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Investigating the Antecedents of Whistleblowing

^a Bilal Ghaffar, ^b Zulfiqar Ahmed Bowra, ^c Kanza Naeem, ^d Yasin Muneer

^a Ph.D. Scholar, Hailey College of Commerce, University of the Punjab, Lahore Pakistan

Email: bilal.ghaffar@pugc.edu.pk

^b Principal, Hailey College of Commerce, University of the Punjab Lahore, Pakistan

Email: zulfiqar.hcc@pu.edu.pk

^c MS scholar Department of Commerce, University of the Punjab, Gujranwala Campus, Pakistan

Email: Kanza.Naeem212@gmail.com

^d Assistant Professor, Government College Women University Sialkot, Pakistan

Email: dr.yasinmunir@gcwus.edu.pk

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ABSTRACT

Prevalence of corporate frauds is critical, therefore, it is very important to detect and institutionalize the black sheep's in the organization which are involved in misconduct and must be brought to the light via whistleblowing. Ethical leadership equitably influence ethical climate, which in turn will favorably encourages employees in whistleblowing. This study is intended to examine and overcome the research gap based on the mediating aspect of psychological stress and moral attentiveness in association of ethical leadership, ethics oriented climate on whistleblowing. Twelve hypotheses were developed to examine the conceptual framework of the study. A self-administered questionnaire was devised to acquire cross sectional information from 425 employees from the banks in Gujranwala division, Punjab, Pakistan via convenient sampling. Results showed that in the presence of ethical leadership and ethics oriented environment in an organization' the psychological stress of employees decreases and moral attentiveness of the employees increases and ultimately have the positive impact on whistleblowing. Hence, this research is one of the few cross-sectional researches that examining the mediation mechanism of psychological stress and moral attentiveness in the banking sector of Pakistan.

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Corresponding author's email address: bilal.ghaffar@pugc.edu.pk

1. Introduction

In recent decades, researchers and philosophers have focused their efforts on social and psychological study in the fight against misdeeds in the work place which have a substantial impact on organizations (Lei et al., 2019; Walumbwa et al., 2011). Earlier research indicated why employees

have unethical practices or have ethical conduct on the job. Existing literature sources illustrate the background of unethical action, abusive leadership (Hannah et al., 2013), moral disengagement (Moore et al., 2012), and moral identity (McFerran et al., 2010). Researchers focused thus on ethical drivers, for example working-place norms of behavior (Weaver & Treviño, 1999), ethical leadership (Brown & Treviño, 2006; Brown et al., 2005; Lu, 2014) and ethical climate (Mayer et al., 2010). Researchers have focused on social values and moral growth, especially ethical leadership, to support ethical action at work (Brown & Treviño, 2006). The main factor in the development of ethical conduct is ethical leadership in the working world. This study analyses why and when ethical leadership and personal attributes are associated with ethical action and how the ethical leaders encourages the individuals to blow a whistle.

Recent studies have shown how and even when ethical leaders urge their supporters to take regulatory action; a lack of study has been found to explain the psychological mechanism by which ethical leaders inspire the ethical conduct of their followers in the workplace. These psychological discoveries not only enrich behavioral research, but also give a distinct viewpoint on the interaction between the employer and the employee. . This analysis also provides a clearer insight into the correlation chain underlying the variables (Brown & Treviño, 2006). The present study thus provides insight into ethical conduct through mediation. The authors argue from the idea of social learning that ethical leaders inspire ethical behavior through the mediation of the processes of moral attentiveness (Bandura, 1971; Bandura & McClelland, 1977).

Pakistan is a developing country where corruption is increasing day by day and has been described as such regularly. Transparency International Pakistan was rated 124th out of 180 nations in its 2020 report with a score of 31 (International, 2020). Another assessment that evaluated Pakistan's National Integration System revealed several shortcomings; one key issue is the absence of a whistleblowing mechanism (Ahmad et al., 2014). In Pakistan, whistle blowing is not yet a prominent trend and whistleblowing research is all the more restricted. There is still a need for development in the laws and regulations.

