The Islamic Ethical Leadership and Employees' Ethical Behavior: The Moderating Role of Ethical Sensitivity

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A R T I C L E   I N F O

A B S T R A C T

Previous literatures have described the influence of ethical leadership on employees' outcomes. However, many researchers have not yet revealed the mechanism of this effect. Previous research has found that cultural and social factors influence leadership styles; therefore, studying ethical leadership styles in different cultural and social environments is important in order to uncover the effectiveness of ethical leadership styles. The purpose of this study was to examine how the mechanism of Islamic ethical leadership influences the behavior of professional nurses who work at the Islamic Hospital. There were 212 professional nurses used as the respondents in this study. The data were collected using questionnaires and processed quantitatively using Structural Equation Model (SEM). The results showed that all the hypotheses proposed were accepted. Islamic ethical leadership is proven to have a significant influence on ethical behavior of nurses. Besides, ethical sensitivity is proven to have a significant positive effect on ethical behavior. This study also proves that ethical sensitivity moderates the influence of Islamic ethical leadership on nurses' ethical behavior. It can be implied that ethical sensitivity is an important factor for developing employees' ethical behavior in the workplace.

A B S T R A K

Berbagai literatur telah menjelaskan pengaruh kepemimpinan etis terhadap berbagai outcome karyawan, namun demikian bagaimana mekanisme pengaruh tersebut masih belum banyak diungkap oleh peneliti. Penelitian sebelumnya menemukan bahwa faktor budaya dan sosial mempengaruhi gaya kepemimpinan, sehingga meneliti gaya kepemimpinan etis pada lingkungan budaya dan sosial yang berbeda penting dalam rangka mengungkap efektivitas gaya kepemimpinan etis. Tujuan penelitian ini adalah untuk mengetahui bagaimana pengaruh kepemimpinan etis Islam terhadap perilaku etis perawat profesional yang bekerja rumah sakit Islam. Sejumlah 212 perawat professional menjadi responden dalam penelitian ini. Data dikumpulkan melalui penyebaran kuesioner dan diolah secara kuantitatif menggunakan Structural Equation Model (SEM). Hasil penelitian menunjukkan seluruh hipotesis yang diajukan diterima. Kepemimpinan Etis Islam terbukti secara signifikan mempengaruhi perilaku etis perawat, Sensitivitas etis secara signifikan terbukti memiliki pengaruh positif terhadap perilaku etis. Penelitian ini juga membuktikan bahwa sensitivitas etis memoderasi pengaruh kepemimpinan etis Islam terhadap perilaku etis perawat. Temuan penelitian ini memberikan implikasi bahwa sensitivitas etis merupakan factor penting bagi pengembangan perilaku etis karyawan di tempat kerja.

1.   INTRODUCTION

There have been various cases of ethical violations in organizations such as the case of Enron, Tyco, WorldCom, Arthur Andersen, Wells Fargo, Volkswagen, Bernie Madoff, Nortel, AIG, and Lehman Brothers drive the need for a study of business ethics. In addition, there is also evidence showing that the business ethics scandal is largely caused by the organization's leaders (Demirtas et al., 2017). As argued, that ethical leadership can encourage employees to raise issues related to ethics (Hassan, Wright, & Yukl, 2014). Theses all, indicate the importance of developing a leadership style in order to ensure the application of ethical values,

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principles, and policies in the workplace. One of the business ethics applications is that of ethical leadership, which is one of the values-oriented leadership styles (Copeland, 2014; Solinger, Jansen, & Cornelissen, 2020). In this context, ethical leadership is defined as a demonstration of appropriate normative behavior by a leader through personal actions and interpersonal relationships, and attempts to transmit these behaviors to the followers through two-way communication, guidance, and decision making (Brown, Treviño, & Harrison, 2005).

Although the characteristics of ethical leadership are universal, leadership effective-ness is influenced by social and cultural factors (Sukkar, 2018). One of the social factors that influence ethical leadership is faith, which is an inseparable part of religion. Gumusay (2019) stated that religion is an important social factor, and it is widely accepted by today's society. Society views religion as something sacred and it occupies the highest position in the existing value system. For that reason, integrating a religious perspective in academic discourse, especially those related to leadership effectiveness, is very important to do.

A study concerning Islamic ethical leadership—in order to develop the ethical behavior of subordinates—is very limited. Therefore to do research on this topic is important in order to provide the inputs in the research gap, in terms of the need for cross-cultural and social studies. In the Islamic perspective, ethics is defined as morality (Akhlak) or adab (manner, attitude, and behavior). Akhlak indicates a person's moral philosophy while adab refers to the implementation of that moral philosophy. Adab is a real practice of moral philosophy in everyday life. In the life of Muslims, the Qur'an and the Hadith of the Prophet Muhammad, SAW is the source and reference for moral values. Thus, it can be concluded that Islamic ethical leadership is a leadership style, guided by the Holy Qur'an as the basis for ethical concepts and standards and empirically follows the Sunnah of the Prophet Muhammad as the role model for the application of these ethical concepts or standards. The ethical concepts taught in the Qur'an are actually implemented through the way of life of the Prophet Muhammad (QS. 68: 4). Prophet Muhammad is a positive role model for his followers according to the statement in the Al-Qur'an (Surah Al Ahzab: 21).

