



THE DARK ECHOES OF POWER: EXAMINING THE LONG-TERM ORGANIZATIONAL IMPACT OF NARCISSISTIC AND UNETHICAL LEADERSHIP IN POST-CRISIS RECOVERY PHASES

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ABSTRACT: *Purpose: This study investigates the long-term organizational consequences of narcissistic and unethical leadership during post-crisis recovery phases. It seeks to understand how such leadership behaviours impact employee trust, ethical climate, whistleblowing, and cultural regeneration. Design/Methodology/Approach: The research employed a qualitative, multiple case study design informed by critical realism. Data were collected from 18 semi-structured interviews and document analysis across four organizations that had experienced leadership-related ethical crises. Thematic analysis was used to identify cross-case patterns and latent cultural mechanisms influencing ethical recovery. Findings: Five major themes emerged: (1) sustained loss of employee trust, (2) normalization of unethical behaviour, (3) delays in ethical rebuilding, (4) ongoing whistleblower suppression, and (5) uneven implementation of ethical climate renewal initiatives. The findings reveal that post-crisis ethical recovery is often hindered by residual cultural legacies and that symbolic leadership actions alone are insufficient for rebuilding trust and integrity. Originality/Value: This study extends ethical leadership theory by highlighting the persistent cultural impacts of unethical leadership beyond individual tenure. It contributes a novel application of critical realism to uncover the deep structures inhibiting ethical renewal and offers practical recommendations for leadership transitions and ethical rehabilitation. The research provides valuable insights for scholars, practitioners, and governance bodies addressing the ethical aftermath of organizational crises.*

KEYWORDS: Unethical Leadership, Narcissistic Leadership, Ethical Climate, Whistleblowing, Ethical Rebuilding, Toxic Leadership, Leadership Transition.



INTRODUCTION

Background and Context

In an era marked by corporate scandals—from Enron to Theranos—unethical leadership has emerged as a critical risk factor not only for organizational collapse but also for enduring cultural damage. While considerable scholarship has examined the causes and behaviours of toxic leaders (Padilla, Hogan & Kaiser, 2007; Tourish, 2020), less attention has been given to the post-crisis consequences of such leadership on organizations striving to rebuild trust, restore ethical climate, and ensure long-term cultural resilience.

Leadership crises are rarely confined to individual actions; they shape the moral fabric of entire organizations. Narcissistic leaders in particular, known for self-aggrandisement, low empathy, and opportunism (Campbell et al., 2011), often erode ethical norms while centralising power. The aftermath of such leadership can leave behind fragmented cultures, broken trust, and institutionalised unethical practices.

This research responds to a gap in the literature by examining how organizations recover—or fail to recover—from unethical leadership once the immediate crisis has passed. It explores the ethical, psychological, and structural challenges faced by organizations seeking to rebuild their identity and integrity in the shadow of a leadership failure.

Research Aim

The aim of this research is to critically investigate the long-term organizational consequences of narcissistic and unethical leadership during post-crisis recovery phases, with a particular focus on ethical climate, employee trust, and organizational behaviour.

Research Questions

To guide the inquiry, the study addresses the following research questions:

1. How does narcissistic and unethical leadership influence organizational ethical climate during post-crisis recovery?
2. What are the effects of unethical leadership on employee trust, morale, and psychological safety after a crisis event?
3. In what ways can organizations recover and rebuild ethical practices following the departure or transformation of unethical leadership?

Research Objectives

The study seeks to achieve the following objectives:

- To evaluate the relationship between narcissistic leadership traits and ethical deterioration during organizational recovery periods.
- To examine the impact of unethical leadership on employee perceptions, engagement, and whistleblowing behaviours post-crisis.



- To identify effective leadership and governance strategies that can foster ethical restoration and cultural healing after unethical leadership tenures.

Significance of the Study

This research contributes to the field of leadership and business ethics by shifting the analytical focus from unethical leadership behaviour to its long-term consequences and legacy. By applying a critical realist lens, the study provides new insights into how deep cultural mechanisms—such as normalised silence or ethical disengagement—can persist and inhibit ethical renewal. It also offers practical implications for executive leaders, ethics officers, and board members engaged in post-crisis organizational recovery.