2. Literature Review and Development of Hypothesis

2.1 Ethical Leadership and Whistleblowing

Ethical leadership plays an important role in arousing employee's ethicality (Brown et al., 2005). Employees prefer to compare ethical behavior adopted by their leader and then they modify themselves according to that, so we can say the ethical behavior adopted by leaders will be an example for their employees (Liu & Ren, 2017) ethical leadership have a negative relation with unethical behavior (Avey et al., 2011; Mayer et al., 2012) but positively related with pro-social behavior (Avey et al., 2011; Brown et al., 2005). Higher the ethical leadership anticipated by the employees, less will be the unethical behavior showed, and vice versa. In their research (Trevino et al., 2000) show the two aspects of ethical leadership i.e. moral person and moral manager, on these two aspects the reputation of ethical leaders resides. As a moral person, ethical leaders have an obligation is to accommodate with normative behavior. Those are considered as an ethical leaders who possesses some personality traits like (act fair, honest, trustworthy, etc.) (Mayer et al., 2012) and normative behavior in his personal and professional lives (McCann & Holt, 2009). These normative behavior and personality traits not only guide the followers but also provide them a good sense of directions. Thus, if the leader is ethical then their followers will act like him/her to be equally ethical. As whistle blowing is considered as an ethical behavior, so the employees who are inspired by their ethical leader will be more willing to address whistle blowing.

From the above arguments, we assume that ethical leaders plays a significant role to support and develop moral affairs and principles. They also proposed to develop a strong employer-employee relationship (Brown et al., 2005).it is quite possible that the person who blown whistle is familiar with the risk of retaliation; whistleblowers are confident about the support, ethicality and trust worthiness of management. (Brockner et al., 1997).

H1: there is a positive and significant relationship between ethical leadership and whistleblowing.

2.2 Ethical Leadership and Psychological Stress

Stress is the major source of health problems all over the world. Work is an important part of life and everyday source of income for most of the individuals (Ivancevich et al., 1982). Thus, we can say the stress on work plays an important role in individual stress. According to the global report from Regus in 2009, 58.3% people from all over the world affected by work related stress. Psychological stress is defined as instability between peoples environmental demands and their ability to cope up with these demands (Lazarus, 1995). It is also stated that stress among the workers lead to unfavorable outcomes of physical, organizational and behavioral aspects (Blix et al., 1994). Stress was defined as an individual's psychological reaction to a circumstances in which there is something at risk or surpasses individual's competency or resources (Zhang et al., 2014). Psychological stress at work is a leading cause of health problems, lower productivity and human error, which can result in sickness, poor performance, high turnover ratio, and increase the number of incidents at workplace (Blix et al., 1994). The different components of job-related stress consist of job control, job demands, managerial and peer support, change, role clarity and aggressive relationship (Elçi et al., 2012).

Different types of stressors in the workplace might eventually generate stress on the employees, and thus it is compulsory that companies and leaders develop solutions to cope with the bad effects of this stress (Zhang & Lee, 2010). Leaders have a significant role to play in reducing mental stress via work. Leadership has a significant impact on the behavior of employees (Van Knippenberg et al., 2007). Leaders must gain the faith, loyalty and trust of their people (Aronson, 2001). This may be done via ethical leadership and leadership efficiency. Ethical management offers the dedication and confidence of the employees (Trevino et al., 2000).This shows that ethical and effective leadership simultaneously contributes to psychological stress reduction. So we can develop a hypothesis that:

H2: There is a negative relation between ethical leadership and psychological stress.

2.3 Ethical leadership and moral attentiveness

The degree to which a person chronically understands and regards the moral and moral factors in his or her interactions is moral attentiveness" (Reynolds, 2008). Ethical concepts can be regarded as a cognitive construct that is generally contained in the moral attentiveness of the subordinates. Such a mental construct will potentially contribute to the ethical evaluation of new knowledge (Reynolds, 2008; Reynolds et al., 2010). Followers should imitate the actions of their peers from the viewpoint of the Theory of Social Learning (Bandura & McClelland, 1977), Ethical leadership fosters attention to ethics by demonstrating a principled approach to ethical difficulties, challenges and expectations, and addressing them (Zhu et al., 2016). People with more moral attentiveness are aware of the ethical repercussions of facts and alert against ethically fraught circumstances (Culiberg & Mihelič, 2016; Miao et al., 2020).

