018). Also the individual seems more passionate and engaged in his/her job when he/she has a moral identity (Aquino, 2011) and has more tendencies towards good performance (Hardy, 2012), he/she also has more capacity to scan moral or immoral performances from the environment.

Despite an increasing trend to investigate the destructive type of narcissistic leadership and associated inconsistencies, Due to a lack of theoretical understanding of the underlying mechanisms that cause narcissistic leaders to injure their employees, this research line remains largely restricted; and circumstances that mitigate or enhance this effect. Also, no research has so far investigated the influence of the leader's narcissistic tendencies that may affect employee performance along with the moderating-mediated effects of moral identity and moral disengagement. In Pakistan, effective execution of employee roles and responsibilities is always a challenge; as management domain is constantly grappling with one of the crucial issues of all times that create a productive interpersonal relationship between leaders and the workforce involved. This is only possible by addressing the information gap understanding whether moral disengagement and moral identity can trigger performance in Pakistan's service sector.

## II. THEORETICAL SUPPORT AND HYPOTHESES DEVELOPMENT

### 2.1 Theoretical Support

Much of the recent research has endorsed Moral Disengagement Theory (Bandura et al., 1996) and Social Exchange Theory (Blau, 1968) as the basis for conceptual frameworks, and empirical evidence supports its application.

### 2.2 Hypotheses Development

#### 2.2.1 Leaders' Narcissism (LN) and Moral Disengagement (MD)

Researchers take a follower-centered approach to investigate the psychological process that links authoritarian-benevolent leadership to followers' behavior to advance this study line. From this perspective, we can better understand how leaders shape follower behavior through self-construction and interactions. Social cognitive theory implies the relationship between personal and situational factors (Petitta et al., 2017). According to the social cognitive theory of moral disengagement, people exert cognitive control over their feelings, attitudes and behaviors based on their inner and outer moral values (Petitta et al., 2017; Bandura et al., 1996). Moreover, moral disengagement is not an invariable human cognitive mechanism; it can be created by environmental factors (Fida et al., 2016) and processes of moral self-regulation can be deactivated by a collection of cognitive mechanisms to comply with ethical values (Gong, 2018). It describes eight moral disengagement pathways grouped into three sets (Dang, 2017) to explain deviant or immoral behavior (Bandura, 2016).

Extensive literature advocates that narcissistic leaders with 'dark side' characteristics are marked by a sense of undue power; therefore, while engaging, they show disproportionate influence and enforce their views, ideas and decisions on employees they lead (Dang et al., 2017). The discouraging stuff. It is difficult to tolerably classify personality characteristics of such leaders as "normal" and is synonymous with unhealthy behavioral and psychological habits (Fida et al., 2016).

*H1: Leaders' Narcissism and Moral Disengagement have significant and positive association with each other.*

#### 2.2.2 Moral Disengagement (MD) and Employees' Performance (EP)

Several studies have also identified a correlation between MD and positive job habits, such as OCB (Greenbaum et al. 2018), ethical conduct (Asrar, 2016), and emergence of leadership (Chatterjee, 2007). For example, drawing on Huang et al., (2017) social cognitive theory, Hinrichs (2012) found that high-MD nurses also had low OCBs. Specifically, morally disengaged nurses became less prosaic (e.g., they avoid helping others, work minimum hours, or miss work-related meetings). Fida et al., (2016) stated that ethical leadership managed the relationship between EP supervisors MD, especially when employee MD was poor.

The consequences of MD and the hidden costs of work environments range widely; from destroying employees' integrity to causing difficulties in conducting everyday work tasks to degrading EP (Ogunfowora et al., 2014). Literature has shown that motivation and inspiration are beneficial to both working conditions and workers in a variety of ways. Fulfilling mission obligations and dedication necessitates self-motivation and commitment (Greenbaum, 2018). A similar concept is clarified by SET's reciprocity norm, which states that when their leaders mistreated them, workers responded violently to

their leaders' supportive acts (Frieder, 2018; Stephen, 2016). Strong and inspiring behaviors in the workplace are thought to play an important role in coping with day-to-day job issues (Hyde, 2010).

