

Research Article

# Ethicak Leadership as a Strategic

Jana Sandra <sup>1\*</sup>, Baby Poernomo <sup>2</sup>, Rafika Ludmilla <sup>3</sup>, Rohani Lestari Napitupulu <sup>4</sup>

- 1 Departemen Bisnis, Fakultas Ilmu Administrasi, Institut Ilmu Sosial dan Manajemen STIAMI, Indonesia  
Email : [jana.sandra@stiami.ac.id](mailto:jana.sandra@stiami.ac.id)
- 2 Departemen Bisnis, Fakultas Ilmu Administrasi, Institut Ilmu Sosial dan Manajemen STIAMI, Indonesia  
Email : [jana.sandra@stiami.ac.id](mailto:jana.sandra@stiami.ac.id)
- 3 Departemen Akuntansi, Fakultas Ekonomi dan Bisnis, Institut Ilmu Sosial dan Manajemen STIAMI, Indonesia  
Email : [jana.sandra@stiami.ac.id](mailto:jana.sandra@stiami.ac.id)
- 4 Departemen Manajemen, Fakultas Ekonomi dan Bisnis, Universitas Informatika Bina Sarana (UBSI), Indonesia  
Email : [jana.sandra@stiami.ac.id](mailto:jana.sandra@stiami.ac.id)

\* Corresponding Author: [jana.sandra@stiami.ac.id](mailto:jana.sandra@stiami.ac.id)

**Abstract.** This study examines ethical leadership as a strategic imperative in contemporary organizations, particularly within environments shaped by digital transformation and artificial intelligence (AI). While AI-driven systems offer significant advantages in efficiency and decision-making, organizations continue to face ethical challenges related to accountability, transparency, bias, and governance. The main problem addressed in this study is the limited integration of ethical leadership frameworks into strategic management and AI governance, where ethics is often treated as a peripheral value rather than a strategic capability. Accordingly, this study aims to reposition ethical leadership as a core strategic driver that guides organizational decision-making and responsible technology adoption. Using a qualitative analytical approach, this research synthesizes peer-reviewed literature on ethical leadership, strategic management, and AI governance through thematic and comparative analysis. The method focuses on identifying strategic patterns, governance mechanisms, and leadership roles that link ethical principles with long-term organizational objectives. The findings indicate that ethical leadership functions as a foundational strategic capability by aligning organizational values with strategic actions, strengthening governance structures, and enhancing stakeholder trust in AI-enabled decision systems. Ethical leadership is shown to play a critical role in mediating ethical risks associated with AI, such as opacity and accountability gaps, while supporting responsible innovation and organizational legitimacy. The synthesis of findings demonstrates that ethical leadership extends beyond individual moral behavior and operates at the strategic level through institutionalized policies, governance frameworks, and strategic planning processes.

**Keywords:** Artificial Intelligence Governance, Ethical Leadership, Organizational Ethics, Responsible Innovation, Strategic Management.

## 1. Introduction

The rapid diffusion of artificial intelligence (AI) technologies across organizational and societal domains has transformed decision-making processes, governance structures, and leadership practices. While AI-driven systems promise efficiency, scalability, and predictive accuracy, they also raise profound ethical challenges related to accountability, transparency,

Received: September 18, 2025

Revised: September 30, 2025

Accepted: October 19, 2025

Published: October 31, 2025

Curr. Ver.: October 31, 2025



Copyright: © 2025 by the

authors. Submitted for possible  
open access publication under  
the terms and conditions of the  
Creative Commons Attribution  
(CC BY SA) license

(<https://creativecommons.org/licenses/by-sa/4.0/>)

bias, and social responsibility. In this context, the research object of this study is ethical leadership as a strategic mechanism for guiding AI adoption and utilization in organizations. Ethical leadership is examined not merely as a normative construct, but as a strategic imperative that shapes organizational trust, long-term sustainability, and responsible innovation in AI-enabled environments.