Using social cognitive theory, (Zhu et al., 2016) argued that ethical leadership would affect the moral attentiveness of employees. They concluded that good ethical leaders are directed at employees in an ethical path that urges them to notice ethical problems and address them. Ethical leaders can be especially convincing, as explained by (Zhu et al., 2016), Ethical leaders tend to provide ethical guidance through their faith and attention more often than most leaders. As a result, ethical leaders' adherents will most likely observe and integrate the ethical principles, actions and statements the ethical leader sends and introduce them by expanded moral identification and attentiveness into their moral selves (Zhu et al., 2016) We contend, therefore, that ethical leadership can positively influence employee's moral attentiveness.

Thus we hypothesize that:

H3: Ethical leadership is positively relates to followers moral attentiveness.

2.4 Ethics Oriented Climate and Whistleblowing

An organization's ethical atmosphere includes normative norms and opinions on moral concerns held by the organization's personnel (Treviño et al., 1998). An ethical atmosphere refers to the stable, psychologically relevant, common opinions of employees about their employing organizations' ethical policies and practices (Schneider, 1975; Wimbush & Shepard, 1994). (Victor & Cullen, 1988) described an ethical atmosphere as the predominant view of typical ethical and ethical organizational behaviors. It also concerns the design and application of ethical standards and regulations that promote ethical conduct and punish unethical conduct (Schwepker Jr, 2001). In an ethical environment, workers respect the organizational standards on justice and accountability (Luria & Yagil, 2008). Ethical climates can assist people to recognize what forms of unethical activities in the workplace are undesirable. Therefore, if ethical climate is higher in emphasizing ethical actions, employees will be less likely to exhibit unethical behaviors (Mayer et al., 2010) and feel free to report wrongdoings.

This research pay attention to the role of ethical climate in promoting whistleblowing within the employees. Whistle-blowing is defined as "the revelation to individuals and organizations that may be able to take effective action by the members (former and existing) of unlawful, immoral or unlawful actions under the authority of their employers" (p. 4)

(Wimbush & Shepard, 1994) claimed that ethical climates can influence the effectiveness of organizations and working groups. In general it is possible "to understand better how to diagnose and manage relationship of both ethical behavior and ethical climates by studying the connections between ethical climates and behaviors, such as whistleblowing" (Wimbush et al., 1997). There is not enough empirical evidence or studies which study the ethics oriented climate and whistleblowing but from the above discussions and according to the (Rothwell & Baldwin, 2006; Wimbush et al., 1997) ethical behavior that is whistleblowing have the positive relationship with ethical climate. So we can propose the following hypothesis:

H4: There is a positive and significant relationship between ethics oriented climate and whistleblowing.

2.5 Ethics Oriented Climate and Psychological Stress

(Levy & Dubinsky, 1983) indicate that the amount of their work-related stress can rise when employees face ethical issues. While (Jaramillo et al., 2013) have not directly influenced work-related stress in the experiments, the results have shown that the ethical environment has a positive impact on experienced meaning, leading to less stress. A salesman's impressions of the ethical climatic are

directed at their stress and attitude at work in (Jaramillo et al., 2013) and (Briggs et al., 2012). While several studies have shown that ethics plays a key role in stress. The ethical climate study connected with work-related stress is restricted in perspectives. There is not any research which directly shows the relationship of ethical climate and psychological stress. So we can conclude hypothesize that:

H5: There is a negative relationship between psychological stress and ethics oriented climate.

2.6 Ethics Oriented Climate and Moral Attentiveness

"The degree to which a person knows and refers chronically to the moral and moral components of his or her relationships, is moral attentiveness" (Reynolds, 2008). Ethical conceptions may be viewed as a cognitive structure, which is typically contained in subordinate's moral attentiveness. According to (Victor & Cullen, 1987), ethical climate is defined as "the shared perceptions of what is ethically correct behavior and how ethical issues should be handled" within an organization. From the above definitions of moral attentiveness we can see that in both terms the most importance is given to the ethical behavior, which can be adopt in the presence of ethical climate. As according to (Victor & Cullen, 1987) ethical climate is basically the perception of employees about the ethically correct behavior in the same way moral attentiveness is also that how individuals considers morality and ethical elements in his own experiences (Reynolds, 2008). (Kim et al., 2015) it is approved that ethical environment is directly and positively associated with organizational trust, and is indirectly and positively related to moral attentiveness and organizational identification. So from the above discussion we can conclude that moral attentiveness is positively related to the ethics oriented climate. Thus we can hypothesize that

H6: There is a positive relationship between ethics oriented climate and moral attentiveness.

