International Public Management Journal

ISSN: 1096-7494 (Print) 1559-3169 (Online) Journal homepage: www.tandfonline.com/journals/upmj20

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To cite this article: Saqib Shamim, Gary Schwarz, Mushfiqur Rahman & Wali Ur Rehman (19 Mar 2026): Courageous decision making in public organizations: the roles of ethical leadership and dynamic capabilities, International Public Management Journal, DOI: 10.1080/10967494.2026.2615127

To link to this article: https://doi.org/10.1080/10967494.2026.2615127

INTERNATIONAL PUBLIC MANAGEMENT JOURNAL
https://doi.org/10.1080/10967494.2026.2615127

RESEARCH ARTICLE

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Courageous decision making in public organizations: the roles of ethical leadership and dynamic capabilities

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ABSTRACT

Public-sector employees frequently need to make difficult decisions that may go against powerful stakeholders. Such choices often involve personal and professional risks and require courage from decision makers. This study operationalizes Kelman and colleagues' (2016) courageous decision-making construct and examines the relationship between ethical leadership and ethically motivated courageous decision making. Courageous decision making is particularly crucial in bureaucratic public organizations that face institutional voids. By analyzing multi-wave and multi-level data from 289 police officers and their 45 direct supervisors in Bangladesh, we found that ethical leadership influences courageous decision making through the mediation effects of ethics-focused dynamic capabilities (DCs). We advance the understanding of ethics-focused DCs by proposing a comprehensive framework aligned with the core dimensions of DCs (i.e., sensing, seizing, and transforming capabilities). We also show that employees' public service motivation moderates the relationship between ethical leadership and ethically motivated courageous decision making.

ARTICLE HISTORY
Received 29 May 2025
Accepted 6 January 2026

Introduction

Public-sector employees frequently need to make difficult and complex choices that involve tradeoffs among conflicting values (Jensen, Schott, and Steen 2021; Kelman, Sanders, and Pandit 2017). Decision making in bureaucratic organizations that focuses on managing constraints is expected to follow existing norms and rules (Kelman 2007; Meyer et al. 2014), even if they may no longer serve the purpose for which they were originally created (Li and George 2025). This expectation can limit public employees' ability to make ethical and courageous decisions that "unmask administrative evil" (Balfour and Adams 2014) and benefit the public. Ethical decision making refers to the process of evaluating and choosing among alternatives in a manner consistent with ethical principles (Schwartz 2016). Courageous decisions are decisions that challenge the status quo, entail significant personal and organizational risks, and require courage to "do the right thing," even if it goes against hierarchical superiors or powerful stakeholders (Kelman, Sanders, and Pandit 2016). A real-life example of courageous decision making is a principal in a public college disapproving the application for a tuition fee waiver for a minister's son because it was not in compliance with the policies, even after receiving a letter from the governor's office requesting that the tuition fee be waived (Dawn 2024).

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Although Kelman and colleagues (2016) urged public administration scholars to pay more attention to what drives courageous behavior, research on this topic is sparse (Gulati, 2025). We address this call by examining the role of ethical leadership and ethics-focused dynamic capabilities (DCs) on courageous decision making. Ethical leadership refers to a leadership style that incorporates moral principles into values, beliefs, and actions (Brown, Treviño, and Harrison 2005). Ethical leaders promote ethical behavior among their followers by acting as role models, treating people fairly, and managing ethics in the organization (Wright, Hassan, and Park 2016). Prior research has shown that leadership style can influence desired employee-level outcomes in the public sector by enhancing desired attitudes, behaviors, capabilities, and decision making (Backhaus and Vogel 2022; Miao et al. 2018).

DCs refer to repeatable and reliable methods for changing operating routines (e.g., ethics codes). It involves sensing and seizing opportunities and threats in a given context and creating new competencies or reconfiguring existing ones (Eisenhardt and Martin 2000; Teece 2007). Arend (2013) coined the term ethics-focused DCs. Ethics-focused DCs capture the skills and resources an organization needs to obtain synergies between ethics and performance (Arend 2013). Ethics-focused DCs may influence employees' potential to make ethically motivated courageous decisions regarding ethical public services. Examining the intervening role of DCs is important because there is evidence that leadership in public organizations often fails to achieve desired ethical outcomes (Hassan 2019). Relevant capabilities at the employee level can strengthen the leadership effects (Shamim et al. 2019).

We analyze whether public service motivation (PSM) moderates the relationship between ethical leadership and ethics-focused DCs and between ethics-focused DCs and courageous decision making for ethical public service. PSM theory argues that individuals consider not only rational, self-interested motives, but also altruistic motives matter (Perry and Wise 1990). Prior research linked ethical leadership and PSM (Wright, Hassan, and Park 2016). By investigating these relationships, this study aims to answer the broader research question, *"How can leaders in public organizations encourage employees to make courageous decisions that the employees believe will lead to better and more ethical public services?"*

This study makes several contributions to public management literature. First, the decision-making literature generally focuses on complex decisions that entail extensive information gathering and detailed and systematic cost–benefit analyses (Kelman 1981). Insufficient attention has been paid to decisions involving courage, especially those made by public employees during the day-to-day course of their public duties (Kelman, Sanders, and Pandit 2016). We extend Kelman and colleagues (2016) work by operationalizing their courageous decision-making construct, by applying it to street-level bureaucrats (Lipsky 1980) rather than to executives, and by examining ethical leadership and ethics-focused DCs as antecedents of courageous decision making. Second, in their recent structural review of ethical leadership, Shakeel, Kruyen, and van Thiel (2020:95) noted that the "number of studies into the public sector is quite low, hence more research is necessary." Similarly, Hassan (2019) called for more research on (un)-ethical leadership in public organizations. Our study addresses these calls and examines the relationship between ethical leadership and courageous decision making. Third, existing literature mainly discusses DCs at the organizational level (Teece 2007), particularly ethics-focused DCs (Arend 2013). Our study examines ethics-focused DCs at the employee level, which is rare as the concept of ethics-focused DCs is still in its initial stages (Arend 2013). This study proposes a more robust construct of ethics-focused DCs that is strongly contextualized according to the core dimensions of the DCs view. Fourth, our study examines the moderating role of PSM and offers novel contributions. Moreover, it investigates ethical issues using multi-level and multi-wave data in the unique context of police officers in an emerging economy facing institutional voids.

Theory and hypothesis development

Courageous decision making

The concept of courageous decision making was coined by Kelman, Sanders, and Pandit (2016). The term "courage" originates from the Latin word "cor" (heart). Courage, in general, refers to an

individual's ability to do something that frightens the individual, and such courageous acts require the individual to overcome their fear (Rachman 2004). Based on Kelman, Sanders, and Pandit (2016), we define ethically motivated courageous decision making as the process of making decisions that entail significant personal and organizational risks and require courage to "do the right thing," even if this goes against powerful internal and external stakeholders. We argue that employees take personal and professional risks for what they believe will be better public services. Ethically motivated courageous decisions go against powerful internal and external stakeholders such as their managers or other departments based on employees' subjective understandings of what ethical public service is.

