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PRIMARY RESEARCH

Responsible leadership and employee performance in the Indian public sector: The mediating role of personal norms

Ananya Singh*
Department of Fine Arts, Manipal University Jaipur, Rajasthan, India

Keywords
Responsible leadership
Executive-level employee's performance
Managerial-level employee's performance
Employee personal norm
Operational-level employee's performance

Abstract
This study explored responsible leadership's hierarchical influence on employee's performance at three levels (Executive, Managerial, and Operational) in India's public sector, emphasizing the mediating effects of employee personal norm (EPN). Drawing on top management team theory, a cross-sectional quantitative survey was used to gather data from 415 respondents in the Indian public sector, and Smart PLS was used for analysis. The findings provided strong support for a significant positive direct relationship between RL and EPN. More importantly, it was determined that the EPN significantly mediates the relationship between RL and performance at both the managerial and operational levels at both the managerial and operational level. For the executive-Level, however, no significant mediating effect was found. Overall, this study contributes to TMT theory by demonstrating that the unquestioning internalization of ethical norms may limit strategic agility at the executive level of organization. Managerially, the findings suggest a role-level specific approach to ethics training, such as "ethical agility" for executives and "diligence reinforcement" for lower-level employees, to improve governance and performance in the public sector.

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INTRODUCTION

Organizations constantly strive to improve performance. Achieving this aim in an effective, efficient, and sustainable manner is both challenging and essential for success (Stanikzai & Mittal, 2025). Because of their involvement in money management, banks have this objective at their heart. Financial firms frequently concentrate on quantitative metrics to do this, but organizational behavioral factors that are essential for long-term Organizational Performance (OP) improvement typically get less attention. Numerous theories and methods for enhancing performance have been proposed by Siddiqui et al. (2025) balanced scorecard system combines non-financial and financial performance metrics to offer a more complete picture of OP. The effects of employee performance are yet not well understood. The majority of study focusses on people at lower hierarchical levels, such as procrastination among students and operational or managerial staff. At the managerial level, it can disrupt project timelines and resource allocation and team effectiveness (e.g. delaying new customer service protocols) (Kumari et al., 2025). Performance at the managerial level (e.g. deputy directors, general managers, and middle management responsible for overseeing a function) focuses on operationalizing strategy and supervisory effectiveness. Their performance serves as the essential link between executive policy and execution at the ground level (Gunarathne & Jayasinghe, 2025). Their success stems from the ability to convert lofty idealistic goals into greater measurable objectives for their teams, balancing and managing resources, and ensuring the procedures are being followed (Stanikzai & Mittal, 2025).
Operationally, performance issues can lead to inefficiencies in daily tasks impacting productivity and delivery of service (e.g. teller taking too long to verify documents) (Somu & Rao, 2024).

*corresponding author: Ananya Singh
†email: aana14feb@gmail.com

Performance at the operational level (e.g. administrative staff, field service workers, clerks, technical assistants) involves task completion in an acceptable quantity or quality. These roles are highly formalized and rule oriented, permitting little decision-making discretion, but requiring consistency and effectiveness of output in the execution of service (Ajith et al., 2025). At the upper management level, these effects extend upward to strategic initiatives and ultimately the direction of the organization (for example, slowing cybersecurity enhancements). Performance at the executive level (for example, Secretaries, Directors, Chief Executive Officers of Public Sector Undertakings or PSUs), is primarily judged by strategic outcomes and policy effectiveness. Executive level performance frames the organizational vision, compliance with legislation, responsible stewardship of large public resources, and achievement of socio-economic impact goals (for example, public value) (Kumari et al., 2025).

Employee performance is significantly affected by leadership (Siddiqui et al., 2025). Responsible leadership takes a relationship-based and values-based perspective and focuses on the responsibility and ethical regard of the leader for every stakeholder (Segbenya et al., 2024). Unlike traditional models that prioritize profit maximization, a responsible leader intentionally seeks to develop a culture of inclusion and sustainability built upon sound moral base (Ali et al., 2025). Within the public sector context this will include leaders who pursue goals of organizational performance objectives, but equally pursue public value, creating a role model of integrity and fairness within HR practice and showing care for the well-being and development of employees (Sahar et al., 2025). Responsible leadership seems particularly suited to the Indian public sector context where the frameworks of transparency, accountability, and ethics and expected behaviors are under scrutiny all the time (Somu & Rao, 2024).