**H2:** *Moral Disengagement and Employees' Performance have significant and negative relation with each other.*

### **2.2.3 Leaders' Narcissism (LN) and Employees' Performance (EP)**

Over the last decade, NL has been said to have a significant effect on predicting job results (Miller et al., 2017). While positive characteristics of narcissistic leaders, such as charisma, creative strategists, and strong communication skills, predict high-quality interactions between leaders, workers, and job outcomes (Paulhus, 2002), negative characteristics have a negative impact on employee well-being and reduce constructive conduct through overriding and dominating employee interests (Pincus, 2014). NL can act as an intense social stressor in an attempt to override and conquer, leading to negative emotions among staff, ineffective behavior by employees, and poor performance by employees (Anninos, 2018).

The theory of previous experience, which is supported by the hypothesis under discussion, demonstrates that Narcissist leaders, who are destructive in nature, are often non-technical towards their workers (Braun, 2017; Neves, 2012). These destructively narcissistic leadership patterns contribute to poor organizational ties and poor results (Carnevale, 2018). According to a recent report, relations between narcissistic politicians and the associated task force weakened over time (Chatterjee, 2007; Erkutlu, 2016).

**H3:** *Leaders' Narcissism and Employees' Performance have significant and negative connection with each other.*

## **2.4 Mediating role of Moral Disengagement(MD)**

In past, studies have mostly focused on the direct relationship while investigating the linkage between leader's narcissism and its effects on worker's performance, (Moore et al., 2018) without considering any mediating mechanisms between two. Recently researchers have focused moral disengagement as antecedent that facilitates the relationship between narcissistic leadership and employee performance (Detert et al. 2008).

Moral disengagement, combined with narcissistic leadership, hinders employees' ability to maintain a favorable reputation, restricts the establishment of positive interpersonal relationships and limits their ability to achieve work-related goals (Lee et al. 2017); by deliberately making workers feel incompetent by criticizing and holding them back from achieving contributory goals; (Meurs et al., 2013). Narcissistic leaders mostly demonstrate unethical actions in the workplace, where victims may not be aware of their true purpose (Miller, 2017).

Extracting from above theoretical evidence and considering the detrimental influences of narcissistic leadership, it can be said that being destructive in nature contributes to MD (Ogunfowora et al., 2014) causes emotional imbalance, attacks the value of employees, results in low self-esteem of employees and decreases in work motivation (Bandura et al., 1996), which in turn leads to negative work (Greenbaum et al., 2018; Fida et al., 2016).

**H4:** *Moral Disengagement mediates the relation between Leaders' Narcissism and Employees' Performance.*

## **2.5 Moderating Role of Moral Identity (MI)**

Previous studies have indicated that moral identity can be used as a moderator to monitor individual actions towards values and ethics (Hardy, 2012). According to Bandura (2016), MI motivates and dissuades people from unethical actions by motivating them to stick to moral and ethical norms. Those with a clear moral identity are less likely to seek guidance for their acts (He, 2014; Bonner, 2016).

Since morals are central to the person's self, it is difficult for him to disable his self-sanctions and disengage himself from moral values, while a person cannot disengage easily from morals (Christian, 2014; Neves, 2012). Moral similarity is the central indicator of behaviour. The person who identifies with morality cares about those around him (Kavussanu, 2017; Bandura, 2016). While in another case, with low moral identity, there are more chances of him turning to unethical behavior and starting to prioritize self-interest (Petitta, 2017). Individuals are more motivated towards those acts and behaviors identified by their specific identity (Thornton, 2016; Frieder, 2018).

Employees with high MI are less likely to be morally disengaged because universal values are more important to them (Yang, 2018; Petitta, 2017). Moral judgment is less successful with MI, and MI becomes a major predictor of behavior (Stephen, 2016). It is more difficult for a person to distinguish himself from his personal values and behave contrary to those values than to be influenced by situational factors (Kavussanu, 2017).