Employees' character, confidence, and credibility serve as the foundations for courage (Amos and Klimoski 2014). This suggests that individuals with high level of character, confidence, and credibility have a greater tendency to exhibit courage in conditions of risk (Amos and Klimoski 2014). Confidence refers to an individual's belief in their ability to perform effectively across various demanding situations that necessitate effort and persistence (Gulati 2025). Without a positive self-perception, individuals are unlikely to opt for risk-taking or act with courage. Character refers to the individual's moral attributes such as honesty, integrity, and tendency to sacrifice (Amos and Klimoski 2014). Credibility involves possessing relevant knowledge, skills, and abilities (Reardon 2007).

Being courageous is a behavioral expression of authenticity and it upholds an ethically motivated cause (Pianalto 2012). Courageous behavior can also be seen as a form of employee voice, particularly when public servants challenge unethical practices or resist institutional pressures that conflict with their professional or moral responsibilities. Employee voice encompasses a range of behaviors, from formal whistleblowing (Kang and Lee 2025) to more informal forms of resistance, such as principled dissent or strategic noncompliance (Meyers, Riccucci, and Lurie 2001). In this sense, courageous decision making can be understood as a positive form of resistance, wherein employees act against organizational norms or directives to uphold ethical principles.

Social identity theory suggests that public servants possess multiple identities, derived from the social categories they associate with (Brewer, Selden, and Facer 2000; Miao et al 2019). These identities are linked to norms that dictate suitable behavior. Adhering to these norms' shapes behavior, as individuals feel discomfort when they act contrary to their prescribed identities and satisfaction when they conform (Meyer-Sahling, Mikkelsen, and Schuster 2019). Decision making in this sense is identity fulfillment (March and Olsen 2010). However, when public servants engage in courageous decision making, they may experience tension between competing identities, such as between their role as loyal employees versus their duty to the public good (Vandenabeele 2007).

Ethically motivated courageous decision making is an important topic, but there is limited research available, with Kelman, Sanders, and Pandit (2016) one of the few studies discussing the concept of courageous decision making in the context of public services. Expanding this discussion by integrating literature on employee voice, whistleblowing, and frontline worker resistance provides a richer theoretical foundation. By framing ethically motivated courageous decision making as a form of positive resistance, we acknowledge the agency of public employees in navigating ethical dilemmas and advocating for change.

Courageous decision making and value conflict

Gulati (2025:3) noted that "courageous people are those who willfully take bold, risky action to serve a purpose that they perceive to be worthy, usually in the face of an abiding fear." In our case, civil servants make courageous decisions that they believe will lead to better public service. However, it is questionable whether the individual employee is always the best to judge what "the right thing to do" is. Kelman, Sanders, and Pandit (2016:469) cautioned" others would almost certainly disagree with them."

This is particularly evident among street-level bureaucrats (Lipsky 1980)—frontline public service employees, such as police officers and social workers with substantial autonomy and discretion—who often navigate complex ethical dilemmas and may engage in forms of resistance, either covert or overt, when policies or managerial directives conflict with their professional

norms or PSM (Hupe and Buffat 2014). Street-level bureaucrats may oppose efficiency-related policies imposed by senior managers and other agencies (Tholen 2024). Instead, they may pursue activities that they deem appropriate in terms of being able to professionally conduct their tasks or being responsive to the needs and preferences of the citizens with whom they interact, which may not be in the best interests of the wider society (de Graaf, Huberts, and Smulders 2016). Courageous decisions may breach rules and regulations and contradict, for example, the needs to adhere to budget restrictions. Moreover, deviating from norms based on employees' own understandings of what constitutes ethical public service may cause problems in terms of the consistency of public service provision, as other public sector employees may strictly adhere to the stipulated procedures, resulting in inconsistent approaches to similar cases and different outcomes (Jensen, Schott, and Steen 2021). To overcome this situation, leadership is required to align personal and organizational values, norms, and goals (Jensen, Schott, and Steen 2021).

Ethical leadership

Ethical leadership combines being a moral person and a moral manager (Brown, Treviño, and Harrison 2005). Ethical leaders reflect on the aspects of a moral person, demonstrating ethical values such as honesty, integrity, sacrificing personal gains, and behaving in an ethical way even in the mid of adversity, risks, or pressure (Brown, Treviño, and Harrison 2005). Such leaders are ethical managers who hold followers accountable for ethical and unethical behaviors (Hassan, Wright, and Yukl 2014). By doing so, ethical leaders demonstrate "normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision making" (Brown, Treviño, and Harrison 2005:120).

Social learning theory provides insight into how ethical leadership influences employee outcomes (Bandura 1986). Social learning theory suggests that followers learn appropriate behaviors by observing the behavior of role models and that leaders can serve as role models (Mayer et al. 2012). In the context of public services, ethical leadership has been associated with monitoring employee adherence to codes of ethics and employee integrity (Wright, Hassan, and Park 2016). Ethical leadership also promotes good conduct by fostering an ethical culture in public organizations (Downe, Cowell, and Morgan 2016), willingness to report ethical problems (Hassan, Wright, and Yukl 2014), and increased work engagement (Mostafa and Abed El-Motalib 2020). However, research on the influence of ethical leadership on employee outcomes remains limited (Hassan 2019; Potipiroon and Faerman 2016).

Employees' ethics-focused dynamic capabilities and ethical leadership

DCs refer to the ability to create new competencies and reconfigure existing ones to respond to the requirements of a changing environment (Eisenhardt and Martin 2000). DCs consist of three components: Sensing, seizing, and transforming. DCs enable organizations to sense and evaluate opportunities and threats, seize opportunities and mitigate threats, and transform existing competencies (Helfat and Peteraf 2015). Public administration literature acknowledges the importance of capability development in achieving desired outcomes (Lee 2024).

Following the DCs view, which refers to repeatable and reliable methods of changing operational routines (Eisenhardt and Martin 2000), Arend (2013) contextualized the concept and coined the term ethics-focused DCs. Ethics-focused DCs capture the skills and resources needed to achieve synergy between ethics and performance (e.g., ethics codes). Ethics-focused DCs can influence ethical stances (Arend 2013). The concept of ethics-focused DCs is different than DCs in general in the sense that DCs aim to improve competitive performance, whereas ethics-focused DCs emphasize ethical performance (Arend 2013).

While DCs are most often theorized at the organizational level (Teece 2007), the recent literature emphasizes their microfoundations, including individual-level cognitive and behavioral

capabilities that enable sensing, seizing, and transforming (Helfat and Peteraf 2015). Several studies have operationalized DCs at the employee level (e.g., Donate et al. 2022; Shamim et al. 2019, 2020; Wali et al. 2022), demonstrating that individual-level DCs can shape decision making and performance outcomes. Building on this stream of research, we argue that ethics-focused DCs can also be examined at the employee level, since courageous decision making in public organizations is enacted by individuals rather than collectives.