Besides the impact of organizational norms, which are collective expectations that impact an employee's performance, personal norms also play a role in employee performance. Employee personal norms refer to the standards, beliefs and values that shape an employee's behavior and decision making in the organizational context. They are internalized, moral standards of acceptable behavior and are often a reflection of an employee's deeply held values. While organizational norms reflect a set of shared standards of acceptable behavior in a company, personal norms are an individual employee's internalized belief system about what they personally ought to do in a situation that creates feelings of obligation or guilt if their norm is violated (Kumari et al., 2025). In organizations, employee personal norms express themselves in discretionary behaviors that go beyond an employee's formal job description in the form of a sense of duty, conscientiousness, civic virtue, and a willingness to go the extra mile for the benefit of others (Segbenya et al., 2024). Norms can refer to an employee's personal work ethic, views about punctuality, honesty, respect for others, following company policy and professional practices, and other similar behaviors. Employee norms can vary from employee to employee and contribute to employee interaction both with their colleagues, towards their own work, and in the broader impact they have on the organization's culture (Hendriani & Puspita, 2024).

This study addresses this gap by examining how responsible leadership, a style that deliberately embraces ethics, accountability and concern for stakeholders, operates in the distinct bureaucratic and hierarchical environment of the Indian public sector. More importantly, the current literature tends to overlook the internal psychological mechanism (the '"how") by which responsible leadership results in actual outcomes for employees (Siddiqui et al., 2025). Specifically, the role of employee personal norms as the mechanism leading to performance has been largely overlooked, particularly when analyzed across hierarchical roles (executive, managerial, operational) in public organizations. The research employs responsible leadership to explain the foundation of the primary relationship being tested, which states that a leader's ethical behavior and inclusive approach to incorporating stakeholders in practice translate directly to cultivating strong employee personal norms (a sense of obligation and moral responsibility) vertically and horizontally throughout the organization in the Indian public sector. The study applies top management team theory to put executive-level performance into context; the values and strategic decisions made by leader teams, based on their norms as personal but prescribed to their organization, ultimately affect the performance of the organization (Stanikzai & Mittal, 2025). The following areas are included: literature review, methodological research, analysis and results, discussion of results, conclusions, implications for managers and theory implications, limitations, and future research.

LITERATURE REVIEW

Responsible Leadership and Employee Personal Norms

In the public sector, responsible leadership is necessary to facilitate safe, high-quality resources, moral decision-making, efficient resource allocation, and positive organizational outcomes (Siddiqui et al., 2025). A dimensional approach, including different levels which are measured by different variables targeting the behaviors outside and inside the organization, behaviours and actions to improve the existing theories of the leadership,

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personal, individual, organizational and the community dimensions, which all involve ethical, environmental, reflexivity and sustainability perspectives. Thus, responsible leadership focuses on establishing and sustaining benefits for everyone involved. Responsible leadership is a reaction to executive misconduct. Ajith et al. (2025) explain responsible leadership as a combination of ethical and relational phenomenon of stakeholder exchange that influences, or may be influenced by intentional and visionary leadership. Sakdapat et al. (2024) argues for the ethics and responsibility of management by understanding that ethics is the most difficult of management and theory dealing with moral and social responsibility. Zulfiqar et al. (2023) reminds us that responsible leaders promote optimism, empathy, and orientation tied to universal ideal.

Research consistently shows that leaders who act as a "moral person" and "moral manager" are important role models for their followers (Pandey & Risal, 2023). Responsible leaders exhibit honesty, fairness, and accountability, which inform followers clearly about the expected behavior and ethics within the organization. When followers observe the ethical practices of leaders, they eventually internalize the ethical elements, thereby shaping and reinforcing their own moral obligation to develop their personal norms (Pearce et al., 2022). Ding and Rafiq (2025), individuals learn new behaviors, attitudes, and values by observing and imitating credible and attractive models—who in the current study, are responsible leaders. When a responsible leader continually prioritizes stakeholders, acts with integrity, and genuinely cares about the well-being of followers, an employee will strive to imitate that behavior, eventually resulting in the psychological internalization of the values represented by the leader (Wu et al., 2022). In other words, the internalization of values and actions to the employee becomes the basis for the transformation of the external ethical cue into internalized personal norms, such as a heightened moral identity, or a greater sense of felt obligation, that combines to shape and inform the employee's discretionary behaviors. Sahar et al. (2025), found evidence of a positive relationship between responsible leadership and the formation of subordinates' moral identity in organizational settings. This implies a direct line between leader behaviors and a subordinate's base ethical self-concept.

Research has also found that responsible leadership is positively associated with employees participating in organizational citizenship behavior for the environment (Irfan et al., 2023), which refers to voluntary behavior that is spurred through a sense of personal moral obligation towards sustainability. In addition, ethical leadership has been associated with greater organizational commitment and less likelihood of unethical pro-organizational behavior engagement in the public sector; thus, demonstrating the leader's ability to bolster an employee's intrinsic motivation to work within ethical and honesty towards the organization's mission (Zhou et al., 2022). However, it is key to find a way to engage and incentivize the employees' perspective and commitment to the process by using appeals to the workers' conscience (Khanam et al., 2025). Employees' voluntary behavior with regards to environmental sustainability is related to personal norms. Therefore, this indicates that the leader's display of responsible leadership serves as a catalyst by acting upon one's existing moral compass, whereby the employee's internal personal norms become a stronger influencer of their behavior in the workplace (Liu et al., 2023; Somu & Rao, 2024).