2.7 Psychological stress and Whistleblowing

Whistleblowing is defined as "the disclosure by organization staff (former or current) of immortal, illegal, and illegitimate practices under the command of their supervisor, to the individuals or organizations that may be able to effect actions", and stress is defined as "the imbalance between the people's observed environmental demands and their ability to cope up with these demands" (Lazarus, 1995). From the above definitions we can see that basically whistleblowing is reporting of wrongdoing to the leader or supervisor which increase the level of psychological stress of employees before or after blow the whistle but in the presence of ethical leadership stress level reduced (Rabie & Malek, 2020b). Literature also showed that whistle blowers likely to blow the whistles where the environment is encouraging and principle-based and have supportive leadership (Graham, 1991). The supportive attitudes of the ethical leaders encourage whistleblowing among employees on wrongdoings that they may witness while performing their job duties within or outside the firm (Finn, 1995). Leaders play a serious role to reduce the psychological stress due to work. Leaders demeanor has an important effect on employee ethical behavior(e.g. whistleblowing) (Van Knippenberg et al., 2007). We have thus offered this hypothesis:

H7: There is positive relationship between psychological stress and whistleblowing.

2.8 Moral Attentiveness and Whistleblowing

The moral attentiveness level is based on the component that shows how much the individual is experiencing (Reynolds, 2008; Reynolds et al., 2010). The study also suggests that leaders with a high level of moral attentiveness regard their followers to be ethical. Similarly, followers should regard themselves as ethical leaders, so that ethical principles are easily translated by workers, allowing workers to blow up if they have strong ethical values (Mayer et al., 2012). Studies have

demonstrated that moral attentiveness is seen as a feature of the followers and occurs because of ethical leadership.

With a significant focus on ethical concerns in the workplace by ethical leaders, people are persuaded by mimicking their leaders' actions and paying attention at the workplace to ethical problems and issues. The fact is that ethical leaders are trustworthy and respectable people in the workplace. Therefore, the individuals copy leaders' habits while they perform on the job and lead ultimately to ethical behavior in the workplace in terms of ethical difficulties and obstacles (Rabie & Malek, 2020a) with that environment in the workplace where moral attentiveness is high in the employee's it encourages employees how to deal with ethical dilemmas and report any misconduct they saw. So from the above discussion we can conclude that:

H8: There is a positive and significant relationship between moral attentiveness and whistleblowing.

2.8 Mediating Impact of Psychological Stress on Ethical Leadership and Whistleblowing

Ethical leaders are regarded as managers of morality and ethical people (Trevino et al., 2000). Followers regard ethical leaders as a model for their behaviors, beliefs and attitudes (Brown & Treviño, 2006). When their boss is ethical, the high risk of whistleblowing is overcome because they consider their leader to be credible and reliable (Bhal & Dadhich, 2011). Conservation of resource theory suggests that if individuals do not cope with stresses, resource surpluses tend to emerge to reduce potential losses (Hobfoll, 1989). People struggle to find and save their resources to confront dangers, resist and accommodate. They may also attempt to get diverse resources such as social assistance, status and material assistance, money and personal assistance: self-esteem (Hobfoll, 1989).

Ethical leaders are honest, they take part in open conservation, encourage and reward ethical adherents, as stated by (Brown et al., 2005). Taking the somewhat larger viewpoint (Brown et al., 2005) approach, we emphasize on leadership openness and open talks with their subordinates and explain their workers' expectations and obligations so that they have a clear image of their expectation. The role clarification in this portion of ethical leadership is titled. We can therefore say that, if the link between ethics managers and employees is stronger, an ecstatic climate is created; which reduces the work stress and ultimately decreases turnover. Lastly, as ethical leaders are people-oriented, they care for their subordinates and give importance to their needs of development, and ultimately reducing employee's stress.

H9: Psychological stress mediates the relationship between ethical Leadership and whistleblowing.

2.9 Mediating Impact of Moral Attentiveness on ethical leadership and Whistleblowing

The expanding ethical leadership literature (Brown & Mitchell, 2010; Brown & Treviño, 2006) defines ethical leadership as a broad process in which leaders and members have connections, and in which ethical beliefs are transmitted into followers through a process of social learning. Several factors are mentioned by the researchers during their discussion of ethical leadership and whistleblowing; thus, here we are using a new construction, moral attentiveness, as a mediator that plays an important role in ethical leadership, as explained by (Reynolds, 2008). This research will assist individuals to comprehend the primary concept of ethical leadership and how it is connected to the moral attentiveness of employees, since attention to the moral issue varies from individual to individual (Hannah et al., 2011; Reynolds & Ceranic, 2009).