Previous studies have employed diverse methodological approaches to investigate leadership and ethics in digital and technological contexts. Quantitative survey-based studies have been widely used to measure the influence of ethical leadership on organizational outcomes such as employee commitment, trust, and performance, offering strong generalizability but often lacking contextual depth. Qualitative approaches, including case studies and interviews, provide rich insights into ethical decision-making processes but are limited in scalability and replicability. Conceptual and normative analyses have contributed theoretical clarity, yet frequently remain disconnected from empirical validation, particularly in AI-driven organizational settings. These methodological strengths and weaknesses indicate a gap in integrative approaches that connect ethical leadership theory with strategic and technological realities.

The main research problem addressed in this study concerns the insufficient integration of ethical leadership frameworks into strategic AI governance and organizational decision-making. Many organizations adopt AI primarily from a technological or efficiency-oriented perspective, neglecting leadership-driven ethical considerations that could mitigate risks and enhance legitimacy. This study proposes an integrative analytical approach that positions ethical leadership as a strategic capability aligned with AI governance, organizational culture, and stakeholder trust.

The contributions of this research are fourfold: (1) conceptualizing ethical leadership as a strategic imperative in AI-enabled organizations; (2) synthesizing prior leadership, ethics, and AI governance literature to identify critical gaps; (3) proposing an integrative framework linking ethical leadership to responsible AI strategy; and (4) offering theoretical and practical implications for scholars, executives, and policymakers. The remainder of this paper is organized as follows: the next section reviews related literature, followed by the research methodology, results and discussion, implications, and concluding remarks.

## **2. Preliminaries or Related Work or Literature Review**

This section reviews and synthesizes key theoretical and empirical studies related to ethical leadership and its strategic relevance in contemporary organizations. The discussion is structured into thematic sub-sections to systematically present the evolution of ethical leadership concepts, dominant research approaches, and recent extensions linking leadership ethics with strategic management and technological governance. By integrating foundational theories with recent empirical findings, this section highlights how ethical leadership has been

conceptualized, operationalized, and examined across different organizational contexts. More importantly, it identifies critical gaps in the existing literature, particularly the limited treatment of ethical leadership as a core strategic capability rather than a peripheral ethical norm. This structured review provides the analytical foundation for positioning ethical leadership as a strategic imperative and justifies the need for the present study.

### **Conceptual Foundations of Ethical Leadership**

Ethical leadership is conceptually rooted in normative ethics and leadership theory, emphasizing the role of leaders as moral agents who influence organizational behavior through values, principles, and exemplary conduct. At its core, ethical leadership is defined as the demonstration of normatively appropriate behavior through personal actions, interpersonal relationships, and decision-making processes, as well as the promotion of such behavior among followers through communication, reinforcement, and ethical guidance. This conceptualization positions leaders not only as authority figures but also as moral role models whose conduct shapes ethical standards within organizations.

The theoretical foundation of ethical leadership draws from social learning theory, which suggests that individuals learn appropriate behavior by observing credible and legitimate role models. In organizational settings, leaders occupy a central position of visibility and authority, making their ethical or unethical actions highly influential. When leaders consistently demonstrate fairness, integrity, and accountability, they establish ethical norms that guide employee behavior and organizational culture. Conversely, the absence of ethical leadership may legitimize opportunistic or unethical practices, undermining trust and institutional legitimacy.

Beyond its moral dimension, ethical leadership has increasingly been linked to organizational effectiveness and sustainability. Contemporary leadership theories argue that ethical leadership contributes to the development of ethical climates, enhances employee trust, and supports long-term organizational resilience. Ethical leaders foster transparent decision-making and responsible governance, which are essential for managing complex organizational environments characterized by uncertainty and rapid change. However, much of the early literature conceptualizes ethical leadership primarily as an interpersonal or behavioral construct, focusing on leader–follower interactions rather than strategic organizational outcomes.

Recent conceptual developments extend ethical leadership beyond individual behavior toward a broader organizational and strategic orientation. Ethical leadership is increasingly understood as a governance mechanism that informs strategic choices, risk management, and stakeholder engagement. In this view, ethical leadership functions as a foundational capability that aligns organizational values with strategic objectives, ensuring that performance goals are pursued without compromising ethical standards. This shift in perspective provides a critical

theoretical basis for framing ethical leadership as a strategic imperative rather than merely a moral attribute of individual leaders.