H1: Responsible leadership has direct impact on employee personal norms.

Employee Personal Norms as Mediating Impact on Executive-Level Employee Performance

Top management team theory suggests that organizational outcomes reflect, in part, the strategic decisions and normative features of the top tier (Pearce et al., 2022). Executive performance is characterized by complex, high-stakes strategic decision-making for resource allocation, policy change, and political maneuvering where discretion is high and ethical failure can result in significant consequences (Wu et al., 2022). Responsible leadership, building on moral accountability and stakeholder-inclusive decision-making (Fawehinmi et al., 2020), represents a key antecedent of the ethical quality of TMT decision-making. Kumari et al. (2025) argue that the power of RL at the strategic level is not direct but becomes constrained by the executives' personal principles and moral obligations, highlighting the need for the mediating role of personal norms. Employee's personal norms act as a psychological filter for converting the leader's demonstrated responsible behavior into high-level strategic action (Segbenya et al., 2024). Once we reach the executive level, performance is less about following established rhythms and more about ethical confrontations. Lastly, TMT literature identifies the leader's values as important elements for determining strategy (Kumari et al., 2025). An individual who has a strong personal normative of responsibility may lead executives to prefer strategies that accommodates long-term public value, transparency, and accountability over short-term political or personal considerations (Segbenya et al., 2024).

The executive director serves as the intermediary between the elected board or council and the agency's operations in most local government organizations (Mulvaney & Heaser, 2023).

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The executive director is tasked with carrying out the board's expectations for the agency. More precisely, the board's expectations for the agency are directly reflected in the executive director's performance standards (Kumari et al., 2025). The official method for evaluating the executive director's performance in fulfilling these standards is the executive's performance appraisal. The internalization process guarantees that responsible leadership will be routinely engaged via strategy, as personal norm constitutes the connecting mechanism between the leader's ethical contributions and the quality of executive performance (Gunarathne & Jayasinghe, 2025). Research on responsible leadership as an analogous construct has shown the consistency of ethics provoking internalized moral identity and a greater felt responsibility on the part of leaders (Rebecca & Sangarandeniya, 2023). In the public sector, where executive performance is co-dependent on public trust, perceived accountability, and anti-corruption, adherence to strong personal norms becomes even more salient (Sankalpa & Gamage, 2025). Studies in public administration note that high individual ethical standards, when viewed in relation to personal norms, and public service motivation are key in producing effective governance outputs in the public sector, specifically in relation to decreasing corruption and enhancing organizational integrity (Kumari et al., 2025; Sankalpa & Gamage, 2025). Therefore, the personal norm is the vital internalized state that renders an executive's responsible intent into intentional high-integrity, high-performance, strategic action.

H2: Employee personal norms has mediating relationship between responsible leadership and executive-level employees' performance.

Employee Personal Norms as Mediating Impact on Managerial-Level Employee Performance

Responsible leadership in management plays a less strategic role and a more direct role in shaping a unit, or departmental level ethical climate and practice expectations (Irfan et al., 2023). The manager's role relies heavily on the ability to develop a coherent organizational plan that enacts executive level strategy, with a focus on compliance and discretionary effort from subordinates. When a manager observes their senior leaders practicing fairness, accountability, stakeholder considerations they are provided with a clear behavioral model (Zulfiqar et al., 2023). This observation also serves to reinforce the manager's personal norms, especially those tied to duty, loyalty to the organization, and ethical constraints. The socially constructed personal norms serve as an internalized moral compass for management decisions to manage discretionary duties, such as performance reviews, resource distribution and conflict management, each directly affecting their ability to manage according to expectations Segbenya et al. (2024).

According to Zulfiqar et al. (2023), managers carry their embodied skills, knowledge, and experience with them when they depart an organization. People accrue these abilities, knowledge, and comprehension as they become more adept at planning and carrying out tasks. According to Wu et al. (2022), there is a need to connect management characteristics with work requirements; the conclusions are supported by empirical evidence, and the logic is generally similar. Pearce et al. (2022) highlighted the connection between an organization's top managers' traits and strategic choices. Supervisors serve as a special organizational resource, they can influence an organization's performance, shape strategic decisions, and interact with other policy factors to affect outcomes. Managers generally regarded as the maximum crucial member in the current organization and can have the biggest impact on its strategy (**\BLTXAPAifInParensTF {\nptextcite }{\parencitei }{ding2025sustaining}**)