Integrating the insights from Arend (2013) and Teece (2007), we argue that ethics-focused DCs represent an organization's or individual's ability to sense ethical threats and opportunities, seize ethical opportunities, and transform public service practices to align with ethical imperatives. At the individual level, these components manifest as cognitive skills and behaviors that shape ethical decision making, particularly in frontline roles such as policing. Sensing, as a cognitive skill, involves the ability to detect ethical challenges and opportunities within a complex and evolving environment. This skill requires pattern recognition (Smeeton, Ward, and Williams 2004), ethical awareness (O'Brien and O'Hare 2007), and anticipatory judgment (Williams and Jackson 2019). For instance, a police officer responding to a domestic disturbance must assess not only the legal factors but also the ethical dimensions, such as the protection of vulnerable individuals and the risk of implicit bias in decision making. Seizing entails taking concrete actions to address the ethical opportunities and challenges identified in the sensing phase (Teece 2007). This requires the mobilization of resources and the execution of ethical decision makings. For example, if an officer witnesses a colleague using excessive force, an ethical response would involve immediate intervention, reporting the misconduct, or de-escalating the situation. Transforming involves the continuous evolution of ethical practices within an organization. It ensures that ethical considerations are not static but are embedded in an adaptive framework that evolves with emerging challenges (Eisenhardt and Martin 2000). In the public sector context, we define ethics-focused DCs as an organization's or individual's ability to sense and seize threats and opportunities for ethical public service and the ethical reconfiguration of public service.

There is evidence in the literature that DCs can be contextualized according to desired outcomes, such as DCs for sustainability (Buzzao and Rizzi 2021), green DCs (Chen and Chang 2013), and digital DCs (Warner and Wäger 2019). Hence, ethics-focused DCs represent another functional domain of DCs (Gullmark 2021). The concept of ethics-focused DCs is important and relevant in many organizational settings and can have a positive influence on ethical performance. Arend (2013) operationalized ethics-focused DCs as high or low opportunisms and defensiveness and argues that this operationalization is still in an evolving stage and needs further research. We extend Arend's (2013) work by examining a more robust construct of ethics-focused DCs strongly contextualized according to the core dimensions of the DCs view.

Leadership is a prominent antecedent to DCs (Pitelis and Wagner 2019). Leadership styles influence employee-level outcomes such as individual-level capabilities (Donate et al. 2022). The public management literature also acknowledges the influence of relevant leadership style in achieving desired employee-level outcomes (e.g., Moon and Christensen 2022; Schwarz, Eva, and Newman 2020). Ethical leadership in public services plays a particularly important role in achieving desired ethical employee outcomes (Hassan, Wright, and Yukl 2014). Ethical leaders act as role models for their employees, and following social learning theory, followers observe and reciprocate with ethical behaviors (Bandura 1986; Mayer et al. 2012). We argue that employee behavior relies on relevant capabilities, particularly DCs at the individual employee level (Wali et al. 2022). Therefore, employees inspired by ethical leadership tend to reciprocate with similar behaviors by developing relevant capabilities, that is ethics-focused DCs (sensing, seizing, and transforming). There is evidence that leadership influences DCs (Shamim et al. 2019). Based on these arguments, we assume that followers of ethical leaders tend to sense and seize threats and opportunities for ethical public services and transform their existing competencies for more ethical services. Thus:

H1a: Ethical leadership is positively related to ethics-focused sensing capability of public employees.

H1b: Ethical leadership is positively related to ethics-focused seizing capability of public employees.

H1c: Ethical leadership is positively related to ethics-focused transforming capability of public employees.

Courageous decision making, ethics-focused dynamic capabilities, and ethical leadership

Ethically motivated courageous decision making takes a strong moral character and the confidence, knowledge and ability to do the right things. Courage compels an individual to do what they believe is right despite the fear of consequences (Comer and Schwartz 2017). This shows that courageous acts (i.e., courageous decision making) rely on strong ethical behavior, which is a key outcome of ethical leadership (Hassan, Wright, and Yukl 2014).

Prior research provides evidence that leadership that focuses on ethics positively influences employee courageous behavior (Hannah, Avolio, and Walumbwa 2011). According to social identity theory, ethical leaders are role models for their followers, and such contextualized influence promotes courageous acts among followers. Social learning theory explains how ethical leadership impacts employee outcomes (Bandura 1986). This theory proposes that followers learn appropriate behaviors by observing the actions of role models, with leaders often serving as these role models (Mayer et al. 2012). Public sector studies demonstrated that ethical leadership is linked to overseeing employee compliance with codes of ethics and fostering employee integrity (Wright, Hassan, and Park 2016). Ethical leaders embody the qualities of a moral individual, exhibiting ethical values like honesty, integrity, and a willingness to sacrifice personal gains. They maintain ethical behavior even in the face of adversity, risks, or pressure (Brown, Treviño, and Harrison 2005). Ethical decisions with risks associated require courage. When employees follow the leaders as role model, they tend to establish a similar social identity (Mayer et al. 2012). To conform to their social identity of being ethical and courageous they tend to reflect their identity through decision making (Meyer-Sahling, Mikkelsen, and Schuster 2019).

Based on social learning theory and social identity theory, we argue that ethical leaders influence followers' courageous acts through role-modeling that influences the normative contexts in which followers operate and can indirectly promote their courageous outcomes. This suggests that public employees follow a logic of appropriateness instead of a logic of consequences and do what is right rather than what is rational (March and Olsen 2010). Based on these arguments, we propose the following hypothesis:

H2: Ethical leadership is positively related to courageous decision making among public employees.

Furthermore, we argue that employees' ethics-focused DCs also influence courageous decision making. Employees' tendencies to perform certain acts rely on their relevant capabilities (Shamim et al. 2019). The literature acknowledges that decision making is shaped by relevant DCs (Shamim et al. 2019, 2020). Arend (2013) also argues that DCs can influence decision-making approaches by transforming operational capabilities. In the context of this study, we argue that employees with higher levels of ethics-focused DCs tend to sense and seize threats and opportunities related to ethical public services and transform their existing capabilities to incorporate more ethics into their work routines. Such capabilities enhance the intensity of employees' ethical behavior, enabling them to do things that frighten them. Following social learning theory (Bandura 1986; Mayer et al. 2012), employees observe how ethical leaders and peers identify ethical dilemmas (sensing), take action to address them (seizing), and incorporate ethical values into decision making (transforming). These social learning mechanisms enhance employees' confidence in making courageous decisions despite potential risks. We argue that such employees overcome their fear and engage in courageous activities. Based on these arguments, the following hypotheses are proposed:

H3a: Ethics-focused sensing capability is positively related to courageous decision making among public employees.

H3b: Ethics-focused seizing capability is positively related to courageous decision making among public employees.

H3c: Ethics-focused transforming capability is positively related to courageous decision making among public employees.

We further argue that ethics-focused DCs mediate the relationship between ethical leadership and courageous decision making. Leadership's influence on desired outcomes relies heavily on the development of relevant capabilities (Schoemaker, Heaton, and Teece 2018). Previous studies showed that ethical leaders act as role models for subordinates to develop strong moral and ethical foundations (e.g., Hassan, Wright, and Yukl 2014) that encourage them to overcome fear and take personal and professional risks by making courageous decisions for ethical public service. However, to make courageous decisions and follow a role model, employees need relevant capabilities, and ethics-focused DCs enhance the relevant capabilities. Existing literature also supports the argument that DCs mediate the relationship between leadership and decision-making approaches (Shamim et al. 2019). Therefore, it is rational to argue that ethics-focused DCs mediate the relationship between ethical leadership and courageous decision making among public sector employees:

H4a: Ethics-focused sensing capability mediates the relationship between ethical leadership and ethically motivated courageous decision making.