**H5:** *Moral Identity moderates the relation between moral disengagement and Employees' Performance.*

## 2.6 Research Model

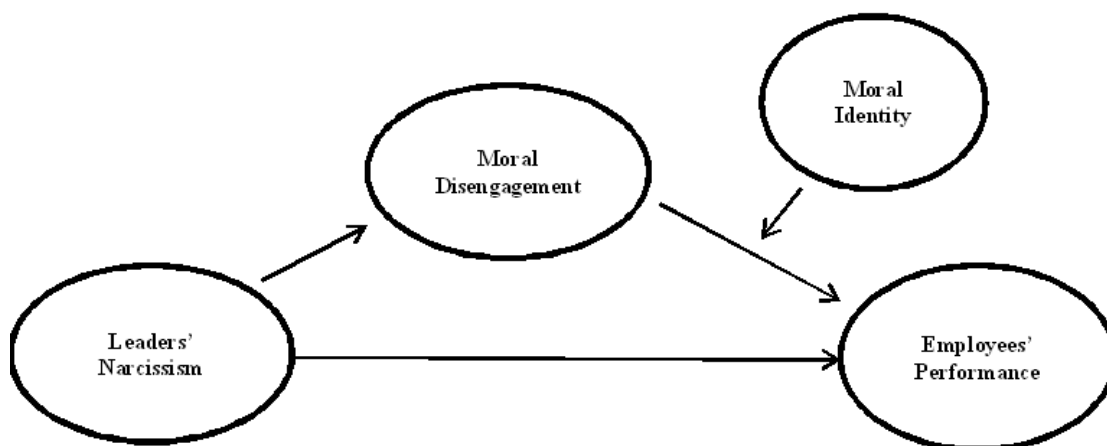


FIGURE 1: Conceptual Model

### III. RESEARCH METHODOLOGY

The present study uses a causal study. This study is designed to see the consequences of LN on employees' performance thus, the unit of analysis is individual because we are studying the employees of service sectors, and employees working in the Rescue Department of KP are the target population. The data for the current study was obtained from the Director General, Directors, Deputy Directors, District Emergency Officers (DEOs), Emergency Officers (EOs) and Station House Incharge (SHIs) who are working in the entire KP, Pakistan. Simple random sampling is most of the appropriate technique for randomly collecting data in the service sector as suggested by Schyns (2013), Raskin (1998) and Hassan et al., 2017. The total number of mentioned employees was 310. It was clearly impossible to obtain data from the whole population due to time and budget constraints. For this reason, the study employed the Yamani's formula (1967) to calculate the minimum sample size that will best represent the entire population. By calculating the sample size, the study settled the minimum sample size as 175. However, the self-reported questionnaires were used for collecting data from the respondents and accordingly that were received. The respondents of the current study were ensured their anonymity and that their information would be used solely for research purposes. The data was analyzed using a variety of statistical methods and techniques, including demographics, descriptive statistics, correlation analysis, and mediation analysis by Preacher and Hayes (2004).

#### 3.1 Measures

The study measures the proposed variables through their respective items adopted from prior studies that are Leaders' Narcissism is measured with the help of 15 items by (Raskin & Terry, 1988), Moral disengagement is measured using 8 items by (Moore et al., 2018), employees performance is measured using 10 items by (Tsui et al., 1997), and finally moral identity is measured through 5 items by (Zhu et al., 2011).

#### 3.2 Demographics

Table 1: Distribution of Demographic Characteristics of the Sampled Respondents

Demographics	Frequency	Valid %	Cumulative %
<b>Gender</b>			
Male	151	86.4	86.4
Female	24	13.6	100
Total	175		
<b>Age (years)</b>			
20-30	87	50	50

31-40	84	48.2	98.2
41-50	4	1.8	100
above 51	0	0	
Total	175		
<b>Education level</b>			
SSC	0.00	0.00	0.00
FA/F.Sc.	0.00	0.00	0.00
BA/B.Sc.	19	10.8	10.8
MA/M.Sc.	144	82.2	93
MPhil/MS	11	6	99
other	1	1	100
Total	175		
<b>Experience</b>			
1-2 years	12	7	7
2-3 years	40	23.2	30.2
More than 3 years	123	69.8	100
Total	175		

The table 1 shows that males outnumber females in service sector companies, with 86.4 percent males and 13.6 percent females. The reason was that the services they offered mostly outside in the field while serving the people.