Ethical leadership has a significant effect on the subordinates' performance (Rabie & Abdul Malek, 2020). More importantly, ethical leadership can also affect various employees' performance based on two concepts, namely through the Social Learning Theory (SLT) developed by Bonner, Greenbaum, & Mayer (2016) and through the Social Exchange theory (SET) developed by Blau (Mayer et al., 2009). In this view, ethical leaders are the leaders who are fair and trustworthy. As SLT explained, subordinates will observe and imitate their leaders' actions so that their leaders can change their subordinates' ethical behavior. The SET also explains that ethical leaders affect their subordinates' behavior through the norms of reciprocating action (reprocity) between the leader and subordinates. For example, when a leader shows his good behavior, in accordance with ethical norms and principles, his followers will show the same behavior in return.

Again, as SLT describes, individual behavior is influenced by individual characters and the environment (Bonner et al., 2016). One of the individual characteristics that affect the relationship between ethical leadership and the employees' ethical behavior is ethical sensitivity or moral awareness. For that reason, awareness is an important factor, and it is needed by individuals before imitating the others' behavior (Mayer et al., 2009). Several previous studies have examined the relationship between ethical leadership, ethical sensitivity, and ethical behavior in the workplace, however, research examining the moderating role of sensitivity on the relationship between ethical leadership and ethical behavior is still limited (Farooq & Rabie, 2016). Another study also by Gok et al. (2017) proving that moral awareness can reduce the influence of ethical leadership on the deviant behavior of professional employees in the industry. Thus, moral awareness acts as a substitute variable for leadership.

This research was conducted in the context of the health industry, considering that the phenomenon of increasing ethical behavior violations has also occurred in the health care industry, particularly in hospitals. The results of a survey conducted by Indonesian Corruption Watch stated that hospitals in Indonesia did not provide good services to underprivileged people (ICW, 2010). Some aspects of hospital services are such being lack of staff competence, staff discipline, and speed of service (Nurrizka & Saputra, 2011). It is also provided with empirical evidence showing that employee behavior in providing services cannot be separated from ethical leadership. Therefore, ethical leadership encourages service innovation (Dhar, 2016; Özsungur, 2019), reduces service sabotage

(Yeşiltaş & Tuna, 2018) and the employees' bad behavior (Gok et al., 2017; Mayer, Kuenzi, & Greenbaum, 2010).

It is different from a study by Gok et al. (2017), in which they aim to examine the influence of Islamic ethical leadership variables on ethical behavior in the context of professional nurses in Islamic Hospitals. It was found that people with an Eastern cultural background and applying Islamic teachings implement values and ethical principles are different from those in the Western regions In addition, this study aims to reveal that ethical leadership on subordinates' outcomes is influenced by differences in ethical sensitivity possessed by individuals. The previous study has found that the effectiveness of ethical leadership in influencing the ethical behavior of subordinates is limited by the degree to which individuals are sensitive to moral issues they face in their workplace (Gok et al., 2017).

The current empirical study was conducted to answer the research problems such as whether Islamic ethical leadership significantly has a positive effect on the ethical behavior of Islamic hospital nurses and whether ethical sensitivity significantly moderates the effect of Islamic ethical leadership on the nurses' ethical behavior in Islamic hospitals. This study is expected to provide a significant contribution to the development of knowledge, especially those related to the effectiveness of ethical leadership in influencing the subordinates' performance in organizations that apply Islamic values. In addition, this research is important for providing the practitioners with an overview of developing ethical behavior with the subordinate leaders who do not always have to implement ethical leadership. This research is also useful for practitioners in the field of human resource management, especially those related to recruitment strategies and policies. Most importantly, this study provides a perspective that recruiting employees who have high ethical sensitivity is needed so that leaders can more effectively influence their employees' behavior.

2. THEORETICAL FRAMEWORK AND HYPOTHESES

There have been some studies examining the role of moral awareness in organizations. For example, Gok et al. (2017) analyzed the moderating role of moral awareness in the relationship between ethical leadership and deviant behavior in the context of professional employees. They found that when employees have high moral awareness, the effect of ethical leadership on reducing deviant behavior was weaker and vice versa, when employees have weak moral awareness, the effect of ethical leadership in reducing deviant behavior becomes weaker. Another example is a study by Gok et al. (2017) that proved the truth of the substitution theory for leadership (substitute for leadership theory) that moral awareness acts as a substitute for leadership roles. Last but not least is Zhang et al. (2019) that also analyzed the effect of ethical leadership on moral sensitivity, employee task performance, namely the role prescribed ser-vice behavior or more than required (extra role service behavior) by involving moral sensitivity and ethical climate variables. They also found that ethical leadership affects moral sensitivity and moral sensitivity affects employees' job performance in the context of professional nurses.

Social Learning Theory

Social Learning Theory (SLT) has been discussed by some researchers. For example, Mayer et al., (2009) explained how leaders influence employee behavior using the social learning theory. SLT explains that individuals learn by witnessing and trying to imitate values and model behaviors that are credible and attractive. Another evidence described that followers, both through their own experiences and by observing the behavior of others, can understand what is expected and how followers should behave (Commer, Sci, & Masih Khokhar, 2017).

SLT states that awareness being developed is a prerequisite for learning, and without this awareness learning will not occur (Mayer et al., 2009). Ethical leadership style is a leadership style that views the leader as having two roles, namely as an individual who has a noble character (moral person) and a person who manages and develops morals in the organization (moral manager) (Brown & Treviño, 2006). As a moral person, an ethical leader will continue to exemplify good behavior as to what ethical values and norms should be. Meanwhile, as a moral manager, ethical leaders have the authority to manage ethical values and norms by setting standards and ensuring that these ethical values and norms are applied in the work-place. Ethical leaders encourage followers to study ethical behavior that is exemplified. In addition, ethical leaders increase follower self-confidence to maximize potential performance and ethical behavior (Kang, 2019).