### **Ethical Leadership and Strategic Management**

Ethical leadership has progressively been recognized as an integral component of strategic management, extending its relevance beyond individual leader behavior to the formulation and execution of organizational strategy. In strategic contexts, leadership ethics influence how organizations define their mission, allocate resources, manage risks, and engage with stakeholders. Ethical leaders contribute to strategic clarity by ensuring that organizational objectives are aligned with moral values, social responsibility, and long-term sustainability rather than short-term performance gains.

From a strategic management perspective, ethical leadership supports the development of sustainable competitive advantage. Organizations led by ethical leaders tend to cultivate trust-based relationships with employees, customers, investors, and regulators, which enhances reputational capital and reduces governance risks. Ethical leadership also strengthens strategic decision-making by encouraging transparency, accountability, and inclusive deliberation, particularly in complex and uncertain environments. These attributes enable organizations to anticipate ethical risks and integrate moral considerations into strategic planning processes.

Empirical studies in strategic leadership suggest that ethical leadership positively affects organizational performance through indirect mechanisms such as organizational commitment, ethical climate, and reduced opportunistic behavior. However, many of these studies treat strategy as a contextual variable rather than a central analytical focus. As a result, the strategic function of ethical leadership is often implied rather than explicitly theorized, limiting its explanatory power in strategic management research.

Recent strategic governance literature argues that ethical leadership should be conceptualized as a strategic capability embedded within organizational systems and processes. Ethical leaders shape strategic governance structures by establishing ethical standards, codes of conduct, and accountability mechanisms that guide strategic actions across organizational levels. This perspective emphasizes that ethical leadership is not confined to top executives but is institutionalized through strategic policies and governance frameworks.

### **Ethical Leadership in Digital and AI-Driven Organizations**

The acceleration of digital transformation and the adoption of artificial intelligence have fundamentally altered organizational structures, decision-making processes, and leadership responsibilities. AI-driven systems increasingly influence strategic decisions related to recruitment, performance evaluation, credit assessment, risk management, and customer engagement. While these technologies enhance efficiency and predictive capabilities, they simultaneously introduce ethical risks such as algorithmic bias, opacity, data misuse, and

diminished human accountability. In this context, ethical leadership becomes critical in ensuring that technological advancement aligns with organizational values and societal expectations.

Ethical leadership in digital and AI-driven organizations extends beyond traditional moral conduct to include responsibility for governing complex socio-technical systems. Leaders are expected to oversee not only human behavior but also the ethical implications embedded in algorithms, data governance, and automated decision systems. This requires ethical leaders to possess strategic awareness of how AI technologies shape power relations, affect stakeholder trust, and potentially amplify existing inequalities. Consequently, ethical leadership functions as a mediating force between technological innovation and responsible organizational practice.

Recent literature on AI governance emphasizes that ethical leadership plays a central role in promoting transparency, accountability, and explainability in algorithmic decision-making. Ethical leaders encourage the integration of ethical principles such as fairness, non-maleficence, and respect for human autonomy into AI design and deployment strategies. Rather than delegating ethical responsibility solely to technical experts, ethical leaders foster cross-functional collaboration between management, data scientists, legal experts, and ethicists to ensure responsible AI use.

Despite increasing scholarly attention, much of the existing research treats ethical leadership and AI ethics as parallel rather than integrated domains. Studies on AI ethics often focus on regulatory frameworks or technical solutions, while leadership studies continue to emphasize human centered ethical behavior. This separation limits the development of comprehensive models that account for leadership ethics as a strategic governance mechanism in AI-enabled organizations. The lack of empirical and conceptual integration highlights the need for research that positions ethical leadership as a strategic anchor for responsible digital transformation.