It is crucial to remember that public administrations function from a distinct pattern from that of their private counterparts. Because they don't grow their businesses strategies as private organizations; public organizations do not engage in profit-driven competition marketplace (Hendriani & Puspita, 2024). Where rules and regulations govern behavior to fulfill responsibility, managerial performance often exceeds the minimum required to resolve non-programmed situations, mentor employees, and improve procedures (Lu et al., 2022). A manager with well-developed personal norms (interiorized sense of moral duty and moral obligation) will act based on their own motivation to live organizational values, frameworks, and norms, even if no one is observing them (Wu et al., 2022). In the case of middle managers, personal norms effectively translate into on-the-job delivery of supervisory and administrative tasks (Al Majali, 2023). Exposure to RL positively strengthens personal norms such as fairness and accountability, which in turn leads to improved objective performance appraisals, enhanced team motivation for results, and further efforts to uphold ethical behavior in their unit (Ajith et al., 2025; Sharma & Tiwari, 2023). Therefore, the successful enactment of RL into high managerial performance relies upon the manager's internalized moral obligation meaning their personal normative to enact responsibility and ultimately fulfill organizational strategy with effectiveness (Sakdapat et al., 2024).

H3: Employee personal norms has mediating relationship between responsible leadership and managerial-level employees' performance.

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Employee Personal Norms as Mediating Impact on Operational-Level Employee Performance

Businesses have traditionally relied on financial performance to gauge their worth and effectiveness without incorporating non-financial viewpoints like operational and strategic success (Al Majali, 2023). Critical indicators like the organization's market share, innovation, and competitor activity were overlooked in favor of factors like sales volume, cash flow, return on investment, and operating profit (Mulvaney & Heaser, 2023). This perspective resulted in an organization a skewed, slow-moving, and narrow-minded orientation. At the operational level, performance is highly routinized, rule-based, and focused on task performance and efficiency in service delivery (Pandey & Risal, 2023). The leadership of RL is typically observed through the behavior of the immediate manager, who is the RL role model (Gunarathne & Jayasinghe, 2025). The ethical principles, fairness, and care shown by leaders establish a climate of psychological safety and fairness. Operational staff with limited discretion will utilize these cues to understand the actual expectations of the organization for conduct. As TMT theory regulates the strategic framework for operational employees, the norms of operational staff are, by definition, directly related to observed RL by their supervisors who are responsible for translating that strategy into fair work practices day-to-day. This exposure to RL shapes the key operational employee's internalized sense of duty and commitment to their assigned work (Kumari et al., 2025; Moghavvemi & Jam, 2025; Subhani et al., 2023).

Leaders who are typically motivated by strategic outcomes shape operational performance, which hinges on the traits of effort, diligence, and conscientiousness the main behavioral expressions of strong personal norms (Mofokeng, 2022). When responsible leadership creates a strong moral norm associated with accountability and public service norm, employees feel morally compelled to expend discretionary effort above the minimum required effort, leading to more productive and lower error rates, generally acceptable operational performance. Research on motivation for public service (Bano et al., 2025; Lapapan & Prommasit, 2022) and moral identity, indicates that employees with strong personal norms aligned with the ethical service standards, demonstrate higher levels of task performance, more so when those ethical standards are validated by leaders (Kumarasinghe & Dilan, 2022; Mansoor et al., 2025). Research shows that ethics and responsible leadership has the most profound effect upon everyday task performance through psychological states that are aligned with personal norms (Pandey & Risal, 2023). Nurmalasari and Harsono (n.d.), the responsible leadership has been shown to enhance organizational identification in employees, job engagement, and workings idea for their organizations, all of which are necessary psychological resources for continual high operational performance. Responsible leadership develops employees internalized personal norms and encourages operational employees to work as if every action is committed to service dedication and the conscientiousness to fulfill their duty without harm, thereby turning leader ethics into observable variations in service delivery, service quality, and productivity in administration (Hendriani & Puspita, 2024).

H4: Employee personal norms has mediating relationship between responsible leadership and operational-level employees' performance.

Figure 1 illustrates the connections between responsible leadership, employee personal norms, and their impact on executive, management, and operational employee performance. The suggested theoretical model offers an organized framework for comprehending how these aspects are prioritized and assessing how well they are working.