Social Exchange Theory

Social exchange theory (SET) was developed by Mayer et al. (2009) in which this theory was

originally popularized by George Homans in 1958. Furthermore, Mayer et al. (2009) defines SET as social interaction in the exchange process. SET is based on the norm of reciprocity (reciprocity) in which followers are willing to reciprocate with positive behavior when they are treated equally and carefully. In SET perspective, it is also related to ethical leadership. A leadership style is very effective in developing ethical behavior of employees. In this perspective, the social exchange perspective explains that ethical leaders increase followers' belief that leaders care and always think about the interests of followers. The perception of ethical treatment received from superiors can cause the followers to tend to retaliate by increasing their performance (Kang, 2019).

Islamic Ethical Leadership

Leadership, in an Islamic perspective, can be defined as a group development process to fulfill the requirements of the Islamic religion in order to achieve the organization's mission (Rahim et al., 2019). In addition, Islamic ethical leadership is a leadership style based on Islamic ethics. In the Islamic perspective, ethics refers to the term morality (ethics) or adab (manner, attitude and behavior). Akhlak indicates moral philosophy while adab refers to the implementation of moral philosophy. It can be said that manners are the real practice of moral philosophy in everyday life.

Islamic ethics is guided by two sources, namely the Qur'an as the basis for ethical concepts and standards and the Sunnah of the Prophet Muhammad that is the role model for the application of the ethical concepts or standards. The ethical concepts taught in the Qur'an are actually implemented through the way of life of the Prophet Muhammad as mentioned in the QS. 68: 4 stating: "And verily you (Muhammad) are truly of the great character." Furthermore, the prophet Muhammad is a positive role model for his followers according to QS. 33: 21 stating that: "Indeed, the Prophet (himself) is a good example for you (namely) for those who hope for (Mercy) Allah and (the coming of) the Day of Resurrection and he chants a lot of Allah." Therefore, Islamic ethical leadership is leadership centered on the character and behavior of the Prophet Muhammad. The character of Muhammad is a virtue that is consistent with the Qur'an and is a reflection of the Qur'an. This virtue-centered leadership model can be called ethical leadership. This is also in line with Aristotle's thought that ethics is centered on virtue that is centered on character (Beekun, 2012).

The concept of Islamic ethical leadership—as based on the character of Muhammad— is also in line with the concept of ethical leadership described by Treviño & Brown (2005), that ethical leaders act as moral persons, namely humans who have noble characters. The Prophet Muhammad had the character of being honest and trustworthy. Ethical leaders also act as moral managers which refers to how a leader uses a leadership position to develop a code of ethics in the workplace (Brown & Mitchell, 2010). Likewise, the Prophet Muhammad always improved the morals and manners of his followers. Therefore, in this study, the concept of Islamic Ethical Leadership is indicated by the characteristics of the Prophet Muhammad, namely Fatonah, Amanah, Siddiq and Tabligh.

Ethical Sensitity

The terms of sensitivity and awareness, ethical and moral are often used interchangeably by scholars. According to Mol (2011), moral and ethics are interrelated concepts because they refer to the same principles such as integrity, honesty, and fairness. The difference lies in the point of view and scope of use. Ethical terminology is considered a code of ethics developed by professional organization. Besides that, ethics is more related to standard that exists in the context of business and culture. It is usually applied to the scope of a job. Meanwhile, moral is based more on social norms and is applied in a wider scope.

This present study uses the concept of ethical sensitivity because it is concerned more with the current context that is the nursing profession working in Islamic Hospitals. In relation to ethical sensitivity, Lützén et al. (2006) defines it as a concern for ethical values contained in conflict-filled situations as well as self-awareness of one's moral roles and responsibilities. Furthermore, moral awareness is the individuals' tendency to recognize situations that indicate moral violations. This in turn leads to endanger both the individuals and organizations. A person's moral sensitivity is indicated by a feeling of having a moral burden, moral strength, and moral responsibility. The ethical condition is the first step of ethical action by nurses, meaning that nurses must firstly recognize the potential ethical consequences that will arise from their actions in order to solve nursing care problems effectively. For that reason, the way to develop ethical awareness is an important factor for improving the nurse performance (Bedarkar & Pandita, 2014; Milliken et al., 2018).

Ethical Behavior

As stated by Al Halbusi et al. (2020), ethical behavior is related to the behavior that is right in accordance with ethical norms. It is also the way to behave appropriately and consistently with existing good norms and values in a society. Ethical behavior encompasses major moral principles which include honesty, fairness, equality, dignity, diversity and individual rights. Ethical behavior includes various dimensions of behavior, both in-role and extra-role. Trevino states that in-role ethical behavior involves a person's behavior to meet some minimum moral standards such as honesty or obeying the law, while extra-role ethical behavior includes behavior that exceeds the moral minimum such as charity (Treviño, Weaver, & Reynolds, 2006).

In this study, nurses 'ethical behavior is ethical in-role behavior as indicated by their performance as professional nurses with their duties in accordance with the ethical code and principles of nursing ethics. The ethical behavior of hospital employees is measured through their work performance in accordance with the code of ethics of nursing. This code includes such as autonomy (respecting patient opinion), benevolence (caring with full attention). non maleficence (harmless), justice (serving fairly), veracity (honesty) and fidelity (loyal and keep promises to patients) (Potter et al., 2020).