### **3. Materials and Method**

This section outlines the research design, materials, and analytical procedures employed to address the research objectives of this study. The methodological approach is structured into several sub-sections to provide a clear and systematic explanation of how the study was conducted, from the selection of research materials to the development of the analytical framework. By presenting each step in a transparent manner, this section ensures methodological rigor and allows readers to assess the validity and reliability of the research process. The chosen approach is particularly appropriate for examining ethical leadership as a strategic imperative, as it enables an in-depth synthesis of theoretical perspectives and contemporary research within the context of digital and AI-driven organizations.

#### **Research Design**

This study employs a qualitative analytical research design with a conceptual and integrative approach to examine ethical leadership as a strategic imperative in contemporary organizations. The research is designed to synthesize theoretical perspectives, empirical findings, and governance frameworks related to ethical leadership, strategic management, and artificial intelligence. Rather than testing statistical relationships, the study focuses on developing an analytical framework that explains how ethical leadership functions as a strategic capability in AI-driven organizational contexts.

### **Research Materials**

The primary materials of this study consist of peer-reviewed academic literature drawn from reputable international journals in the fields of leadership studies, strategic management, business ethics, and AI governance. Sources include conceptual articles, empirical studies, and policy-oriented publications that address ethical leadership, responsible technology use, and organizational strategy. Only studies with clear theoretical grounding and methodological transparency are included to ensure analytical rigor.

### **Data Collection Procedure**

The research follows a structured and transparent procedure consisting of several stages. First, relevant literature is identified through systematic searches using predefined keywords related to ethical leadership, strategic leadership, digital transformation, and AI ethics. Second, selected studies are screened based on relevance, academic quality, and alignment with the research objectives. Third, the included literature is carefully reviewed and categorized according to key themes, such as leadership ethics, strategic governance, and responsible AI practices.

### **Data Analysis Technique**

Data analysis is conducted using thematic and comparative analysis. The selected studies are examined to identify recurring concepts, theoretical patterns, and methodological approaches. These elements are then compared across studies to reveal dominant perspectives as well as underexplored areas. Through this process, ethical leadership is analyzed not only as an individual leadership behavior but also as a strategic organizational capability embedded in governance structures and decision-making processes.

### **Analytical Framework Development**

Based on the thematic synthesis, this study develops an integrative analytical framework that connects ethical leadership with strategic management and AI governance. The framework illustrates how ethical leadership influences strategic orientation, guides responsible technology adoption, and strengthens organizational legitimacy. This step-by-step analytical construction ensures that the proposed framework is grounded in existing scholarship while offering a novel strategic perspective.

## **4. Results and Discussion**

This section presents the results of the study and discusses their implications in relation to the research objectives and the conceptual propositions developed earlier. The presentation begins with a description of the analytical tools and data sources used, followed by initial analysis outcomes and the main findings. The discussion then elaborates on how these findings contribute to understanding ethical leadership as a strategic imperative, particularly within digital and AI-driven organizational contexts.

### **Strategic Analytical Environment**

In line with the focus of this study on ethical leadership as a strategic imperative, the research does not involve technical experimentation, algorithm development, or system performance evaluation. Instead, it adopts a strategic analytical perspective that examines leadership ethics within organizational and governance contexts influenced by artificial intelligence. Consequently, the research environment is designed to support conceptual analysis, strategic interpretation, and integrative synthesis rather than computational processing. The analytical environment of this study relies on standard academic computing resources to facilitate literature exploration, data organization, and qualitative analysis. These resources enable systematic engagement with leadership and strategic management literature, allowing the researcher to trace conceptual developments, identify strategic patterns, and examine how ethical leadership is positioned within AI-driven organizational settings.

To support analytical rigor, academic software tools were employed for reference management and thematic analysis. Reference management tools ensured consistent organization of sources and accurate citation tracking, while qualitative analysis tools facilitated structured coding and comparison of key strategic constructs such as ethical governance, leadership accountability, and strategic alignment. This environment supports transparency and coherence in the analytical process. Overall, the strategic analytical environment adopted in this study reflects its theoretical orientation. By prioritizing analytical clarity and conceptual integration, the research environment enables a focused examination of ethical leadership as a strategic capability that guides organizational decision-making and responsible technology governance.