H4b: Ethics-focused seizing capability mediates the relationship between ethical leadership and ethically motivated courageous decision making.

H4c: Ethics-focused transforming capability mediates the relationship between ethical leadership and ethically motivated courageous decision making.

Moderating role of public service motivation

PSM is defined as "an individual's orientation to delivering services to people with a purpose to do good for others and society" (Perry and Hondeghem 2008:vii). PSM theory suggests that human behavior is driven not only by self-interest, but also by altruistic motives (Perry and Wise 1990). PSM typically comprises four dimensions: attraction to public service, commitment to public values, compassion, and self-sacrifice (Kim et al. 2013). Attraction to public service reflects instrumental motives for public service, such as the ability to contribute to public policies and programs that tackle social problems (Ritz, Brewer, and Neumann 2016). Commitment to public values refers to the tendency to advocate commonly held values, such as equal opportunity, because of value-based motives. Compassion is a concern for people in need based on identification and affective motives. Finally, self-sacrifice emphasizes placing public benefits above personal gains and emphasizes the altruistic motives of PSM (Schwarz, Eva, and Newman 2020).

Public administration scholars acknowledge PSM as a key mechanism explaining how leaders influence employees' desired outcomes in the public sector (Ritz, Brewer, and Neumann 2016). Based on social learning theory, Wright, Hassan, and Park (2016) argued that public sector leaders act as role models for employees, and that employees imitate leaders' ethical behavior. In particular, PSM includes the element of self-sacrifice; therefore, ethical leadership with a higher tendency toward self-sacrifice can influence employee courageous decision making, which might require self-sacrifice as it involves personal and professional risks (Perry 1996). A recent systematic review provided evidence of the existence of a link between PSM and ethical outcomes, suggesting that individuals with high levels of PSM are more likely to engage in ethical behaviors (Lee et al. 2024). The literature also acknowledges the moderating role of PSM in the relationship of ethical leadership and desired outcomes (Wright, Hassan, and Park 2016). We argue that PSM moderates the relationship between ethical leadership and courageous decision making, such that when PSM is high, the relationship is strengthened. Translating leadership influence on desired outcomes also relies on motivation to achieve the desired outcomes (Schwarz, Eva, and Newman 2020) and employees with high PSM take greater inspiration from ethical leaders to make courageous decisions. Prior studies showed, for example, that there was a relationship between PSM and ethics-focused constructs, such as interpersonal justice (Potipiroon and Faerman 2016) and the willingness to report ethical problems (Hassan, Wright, and Yukl 2014). Our full conceptual model is depicted in Figure 1.

H5: PSM moderates the relationship between ethical leadership and courageous decision making.

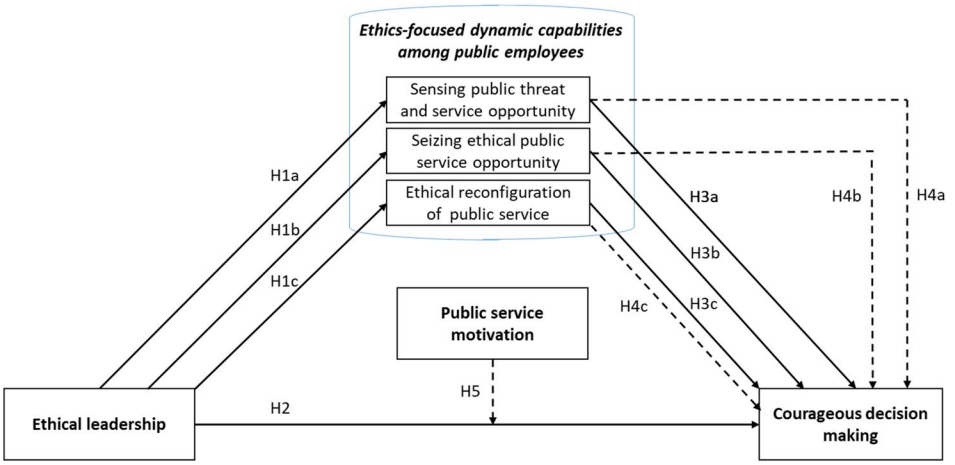

Figure 1. Conceptual model.

Methods

Research context

Police employees in Bangladesh comprised the study population. Bangladesh provides a context for emerging economies facing the challenges of institutional voids and is therefore suitable for this study. Economic and financial crises, ineffective administrative reforms, growing uncertainties, and the emergence of authoritarian regimes in various emerging economies have led to widespread disillusionment with public organizations in these countries (Gulrajani and Moloney 2012).

Police departments often face value conflict and the challenge of corruption (Thacher and Rein 2004). The organizational culture of police agencies often acts as a protective web around departments to discourage deviation from the standard mode of operation (Johnson and Cox 2004). The unpredictable nature of their jobs, however, means that there are not always operating procedures that can be followed when dealing with adversity and police officers frequently need to make decisions on the spot. Police services include saving the weak from those who use intimidation. This requires police officers to be courageous, ethical, and consistent with department regulations and the law (Johnson and Cox 2004). Police departments are characterized by strict hierarchical structures that make it difficult for officers to go against the demands or views of someone higher in rank (Kukić et al. 2022). Also, tensions and conflicts exist within police units and between political pressures and public demands (Jiang, Baker, and Hassan 2023; Thacher and Rein 2004) that require law enforcement officers to make courageous decision for better public services. This is especially relevant in developing countries of South Asia. In Pakistan, for example, a senior superintendent of police who had argued against using force against public protests by a political party was dismissed from service due to misuse of police force for political objectives (Dawn 2021). This example suggests that police officers face personal and professional risks when making courageous decisions.

Sample and procedures

With the approval of the Ministry of Public Administration, we obtained access to police officers in police stations in multiple cities in Bangladesh. The Ministry of Public Administration enabled us to obtain access to key contacts at different police stations, who supported us in

distributing our questionnaires to police officers and their immediate supervisors. Stations were located across all eight divisions of Bangladesh and chosen to represent variations in organizational size and location (urban and semi-urban areas). Before distributing the questionnaires, we ensured that the participants' responses would remain anonymous and confidential and that their participation was voluntary. All the participants provided informed consent. We collected data from leaders and followers. The leaders were line-level supervisors and station commanders who directly oversaw day-to-day policing activities at the station level. The followers were line-level officers (constables and sub-constables) who reported directly to these supervisors.