Islamic Ethical Leadership and Ethical Behavior

Ethical leadership can change the concept of morale and employee behavior with instructions and examples of their real ethical behavior. Therefore, ethical leadership has a positive influence on the employees' ethical behavior (Rabie & Abdul Malek, 2020; Al Halbusi et al., 2020; Esmaelzadeh et al., 2017). A study by Commer et al. (2017) found that ethical leadership has a positive effect on employees' performance. Likewise, a study Budiono, Hamidah, & Yasin (2019) proved that the Islamic leadership with characters such as siddiq, amanah, fathanah and tabligh can improve the employees' outcomes. Another study was also done by Bonner et al. (2016) finding that the quality of Islamic leadership has a positive effect on the employees' performance. Leaders who exemplify ethical behavior in the workplace can encourage the employees to learn ethical behavior by observing and imitating ethical leader's behavior as the role model.

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H₁: Islamic ethical leadership has a positive influence on ethical behavior.

Ethical Sensitivity and Ethical Behavior

Ethical sensitivity is the ability to identify ethical problems and it can generate moral judgment. It is also the ability to demonstrate ethical behavior so that it can improve the employees' performance. As argued by Borhani et al. (2013), sensitivity to ethical criteria is considered a component of professional competence that can improve the ethical performance of professional employees. Employees who are more sensitive to moral issues will consider whether each of their actions is in accordance with prevailing ethical norms, and they will ultimately lead to employees having a greater ability to demonstrate ethical behavior. Research conduct-ed by Esmaelzadeh et al. (2017) found that — in the context of the health industry — various aspects of nurse professionalism are influenced by ethical sensitivity. In addition, empirical studies prove that ethical sensitivity can help the implementation of ethical norms in the world of nursing. Zhang et al. (2019) found that ethical leadership improves the nurses' performance in providing services to nurses.

H₂: Ethical Sensitivity positively influences Ethical Behavior.

The Moderating Role of Ethical Sensitivity

Employees with high ethical sensitivity have the ability to recognize moral issues, and can also affect the effect of ethical leadership on reducing deviant behavior. Likewise, when employees have weak moral awareness, the effect of ethical leadership in reducing deviant be-havior becomes stronger. A study by Gok et al. (2017) proved the truth of the substitution theory for leadership is that moral awareness acts as a substitute for the role of a leader in influencing employee behavior. For that resaon, ethical awareness can make employees have the ability to identify the existence of moral issues in their daily activities at work. This ability will ultimately weaken the influence of Islamic Ethical Leadership in encouraging employees to show appropriate ethical behavior.

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H₃: Ethical sensitivity significantly moderates the influence of Islamic Ethical Leadership on Ethical Behavior.

Based on the explanation above, the framework for this study is presented in Figure 1.
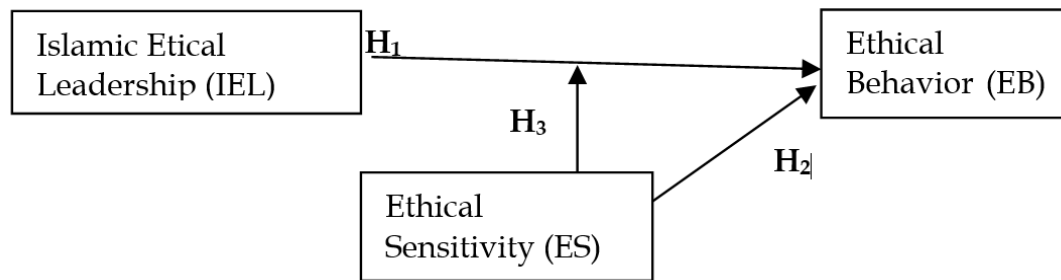

Figure 2. Research Framework
Source: Bonner *et al.*, 2016; Rabie & Abdul Malek, 2020; Zhang *et al.*, 2019; Gok *et al.*, 2017

3. RESEARCH METHOD
Variable Measurement
Islamic ethical leadership is defined as the leaders' ability to control them and influence others in order to achieve the goal sincerely according to the characteristics of the Prophet Muhammad. Furthermore, Islamic ethical leadership is measured using prophetic leadership instrument developed by Budiarto (2015), namely *siddiq* which is the leader's ability to lead based on conscience and truth (conscience centered), mandate which means the leader that shows professional attitudes and behavior and has a high commitment (highly committed), *tabligh* means the leader has communication skills, and *fathonah* means that the leader has the ability to solve problems (problem solver).

Moral awareness is the nurse's ability to identify and recognize ethical problems in carrying out daily tasks. This variable is measured using the statement item of Moral Sensitivity Questionnaires (MSQ) developed by Lützén *et al.* (2006). It consists of indicators of feeling a sense of moral burden, having moral responsibility, and having moral strength. Ethical behavior is the nurse's perception of the extent to which they demonstrate their task-related behavior in the workplace in accordance with ethical norms, nursing code of ethics, and organizational rules. This is measured using indicators of autonomy, maleficence, beneficience, justice, fidelity, and veracity (Potter et al, 2020). The three variables in this study were measured using a 5 Likert scale where the respondents' responses include such as 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree

Respondents
The respondents were nurses at the Islamic Hospital in East Java who had type B, totaling 212 people. This research is a population study where the number of research respondents is the entire available target sample. The Islamic hospital in East Java was chosen as the object of research, considering that the Islamic hospital has characteristics in accordance with the research objectives, namely having a vision and mission of developing health services based on Islamic values. The basic consideration for choosing type B is the complexity of the activities in the hospital.