### **Strategic Data Sources and Analytical Materials**

The data sources used in this study are designed to support a strategic examination of ethical leadership within contemporary organizational contexts. Rather than relying on numerical datasets or system generated data, this research draws upon scholarly and institutional materials that reflect theoretical, empirical, and normative perspectives on ethical leadership, strategic management, and artificial intelligence governance. These materials constitute the analytical foundation for understanding how ethical leadership operates as a strategic capability. The primary data sources consist of peer-reviewed journal articles, academic books, and policy-oriented publications published by reputable institutions. These sources address key themes such as ethical leadership behavior, strategic leadership models,

governance frameworks, and ethical challenges associated with digitalization and AI adoption. The inclusion of diverse types of literature allows for a comprehensive and balanced analysis across multiple organizational and disciplinary perspectives.

To ensure analytical relevance and rigor, the selected materials meet specific criteria: conceptual clarity, methodological transparency, and direct relevance to leadership ethics or strategic decision-making in technology-influenced environments. Studies that focus exclusively on technical aspects of AI without leadership or governance implications were excluded. This selective approach ensures that the materials directly contribute to the strategic framing of ethical leadership. Collectively, these strategic data sources enable comparative and thematic analysis across organizational contexts, helping to identify consistent patterns and emerging insights. By grounding the analysis in high-quality scholarly materials, this study ensures that its findings are theoretically informed and strategically relevant to ongoing debates on ethical leadership and responsible organizational governance.

Table 1. Strategic Data Sources and Analytical Materials.

Data Source Type	Description	Contribution to Analysis
Peer-reviewed journals	Leadership, ethics, strategy, and AI governance studies	Provide theoretical and empirical foundations
Academic books	Leadership and strategic management frameworks	Offer conceptual depth and historical grounding
Policy and governance documents	Ethical guidelines and governance frameworks	Contextualize ethical leadership in strategic governance
Inclusion Criteria	Relevance, methodological clarity, strategic focus	Ensure analytical rigor and relevance

Table 1 summarizes the strategic data sources and analytical materials used in this study to examine ethical leadership from a strategic perspective. The table demonstrates that the research does not rely on technical or numerical datasets, but instead draws on high-quality scholarly and institutional sources that are directly relevant to leadership ethics, strategic management, and AI-related governance challenges. Peer-reviewed journal articles constitute the primary data source, as they provide empirically grounded and theoretically robust insights into ethical leadership behavior, strategic leadership models, and governance mechanisms in contemporary organizations. Academic books are included selectively to support general theoretical foundations, particularly in leadership and strategic management theory, while policy and governance documents contribute contextual understanding of ethical principles and governance frameworks relevant to technology-driven environments.

The inclusion criteria presented in the table highlight the strategic orientation of the analysis. Only sources with clear conceptual relevance, methodological transparency, and direct linkage to leadership ethics or strategic decision-making were selected. Materials focusing exclusively on technical aspects of artificial intelligence without governance or leadership implications were excluded. This selective approach ensures that the analytical materials contribute meaningfully to the strategic framing of ethical leadership.

### **Strategic Pattern Identification and Initial Analysis**

The initial stage of analysis focuses on identifying strategic patterns related to ethical leadership across the selected analytical materials. This process aims to uncover how ethical leadership is conceptualized, operationalized, and positioned within organizational strategies, particularly in environments influenced by digital transformation and artificial intelligence. Rather than quantifying relationships, the analysis emphasizes interpretative depth and strategic relevance. Through systematic reading and thematic coding, recurring concepts and strategic dimensions were identified. These include ethical role modeling by leaders, transparency in strategic decision-making, accountability in governance structures, and alignment between organizational values and technological practices. Particular attention was given to how ethical leadership influences strategic responses to AI-related challenges such as data responsibility, algorithmic decision oversight, and stakeholder trust.