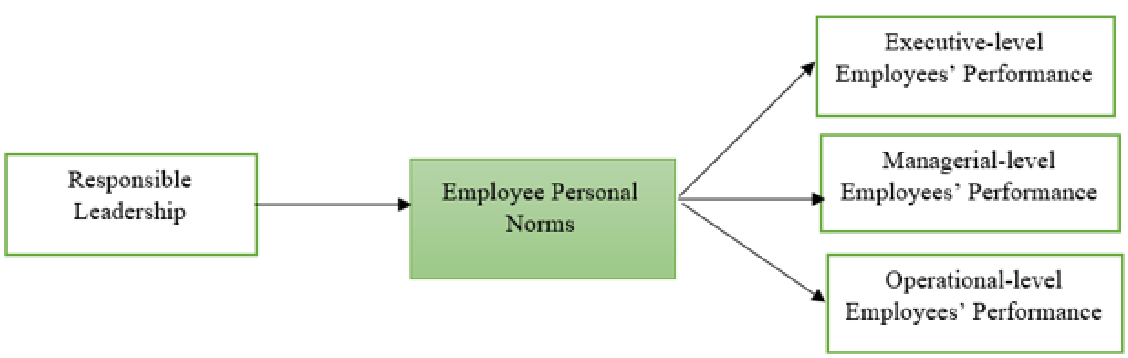

FIGURE 1. Conceptual model

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METHODOLOGY

Research Design

The study implemented a cross-sectional survey design to examine the hypothesized relationships between responsible leadership, employee personal norms, and employee performance across employees at different levels in the organization. A cross sectional method was chosen due to its ability to efficiently collect data from large numbers of respondents at the same point in time, which means that the perceptual variables and employee performance have been concurrently assessed. The research context is the Indian Public Sector, specifically, administrative departments, PSUs, and government bodies.

Target Population and Sampling

The population for this research included non-supervisory and supervisory employees within the public sector in India. To align with study's hypotheses, employees were purposefully categorized into three tiers: Executive-level (e.g. senior administrators, directors), managerial-level (e.g. middle managers, department heads), and operational-level (e.g. administrative staff, field workers). As a complete and inclusive listing of all employees in different public sector organizations was inaccessible and tedious, multistage sampling was employed using purposive sampling and convenience sampling. Purposive was used to ensure that various public sector organizations (e.g. public sector undertakings PSUs, central/state government departments) were included to reflect inclusion from an organizational perspective. This was followed by convenience sampling, which allowed for the most practical method of distributing and collecting surveys due to time and resource limitations.

Sample Size and Data Collection

Standard statistical tables and power analysis was used to determine the minimum sample size required. Morgan (1970) sampling size table indicated that with a medium to large target population, a minimum sample of approximately 384 was needed at the 95% confidence level. A total of 600 questionnaires were distributed to the nominated public sector organizations. The data collection was done by a mixed-mode approach (both online and paper-based) from late 2023 through to early 2024. Specifically, the researchers sent links to an online survey platform (e.g., Google Forms) using the organizational email and social media sites (e.g., WhatsApp). Paper questionnaires were also used as appropriate, especially where operational-level staff had limited digital access. To maximize participation and response accuracy, the questionnaires were available in English and in Hindi. 465 questionnaires were reported from the total of 600 distributed; after screening for completeness and consistency, 415 questionnaires were usable for data analysis resulting in a response rate of 69.16%.

Instrumentation and Demographic Profile

The demographics section gathered important demographic and organizational data, including gender, age, education, marital status, job profile (important for detection of executive or managerial or operational level), and the organization status (public sector unit/government department).

TABLE 1. Demographics of respondents (*N*=415)

Characteristic	Category	Frequency (*n*)	Percentage (%)
Gender	Male	258	62.17%
	Female	157	37.83%
Age Group	Under 30 years	65	15.66%
	30 - 40 years	148	35.66%
	41 - 50 years	135	32.53%
	Over 50 years	67	16.14%
Education Level	Bachelor's Degree	104	25.06%
	Master's Degree	218	52.53%
	Doctoral Degree (Ph.D.)	93	22.41%
Job Profile (Level)	Executive-Level	84	20.24%
	Managerial-Level	179	43.13%
	Operational-Level	152	36.63%
Organizational Status	Public Sector Unit (PSU)	221	53.25%
	Government Department	194	46.75%

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Characteristic	Category	Frequency (*n*)	Percentage (%)
Marital Status	Single	110	26.51%
	Married	305	73.49%
Nature of Job	Technical/Specialist	198	47.71%
	Administrative/Generalist	217	52.29%

The measurement section included items measuring the major variables on a 5-point Likert (1 = (Strongly Disagree) to 5 = (Strongly Agree) scale.

TABLE 2. Instrumentation

Variables	Items	Source
Responsible Leadership	6	(Sahar et al., 2025)
Employee Personal Norms	4	(Ding & Rafiq, 2025)
Executive-Level Employee Performance	9	(Stanikzai & Mittal, 2025)
Managerial-Level Employee Performance	11	(Stanikzai & Mittal, 2025)
Operational-Level Employee Performance	5	(Stanikzai & Mittal, 2025)

RESULTS AND ANALYSIS

Smart PLS 3.0 was used to analyse the research models. The measurement model was analysed first, and then the structural model.

Measurement Model

Reliability, validity and AVE

Hair et al. (2024) state that convergent validity can be assessed through factor loadings, Average Variance Extracted (AVE), and Composite Reliability (CR). In Table 3, it can be observed that every factor loading was above 0.7, every AVE was above 0.5, and every CR was above 0.7. The AVE values were consistently above the recommended threshold of 0.5; therefore, convergent validity was deemed satisfactory.