The higher the type of hospital, the greater the facilities they have and the wider the services that they provide for the community. In turn, this will encourage more complex tasks faced by the nurses. Nurses with large and complex assignments are more likely to face ethical dilemmas while on duty. Nurses who become respondents must meet the criteria of nurses who have professional nurse certification and STR and have worked for at least 1 year at the Islamic Hospital. The data were collected using a survey method, where the researcher distributed the questionnaire directly to the Islamic hospital which was the research sample.

Data Analysis Technic
To answer the research questions, the researcher used the Structural Equation Model (SEM) analysis. By using SEM, the researchers test the causal relationship between latent variables, namely variables that cannot be measured directly. Besides, the researcherr also used statitical software of WarpPLS version 5.0.

4. DATA ANALYSIS AND DISCUSSION
Descriptive Analysis.
The characteristics of respondents are presented in Table 1. It shows that the research respondents were dominated by female nurses (54%), 32-37 years old (26%), had the latest 3-diploma education level (49 %) and have a work period of 7-9 years (28%).

Table 1. Characteristics of the Respondents

Characteristics	Total	Percentage
Gender		
Female	114	54
Male	98	46
Total	212	100
Age		
22 – 27 years	40	19
27 – 32 years	30	14
32 – 37 years	55	26
37 – 42 years	45	21
>42 years	42	20
Total	212	100
Education Level		
Senior High School	0	0
3-Year Diploma	104	49
S1(Undergraduate)	93	44
S2 (Masters)	15	7
S3 (Doctoral degree)	0	0
Others	0	0
Total	212	100
Work Period		
1 - 3 years	57	27
3 - 5 years	36	17
5 - 7 years	23	11
7 - 9 years	59	28
9 - 11 years	37	17
>11 years	32	15
Total	212	100

Source: Processed data

Furthermore, descriptive analysis of the responses of respondents is shown in Table 2. Based on the mean value of the responses of respondents in Table 1, it appears that the nurses who are respondents in this study perceive that their leaders have implemented Islamic ethical leadership very well, have high sensitivity and show ethical behavior.

The standard deviation ranges from 0.3 to 0.6. Tabachnick & Fidell (2001) states that the skewness and kurtosis of research data must be between -2 and +2 for normally distributed data. Based on the skewness and kurtosis values in Table 2, it appears that the research data has been normally distributed.

Table 2. Descriptive Analysis of the Respondents' Responses

Variable	Mean	St. Deviation	Skewness	Kurtosis
Islamic Ethical Leadership	4,39	0,44	-1,43	0,98
Ethical Sensitivity	4,24	0,59	-0,6	-0,54
Ethical Behavior	4,47	0,35	-0,44	-0,89

Source: Result of Processed Data

Testing the Measurement Model
This stage tests the convergent validity of each indicator with a loading factor guideline> 0.7. However, the loading factor between 0.5-0.7 can be

maintained if the measurement indicators are newly developed instruments or the item reflects content validity (Hair et al., 2014). The next condition is the AVE value> 0.5. Testing was also carried out on the discriminant validity of indicators provided that the loading factor value of the indicator in certain variables was greater than the cross loading of other latent variables Cronbach's Alpha> 0.7. Reliability was also tested through the composite reliability value with the provisions> 0.7 for confirmatory research (Hair et al., 2014). The complete research instrument is presented in the appendix.

Table 3. Validity and Reliability

	Islamic Ethical leadership (IEL)	Ethical Behavior (EB)	Sensitivity Etis (ES)	P-value	AVE	Cronbach Alpha	Composit Reliability
IEL 1	0.669	0.088	-0.103	<0.001			
IEL 2	0.640	-0.043	-0.152	<0.001			
IEL 3	0.792	0.151	0.096	<0.001			
IEL 4	0.648	-0.137	-0.019	<0.001			
IEL 5	0.816	0.162	0.046	<0.001			
IEL 6	0.846	0.155	-0.009	<0.001			
IEL 7	0.657	0.341	-0.233	<0.001			
IEL 8	0.510	-0.053	-0.023	<0.001			
IEL 9	0.715	0.022	0.212	<0.001	0.608	0.958	0.963
IEL 10	0.880	-0.193	0.019	<0.001			
IEL 11	0.824	-0.089	-0.054	<0.001			
IEL 12	0.696	-0.021	0.032	<0.001			
IEL 13	0.915	-0.033	0.043	<0.001			
IEL 14	0.869	-0.120	0.101	<0.001			
IEL 15	0.881	-0.169	0.008	<0.001			
IEL 16	0.880	-0.174	-0.008	<0.001			
IEL 17	0.877	0.178	-0.041	<0.001			
ES 1	0.184	0.659	-0.270	<0.001			
ES 2	0.138	0.876	0.136	<0.001			
ES 3	0.202	0.916	-0.066	<0.001	0.685	0.880	0,915
ES 4	-0.563	0.741	0.243	<0.001			
ES 5	-0.011	0.914	-0.067	<0.001			
EB 1	0.386	0.163	0.638	<0.001			
EB 2	0.168	0.013	0.841	<0.001			
EB 3	-0.196	-0.041	0.746	<0.001			
EB 4	0.343	0.330	0.664	<0.001			
EB 5	-0.312	0.005	0.622	<0.001			
EB 6	-0.337	0.194	0.736	<0.001			
EB 7	-0.100	0.170	0.556	<0.001	0.536	0.932	0.941
EB 8	-0.229	-0.055	0.772	<0.001			
EB 9	-0.075	0.110	0.799	<0.001			
EB 10	-0.227	-0.071	0.759	<0.001			
EB 11	0.225	-0.047	0.833	<0.001			
EB 12	0.212	-0.503	0.639	<0.001			
EB 13	-0.041	-0.229	0.742	<0.001			
EB 14	0.174	-0.005	0.832	<0.001			