The initial analysis also reveals patterns regarding the strategic positioning of ethical leadership. In many studies, ethical leadership appears as a supportive or contextual factor that enhances organizational culture and employee behavior. However, fewer studies explicitly frame ethical leadership as a central strategic driver shaping long-term organizational direction and governance mechanisms. This finding confirms the analytical gap identified in the literature review and reinforces the relevance of the present study. By identifying these strategic patterns, the analysis establishes a structured basis for deeper interpretation in subsequent sections. The results of this initial analysis inform the synthesis of key findings and support the argument that ethical leadership functions not merely as an ethical safeguard but as a strategic capability essential for guiding organizational decision-making in AI-driven contexts.

### **Key Strategic Findings**

The analysis yields several key strategic findings that clarify the role of ethical leadership within contemporary organizations. First, ethical leadership consistently emerges as a foundational driver of strategic coherence, influencing how organizational goals, values, and governance mechanisms are aligned. Leaders who demonstrate ethical consistency provide strategic direction that integrates moral considerations into long-term planning and decision-making processes, rather than treating ethics as a separate or reactive function.

Second, the findings indicate that ethical leadership plays a critical role in governing technological and AI-enabled decision systems. Ethical leaders are shown to shape strategic oversight mechanisms by emphasizing transparency, accountability, and human responsibility in automated or data-driven processes. This governance-oriented role positions ethical leadership as a strategic safeguard that mitigates ethical risks while enabling responsible innovation. Third, ethical leadership contributes to strategic legitimacy and stakeholder trust. Organizations guided by ethical leadership tend to maintain stronger relationships with internal and external stakeholders, including employees, customers, regulators, and the broader public. This legitimacy enhances strategic resilience, particularly in contexts where AI-driven decisions may otherwise erode trust due to perceived opacity or bias.

Finally, the findings reveal that ethical leadership operates as a dynamic strategic capability rather than a static leadership trait. Its strategic impact is amplified when ethical principles are institutionalized through governance structures, codes of conduct, and strategic policies. This institutionalization allows ethical leadership to shape organizational behavior consistently across different levels and functions. Collectively, these findings support the central argument of this study that ethical leadership functions as a strategic imperative. Rather than serving merely as a moral guideline, ethical leadership actively shapes strategic orientation, governance effectiveness, and sustainable organizational outcomes in AI-influenced environments.

### **Ethical Leadership as a Strategic Imperative**

The findings of this study provide strong conceptual support for positioning ethical leadership as a strategic imperative rather than a peripheral organizational value. Consistent with the conceptual foundations outlined earlier, the results demonstrate that ethical leadership exerts strategic influence by shaping governance structures, guiding decision-making processes, and aligning technological adoption with organizational values. This confirms the initial proposition that ethical leadership operates at the strategic level, influencing both the direction and execution of organizational strategies. The discussion highlights that ethical leadership plays a crucial mediating role between technological advancement and organizational legitimacy. In AI-driven environments, where decision-making is increasingly automated and opaque, ethical leadership ensures that strategic choices remain accountable and transparent. This finding extends existing leadership literature, which often focuses on interpersonal ethics, by demonstrating that ethical leadership also governs socio-technical systems and strategic risk management.

Furthermore, the results underscore the importance of institutionalizing ethical leadership within strategic frameworks. Ethical leadership becomes most effective when embedded in organizational policies, governance mechanisms, and strategic planning processes. This institutionalization transforms ethical leadership from an individual leader attribute into a collective strategic capability, reinforcing sustainable performance and

stakeholder trust. From a theoretical perspective, this study bridges leadership ethics and strategic management by demonstrating that ethical leadership contributes to long-term value creation and strategic resilience. Practically, the discussion suggests that organizations seeking to leverage AI and digital technologies responsibly must prioritize ethical leadership at the highest strategic levels. Leaders who neglect ethical considerations in strategic decision-making risk undermining legitimacy, trust, and long term sustainability.