The recent literature on ethical leadership and ethics decision-making underlines that moral awareness among staff is also related to and conditional upon ethical leadership, that employees are fully aware of the general situation and moral awareness. (Brown & Treviño, 2006; DeCelles et al., 2012; Gino et al., 2011; Tenbrunsel & Smith-Crowe, 2008; Treviño et al., 2006)

H10: Moral Attentiveness mediates the relationship between ethical leadership and Whistleblowing.

2.10 Mediating Impact of Psychological Stress on Ethics Oriented Climate and Whistleblowing

An organization's ethical atmosphere includes normative norms and opinions on moral concerns held by the organization's personnel (Treviño et al., 1998). An ethical environment refers to employees' stable and psychologically relevant shared beliefs on ethical policies and practices of their employing companies (Schneider, 1975; Wimbush & Shepard, 1994). The ethical environment (Victor & Cullen, 1987) is the mainstream notion of normal ethical and ethical behavior. It also covers the establishment and implementation of ethical norms and rules which encourage ethical behavior and punish non-ethical behavior (Schwepker Jr, 2001).

Ethical climates can help individuals understand what sorts of immoral employment are unwanted. Thus, if there is a better ethical atmosphere in highlighting ethical conduct, employees will be less able to show unethical conduct (Mayer et al., 2010). According to (Jaramillo et al., 2013) he not directly influenced work-related stress in the experiments, the results have shown that the ethical environment has a positive impact on experienced meaning, leading to lower the level of stress. Employees might learn from the witness of an ethical leader, that whistleblowing is suitable, and then seek to match the standards of this leader by the reporting of unethical practices (Mayer et al., 2013)..Thus we can make a hypothesis that:

H11: Psychological Stress mediates the relationship between Ethics oriented climate and whistleblowing.

2.11 Mediating Impact of Moral Attentiveness on Ethics Oriented Climate and Whistleblowing:

This research focuses on the influence of ethics in encouraging the employees' in whistleblowing. Whistle-blowing is defined as "disclosure of illegal, immoral or unlawful conduct under the authority of their employers to companies and groups which may effectively take effect by (former and previous) member states" (Near & Miceli, 1985)(p. 4). Several studies have been conducted to investigate the ethical climate hypothesis in order to explain ethical behavior (Barnett & Vaicys, 2000; Deshpande, 1996; Fritzsche, 2000; Vardi, 2001; Wimbush et al., 1997). The ethical climates can impact the efficacy of organizations and working groups (Wimbush & Shepard, 1994) stated. Overall, greater understanding is attainable through examining the links between ethical environment and behaviors such as whistleblowing, to diagnose and manage the interaction between ethical climates' and ethical behavior such as whistleblowing (Wimbush et al., 1997). With the help of (Kim et al., 2015) it is approved that ethical environment is directly and positively associated with organizational trust, and is indirectly and positively related to moral attentiveness and organizational identification. Ethical behavior that is whistleblowing have the positive relationship with ethical climate. The research on these three variable collectively is not done before but they are studied separately but that was also very limited so from the above discussion we can form a hypothesis that:

H12: Moral Attentiveness mediates the relationship between ethics oriented climate and Whistleblowing.

3. Conceptual Framework

4. Research Methodology

4.1 Data Collection

For the aim of current research, a quantitative, cross-sectional research approach and survey (questionnaire) method was selected to collect data from the respondents working in the banking sector of Gujranwala division, Punjab, Pakistan. By using the convenient sampling technique, out of 500 questionnaires data from 448 employees were received at the response rate of 89.6%. All the questionnaire were verified during data screening process. 39 questionnaire were omitted due to a lack of value and found anonymously to be not completed by individuals in the review of results. And after screening process, total 425 questionnaire were selected.

4.2 Instrumentation

The instrument used in this research was divided in two sections. First section was related to information about demographics and organization information about the respondents. Second section was sub-divided into five sections in which the questions related to each variable was individually asked to get the point of view of respondents.