The table 1 displays details about the employees' ages. According to the answers, the majority of staff is between the ages of 20 and 30. According to the table, 50 percent of workers are between the ages of 20 and 30, 48.2 percent are between the ages of 30 and 40, 1.8 percent are between the ages of 40 and 50, and 0 percent are 51 and up.

The table presents information about education of respondent's. 0% was matric, 0% intermediate, 10.8% were bachelors, 82.2% were masters, 6% were MPhil and 1% has other degree. The frequency distribution is also presented in table of participant's qualification.

The experience of employee was measured in categories for this categorical scale was used. The table shows the experience with the organization of employee's. The responses show that 7% employees have experience between 1-2 years, 23.2% holding experience between 2-3 years and 69.8% having above 3 years' experience.

### 3.3 Reliability Analysis of the Constructs

**Table 2: Reliability Analysis of the Constructs**

Constructs	Items	Cronbach Alpha
Leaders' Narcissism	15	0.89
Employee Performance	10	0.81
Moral Disengagement	8	0.94
Moral Identity	5	0.80

The results of Cronbach's alpha should be more than 0.70 because if the results are not greater it isn't considered reliable according to the rules. In this study, all Cronbach's Alpha values of the variables exist beyond the 0.70 showing that these scales are highly dependable to be used. The outcome shows that the reliability of LN, EP, MD and MI are 0.89, .081, 0.94, and 0.80 respectively.

IV. RESULTS

4.1 Descriptive Statistics and Correlation Analysis

**Table 3: Descriptive and Correlation statistics of Leaders' Narcissism, Employees' Performance, Moral Disengagement and Moral Identity**

S.No	Scale	Mean	SD	1	2	3	4
1	LN	4.2178	.37281	1	--	--	--
2	EP	1.6079	.39176	-.274**	1	--	--
3	MD	4.2202	.42446	.921**	-.242**	1	--
4	MI	3.5542	.66701	-.269**	.983**	-.273**	1

Note: \* $p < 0.05$ , two-tailed,  $N=175$ , LN-Leaders' Narcissism, EP-Employee Performance, MD-Moral Disengagement, MI-Moral Identity.

The mean values show the responses of the respondents towards agreements and disagreements with the questions. Table 3 shows information about each variable in separate columns. Variables are listed in the first column, and the next nine columns describe the data in detail for each variable.

The mean value of LN is 4.2178, with a standard deviation of 0.37281, as shown in Table 3. The average EP value is 1.6079, with a standard deviation of 0.39176. The mean value for moral disengagement is 4.2202 and its standard deviation value is 0.42446 and last but not the least the mean value for moral identity is 3.5542 and its standard deviation value is 0.66701 respectively.

The current study has used only one independent variable i.e. LN and it is found Significant relationship between all variables that are LN and EP ( $r = -.274^{**}$ ,  $p < 0.5$ ), LN and MD ( $r = .921^{**}$ ,  $p < 0.05$ ), LN and MI ( $r = -.269^{**}$ ,  $p < 0.05$ ), MD and EP ( $r = -.24^{**}$ ,  $p < 0.05$ ), MI and EP ( $R = .983^{**}$ ,  $p < 0.05$ ) and MD and MI ( $r = -.273^{**}$ ,  $p < 0.05$ ). The double static means that there is less error and the values above 0.6 show strength of relationship and that they strongly affect each other.

**4.2 Mediation effect of Moral Disengagement between Leaders' Narcissism, Employee Performance**

For the present study, mediation analysis was directed by implementing process macros (Hayes, 2004). MD was investigated as a mediator between LN and EP using mediation research. Model 4 was used for mediation regression analysis, and aim process macros were used for that. The results revealed that the value of lower-level confidence interval (LLCI) and upper-level confidence interval (ULCI) have the same direction and sign. According to Preacher and Hayes (2004) when the sign of LLCI and ULCI are the same or no zero among the limits then the hypothesis is significant. Hence, by following preacher and Hayes (2004) concept, four hypothesis of the study were accepted.