We calculated the appropriateness of sample size with G*Power 3.1 (Faul et al., 2009) with the threshold values of medium effect size of $f^2 = .15$, level of significance i.e., $\alpha = .05$, statistical power of $1 - \beta = .99$, and tested predictors = 6. The analysis suggested a minimum sample size of 186. The data were collected in three phases. At time 1, employees rated the ethical leadership of their immediate supervisors and provided demographic information. Two months later, at time 2, all employees who completed the first questionnaire were invited to rate their sensing capability, seizing capability, transforming capability, and PSM levels. At time 3, another month later, their immediate supervisors were asked to rate each employee's courageous decision making. Supervisors also provided demographic information. A total of 289 employees and 45 supervisors completed the questionnaires. The leader and follower surveys were linked using anonymous identification codes provided to both the supervisors and their direct subordinates. Subordinates did not know which specific behaviors would be rated by supervisors, and supervisors were not provided access to the subordinates' self-reports. Data were collected at three time points from different sources to reduce the likelihood of common method and social desirability biases (Andersen, Heinesen, and Pedersen 2016). Table 1 summarizes the sample characteristics.

Table 1. Sample characteristics.

Leaders' demographics	%	Employees' demographics	%
Years of experience		Years of experience	
1 to 5 years	3.5	1 to 5 years	58.9
6 to 10 years	47.3	6 to 10 years	24.2
11 to 15 years	24.2	11 to 15 years	12.1
16 to 20 years	16.3	16 to 20 years	4.8
21 years and above	8.7		
Years of experience in current organization		Years of experience in current organization	
1 to 5 years	4.8	1 to 5 years	58.8
6 to 10 years	54.3	6 to 10 years	28.7
11 to 15 years	29.8	11 to 15 years	10.0
16 to 20 years	8.3	16 to 20 years	2.5
21 years and above	2.8		
Age		Age	
36 to 40 years	58.1	25 to 30 years	12.5
41 to 45 years	26.6	31 to 35 years	54.6
46 to 50 years	15.3	36 to 40 years	20.4
		41 to 45 years	12.5
Gender		Gender	
Male	95.2	Male	97.9
Female	4.8	Female	2.1
Education		Education	
High school certificate	3.2	University degree (Bachelors)	90.0
University degree (Bachelors)	92.0	University degree (Higher degree)	10.0
University degree (Higher degree)	4.8		
Private sector experience		Private sector experience	
Yes	13.5	Yes	6.4
No	86.5	No	93.6

Note: N = 45 (leaders); *N = 289* (employees).

Table 2. Reliability and convergent validity.

Variable	Items	Factor loadings	AVE	CR	Cronbach's alpha
Ethical leadership	EL1	.78	.57	.88	.84
	EL2	.80			
	EL3	.78			
	EL4	.75			
	EL5	.72			
	EL6	.68			
Sensing	Sens1	.83	.66	.88	.83
	Sens2	.79			
	Sens3	.76			
	Sens4	.86			
Seizing	Seiz1	.81	.66	.88	.82
	Seiz2	.90			
	Seiz3	.77			
	Seiz4	.76			
Transforming	Trans1	.88	.72	.91	.87
	Trans2	.83			
	Trans3	.80			
	Trans 4	.87			
Courageous decision making	CDM1	.86	.65	.91	.89
	CDM2	.77			
	CDM3	.75			
	CDM4	.79			
	CDM5	.79			
	CDM6	.86			
Public service motivation	PSM1	.84	.75	.93	.92
	PSM2	.90			
	PSM3	.81			
	PSM4	.89			
	PSM5	.88			

Note: AVE = average variance extracted; CR = composite reliability.

Measures

This study utilized multi-item scales, combining adopted and self-developed items based on relevant literature (all survey items are included in the appendix). Ethics-focused leadership was measured using six items from Brown, Treviño, and Harrison (2005). PSM was measured using the five items from the Merit Systems Protection Board scale that were adapted from the original 40 items outlined by Perry (1996). Wright, Christensen, and Pandey (2013) provided evidence for the validity of this measure. Sensing, seizing, and transforming capabilities were measured by adapting four items for each construct from Janssen et al. (2016). We converted these items into the context of ethics-focused DCs. Finally, Kelman, Sanders, and Pandit (2016) inspired six items to measure courageous decision making. Ethical leadership, ethics-focused DCs (sensing, seizing, and transforming), and PSM were measured using seven-point Likert scales ranging from 1 (strongly disagree) to 7 (strongly agree). Ethically motivated courageous decision making was measured using a seven-point Likert scale ranging from 1 (never) to 7 (always). The Cronbach's Alphas for the scales ranged from 0.82 to 0.92, indicating excellent internal consistency (see Table 2 for details).

Analytical strategy

We collected data from the employees and their immediate supervisors, and we had multiple employees whose data were nested under supervisors (45). Therefore, supervisors could have idiosyncratic effects on the ratings of their subordinates (i.e., the nested effects), which warrant the use of a hierarchical linear model (HLM) to estimate multi-level data (Bryk and Raudenbush 1992). We have two levels of data, at Level-1, employees' demographic data, ethical leadership (reported by employees), ethic-focused dynamic capabilities (sensing,

seizing, and transforming), PSM, and courageous decision making; while at Level-2, supervisors' demographic data.

Results

Confirmatory factor analysis and common method variance

To establish convergent validity, construct factor loadings should be greater than .65, average variance extracted (AVE) and composite reliability (CR) should be more than .5 and the AVE should be less than the CR of the construct (Fornell and Larcker 1981). The results in Table 2 indicate that all these requirements were met; hence, convergent validity was established.

In our study, we applied both procedural and methodological remedies to address potential issues with common method variance (CMV) (Jakobsen and Jensen 2015). First, we applied several procedural remedies (Podsakoff, MacKenzie and Podsakoff 2012) by using different respondents (i.e., supervisor and subordinates), multiple subordinates per supervisor, and temporal separation of the measures (i.e., the variables were measured at three points in time that were at least one month apart). We also ensured that the questionnaires were anonymous, reduced the ambiguity of questions by using pre-established measures, and counterbalanced the questions (randomized order).

A statistical remedy was to run a confirmatory factor analysis (CFA) to establish the convergent and discriminant validity of the variables (i.e., ethical leadership, PSM, sensing, seizing, and transforming capabilities, and courageous decision making). We estimated our hypothesized six-factor model and statistically compared its CFA with the CFAs of the alternative models. The six-factor measurement model demonstrated a very good fit to the data, [χ^2 (df = 311) = 827.90, RMSEA = .07, CFI = .90, SRMR = .07]. An alternate four-factor model with CDM, EL, PSM, and a fourth factor combining all three types of DCs (seizing, sensing, and transforming) provided a weaker fit [χ^2 (df = 320) = 1757.44, RMSEA = .12, CFI = .73, SRMR = .13]. All other models (i.e., 3-factor and 2-factor) showed a poor fit, as shown in Table 3. Finally, the one-factor model in which all observed variables were loaded onto a single factor also produced a worse-fitting model, [χ^2 (df = 326) = 2957.71, RMSEA = .16, CFI = .51, SRMR = .15], which showed that CMV was not an issue in the data. These findings showed that the constructs used in this study were distinct and measure their intended variables. These findings demonstrated that our hypothesized six-factor model had the best fit; therefore, we used it in subsequent analyses to test our hypotheses.