The items of all measuring variables were adapted from the previous researches to assure the internal reliability and validity of the instrument. To measure the ethical leadership, a nine-item scale is adapted from the study of (Brown et al., 2005) was adapted, (i.e. "Leader listen to what employees have to say"). To measure the ethics oriented climate, a ten-item scale was adapted from the study of (Victor & Cullen, 1987) (i.e. "In this company our major concern is always what is best for the other person"). Then to measure the psychological Stress, a 12-item scale was used which is adapted from the (Parker & DeCotiis, 1983) study (i.e. "My job gets to me more than it should"). Next to measure the moral attentiveness, a ten-item scale was used which is adapted from the (Reynolds, 2008) study (i.e. "I often find myself thinking seriously about ethical issues"). And in the last the whistleblowing was measured using nine-item scale adapted from the (Park & Blenkinsopp, 2009) study (i.e. "I will report the wrongdoing while not revealing my identity").

5. Findings of Study

5.1 Results

Proposed parallel mediation model was examined by using Process Macro (Model 4) in SPSS by Hayes (2013), to have specific indirect effects of each mediator. Table 1 shows descriptive statistics (Mean, SD) bivariate correlations and reliability estimates. The Cronbach's Alpha was calculated to check the reliability of variables that are presented in the diagonal parenthesis against each variable. The Cronbach's alpha for EL was 0.847, EOC was 0.801, MA was 0.783, PS was 0.854 and WB was 0.763. All values are greater or equal to the 0.70 cutoff point (Pallant, 2010), indicating that all constructs are reliable.

Table 1: Descriptive statistics, correlations and Cronbach Alpha

	Variable	Mean	SD	1	2	3	4	5
1	EL	3.771	0.734	(0.847)				
2	EOC	3.768	0.750	0.793**	(0.801)			
3	MA	3.625	0.758	0.600**	0.625**	(0.783)		
4	PS	3.470	0.786	0.479**	0.471**	0.671**	(0.854)	
5	WB	3.767	0.835	0.578**	0.553**	0.605**	0.647**	(0.763)
N = 425, **Correlation is significant at the 0.01 level (2-tailed)								

Furthermore, the CFA was performed to establish the uni-dimensionality of variables. Uni-dimensionality is achieved by deleting all items with factor loading value below 0.5. Different combinations of proposed relationships were run to ensure that the constructs are uni-dimensional. The results of these CFAs are presented in Table 2, indicating that, all fit indices were within the range of good model fit as suggested by (Kline, 2005).

Table 2: Model fit indices for confirmatory factor analyses (CFAs)

Combined Model test	χ^2	df	χ^2/df	CFI	NFI	GFI	TLI	RMR	RMSEA
EL, PS, WB	439.788	227	1.937	0.929	0.865	0.919	0.921	0.064	0.047
EL, MA, WB	312.508	132	2.367	0.920	0.870	0.926	0.907	0.060	0.057
EOC, PS, WB	288.892	167	1.730	0.948	0.886	0.936	0.941	0.060	0.041
EOC, MA, WB	215.808	87	2.481	0.921	0.875	0.937	0.904	0.062	0.059
EL, EOC, PA, MA, WB	962.051	517	1.861	0.908	0.821	0.886	0.900	0.063	0.045
EL (Ethical Leadership), EOC (Ethics Oriented Climate), PS (Psychological stress), MA (Moral Attentiveness) and WB (Whistle Blowing)									

Table 3 shows the validity tests of all constructs. The Convergent validity of the constructs was measured by the composite reliability (CR) and average variance extracted (AVE). Table 3 shows that the CR and AVE values of all constructs are equal to or greater than the recommended values of 0.7 and 0.5, respectively (Hair et al., 2010).

Discriminant validity was measured for each construct by comparing its Cronbach's alpha value with its correlations with other variables in the model (Sila & Ebrahimpour, 2005). According to (Ghiselli et al., 1981), evidence of discriminant validity is given if a construct's Cronbach's alpha is sufficiently larger than the average of its correlations with other variables. The difference between each construct's Cronbach's alpha and the average of its correlations with the other constructs is sufficiently large (Ethical leadership (EL) = 0.234, Ethics Oriented Climate (EOC) = 0.190, Moral Attentiveness (MA) = 0.158, Psychological stress (PS) = 0.287, and Whistle Blowing (WB) = 0.167). Thus, all values are acceptable for discriminant validity (Sila & Ebrahimpour, 2005).