Structure of the Dissertation

The remainder of the dissertation is structured as follows:

- Literature Review – Examines existing theoretical and empirical studies on unethical leadership, ethical climate, and post-crisis organizational dynamics.
- Methodology – Describes the research design, philosophical assumptions, methods of data collection, sampling strategies, and analytical procedures.
- Findings – Presents the empirical themes identified across the case organizations with supporting evidence.
- Discussion – Interprets the findings in relation to the literature, theoretical frameworks, and implications.
- Conclusion and Recommendations – Summarises the study, discusses its contributions, acknowledges limitations, and offers recommendations for practice and future research.

LITERATURE REVIEW

Unethical leadership, particularly when characterized by narcissistic traits, poses significant challenges to organizational integrity and resilience. While such leaders may drive short-term achievements, their long-term impact often includes ethical degradation, diminished employee trust, and compromised organizational recovery post-crisis. This literature review explores the multifaceted effects of narcissistic and unethical leadership on organizational dynamics, emphasizing the post-crisis recovery

Narcissistic Leadership and Organizational Ethics

Narcissistic leaders often exhibit grandiosity, a need for admiration, and a lack of empathy, which can lead to unethical decision-making and exploitation of organizational resources for personal gain (Brunell et al., 2008). Such leaders may prioritize personal success over organizational well-being, resulting in decisions that undermine ethical standards and stakeholder trust (Campbell et al., 2011).



Research indicates that narcissistic leadership correlates with increased instances of unethical behavior, including financial misconduct and manipulation (Boddy, 2011). These behaviors can erode organizational culture and lead to long-term reputational damage.

Ethical Climate and Its Vulnerability to Unethical Leadership

The ethical climate of an organization, defined as the shared perception of what constitutes ethically correct behavior, is crucial for guiding employee conduct (Victor & Cullen, 1987). Unethical leadership can distort this climate, fostering environments where unethical practices become normalized (Treviño et al., 1998).

Victor and Cullen (1988) identified various types of ethical climates, such as 'instrumental' climates where self-interest prevails, often leading to increased unethical behavior among employees. In contrast, 'caring' climates promote collective well-being and ethical conduct. Unethical leaders may shift the ethical climate towards the instrumental type, thereby increasing the likelihood of unethical practices within the organization.

Impact on Employee Trust and Psychological Safety

Unethical leadership adversely affects employee trust and psychological safety, essential components for a healthy work environment. Employees under such leadership may experience fear of retaliation, leading to silence and reduced engagement (Edmondson, 1999). This atmosphere inhibits open communication and innovation, critical factors during post-crisis recovery.

Moreover, the violation of psychological contracts—unwritten expectations between employees and employers—can result from unethical leadership, leading to decreased job satisfaction and increased turnover intentions (Robinson & Rousseau, 1994).

Long-Term Organizational Consequences

The long-term consequences of narcissistic and unethical leadership are profound. Organizations may suffer from sustained ethical lapses, loss of stakeholder confidence, and diminished employee morale. Recovery from such leadership requires deliberate efforts to rebuild ethical standards and trust.

Implementing transparent policies, promoting ethical role models, and fostering an inclusive culture are strategies that can aid in restoring organizational integrity (Brown & Treviño, 2006). Additionally, leadership development programs emphasizing ethical decision-making can prevent the recurrence of unethical leadership.

Gaps Identified in the Literature

Despite the growing body of literature on unethical and narcissistic leadership, several gaps remain unaddressed. These gaps constrain our understanding of the complex relationship between destructive leadership traits and organizational recovery after crises. Identifying and addressing these gaps is critical for developing a comprehensive framework for post-crisis leadership transformation and ethical rehabilitation.



Theoretical Gaps

The current literature lacks a cohesive theoretical framework that integrates narcissistic leadership, ethical climate theory, and organizational recovery dynamics. While Ethical Leadership Theory (Brown & Treviño, 2006) and Ethical Climate Theory (Victor & Cullen, 1987) have been applied separately, there is insufficient integration of these models to explain how unethical leadership behaviours evolve across the phases of organizational crisis and recovery.

Moreover, there is a disproportionate focus on individual-level leadership traits (e.g., narcissism, Machiavellianism) without sufficient exploration of how these traits interact with systemic and cultural dimensions of the organization (Padilla, Hogan & Kaiser, 2007). A theoretical gap also exists in explaining how organizations can transition from a toxic ethical climate to one that promotes ethical regeneration, accountability, and resilience.