Source: Processed data

The test results in Table 3 show that of 36 indicators, 9 (11%) of them have indicators between 0.5 - 0.7. This indicator is maintained considering its contribution to construct validity content and measurement instruments for Islamic Ethical Leadership and Ethical Behavior can be said to be a newly developed instrument. The cross-loading indicator for the three constructs has also met the conditions where the loading factor indicator value> the cross-loading value for other latent variable indicators. It can be said that the convergent and discriminant validity of each indicator of the three research variables has met the requirements. Convergent validity can be seen from the AVE value that has met the conditions> 0.5. The reliability criteria have also met the conditions where the Cronbach's Alpha coefficient and composite reliability are> 0.7. Thus it can be concluded that the research instrument for ethical climate variables is valid and reliable.

Testing the Structural Model
The structural model of this study was tested using WarpPLS 5.0. The results of the structural model test (inner model) can be seen in the R-Square (R2) for each endogenous variable, the path coefficient value, the t value and the p value for each path relationship between variables. The path coefficient value and the t-value for each path is described in the sub-discussion of the hypothesis testing results. The value of R2 is used to measure the level of variation in endogenous variables explained by a number of influencing variables. The higher the R2 value means the better the predictive power of the proposed model.
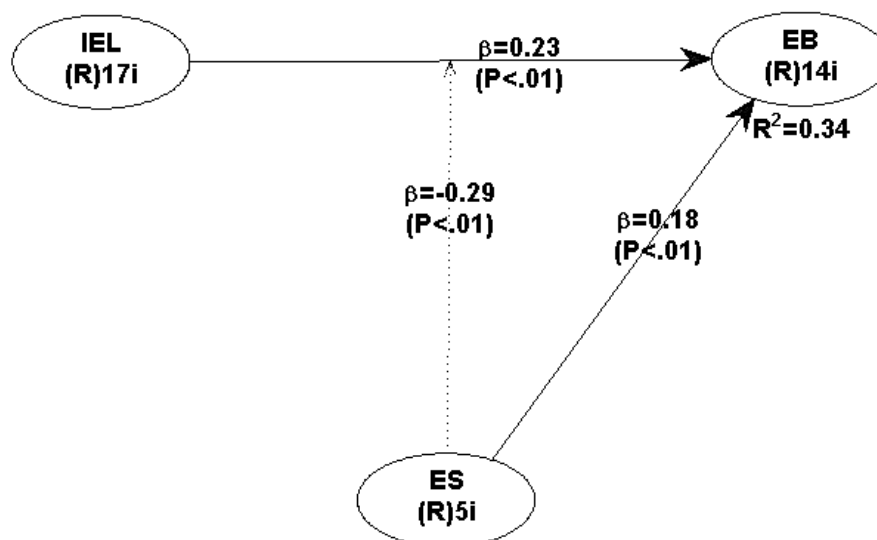

Figure 2. Structural Model
Source: Output of Processed data

The results of the inner model test are shown in Table 4. It can be seen that hypothesis 1 in this study is proven to be acceptable. The path coefficient is 0.23 with a p-value <0.01 which indicates that Islamic ethical leadership has a positive effect on ethical behavior. Hypothesis 2 is also accepted. The path coefficient shows a value of 0.18 with a p-value of <0.01. Thus it can be said that Ethical Sensitivity has a significant positive effect on ethical behavior. Likewise, hypothesis 3 in this study is also accepted. It is proven that Ethical Sensitivity significantly moderates the influence of Islamic Ethical Leadership on ethical behavior. A path coefficient of -0.29 with a p-value of <0.01 indicates that Ethical Sensitivity moderates negatively.

The coefficient of determination (R2) is 0.34 which shows the contribution of variations in islamic ethical leadership and ethical sensitivity to variations in ethical behavior. the R-squared also illustrates the predictive accuracy of the proposed model. Garson (2016) Referring to the opinion of Chin (1998) and Höck & Ringle (2006), explain that R-squared 0.67, 0.33 and 0.19 are said to be high, moderate and weak. Therefore, the predictive accuracy of the currently proposed research model is moderate.

Table 4. Results of the Path Coefficient of Inner Model Testing

Hypotheses	Path Coefficient	P-value	Results
Islamic Ethical Leadership has a positive effect on Ethical Behavior	0.23	<0.01	supported
Ethical Sensitivity positively affects Ethical Behavior	0.18	<0.01	supported
Ethical Sensitivity moderates the influence of Islamic Ethical Leadership on Ethical Behavior	-0,29	<0.01	supported ung

Source: output of processed data

Discussions

The first hypothesis, the better the implementation of Islamic ethical leadership, which can further increase the nurses' ethical behavior, is proved to be supported. It means that if the nurse leader at the Islamic Hospital applies the ethical leadership style of Islam well, the nurses will have good ethical behavior as well. Based on the research results, the nurse perceives that the nurse leader has actions, in accordance with what is said and he/she works honestly (*siddiq* aspect). This evidence is in accordance with the statement by Brown & Treviño (2006) that honesty and integrity reflect ethical leadership from the moral dimension of the person.