TABLE 3. Measurement model values

Variables	Items	0.L	α	CR	AVE
Responsible Leadership	RL1	0.765	0.849	0.889	0.575
	RL2	0.797			
	RL3	0.852			
	RL4	0.748			
	RL5	0.805			
	RL6	0.744			
Employee Personal Norms	EPN1	0.827	0.789	0.864	0.615
	EPN2	0.797			
	EPN3	0.775			
	EPN4	0.83			
Executive-Level Employee Performance	ELEP1	0.82	0.926	0.938	0.627
	ELEP2	0.775			
	ELEP3	0.735			
	ELEP4	0.777			
	ELEP5	0.772			
	ELEP6	0.802			
	ELEP7	0.834			
	ELEP8	0.732			
	ELEP9	0.87			

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Variables	Items	0.L	α	CR	AVE
Managerial-Level Employee Performance	MLEP1	0.796	0.903	0.92	0.536
	MLEP10	0.725			
	MLEP2	0.776			
	MLEP3	0.7			
	MLEP4	0.764			
	MLEP5	0.73			
	MLEP6	0.816			
	MLEP7	0.819			
	MLEP8	0.806			
	MLEP9	0.757			
Operational-Level Employee Performance	OLEP1	0.795	0.892	0.92	0.698
	OLEP2	0.888			
	OLEP3	0.899			
	OLEP4	0.784			
	OLEP5	0.803			

Discriminant validity

Hair et al. (2024) state that discriminant validity is established when constructs are clearly distinguishable from one another, and when indicators load more strongly on their respective constructs than on others being examined. A careful evaluation of discriminant validity is necessary to ensure that the constructs have statistical differences from other constructs, and at this point, the study documented it using the HTMT (Heterotrait-Monotrait ratio of correlations) ratio. Fornell and Larcker (1981) suggest that discriminant validity is not established when HTMT values exceed 0.85. In Table 4, it shows that HTMT ratios were below 0.85 which confirms the establishment of discriminant validity.

TABLE 4. Discriminant values

	1	2	3	4	5
Executive-Level Employee Performance	0.792				
Employee Personal Norms	0.515	0.784			
Managerial-Level Employee Performance	0.728	0.670	0.732		
Operational-Level Employee Performance	0.602	0.553	0.705	0.835	
Responsible Leadership	0.664	0.539	0.672	0.689	0.758

Structural model: Hypothesis testing

Prior to conducting the hypothesis test, it was essential to ensure that the structural model's collinearity was not troublesome. Hair et al. (2024) state that the Variance Inflation Factor (VIF), which gauges collinearity, should be less than 3.3. The resolution to accept the hypothesis was determined based on the t value and *p* value, with confidence interval bias corrected, for the hypothesis testing using the bootstrapping technique with a resampling of 5,000. All hypothesized relationships were supported by the analysis results.

TABLE 5. Hypothesis testing

Paths	Beta Values	*T* Values	*p* Values
Responsible Leadership -> Employee Personal Norms	0.739	31.981	0.000
Responsible Leadership -> Employee Personal Norms -> Executive-Level Employee Performance	-0.380	9.883	0.000
Responsible Leadership -> Employee Personal Norms -> Managerial-Level Employee Performance	0.496	13.878	0.000
Responsible Leadership -> Employee Personal Norms -> Operational-Level Employee Performance	0.409	10.498	0.000

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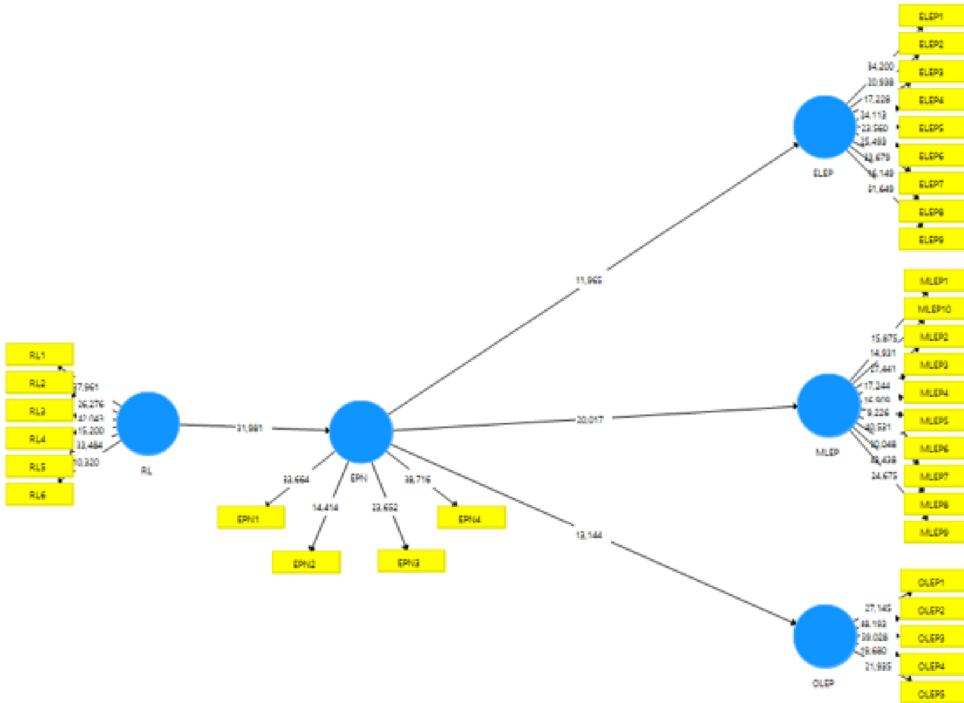