**Table 5: Mediating effect of Moral Disengagement between Leaders' Narcissism and Employees' Performance.**

Predictors	$\beta$	SE	T	R2	P	LLCI	ULCI
X → M	0.92	0.02	47.73	0.84	0.00	-0.55	-0.05
M → Y	-0.23	0.04	-5.21	0.06	0.00	0.20	0.23
X → Y	-0.28	0.05	-5.76	0.07	0.00	1.00	1.09
<b>Direct Effect (c')= X → Y</b>	-0.30	0.13	-2.38	0.07	0.00	-0.55	-0.05
<b>Indirect Effect= X + M → Y</b>	0.02	0.10	0.17	-	-	-	0.23

LN-Leaders' Narcissism, EP-Employee Performance, MD-Moral Disengagement

The X to M and M to Y show significant results and both the LLCI and ULCI signs are the same and beta has a positive sign. According to Preacher and Hayes process, there are a total of three effects that have to ascertain: total effect, direct effect, and indirect effect.

The total effect demonstrates the effect of LN on EP when the mediator's MD is being there. The total effects lower level confidence interval (LLCI) and upper-level confidence interval (ULCI) have the same signs with the significant value of ( $b = -.288$ ,  $SE=.050$ ,  $t = -5.768$  and  $P < .0000$ ).

Direct effect identifies the effect of LN on EP. In the presence of mediator the ( $-.3055$ ,  $SE=0.128$ ,  $t = -2.3875$  and  $P < .0000$ ) and the sign of LLCI and ULCI are the same, and the beta sign is also negative due to which discussed above the first hypothesis was accepted. Looking at the first hypothesis which is LN is negatively related to EP. The first hypothesis is accepted because both the variables are moving in the inverse direction. When the increased effect of LN the EP is decreases and both cause the value of lower-

level confidence interval (LLCI) and upper-level confidence interval (ULCI) has positive same sign (LLCI = -.5571 & ULCI = -.0540).

The indirect effect identifies that mediation exists between IV and DV i.e. MD mediates the relationship between LN and EP. Since there is no zero between the lower and upper limits, the values are forecasting important outcomes. 0.1749 is the lower limit, and 0.2331 is the upper limit. After study the outcomes it indicates that there is a partial mediation role of moral disengagement. Therefore, the results are supporting the H3 and H4 are accepted.

#### 4.3 Moderating Effect of Moral Identity between Moral Disengagement and Employee Performance

**Table 6: Moderation Analysis of Moral Identity between Moral Disengagement and Employee performance**

<i>MI</i>	$\beta$	<i>SE</i>	<i>T</i>	<i>P</i>	<i>Bootstrapping Results</i>	
					<i>BLLCI</i>	<i>BULCI</i>
<b><i>Interaction Terms</i></b>	-.211	-0.211	.0583	-3.628	-.3265	-.0967

\* $p < .05$ , MI-Moral Identity

The results of H5 are shown in Table 6. After establishing the MD and MI interaction term, regress EP on the established interaction term with  $B = -.211$ . The lower limit of the bootstrap value is  $-.3265$ , while the upper limit is  $-.0967$ , with no zero value in between. The bootstrap values show that the findings are significant, and that moral identity has a significant impact on the MD-EP relationship. In other words, MI moderates the relationship between MD and EP, as evidenced by the results, which contradict the hypothesis. As a result, H5 is approved based on the moderation test.

## V. DISCUSSION AND CONCLUSION

### 5.1 Discussion

The basic emphasis of our research was to create an understanding of relationship between LN and EP working in rescue department in KP, Pakistan. In addition, the study focused on examining the mediating and moderating mechanism of MD between LN and EP and MI between MD and EP.

Hypothesis 1 postulated that LN is positively associated with MD. In other words, results are depicting that the presence of a LN tends to morally disengage the employee working in close interaction with them. There is substantial amount of evidence-based research that suggest that LN being toxic in nature act as an extremely morally and role stressor that harms employee emotional well-being by disengaging them hence pushing them to behave aggressively and indulge in sabotage (Barling et al., 2017; Zineldin et al., 2012; Martinko et al., 2013).