Descriptive statistics and hypotheses testing

Table 4 presents the means, standard deviations, bivariate correlations, and AVEs of the study variables. Hypotheses 1a–1c suggested that ethical leadership would be related to each of the three ethics-focused dynamic capabilities. Transforming ($r = .64$, $p < .01$) and sensing ($r = .30$, $p < .01$) are significantly positively related to ethical leadership, however, there is no significant association between ethical leadership and seizing ($r = .10$ $p > .05$). Therefore, there is support for H1a (EL → Sensing) and H1c (EL → Transforming), but there is no support for H1b (EL → Seizing).

We used HLM to estimate the research model considering the nested nature of the data at two different levels (level-1 = employees, level-2 = supervisors). We estimated the model by entering variables sequentially; that is, we estimated the first part i.e., ethical leadership, to three types of ethics-focused DCs (sensing, seizing, and transforming) as shown in models 1, 2, and 3 in Table 5, respectively. The regression results conform to the correlation matrix, and H1a (EL→Sensing) and H1c (EL → Transforming) are supported, whereas there is no support for H1b (EL→Seizing). In model 4 of Table 5, we provide results of direct path from EL → courageous decision making, which is significant, and hence support H2 ($\gamma = .45$, $p = .00$).

Table 3. Results of confirmatory factor analysis.

Measure	X^2	df	CMIN/DF	CFI	SRMR	RMSEA	ΔX^2	Δdf
Hypothesized six-factor model	827.90	311	2.66	.90	.07	.07		
Four-factor model: CDM, EL, PSM with combined dimensions of seizing, sensing, and transforming	1757.44	320	5.49	.73	.13	.12	929.54	9
Three-factor model: EL, PSM with all other factors combined	1946.85	323	6.02	.70	.12	.13	189.41	3
Two-factor model: EL with all other factors combined	2763.35	325	8.50	.54	.16	.16	816.5	2
One-factor model: Loading all items into one factor	2957.71	326	9.07	.51	.15	.16	194.36	1

Note: CFI = comparative fit index; RMSEA = root mean square error of approximation; and SRMR = standardized root mean square residual. CDM = courageous decision making; PSM = public service motivation; EL = ethical leadership.

Table 4. Means, standard deviations, and correlation matrix.

	Mean	SD	1	2	3	4	5	6	7	8	9	10
Level 1												
1. Age	2.32	0.84										
2. Experience	1.59	0.91	.05									
3. Gender	1.02	0.14	.17**	.06								
4. Education	4.10	0.30	−0.01	.05	.03							
5. Ethical leadership	5.34	0.70	−0.04	.06	−0.03	−0.04	**(.67)**	.54	.60	.23	.39	.25
6. CDM	5.80	0.67	−0.01	.04	−0.05	.05	.46**	**(.75)**	.55	.44	.36	.09
7. Transforming	5.96	0.86	.02	.08	−0.02	−0.04	.65**	.55**	**(.79)**	.18	.20	.11
8. Seizing	5.10	0.78	−0.01	.07	−0.03	.05	.11	.42**	.14*	**(.75)**	.15	.02
9. Sensing	5.47	0.79	−0.06	.02	.04	.01	.30**	.31**	.16**	.14*	**(.75)**	.18
10. PSM	5.55	1.77	−0.22**	.01	−0.05	−0.13*	.22**	.11	.09	.01	.16**	**(.83)**
Level 2												
1. Experience	3.13	1.21										
2. Experience in current organization	2.64	1.02	.73**									
3. Age	3.74	0.85	.51**	.29								
4. Gender	1.05	0.22	−0.10	−0.08	−0.13							
5. Education	4.04	0.29	−0.02	−0.09	.22	−0.04						

*. Correlation is significant at the .05 level (2-tailed). **. Correlation is significant at the .01 level (2-tailed).
CDM = courageous decision making; PSM = public service motivation.
Lower diagonal are the correlation coefficients. Diagonal values are the square root of the AVEs, which are greater than their inter-correlation with other constructs, hence the discriminant validity of the constructs are established. We also estimated the HTMT ratios for the discriminant validity, which are provided in the upper diagonal for each pair of constructs, which are less than .85, hence discriminant validity of the constructs is established.
Age categories were 1 = 25–30; 2 = 31–35; 3 = 36–40; 4 = 41–45; and 5 = 46–50 years. Gender 1 = male, 2 = female.
Level-1: $N = 289$, Level-2: $N = 45$.

In models 5, 6, and 7, results showed that sensing ($\gamma = .18$, $p = .00$), seizing ($\gamma = .37$, $p = .00$), and transforming ($\gamma = .31$, $p = .00$) are significant positive predictors of courageous decision making. These results support H3a, H3b, and H3c. Models 5 and 6 indicate mediation, that is, the EL→ CDM path becomes insignificant after the inclusion of sensing and transforming, respectively, which indicates that these two variables are mediating the EL→CDM path, hence supporting our mediation hypotheses H4a and H4c. We do not find support for the mediation hypothesis H4b with seizing as a mediator. We tested this as an individual capability effect on courageous decision making. Finally, in model 8, we added all three mediators together in a single model and obtained similar results. To test the mediation hypotheses, we used the Sobel

Table 5. Mediation analysis.

	Model-1		Model-2		Model-3		Model-4		Model-5		Model-6		Model-7		Model-8	
	EL→Sense		EL→Seizing		EL→Transforming		EL → CDM		Sense→CDM		Seizing → CDM		Transforming→CDM		All → CDM	
	Beta	*Sig*	*Beta*	*Sig*	*Beta*	*Sig*	*Beta*	*Sig*	*Beta*	*Sig*	*Beta*	*Sig*	*Beta*	*Sig*	*Beta*	*sig*
Within (Level1)	*B*	*P*														
Intercept							5.8	.00	5.81	.00	5.81	.00	5.81	.00	5.81	.00
Experience	.13	.53	−0.04	.60	−0.07	.68	−0.10	.56	−0.13	.47	−0.09	.60	−0.08	.50	−0.09	.46
Gender	.18	.60	.04	.91	−0.15	.69	−0.12	.77	−0.16	.71	−0.14	.67	−0.07	.81	−0.12	.61
Education	.18	.25	.06	.68	−0.09	.45	.10	.37	.07	.52	.08	.39	.13	.26	.08	.36
Ethical leadership	.37	.00	.07	.17	.76	0.00	.45	.00	.38	.00	.42	.00	.21	.10	.14	.12
Mediators																
Sensing									.18	.01					.16	.01
Seizing											.37	.00			.33	.00
Transforming													.31	.00	.28	.00
Between (Level2)																
Intercept	5.44	.00	5.08	.00	6.01	.00										
Experience	−0.14	.17	.01	.93	.20	.08										
Experience in current organization	.13	.20	.04	.77	−0.12	.31										
Age	.04	.62	−0.06	.47	−0.11	.29										
Gender	−0.03	.88	−0.19	.40	.38	.01										
Education	−0.14	.45	−0.04	.82	.39	.00										
Private sector Experience	−0.26	.19	.22	.35	.17	.42										
Sigma^2	0.56		0.50		.42		.35		.33		.28		.31		.23	
Tau	.02		.147		.08		.02		.02		.03		.03		.04	
Chi-Square	46.40		103.6		88.6		63.2		66.6		77.9		71.2		93.3	
Df	38		38		38		44		44		44		44		44	
p-value	.16		.00		.00		.03		.01		.00		.00		.00	

Note: $N = 289$ for within level analysis; $N = 45$ for between level analysis

Ethical leadership → Sensing → CDM = $a = .37$, sa = .07, $b = .16$, sb = .04 (indirect effect = .06$T = 3.10$, se = .02, $p = .00$) Full Mediation

Ethical leadership → Seizing → CDM = $a = .07$, sa = .06, $b = .33$, sb = .04 (indirect effect = .25$T = 1.15$, se = .02, $p = .25$) No Mediation

Ethical leadership→Transforming→ CDM = $a = .76$, sa = 0.06, $b = .28$, sb = .05 (indirect effect = .21$T = 5.29$, se = .04, $p = .00$) Full Mediation

test to estimate indirect effects and their significance levels. The results at the bottom of Table 5 showed that sensing (indirect = .05, $p = .00$) and transforming (indirect = .21, $p = .00$) have full mediation between EL→CDM, while seizing has no mediation effect (indirect = .25, $p = .24$).