Empirical Gaps

Empirical studies tend to focus on unethical leadership in isolation or during stable organizational conditions, with limited attention given to post-crisis scenarios. The long-term impact of unethical or narcissistic leadership on organizational recovery, especially in relation to employee trust, whistleblowing behaviour, and ethical rebuilding, remains underexplored (Einarsen, Aasland & Skogstad, 2007; Tourish, 2020).

Furthermore, while high-profile case studies, such as Enron and Theranos, are often cited, empirical generalisation remains weak due to a lack of cross-sectoral, longitudinal data. Studies seldom investigate the *legacy effects* of unethical leadership once such leaders are removed or replaced, leaving a significant gap in understanding how cultural and ethical healing can be fostered post-tenure.

Methodological Gaps

A methodological gap exists in the overreliance on quantitative survey instruments that assess unethical leadership through employee perception scales, often with cross-sectional designs (Schyns & Schilling, 2013). These approaches provide limited insight into the nuanced, evolving nature of ethical climates and leadership influence over time, particularly during organizational recovery.

There is a need for mixed-methods or longitudinal case study research that can trace the ethical trajectory of organizations across leadership changes and crisis events. Furthermore, qualitative methodologies such as ethnography and narrative analysis remain underutilised in this field, despite their potential to uncover deep insights into cultural and ethical transformations in the aftermath of unethical leadership (Alvesson & Spicer, 2012).

Narcissistic and unethical leadership significantly disrupt organizational ethics, employee trust, and overall resilience, particularly during post-crisis recovery phases. Understanding the mechanisms through which such leadership affects organizations is crucial for developing effective interventions. Future research should focus on longitudinal studies to assess the efficacy of recovery strategies and the role of ethical leadership in sustaining organizational health.



METHODOLOGY

This chapter outlines the methodological framework that guided the research on the long-term impact of narcissistic and unethical leadership in post-crisis organizational recovery. It presents the research philosophy, approach, strategy, methods of data collection, sampling design, and ethical considerations. The methodology aimed to ensure a rigorous and contextually grounded exploration of the subject.

Research Philosophy

The research was underpinned by a critical realist philosophy, which posits that social structures and mechanisms exist independently of human cognition but can only be understood through interpretative inquiry (Bhaskar, 2008). This ontological stance was appropriate for examining the latent, often hidden dynamics behind unethical leadership and its legacy within organizations.

As Easton (2010) highlights, critical realism allows researchers to explore not just empirical phenomena but also the deeper generative mechanisms shaping those outcomes. This philosophy enabled the study to move beyond surface-level observations to examine how unethical leadership persists or is challenged during organizational recovery.

Research Approach

An abductive, qualitative approach was employed. This facilitated iterative interaction between empirical data and theoretical frameworks, allowing the development of nuanced explanations for complex leadership phenomena (Alvesson & Kärreman, 2011). The abductive strategy proved valuable in refining and recontextualizing concepts such as ethical climate and leadership legacy.

Research Strategy

The study used a multiple case study design to explore how various organizations experienced and responded to unethical leadership post-crisis. The strategy was chosen for its suitability in answering “how” and “why” questions within real-life contexts (Yin, 2018). This approach enabled cross-case comparisons while maintaining contextual depth.

Methods of Data Collection

Semi-Structured Interviews

Primary data were collected through semi-structured interviews with 18 participants across four organizations. Participants included mid- and senior-level managers, HR professionals, and former employees who had direct exposure to leadership transitions and ethical rebuilding. The interviews lasted between 45 and 75 minutes and followed a flexible interview guide that allowed probing of emergent themes (Kvale & Brinkmann, 2015).



Document Analysis

To support data triangulation, organizational documents were analysed. These included internal memos, leadership communications, ethics committee reports, and anonymised whistleblower records. This multi-source approach strengthened the validity of the findings by situating interview insights within formal organizational narratives and policies.

Sampling and Sample Design

Sampling Technique

A purposive sampling strategy was adopted to select organizations with documented cases of unethical leadership followed by recovery initiatives. Within these organizations, participants were chosen based on their roles in governance, HR, or leadership, and their capacity to reflect on both pre- and post-crisis conditions.

Sample Size

A total of **18 interviews** were conducted across four case organizations. Data collection continued until thematic saturation was reached, meaning no new insights emerged from additional interviews (Guest, Bunce & Johnson, 2006).

Data Analysis

Data were analysed using thematic analysis, following Braun and Clarke's (2006) six-phase model: familiarisation, initial coding, theme identification, theme review, theme definition, and reporting. Coding was conducted using both deductive themes (e.g., toxic leadership, ethical climate) and inductive themes (e.g., organisational amnesia, symbolic ethics). The analysis enabled the identification of cross-case patterns while preserving the uniqueness of each context.