Hypothesis 2 of the study assumed that MD is negatively and significantly associated with EP. Past studies also support the results of hypothesis as stating that MD are demotivating and they directly harm work attitudes (Buch et al., 2015) and affective commitment to assigned tasks (Jackson et al., 2013). It is evident through studies by Schyns et al., (2013) that MD is associated with a number of potential harms to the workforce including damaged well-being and confidence hence resulting in employees' reduced performance.

Hypothesis 3 signified that LN is negatively and significantly associated with EP. There is enough literature in support of above mentioned accepted hypothesis of the study. It was revealed that LN are not supportive in their interpersonal relationships and mostly lack empathy for their workers that create an unpleasant experience for employees leading to their non-productive behavior (Padilla et al., 2007; Paulhus et al., 2002). It enhances the focus of management on Narcissistic leadership behavior due to which employees' experience inability to meet targets necessary for performance improvement (Duffy et al., 2012; Chugh et al., 2014). In contrast, it can be assumed that employee performance is enhanced with empathy, appraisal and support (Cherry, 2012) that are lacked by narcissist leaders.

The fourth hypothesis postulated that MD mediates the relationship between NL and EP. The results of the study are supporting the hypothesis. It is indicated through results that the indirect effect of LN on EP through MD has the upper Limit  $-0.1749$  and lower limit  $-0.2331$  showing that it doesn't contain zero in the bootstrapped 95% confidence interval. Therefore, results illustrate MD is mediating between LN and EP, accepting the hypothesis. The current study is consistent with the prior studies (Frieder, 2018; Neves, 2012; Palmer, 2013; Yang, 2018; Braun, 2017; Carnevale, 2018).

The fifth hypothesis showed that moral identification between MD and EP has a moderating effect. More precisely, we wanted to show that workers who have a strong MI are less likely to become morally disengaged. As a result, our findings support the hypothesis that was suggested. Our results are close to those of previous studies (He, 2014; Kavussanu, 2017; Petitta, 2017; Yang, 2018; Frieder, 2018).

### 5.2 Research Implications

No previous research has looked at the effect of LN on EP specifically in the context of Pakistan; hence, the study has both theoretical and practical implications for service-based organizations in Pakistan in a variety of ways. The study has the potential to contribute to established leadership literature, personality analysis, and, most significantly, the contemporary domain of service sector, thus opening new avenues and adding to limited knowledge. The study's results are basically important and relatable since a negative and significant relationship between LN and EP has been identified, as well as the mediating function of MD, which has recently received a lot of attention due to its lack of evidence in previous studies but negative effects on the stability of work and associated workforce in Pakistan.

Since the LN is becoming a concern for any company, it is important to take steps to manage it. The current study's results assist in comprehending the impact of LN in Pakistan's service sector. This study has several implications for organizations, as it suggests creating a healthy and strong working environment and developing the right policies for the smooth working of the organization. Additionally, it recommends a proper evaluation not only by the employees but also by the senior executives to avoid unfair treatment. A proper check and balance on the supervisors can make a significant contribution to controlling negativity. The manager or supervisors who are reported as unethical must be dealt with accordingly. Whistle-blowing should be promoted within the organization. Finally, organizations must promote Islamic work ethics; the promotions of Islamic values will help to reduce unethical behavior among employees. Strong religious values must be ensured, and management must convey those values to employees and supervisors. Employees get guidance from the leaders' behavior and start thinking that moralities does matter when you are getting any personal benefits. We're also demonstrating the function of MI as a moderator between MD and EP. As the leaders are the important and distinctive variables, so analyzing these variables comes out as the unique research which has contributed significantly in the literature

### 5.3 Future research

The findings point researchers in the field of organizational leadership in new directions. Apart from negative outcomes, positive outcomes of LN can be a strong contribution towards literature. Secondly, other factors with LN like its negative effects on life satisfaction and work-life balance can also be studied. Thirdly, Islamic work ethics and organizational culture also have great linkage towards defining employee performance, thus these can be considered as strong moderators. Fourthly, personality traits can be studied from both aspects of supervisor and employee. Lastly, other cultural dimensions such as individualism, collectivism can be used as a moderator.

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