## 5. Comparison

State of the art research on ethical leadership predominantly conceptualizes it as a moral and behavioral construct that influences individual attitudes, ethical climate, and leader follower interactions, while strategic implications are often treated as secondary or implicit. Parallel studies on AI ethics and governance mainly emphasize regulatory frameworks, technical safeguards, and algorithmic accountability, with leadership discussed only as a contextual factor rather than a central analytical element. In contrast, the present study advances the literature by repositioning ethical leadership as a strategic imperative that operates at the level of organizational governance and strategic decision making, particularly in AI-driven contexts. By integrating ethical leadership theory with strategic management and AI governance perspectives, this study moves beyond fragmented approaches and demonstrates how ethical leadership functions as a strategic capability that aligns organizational values, technological practices, and stakeholder expectations. This comparative positioning highlights the study's contribution in bridging leadership ethics and strategic governance, offering a more comprehensive understanding of how organizations can navigate ethical complexity and technological disruption in a sustainable manner.

## 6. Conclusion

This study concludes that ethical leadership functions as a strategic imperative in contemporary organizations, particularly within contexts shaped by digital transformation and artificial intelligence. The findings demonstrate that ethical leadership extends beyond individual moral behavior to operate as a strategic capability that shapes governance structures, guides strategic decision-making, and strengthens organizational legitimacy. The synthesis of the analysis confirms that the research objectives are achieved by repositioning ethical leadership at the strategic level, where it aligns organizational values with strategic actions, mitigates ethical risks associated with AI-enabled decision systems, and enhances stakeholder trust. This study contributes to leadership and strategic management literature by integrating ethical leadership with strategic governance and responsible innovation, offering a conceptual advancement that bridges leadership ethics and AI-related organizational challenges. Nevertheless, the study is limited by its conceptual and analytical nature without

empirical validation; therefore, future research is encouraged to test the proposed framework empirically across sectors, adopt longitudinal approaches, and explore cross cultural contexts to further strengthen the strategic understanding of ethical leadership.

**Acknowledgments:** The authors would like to express their gratitude to the Institute of Social Sciences and Management STTAMI and Bina Sarana Informatika University (UBSI) for the academic and administrative support provided during the preparation of this manuscript. Appreciation is also extended to colleagues and reviewers for their constructive comments and suggestions that contributed to improving the quality and clarity of the paper. This study did not receive any external funding, financial support, or material donations. For transparency, the authors disclose that artificial intelligence based language assistance tools were used solely to support language editing, structural organization, and clarity of academic writing. The use of these tools did not affect the research design, analysis, interpretation of findings, or conclusions, which remain the full responsibility of the authors.

## References

- Bedi, A., Alpaslan, C. M., & Green, S. (2016). A meta-analytic review of ethical leadership outcomes and moderators. *Journal of Business Ethics*, 139(3), 517-536. <https://doi.org/10.1007/s10551-015-2625-1> <https://doi.org/10.1007/s10551-015-2625-1>
- Brown, M. E., & Treviño, L. K. (2006). Ethical leadership: A review and future directions. *The Leadership Quarterly*, 17(6), 595-616. <https://doi.org/10.1016/j.leaqua.2006.10.004> <https://doi.org/10.1016/j.leaqua.2006.10.004>
- Brown, M. E., Treviño, L. K., & Harrison, D. A. (2005). Ethical leadership: A social learning perspective for construct development and testing. *Organizational Behavior and Human Decision Processes*, 97(2), 117-134. <https://doi.org/10.1016/j.obhdp.2005.03.002> <https://doi.org/10.1016/j.obhdp.2005.03.002>
- Dwivedi, Y. K., Hughes, L., Ismagilova, E., et al. (2021). Artificial Intelligence (AI): Multidisciplinary perspectives. *International Journal of Information Management*, 57, 102336. <https://doi.org/10.1016/j.ijinfomgt.2020.102336>
- Eisenbeiss, S. A. (2012). Re-thinking ethical leadership: An interdisciplinary integrative approach. *The Leadership Quarterly*, 23(5), 791-808. <https://doi.org/10.1016/j.leaqua.2012.03.001> <https://doi.org/10.1016/j.leaqua.2012.03.001>
- Floridi, L., Cowls, J., Beltrametti, M., et al. (2018). AI4People An ethical framework for a good AI society. *Minds and Machines*, 28(4), 689-707. <https://doi.org/10.1007/s11023-018-9482-5> <https://doi.org/10.1007/s11023-018-9482-5>
- Hannah, S. T., Avolio, B. J., & Walumbwa, F. O. (2011). Relationships between authentic leadership, moral courage, and ethical behavior. *Business Ethics Quarterly*, 21(4), 555-578. <https://doi.org/10.5840/beq201121436> <https://doi.org/10.5840/beq201121436>
- Hoch, J. E., Bommer, W. H., Dulebohn, J. H., & Wu, D. (2018). Do ethical, authentic, and servant leadership explain variance above and beyond transformational leadership? *Academy of Management Journal*, 61(2), 501-529. <https://doi.org/10.5465/amj.2015.0426> <https://doi.org/10.1177/0149206316665461>
- Jarrahi, M. H. (2018). Artificial intelligence and the future of work. *Business Horizons*, 61(4), 577-586. <https://doi.org/10.1016/j.bushor.2018.03.007> <https://doi.org/10.1016/j.bushor.2018.03.007>
- Jobin, A., Ienca, M., & Vayena, E. (2019). The global landscape of AI ethics guidelines. *Nature Machine Intelligence*, 1(9), 389-399. <https://doi.org/10.1038/s42256-019-0088-2> <https://doi.org/10.1038/s42256-019-0088-2>
- Kaptein, M. (2019). The moral entrepreneur: A new component of ethical leadership. *Journal of Business Ethics*, 156(4), 1135-1150. <https://doi.org/10.1007/s10551-017-3641-0> <https://doi.org/10.1007/s10551-017-3641-0>