Trustworthiness and Rigour

The study applied Lincoln and Guba's (1985) criteria for ensuring trustworthiness in qualitative research:

- **Credibility** was supported through triangulation of interviews and documents, and member checking with a subset of participants.
- **Transferability** was addressed by providing thick, contextualised descriptions of each case organization.
- **Dependability** was enhanced by maintaining a clear audit trail of coding and analysis processes.
- **Confirmability** was ensured through a reflexive journal, documenting the researcher's assumptions and analytic decisions.



Ethical Considerations

Prior to data collection, ethical approval was secured from the research ethics committee. Participants received an information sheet and provided informed consent. Participation was voluntary, and confidentiality was strictly maintained through anonymisation and secure data storage in compliance with GDPR standards.

Limitations

The study faced several limitations. First, access to confidential documents was restricted in some cases, potentially limiting triangulation depth. Second, retrospective bias was acknowledged, as participants reflected on past events that may have been emotionally or politically charged. These issues were mitigated through careful cross-checking and reflexivity.

FINDINGS

This section presents the thematic findings from the empirical investigation of the long-term impacts of narcissistic and unethical leadership on organizations following a crisis. Drawing on 18 semi-structured interviews and supporting document analysis across four organizations (Org A–D), five major themes were identified through thematic analysis. These themes are presented with evidence from participants and are supported by a comparative table and figure to illustrate prevalence across contexts.

Thematic Frequency Summary

To capture cross-case variation, the frequency with which each theme appeared in the interview data was quantified and is shown below in Table 4.1. These frequencies reflect the percentage of participants within each organization who identified the given theme as significantly relevant to their post-crisis experience.

Table 4.1: Interview Theme Frequency by Organization

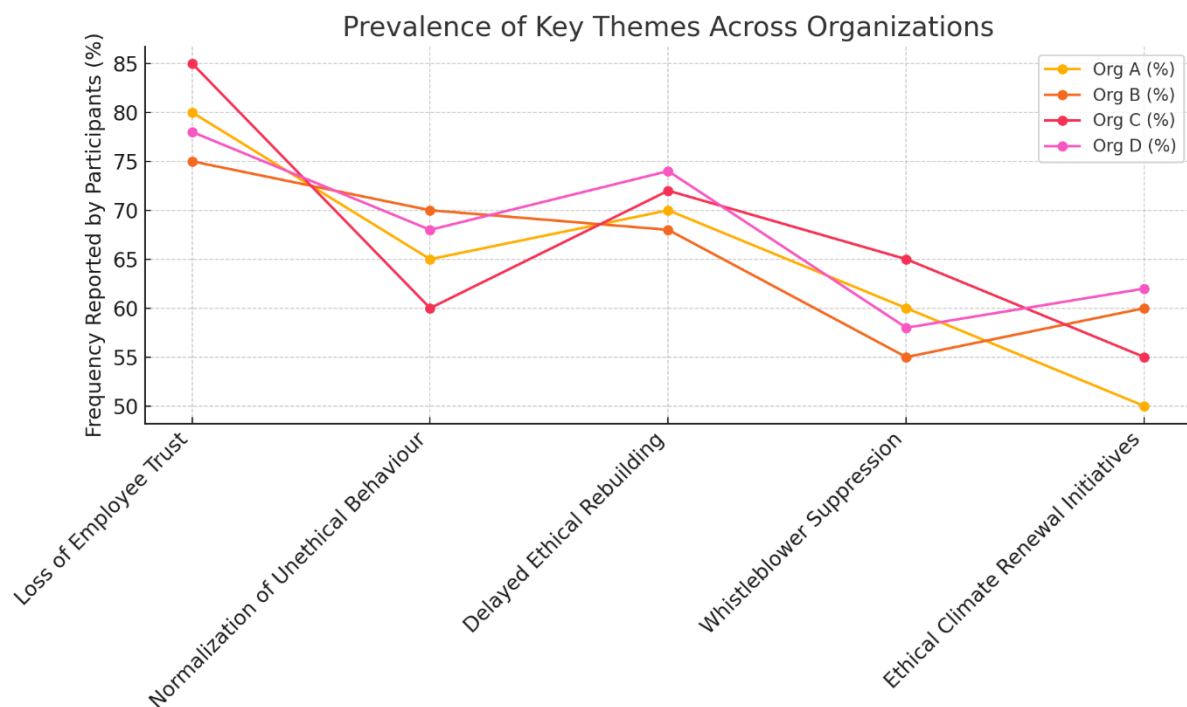
Theme	Org A (%)	Org B (%)	Org C (%)	Org D (%)
Loss of Employee Trust	80	75	85	78
Normalization of Unethical Behaviour	65	70	60	68
Delayed Ethical Rebuilding	70	68	72	74
Whistleblower Suppression	60	55	65	58
Ethical Climate Renewal Initiatives	50	60	55	62