Muhammad (2015) stated that leaders who have *siddiq* characteristics show honest and correct behavior. Furthermore, the nurse perceives that the nurse leader shows responsible behavior towards the jobs, is fair to subordinates, keeps promises, and considers work as part of worship (mandate aspect). The finding is in accordance with the statement of Beekun (2012) that amanah relates to the concept of temporary responsibility. Muhammad (2015) states that one of the qualities of the mandate of the Prophet Muhammad is justice. Nurses also perceive that the head nurse has motivational attitudes and behaviors, conveys information openly and listens to subordinates' complaints (tabligh aspect). This is according to opinion of Beekun (2012) that ethical leaders provide motivation so that organizational members work in accordance with ethical standards.

Rahman & Shah (2015) and Muhammad (2015) stated that ethical leaders communicate openly, convey correct information and create good relationships with members of the organization. In addition, the nurse perceives that the head nurse has the ability to find solutions, considers religious teachings in solving problems and is willing to continue learning (fathonah aspect). This finding is in line with the opinion of Muhammad (2015) which states that leaders should have high knowledge and have scientific attitudes and behavior. Rahman &

Shah (2015) found that Muslim leaders should have intelligence, professionalism and the ability to find solutions according to Islamic teachings.

In this study, it is also proved that the implementation of being *siddiq, amanah, tabligh* and *fathonah* motivates nurses to carry out their work in accordance with the nursing code of ethics. The nurses were considered to have implemented ethical behavior well as indicated by the high responses of respondents to the ethical behavior of nurses. Nurses are considered to have implemented a nursing code of ethics which includes autonomy (respecting patient opinion), benevolence (caring with full attention), non maleficence (harmless), justice (serving fairly), veracity (honesty) and fidelity (loyal and keep promises to patients).

The findings of this study expand on previous research findings that leadership style influences employee behavior (Rabie & Abdul Malek, 2020; Al Halbusi et al., 2020; Esmaelzadeh et al., 2017). Commer et al. (2017) found that ethical leadership has a positive effect on employee performance. In relation to Islamic Ethical Leadership, studies conducted by prove that the Islamic leadership style in which the leader shows siddiq, amanah, fathanah and tabligh significantly affect employee performance (Budiono et al., 2019). This research strengthens the social exchange theory where leaders and followers will carry out social exchanges based on reciprocity and strengthen the truth of social learning theory where ethical leadership explains that head nurses, especially those related to the application of organizational rules and nursing code of ethics in hospitals, become behavioral references for nursing nurses.

The second hypothesis stating that ethical sensitivity positively affects ethical behavior is supported. The high ethical sensitivity of nurses encourages ethical behavior in role of nurse administrators in Islamic Hospitals. The ability to identify ethical problems is believed to lead to the ability to exercise moral judgment (moral judgment)

and the ability to demonstrate ethical behavior. Gok et al. (2017) proved that being sensitive to ethical criteria is considered a component of professional competence and can improve the ethical performance of nurses (Zhang et al., 2019). In the context of developing ethics in hospitals, it can be said that the higher the moral awareness of nurses, the higher their ethical behavior. The findings of this study are in line with the results of empirical studies conducted by Zhang et al. (2019) which shows that the ethical sensitivity of nurses affects the performance of both in-role and extra-role services to patients. The findings of this study also prove the validity of social learning theory (SLT). As explained by Bonner et al. (2016), ethical awareness or sensitivity is an important and necessary requirement in the learning process in organizations. Employees who are more sensitive to ethical issues in the workplace will have a greater ability to solve these ethical problems.

The third hypothesis states that ethical sensitivity negatively moderates the effect of Islamic ethical leadership on ethical behavior. This finding means that ethical sensitivity weakens or negates the influence of Islamic ethical leadership on nurses' ethical behavior. In other words, if the nurse has high ethical sensitivity, the role of the head nurse is reduced or no longer needed in developing ethical behavior of nurses. Gok et al. (2017) proved the truth of the substitute for leadership theory that ethical sensitivity in this study acts as a substitute for the role of leaders in influencing employee behavior. Therefore, high ethical sensitivity will make employees have a great ability to identify moral issues in their daily activities at work. This ability will ultimately influence ethical behavior. In this study, the role of ethical leadership is weak in influencing the ethical behavior of nurses.

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

This study aims to examine the effect of Islamic ethical leadership on the ethical behavior of Islamic hospital nurses by involving the moderating role of ethical sensitivity. The research findings show that the nurse head's Islamic ethical leadership style will significantly improve the ethical behavior of nurses in Islamic hospitals. In addition, this study proves that ethical sensitivity significantly weakens the influence of Islamic ethical leadership on nurses' ethical behavior. It can be concluded that the ethical behavior of Islamic hospital nurses in this study can be improved through the application of an Islamic ethical leadership style or by increasing the nurses' ethical sensitivity.