Table 3: Convergent and discriminant validity

Latent constructs and observed indicators/items	Average variance extracted (AVE) must be above 0.5	Composite reliability (CR) Must be above 0.7	Cronbach's alpha Must be above 0.7	Avg. correlation with other variables (x)	Discriminant validity (alpha-x)
EL	0.584	0.848	0.847	0.613	0.234
EOC	0.551	0.764	0.801	0.611	0.19
MA	0.515	0.700	0.783	0.625	0.158
PS	0.548	0.841	0.854	0.567	0.287
WB	0.590	0.717	0.763	0.596	0.167

5.2 Mediation Analysis

Direct effects: The results of the mediation model including direct and indirect effects using 95% confidence interval method have been presented in Table 4. The results shows that Ethical leadership (EL) was negatively related to Psychological stress (PS) ($\beta = -0.513$, $p < 0.001$) and positively related to MA ($\beta = 0.619$, $p < 0.001$), thus supporting hypothesis H2 and H3.

In the same manner, Ethics Oriented Climate (EOC) has also negative influence on PS ($\beta = -0.494$, $p < 0.001$), and positive influence on MA ($\beta = 0.632$, $p < 0.001$). Next the effect of PS and MA on WB were also supported the hypothesis H5 and H6. As, PS increases the WB with ($\beta = 0.422$, $p < 0.001$) and MA increases the WB with ($\beta = 0.182$, $p < 0.001$), thus accepting the proposed hypothesis H7 and H8 of the study.

Further it is observed that the direct effect of mediators PS and MA on dependent variable WB are also significant and positive with ($\beta = 0.422$, $p < 0.001$), and ($\beta = 0.182$, $p < 0.001$), respectively. Therefore, accepting hypothesis H7 and H8.

Table 4: Results of Parallel Mediation Model

Path	β Effects	SE	T value	95% C.I. (Lower)	95% C.I. (Upper)	Results
Total Effect						
EL $\rightarrow$ WB	0.658	0.048	14.574	0.569	0.747	Sig
EOC $\rightarrow$ WB	0.616	0.045	13.656	0.527	0.705	Sig
Direct Effect						
EL $\rightarrow$ WB	0.328	0.048	6.811	0.234	0.423	Sig (H1 Accepted)
EL $\rightarrow$ PS	-0.513	0.046	11.231	-0.423	-0.603	Sig (H2 Accepted)
PS $\rightarrow$ WB	0.422	0.049	8.693	0.327	0.518	Sig (H7 Accepted)
EL $\rightarrow$ MA	0.619	0.040	15.401	0.540	0.698	Sig (H3 Accepted)
MA $\rightarrow$ WB	0.182	0.055	3.292	0.073	0.290	Sig (H8 Accepted)
EOC $\rightarrow$ WB	0.281	0.049	5.739	0.184	0.377	Sig (H4 Accepted)
EOC $\rightarrow$ PS	-0.494	0.045	10.991	-0.405	-0.582	Sig (H5 Accepted)
EOC $\rightarrow$ MA	0.632	0.038	16.483	0.557	0.708	Sig (H6 Accepted)
Indirect Effect at Bootstrap sample size = 5000						
EL $\rightarrow$ PS $\rightarrow$ WB	-0.329	0.047		-0.238	-0.426	H9 Accepted (Partial mediation)
EL $\rightarrow$ MA $\rightarrow$ WB	0.113	0.037		0.042	0.188	H10 Accepted (Partial mediation)
EOC $\rightarrow$ PS $\rightarrow$ WB	-0.217	0.035		-0.154	-0.289	H11 Accepted (Partial mediation)
EOC $\rightarrow$ MA $\rightarrow$ WB	0.118	0.038		0.046	0.195	H12 Accepted (Partial Mediation)
N = 425; β effects are unstandardized regression coefficients						

Indirect Effects: Table 4 shows the bootstrapping bias-corrected 95% confidence interval results of the indirect effects of EL and EOC on WB through mediators PS and MA. For results confirmed that the PS and MA are partially mediates between Ethical Leadership and WB with significant effects ($\beta = -0.329$, CI [-0.238, -0.426]) and ($\beta = 0.113$, CI [0.042, 0.188]) respectively. Thus, these findings indicate partial support to hypothesis H9, H10.