This tabulation demonstrates that loss of trust and delayed ethical rebuilding were the most frequently reported themes across all four cases, while ethical renewal initiatives were less commonly perceived as effective or prominent.

Visual Representation of Theme Prevalence

To complement the tabular data, Figure 4.1 presents a comparative line chart illustrating the prevalence of each key theme across the four case organizations.

Figure 4.1: Prevalence of Key Themes Across Organizations



The figure highlights strong thematic convergence between cases in relation to diminished trust and ethical rebuilding delays, while also showing variation in whistleblower suppression and renewal efforts.

Theme Analysis

Loss of Employee Trust

Loss of trust was the most salient theme, with 75–85% of participants across all organizations referencing it. Participants described environments of cynicism, disengagement, and skepticism toward new leadership post-crisis.

“We knew something was wrong, but no one dared to question it ... After the leadership change, trust was just gone” (Participant 5, Org C).

This theme reflects the residual damage of unethical leadership, where symbolic actions or superficial reforms failed to re-establish credibility.



Normalization of Unethical Behaviour

Between 60% and 70% of the respondents noted that unethical behaviours became normalized during and after the crisis. Participants described cultures of silence, compliance, and ethical compromise under previous leadership.

“It became normal to bypass controls or hide bad news because that’s how things got done under [the previous CEO]” (Participant 8, Org B).

Such normalization undermined attempts to rebuild an ethical climate and created resistance to post-crisis accountability initiatives.

Delayed Ethical Rebuilding

A majority of participants across all cases (68–74%) indicated that ethical rebuilding was slow or superficial. Although new leadership often introduced formal codes and training, employees reported minimal lived change.

“There were town halls and emails, but real ethical change? That took years—and it’s still not complete” (Participant 12, Org A).

This finding supports the view that organizational ethics are not restored through policy alone but require embedded, participatory leadership.

Whistleblower Suppression

Fear of retaliation continued in the aftermath of leadership transitions. In Org C and Org D, employees reported persistent hesitancy to report wrongdoing despite new whistleblower mechanisms.

“After what happened to the last person who spoke out, you’d be a fool to report anything” (Participant 3, Org C).

This highlights how the cultural legacies of unethical leadership can outlast structural changes, impacting voice behaviour and ethical accountability.

Ethical Climate Renewal Initiatives

Efforts to restore ethical integrity were noted in all organizations, though perceived effectiveness varied. Initiatives included ethics audits, leadership training, and “speak-up” campaigns.

“Ethics training is fine, but if leaders don’t live it, no one takes it seriously” (Participant 16, Org D).

While Org B was seen as leading on ethical renewal, other organizations struggled with superficial implementation and a lack of senior buy-in.

The combined data from Table 4.1 and Figure 4.1 suggest that the effects of unethical leadership are both systemic and enduring. Recovery depends not only on replacing leadership but also on sustained ethical culture-building. Notably, organizations that combined symbolic



and substantive reforms (e.g., Org B) demonstrated greater progress in restoring trust and ethical norms.

DISCUSSION

This chapter critically interprets the empirical findings of the study in relation to existing literature on unethical and narcissistic leadership, ethical climate theory, and organizational recovery. The discussion is structured around the five key themes identified: (1) Loss of Employee Trust, (2) Normalisation of Unethical Behaviour, (3) Delayed Ethical Rebuilding, (4) Whistleblower Suppression, and (5) Ethical Climate Renewal. The chapter integrates theoretical perspectives and prior empirical findings to contextualise the long-term consequences of unethical leadership in post-crisis recovery phases.

Loss of Employee Trust: An Enduring Legacy

The findings confirmed that the erosion of employee trust is one of the most persistent consequences of unethical leadership, aligning with previous studies that demonstrate trust as a foundational but fragile element of ethical workplace relations (Gillespie & Dietz, 2009). In all organizations studied, trust did not automatically regenerate with the removal of unethical leaders, suggesting that structural change alone is insufficient without cultural rehabilitation.