Table 6 shows main effect (model 1) and interaction effects (model 2). Results show that PSM has a significant positive effect on courageous decision making ($\gamma = .29$, $p = .00$). To test moderation, in model 2, we included interaction term for PSM and ethical leadership to analyze the interaction effect of PSM on the path EL → CDM. Results show that PSM significantly moderates the effect of ethical leadership on courageous decision making, that is, PSM strengthens the positive effect of ethical leadership on courageous decision making ($\gamma = .08$, $p = .00$). Therefore, the moderation hypothesis H6 is supported. The effect is also presented graphically in Figure 2. Table 7 summarizes the results of our hypotheses tests.

Table 6. Moderation analysis.

	CDM = Dependent variable			
	Model-1		Model-2	
	Main Effects Model		Interaction Effect (PSM)	
	Beta	p-value	Beta	p-value
Within (Level1)				
Experience	−0.10	.42	−0.07	.56
Gender	−0.14	.52	−0.14	.51
Education	.05	.63	.05	.65
Ethical leadership	.04	.54	.09	.19
Mediators				
Sensing	.14	.00	.12	.00
Seizing	.32	.00	.32	.00
Transforming	.30	.00	.30	.00
Moderator				
PSM	.29	.00	.33	.00
Interaction Term				
PSM x EL			.08	.00
Between (Level2)				
Intercept	5.82	.00	5.81	.00
Experience	.05	.26	.05	.26
Age	−0.04	.54	−0.04	.54
Gender	.14	.44	.15	.44
Education	.28	.08	.28	.08
Private sector experience	.06	.68	.06	.68
R^2	.22		.22	
R^2 Change			.001	
Tau	.04		.04	
Chisq	89.0		91.9	
Df	39		39	
p-value	.00		.00	

Note: $N = 289$ for within level analysis; $N = 45$ for between level analysis
CDM = courageous decision making; PSM = public service motivation; EL = ethical leadership.

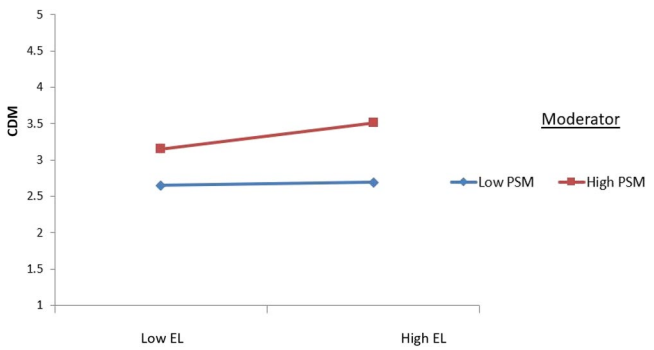

Figure 2. Moderation effects.

Table 7. Hypotheses testing summary.

Hypotheses	Result
H1a: Ethical leadership is positively related to ethics-focused sensing capability of public employees.	Accepted
H1b: Ethical leadership is positively related to ethics-focused seizing capability of public employees.	Rejected
H1c: Ethical leadership is positively related to ethics-focused transforming capability of public employees.	Accepted
H2: Ethical leadership is positively related to courageous decision making among public employees.	Accepted
H3a: Ethics-focused sensing capability is positively related to courageous decision making among public employees.	Accepted
H3b: Ethics-focused seizing capability is positively related to courageous decision making among public employees.	Accepted
H3c: Ethics-focused transforming capability is positively related to courageous decision making among public employees.	Accepted
H4a: Ethics-focused sensing capability mediates the relationship between ethical leadership and courageous decision making.	Accepted
H4b: Ethics-focused seizing capability mediates the relationship between ethical leadership and courageous decision making.	Rejected
H4c: Ethics-focused transforming capability mediates the relationship between ethical leadership and courageous decision making.	Accepted
H5: PSM moderates the relationship between ethical leadership and courageous decision making	Accepted

Discussion

Based on multi-level data collected from 289 police officers and their immediate supervisors, this study suggests that ethical leadership and ethics-focused DCs of employees (i.e., ethics-focused sensing, seizing, and transforming capabilities) are positively related to ethically motivated courageous decision making. We found that ethical leadership was positively related to sensing and transforming, but its relationship with seizing capability was not significant. This is partially consistent with existing literature, which suggests that leadership is one of the antecedents of DCs in general (Pitelis and Wagner 2019). The public management literature also supports the relationship between ethical leadership and employee individual employee outcomes (Moon and Christensen 2022). This study applies DCs theory to the public sector and contextualizes it as ethics-focused DCs. The results suggest that sensing and transforming capabilities mediate the relationship between ethical leadership and courageous decision making among police employees. Our results support the moderating role of PSM in the relationship between ethical leadership and ethically motivated courageous decision making. Previous studies also acknowledge the moderating role of PSM in the relationship between leadership and employee-level outcomes (e.g., Potipiroon and Faerman 2016).

Theoretical contribution

This study contributes to public administration literature in several ways. Rational decision making has been challenged since the publication of Herbert Simon's (1997[1947]) seminal book *Administrative Behavior* and by the current behavioral public administration literature (James, Jilke, and Van Ryzin 2017). Kelman and colleagues (2016) argued that courageous decisions are the most difficult decisions, however, this important concept for unleashing change in government (Kelman 2005) remains unexplored in the public administration literature. In particular, research on the antecedents of courageous decision making in the public sector is lacking. This study operationalizes Kelman, Sanders, and Pandit's (2016) courageous decision-making construct, laying the groundwork for more future research on this topic. By examining ethically motivated courageous decision making's relationship with ethical leadership and ethics-focused DCs, we shed light on the mechanisms that lead public servants to dissent and resist following unethical rules or orders blindly (O'Leary 2020).

Second, we contribute to the literature on ethical leadership by extending its nomological network. Kelman (2007:249) called for more research on "techniques that managers might use to counteract the signal a rule-bound environment sends that one's job consists of nothing

beyond following rules." Our study shows that managers can adopt an ethical leadership style to make followers engage in courageous decision making that goes beyond following rules. Thus, public employees follow a logic of appropriateness instead of a logic of consequences, doing what is right rather than what is rational (March and Olsen 2010).