FIGURE 2. Structural model

DISCUSSION

This study explored responsible leadership's hierarchical influence on employee's performance at three levels in India's public sector, emphasizing the mediating effects of Employee Personal Norm (EPN). The structural model shows adequate model fit, yielding theoretical implications regarding ethical leadership being translated into motivational drivers at the different levels of the organization, which is something Top Management Team (TMT) theory emphasizes only on the top tier cognitively and value driven.

The results provide strong support for the base relationship with a highly significant positive direct influence of responsible leadership on employee personal norms which is consistent with RL theory principles, recognizing the moral comportment of the leader and decision-making to include stakeholders as key ethical role models for the team and those they serve. Once employees observe their leaders embrace accountability and the public good, they embrace those external standards as internalized moral obligations in their personal norms (Siddiqui et al., 2025). This empirical evidence implies the ethical tone set by RL cascades sympathetic psychological construct which provides the performance effects psychologically down the hierarchy.

The mediating role of personal norms on the RL and executive-level performance relationship was significantly negative, as predicted by the mediating hypothesis, but opposite in direction. Within the TMT theoretical framework, executive performance requires discretion, speed of the strategic change process, and political navigation (Sahar et al., 2025). We interpret the negative effect as evidence that an over-internalized or rigid personal norm for ethical responsibility that flows from RL, while ethically sound, will inhibit the requisite strategic agility and risk-taking behavior that is necessary for executive efficacy in the dynamic and complex public sector context. Therefore, a rigid application of RL's ethical mandate within the public sector, performed through a strong personal norm, may result in "ethical paralysis" or being overly cautious, which subsequently decreases strategic performance outcomes.

The analysis provided strong evidence for a significant positive mediation effect for managerial-level employees. This result supports the conclusion that managerial personal norms facilitate and translate the observed responsible leadership into improved performance at the mid-level. Managers, who operate in the intersection of strategy (TMT's level) and operations, engage internally exercised norms to orient their discretionary effort during execution, compliance monitoring, and team motivation (Hendriani & Puspita, 2024). This implies that personal conviction to duty and accountability is a motivator for managers to go above and beyond task-related expectations, which

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delivers effective resource management and improved unit productivity. This corroborates the public sector motivation literature Gunarathne and Jayasinghe (2025), which notes that a sense of personal duty is a necessary characteristic for successful management.

Similarly, the operational employee hypothesis received robust support through a strong and significant positive mediation effect. At the operational level, performance is primarily grounded in task conscientiousness, diligence, and goal adherence. This finding demonstrates that responsible leadership fosters personal norms associated with public service and diligence, and subsequently, effort and service quality (Somu & Rao, 2024). This process is especially important in the public sector of India, where ethical failure at the level of operations has direct effects on citizen confidence. The positive mediation effect supports RL as an effective influence on the behavioral motivators for operational employees, and those personal moral norms provide a trustworthy internal guiding mechanism for high-quality performance of tasks that are assumed to be routine in nature.

Theoretical and Managerial Implications

This study advances multiple important theoretical contributions by merging the idea of personal norms from a psychological perspective and the meta-organizational perspective of TMT theory in an area of the Indian public sector. Overall, this research demonstrates to how TMT theory Siddiqui et al. (2025), is improved by confirming a hierarchical contingency for ethical values. While TMT theory suggests that executive values strongly influence organizational strategy, our finding of a significantly negative mediating effect of personal norms on executive performance. The excessive internalization of compliance-related ethical values EPN may negatively impact executive or top management-level performance. This negative relationship suggests that, in high discretion, high stakes environments like public service executive roles, adherence to rigid processes as a consequence of strong EPN for compliance, may limit the strategic agility, speed, and risk-taking that are necessary for optimal performance at the top levels. Sahar et al. (2025) substantiate the existence of a ”dark side” or limitation which ethics internalization may present at the top levels of the public service context especially while defining executive, or senior management role performance.