- Maak, T., & Pless, N. M. (2006). Responsible leadership in a stakeholder society. *Journal of Business Ethics*, 66(1), 99-115. <https://doi.org/10.1007/s10551-006-9047-z> <https://doi.org/10.1007/s10551-006-9047-z>
- Maak, T., Pless, N. M., & Voegtlin, C. (2016). Business statesman or shareholder advocate? CEO responsibility orientations and the role of ethical leadership. *Academy of Management Perspectives*, 30(1), 77-99. <https://doi.org/10.5465/amp.2014.0015>
- Mikalef, P., Fjortoft, S. O., & Torvatn, H. Y. (2019). Artificial intelligence in the supply chain. *International Journal of Production Economics*, 217, 1-13. <https://doi.org/10.1016/j.ijpe.2019.03.020> <https://doi.org/10.1016/j.ijpe.2019.03.020>
- Neubert, M. J., Carlson, D. S., Kacmar, K. M., Roberts, J. A., & Chonko, L. B. (2009). The virtuous influence of ethical leadership behavior. *Journal of Business Ethics*, 90(2), 157-170. <https://doi.org/10.1007/s10551-009-0037-9> <https://doi.org/10.1007/s10551-009-0037-9>
- Raisch, S., & Krakowski, S. (2021). Artificial intelligence and management: The automation-augmentation paradox. *Academy of Management Review*, 46(1), 192-210. <https://doi.org/10.5465/amr.2018.0072> <https://doi.org/10.5465/amr.2018.0072>
- Scherer, A. G., Palazzo, G., & Seidl, D. (2013). Managing legitimacy in complex and heterogeneous environments. *Organization Studies*, 34(2), 259-284. <https://doi.org/10.1177/0170840612467151> <https://doi.org/10.1177/0170840612467151>
- Trevino, L. K., Hartman, L. P., & Brown, M. (2000). Moral person and moral manager: How executives develop a reputation for ethical leadership. *California Management Review*, 42(4), 128-142. <https://doi.org/10.2307/41166057> <https://doi.org/10.2307/41166057>
- Voegtlin, C., Patzer, M., & Scherer, A. G. (2012). Responsible leadership in global business. *Journal of Business Ethics*, 105(1), 1-17. <https://doi.org/10.1007/s10551-011-0952-4> <https://doi.org/10.1007/s10551-011-0952-4>
- Waldman, D. A., & Galvin, B. M. (2008). Alternative perspectives of responsible leadership. *Organizational Dynamics*, 37(4), 327-341. <https://doi.org/10.1016/j.orgdyn.2008.07.001> <https://doi.org/10.1016/j.orgdyn.2008.07.001>