Third, our study identifies ethics-focused DCs as the mechanism through which ethical leadership and courageous decision making are related. We built on Arend (2013) and operationalized a more comprehensive construct of ethics-focused DCs, aligned closely with the core dimensions of the DCs framework. However, we investigated these links between ethics-focused DCs, ethical leadership, and courageous decision making in public organizations, which is very different than Arend's (2013) context (i.e., small businesses), in which the process of adapting routines and cultivating new capabilities is expedited due to structural flexibility (Zia 2020). Moreover, our study investigates ethics-focused DCs at the individual level, a relatively unexplored area in existing literature.

Practical implications

This study has important implications for public sector employees and leaders. Considering the importance of ethically motivated courageous decision making to solve wicked problems, we suggest ways to improve courageous decision making through ethical leadership and to enhance employees' ethics-focused DCs. To enhance the ethics-focused DCs among public sector employees, leaders should demonstrate ethical leadership. Leaders can do so by conducting their own actions in ethical ways. Leaders should define success not just by results but also by the way they are obtained and discipline employees who violate ethical standards (Schwarz et al. 2025). They need to discuss ethics and values with employees and set an example of how to do things the right way in terms of ethics and what are the right things to do. According to social learning theory, followers will observe and reciprocate with ethical behaviors (Bandura 1986; Mayer et al. 2012). Furthermore, public leaders should also nurture PSM as this can improve the impact of ethical leadership on courageous decision making (Christensen, Paarlberg, and Perry 2017).

Public employees can work on their ethics-focused DCs (i.e., sensing, seizing and transforming capability). They can improve their ethics-focused sensing capabilities by quickly sensing threats that require more ethical solutions, and sensing opportunities for more ethical public services. Employees need to keep themselves up to date on the best ethical practices in public-service provision. They should observe how other organizations improve work ethics and sense whether there is a need to modify any current practice for government purposes. Ethics-focused seizing capability can be improved by quickly relating new knowledge to improve ethical standards in public services and recognizing what new information can be utilized to improve work ethics. To improve their ethics-focused transforming capabilities, employees should improve their ability to implement changes for better work ethics. To improve their work ethics, they should be able to modify how they deliver public services. When a policy change occurs, employees should reconfigure their service styles to ensure high standards of work ethics.

Limitations and future research suggestions

This study has some limitations, as our research design is cross-sectional. Future research could use a longitudinal or experimental research design to examine the impact of ethical leadership on courageous decision making and the mediating role of ethics-focused DCs. Courageous decision making remains a novel construct, and we suggest a comprehensive qualitative inquiry to further explore and explain this concept. While this study focuses on the analysis of the antecedents of courageous decision making, future research should explore the outcomes of courageous decision making in the public sector.

One limitation is that we did not include moral efficacy or moral courage as potential mediators. These constructs are conceptually linked to courageous decision making (Hannah et al. 2011; Sekerka and Bagozzi 2007). However, we focused on ethics-focused DCs, which align with the DCs perspective and capture how ethical leadership fosters individual-level sensing, seizing, and transforming behaviors. While moral efficacy and courage emphasize psychological dispositions, ethics-focused DCs provide a process-oriented explanation that connects leadership with decision-making outcomes. Future research should examine how moral efficacy or moral courage operate alongside ethics-focused DCs as mediating mechanisms.

We collected data from police departments. Future research should conduct a wider empirical survey of different public sector organizations. Our data were collected in Bangladesh, an emerging economy facing institutional voids. Future research could examine these issues in the context of developed economies to compare the findings. Furthermore, we acknowledge that the mean scores for ethical leadership, ethics-focused DCs, and courageous decision making were relatively high. Although this may reflect a degree of social desirability bias, several features of our research design mitigate this concern. First, courageous decision making was rated by supervisors, not by the employees themselves. Second, the data were collected in three waves to temporally separate predictors, mediators, and outcomes. Third, our analysis revealed both significant and non-significant relationships, suggesting that responses were not uniformly inflated. Finally, we explicitly reassured the participants about confidentiality and anonymity, which is especially critical in contexts such as Bangladesh, where concerns about corruption and reputational risks are salient. We acknowledge this issue as a limitation and encourage future research to replicate our findings using alternative data collection methods such as field experiments or qualitative triangulation.

We would also like to encourage research on the "dark sides" of courageous decision making, as "morally courageous actions may inadvertently tip to excess" (Sekerka and Bagozzi 2007:146). We conceptualized ethically motivated courageous decision making as process of making decisions that entails significant personal and organizational risk and requires courage to do the right things, even if it goes against standard procedures, hierarchical superiors, or powerful external stakeholders. For example, Frisch-Aviram, Spanghero Lotta, and Jordão de Carvalho (2025) found that to offer more competitive services, street-level bureaucrats use technologies that are not allowed in the organization, such as generative pre-trained transformers (GPTs).

Disclosure statement

No potential conflict of interest was reported by the author(s).

Ethics approval statement

We have obtained ethical approval to conduct our study. All participants were informed that participation is voluntary and provided informed consent.

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Data availability statement

The data that support the findings of this study are available from the corresponding author upon reasonable request.

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APPENDIX: Survey items

Ethical leadership

1. My leader conducts his/her personal life in an ethical manner.
2. My leader defines success not just by results but also the way they are obtained.
3. My leader disciplines employees who violate ethical standards.
4. My leader discusses business ethics or values with employees.
5. My leader sets an example of how to do things the right way in terms of ethics.
6. My leader when making decisions, asks "what is the right thing to do?"

Ethics-focused dynamic capabilities

Sensing

1. I can quickly sense public threats requiring more ethical solutions.
2. I can quickly sense opportunities for more ethical public services.
3. I keep myself up-to-date on best ethical practices in public services.
4. I can sense if there is need to modify any current practice for more ethical public services.

Seizing

1. I can quickly relate new knowledge to improve my ethical standards in public services.
2. I recognize what new information can be utilized to improve my work ethics.
3. I am capable of turning new knowledge into new processes to improve work ethics.
4. I can use new information to improve work ethics in my existing services.

Transforming/reconfiguring

1. In past, I have demonstrated my ability to implement change for better work ethics.
2. To improve my work ethics, I modify the way I deliver public services.
3. When I see public threat, I use new ways to deliver public services.
4. When there is change in policy, I reconfigure my service style to ensure high standards of work ethics.

Public service motivation

1. Meaningful public service is very important to me.
2. I am often reminded by daily events about how dependent we are on one another.
3. Making a difference in society means more to me than personal achievements.
4. I am prepared to make enormous sacrifices for the good of society.
5. I am not afraid to go to bat for the rights of others even if it means I will be ridiculed

Courageous decision making

To improve ethical public service …

1. This employee makes decisions that contradict with your ideas.
2. This employee sacrifices his/her personal interest in decision making.
3. This employee makes decisions that go against the existing norms in the department.
4. This employee denies orders from superiors that contradict with public interest.
5. This employee denies orders from superiors that contradict with standard operating procedures.
6. This employee takes risk of making decisions that are beneficial for the public but might go against powerful external stakeholders.