Theoretically, the findings of this study expand the application of social learning theory (SLT) and social exchange theory (SET) that employees will learn and imitate the behavior of leaders who act as role models. Employees will also change their behavior in return for what their leader gives them. Ethical leaders act as ethical role models and treat employees in accordance with ethical norms developed in the organization. In addition, theoretically, the findings of this study have implications that Islamic ethical leadership is an effective leadership style in influencing the ethical behavior of organizational members in the context of Eastern culture and Islamic teachings.

The higher the implementation of Islamic ethical leadership, the better the ethical behavior of organizational members is. In addition, the research findings provide insight into how the effectiveness of ethical leadership styles in influencing ethical behavior is influenced by differences in individual characteristics, namely ethical sensitivity. When employees have high ethical sensitivity, their leaders no longer have to focus on developing an ethical leadership style. The role of ethical leadership will be more effective when the ethical sensitivity of organizational members is low. It can be said that the findings of this study support the leadership substitution theory.

Practically, at an Islamic hospital, the leaders can develop Islamic ethical leadership abilities through increasing aspects of trust, especially those related to the application of the principles of justice and accountability. This is because the implementation of the principle of jus-tice in treating employees and accountability for their duties and obligations is an indicator that provides the largest contribution to the variable of Islamic ethical leadership. In addition, Islamic hospital nurses can increase ethical sensitivity by increasing the ability to understand patient needs and the ability to communicate with patients.

This study has some limitations. It can be due to the sample as taken using non-random sampling so that the research is generalizable in the scope of the selected sample. Therefore, for further study, the researchers can also consider the sampling technique. The next limitation is that there are still variable measurement indicators; especially Islamic ethical leader-ship and ethical behavior of nurses which have a loading factor below 0.7, the next researcher can also have higher validity reliability in variable measurement instrument. Furthermore, the next researcher can use a qualitative approach in analyzing the contribution of ethical sensitivity in

the development of ethical behavior in the workplace, considering that behavioral research requires an in-depth understanding of the research variables. Subsequent researchers can also examine the role of ethical sensitivity as a mediating variable given the results of the study by Zhang et al. (2019) proved that ethical sensitivity mediates the effect of ethical leadership on nurse performance.

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Appendix: **Research Instrument**

Islamic Ethical Leadership (IEL)		
1.	IEL1	His behavior is in accordance with what he says.
2.	IEL2	Honest at working.
3.	IEL3	showing a good model in action.
4.	IEL4	Prioritizing personal interests rather than organizational interests
5.	IEL5	Never does things that are prohibited by religion.
6.	IEL6	Dare to convey the truth even though it carries the risk of having to leave his position
7.	IEL7	Reminding the subordinates by not demeaning them
8.	IEL8	Giving work instructions to subordinates in easy language
9.	IEL9	Able to show the spirit of fighting on a path that is blessed by Allah SWT to others
10.	IEL10	Willing to listen to the complaints of other people who are experiencing difficulties
11.	IEL11	Able to simplify complex work problems
12.	IEL12	Finding alternative solutions to problems based on religious teachings
13.	IEL13	Treat subordinates fairly.
14.	IEL14	Able to provide solutions to work problems at hand
15.	IEL15	Regarding the task he carries as a mandate from Allah SWT
16.	IEL16	Seriously completes the task that is his responsibility.
17.	IEL17	Comply with mutually agreed rules.
Ethical Sensitifity (ES)		
1.	ES1	I feel responsible for the good care of patients despite insufficient hospital resources,
2.	ES2	Being able to feel what the patient needs helps my work
3.	ES3	I have an excellent ability to communicate difficult matters to patients
4.	ES4	Being able to sense what the patient needs makes me do more than I can have
5.	ES5	I have the ability to know if the patient is not receiving good care
6.	ES6	I find it difficult to control the feelings that arise when the patient is suffering
7.	ES7	When treating patients I am conscious of balancing the potential for doing good with the risk of harming the patient
8.	ES8	I have ability to recognize the needs of patients make me feel helpless
9.	ES9	I can follow rules and policies, helping me to know what is good and bad for patients
Ethical Behaviors (EB)		
1.	OT1	I facilitate giving informed consent to patients
2.	OT2	I respect the patient's right to determine which of the members is notified of their health condition.
3.	OT3	I provide complete information on the therapeutic procedures to be approved by the patient.
4.	OT4	I force the patient to provide information even though the patient is not willing to provide the information
5.	MN5	I apply standard operating procedures to the nursing actions I perform
6.	MN6	I do my job according to my authority
7.	MN7	I am willing to take training that can improve my skills as a nurse
8.	MN8	I am guided by the code of ethics in caring for patients
9.	BN9	I carry out a complete evaluation in order to properly understand the patient's needs
10.	BN10	I help patients meet their basic needs

11.	BN11	I ask my supervisor for help if I have trouble dealing with a patient problem
12.	BN12	I take care of the patient's comfort
13.	JT13	In providing care, I do not differentiate between patients (in terms of religion, ethnicity, social status or gender).
14.	JT14	I give more attention to the patients who really need it
15.	JT15	I create a nursing plan in order to provide care according to the patient's needs
16.	JT16	I provide accurate nursing care to patients
17.	VR17	I provide correct information in a way that is easy for the patient to understand
18.	VR18	I describe various alternative actions that are appropriate for the client
19.	VR19	I do a complete nursing documentation
20.	VR20	I do accurate nursing documentation
21.	FD21	I keep the promises I make to patients
22.	FD22	I am responsible for all nursing actions that I take on patients
23.	FD23	I involve patients in planning nursing actions
24.	FD24	I maintain the patients' confidentiality in carrying out nursing services.