Second, the combined results put forward a role-contingent model of RL effectiveness. With evidence of positive mediation through psychological safety or psychological need in both Managerial and Operational performance, and a negative effect, accordingly, at the executive level, this research refines the theory of responsible leadership (Stanikzai & Mittal, 2025). This confirms that the value of an ethical psychological mechanism depends upon the structural characteristics of the role: EPN is viewed as a positive resource in which compliance is observable in low discretion roles (managerial and operational) but likely a drain in high discretion and strategic roles (executive). This confirms that RL is contextually effective, but positive contributions to performance are realized in certain performance outcomes by level in the organization. By embedding these hierarchical differences within the rigid and accountable context of the Indian public sector, this study adds considerable context to the research framework for RL and ethical leadership about how ethical leadership is converted into observable performance at the organization level and manifested differently across role levels.

Aside from its theoretical implications, this research provides clear, practical, and role-based implications for managerial practice in the Indian public sector, to help improve governance and performance at all levels. The salient finding that personal norms constrain executive performance suggests a unique need for targeted leadership development programs for the executive tier. Executive RL training should focus on Ethical agility and prudent discretion instead of merely emphasizing strict compliance with standard operating procedures or policy compliance by public sector managers, with consideration for frameworks to balance public accountabilities with the appropriate strategic risk and advancement or innovation (i.e. a ”responsible growth” mindset instead of a ”zero-risk” mindset). In addition, public sector organizations should implement delegation and cognitive load management tools for their executives, so that executive attention is freed up for strategic decisions that are of high impact where ethical judgement is required (i.e. where compliance to pre-existing processes or procedures is not the priority).

Alternatively, for managerial and operational levels, where personal norms contribute positively to performance, the role of management can identify ways of reinforcing and maximizing however they can be solidified in organizational life. An organization should implement ongoing, mandatory RL training for all supervisors, so that the ethical tone transmitted by RL is consistently modeled for subordinates. An organization should also establish and use public service motivation reinforcement systems, such as publically recognizing employees for their ethical behavior, hard work, or commitment to service, to reinforce the interrelation of EPN and strong task effort (Siddiqui et al., 2025). At the operational level, these can be set to cultivate aligned behavior, to translate to real-life organizational results; like fewer errors in service delivery, shorter processing times,

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and better overall employee engagement scores, enhancing the organization's efficiency and public responsibility in the public sector apparatus. This kind of tiered approach to a continuing ethics training program allows for further extension of the psychological mechanisms established by Responsible Leadership for role-specific performance expectations, leading to more systemic improvements to governance.

Limitation and Future Research

This study primarily used a cross-sectional survey design and collected data using convenience sampling from 415 respondents across one segment of the Indian public sector. While this enabled a high level of contextual understanding, it hindered the generalizability of findings beyond the Indian public sector or highly specialized agencies and defense organizations. The findings are also limited to the Indian cultural context. Future research should use more robust probability sampling methods and a broader range of emerging economies and developed countries to examine the cross-cultural validity of the model. Comparing and contrasting studies between countries will be critical for understanding the global applicability of the RL, including comparisons between countries with divergent public sector governance organizations. Second, the research revealed a substantial but unpredicted mediation effect produced by EPN on employee performance. For the purposes of interpretation, it was viewed through the lens of Top Management Team (TMT) theory as a limitation placed on strategic agility, but the precise mechanism requires further research. Future studies should examine moderation variables that may shape the mediation effect. For example, variables such as the organizational climate for Innovation or perceived task complexity may moderate the negative path and diminish the restrictive impact of internalized norms on executive performance.

Thirdly, this study focused solely on the employee personal norms as one mediator, and the only mediator of employee behavior explaining the RL and employee performance relationship. Future research should include additional, potentially lateral or sequential mediators to create a more robust model of behavioral influence. Possible variables, which are highly relevant to the public sector context could include organizational identification, felt accountability, or motivation. Finally, this study utilized a quantitative approach through a survey method that was administered in a mixed-mode (online and paper-based) design to collect data from participants. However, future studies should use qualitative methods such as structured and semi-structured interviews, which would enable researchers to collect rich detailed narratives from all three employee levels (executive, managerial, operational) with an elaborate description of employees' lived perceptions and experiences regarding ethical constraints.

CONCLUSION

The research illustrates how responsible leadership is effectively translated into employee performance through the psychological filter of employee personal norms in a regulated context, namely the public sector in India. As TMT theory centers on how executive values transform into organizational outcomes, an empirical relationship is identified and developed. It is not the absence of ethics, but the over-internalization of compliance-based personal norms that stifles executive-level performance. This informs us that in the public service strategic domain, a personal compulsion for process compliance and adherence to ethical standards may compromises the pace and decisiveness required to optimize higher performance levels, though ethical. Meanwhile, EPN represents critical infrastructure for managerial and operational performance, successfully transforming the ethical imperative of RL into discretionary effort, due diligence and accountability. The public sector organizations will need to revise how they develop and train ethical behaviors of employees, while intentionally and clearly reminding managers and operational people about the importance of diligence and public service motivation through explicit invokes and incentives or recognition systems.

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