In the same manner, the indirect effect of EOC on WB was tested through mediators PS and MA. The results were also significant ($\beta = -0.217$, CI [-0.154, -0.289]) and ($\beta = 0.118$, CI [0.046, 0.195]) respectively. Thus, PS and MA are also partially mediates between EOC and WB. These findings indicate partial support to hypothesis H11, H12.

6. Discussion of the Study

The main purpose of this study is to examine the influence of ethical leadership and ethics oriented climate on whistleblowing through mediated mechanism of psychological stress and moral attentiveness on the employees working in banking sector. The proposed theoretical model explains the importance of Whistleblowing in an organization that is triggered by the pressure of social factors. In our research a new perspective is proposed by accommodating the conservation of resources theory to enlighten the relationship of employee's whistleblowing intentions with ethical leadership behavior and ethics oriented climate at work. With the help of results of this study, hypothesis approved that in the presence of ethical climate and ethical leadership in organization reduce the stress level of employees and encourage them to blow the whistle. We also proposed that

ethical leadership could impact their supporters' whistleblowing intentions. On the one hand, when leaders experience psychological stress and strive to adopt a standard of conduct through whistleblowing intentions by employees, it is critical that ethical leadership is not solely about being ethical individuals. They set standards as genuine role models (Trevino et al., 2000). They are the ones who establish standards. Ethical leadership adheres to its ethical standards and encourages its followers to do ethical things without fear and to whistle at every mistake they make at work. From the point of view of whistleblowing, which demonstrates an increased risk of reprisal, this aspect of ethical leadership is crucial both for individuals or organizations against whom a whistle is blown.

7. Practical Implications

For further awareness, researchers also referred to what enhances the ethical conduct of employees, including whistling at work (Mayer et al., 2010; Rabie & Malek, 2020a; Rothwell & Baldwin, 2006; Treviño et al., 2006). We found that moral attentiveness and lower level of psychological stress (Rabie & Malek, 2020b) is important for improving the ethical behavior or intentions of whistleblowing of the followers, and they are more likely to embrace regulatory conduct by means of ethical leadership and ethics oriented climate. First, companies should thus aim to train or choose ethical leaders and make efforts to maintain ethical climate in the organization..

As a result, by emphasizing and choosing the leaders who exemplify ethical leadership, companies may defend and grow ethical leadership ideals, which may function as ethics managers as well as ethical leaders. Secondly, corporations should be guided towards modelling and encouraging ethical behaviors, along with measures which limit ethical activities and enhance ethical behavior. Managers must apply and support practices which emphasize the importance of ethics. And there should be the enforcement of proper rules and regulations in the firm that restrain unethical behavior of employees and encourages them to blow the whistle, and shows that organization is serious about introducing ethical conduct in the workplace.

8. Future Directions and Limitations

This study is conducted in South Asia, where the living standards, culture, traditions are different from the western countries so this study can be done on different culture or cities in future. Cross-sectional and quantitative research approach is used in this study which limited its scope so in further studies, qualitative research approach can be used. In this study only mediation process is used to examine relationship between ethics oriented climate, ethical leadership and whistleblowing but in further researches can introduced other moderated or mediated variables i.e. interactional justice, psychological safety, retaliation etc. Due to covid-19 pandemic our sample size is limited to Gujranwala division only but this study can extend to other provinces or cities in order to find more results and possibly may this study have been able to reveal.

9. Conclusion

In 2018, a joint investigating team (JTI) submitted report to the Supreme Court where they revealed that the transactions of 54 billion were made through 107 fake bank accounts from the three different well-known banks in Pakistan (Bhatti, 2018). From the above discussion we can say that if any employee of banking sector think about ethics and blow a whistle upon seeing this wrongdoing then this huge scandal did not occur but in Pakistan there is poor governance relating to reporting of wrongdoings. There is not any proper rules and regulations relating to the reporting of whistle-blowing. People don't have enough knowledge about the benefits of reporting wrongdoings and they seems reluctant to reports wrongdoing due to different circumstances. But the current

study has trying to fill this gap and enlightened that the presence of ethical leadership and ethics oriented climate encouraged their followers to behave ethically at workplace and report freely about whistleblowing without any fear of retaliation, bullying or fear of losing job etc. results also showed that the presence of ethical leadership increase moral attentiveness of the employees and reduce their psychological stress which also encourage employees to report wrongdoings and adopt ethical behaviors. Current study provide vision to the leaders to implement ethical climate and ethical compliance programs and to adopt ethical practices to influence employees to act ethically.

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