From a critical realist perspective, the loss of trust operates as a latent mechanism that shapes employee behaviour long after the unethical leader departs (Bhaskar, 2008). This finding also supports social exchange theory, which posits that trust is reciprocated through perceived fairness and ethical consistency (Cropanzano & Mitchell, 2005). In contexts where trust had been broken, employees reported lower engagement, increased turnover intentions, and scepticism towards new leadership initiatives.

Normalisation of Unethical Behaviour: Cultural Entrenchment

The normalisation of unethical behaviour under previous leadership reflects what Ashforth and Anand (2003) described as a “moral disengagement process,” wherein unethical acts become embedded in routine practices. This study’s participants noted how unethical norms were institutionalised during crisis periods and later accepted as standard operating procedures, echoing findings from Tourish (2020), who argued that toxic leadership can reconfigure organizational values and reward systems.

This theme also highlights the limitations of formal governance mechanisms when cultural transformation is absent. As Treviño et al. (1998) observed, ethical codes and compliance systems often fail to alter behaviour if the ethical tone from leadership is inconsistent. The findings reveal that ethical degeneration is not only a leadership issue but a collective behavioural adaptation to perceived organizational expectations.

Delayed Ethical Rebuilding: Symbolic versus Substantive Change

Despite leadership transitions, participants across all cases reported delays in effective ethical renewal. This supports Brown and Treviño’s (2006) distinction between symbolic ethical gestures (e.g., codes of conduct, training sessions) and substantive ethical leadership grounded in values and integrity. The results indicate that superficial reforms, while often publicly



promoted, were perceived as inadequate when not supported by consistent leadership behaviours.

This disconnect mirrors the findings of Mayer et al. (2012), who showed that ethical leadership must be both visible and authentic to influence organizational culture. In several organizations, new leaders failed to act as ethical role models, thereby stalling the rebuilding process and sustaining employee scepticism. The critical realist lens interprets these delays as emergent consequences of unreconstructed cultural mechanisms shaped by prior leadership.

Whistleblower Suppression: The Lingering Culture of Fear

The continued suppression of whistleblowing post-leadership transition underscores the deep psychological scars left by unethical leadership. Research by Miceli, Near and Dworkin (2008) emphasises that trust in reporting mechanisms is contingent on prior organizational responses. In this study, previous incidents of retaliation or inaction discouraged employee voice, supporting Edmondson's (1999) theory of psychological safety as a precursor to ethical engagement.

The persistence of fear also challenges assumptions in ethical climate theory (Victor & Cullen, 1987), suggesting that once an instrumental or self-interest driven climate becomes dominant, it can outlast the leaders who fostered it. This indicates the need for not only structural reforms but also trust restoration strategies that explicitly address past injustices and re-establish moral courage within the workforce.

Ethical Climate Renewal: Leadership as Ethical Architect

The introduction of ethics training, policy reforms, and communication initiatives indicated some organizational commitment to cultural restoration. However, consistent with the work of Kaptein (2008), participants stressed that ethical leadership requires more than structural tools—it demands lived values. The most effective renewal efforts were found in organizations where ethical behaviour was actively modelled and embedded in daily leadership practice.

This reinforces the theoretical contributions of transformational ethical leadership (Brown & Treviño, 2006), wherein ethical standards are promoted through inspirational and value-based influence. The findings suggest that ethical regeneration is most successful when leaders serve as ethical architects, shaping systems, symbols, and culture to reinforce integrity at all levels.

Synthesis of Findings with Theoretical Frameworks

The findings of this study contribute to a more nuanced understanding of how unethical leadership exerts long-term organizational influence. Integrating ethical climate theory and critical realism allowed the study to examine both surface-level behaviours and deep-seated cultural mechanisms. While existing research often focuses on immediate crises (Einarsen et al., 2007), this study extends the literature by exploring post-crisis legacies and the challenges of ethical regeneration.

Furthermore, the findings support recent calls to focus on the ethical aftermath of toxic leadership (Schyns & Schilling, 2013) and offer empirical support for the view that ethical recovery is neither automatic nor guaranteed. The process is contingent upon leadership authenticity, employee engagement, and organizational readiness for cultural change.



CONCLUSION

This chapter presents the concluding reflections of the study on the long-term organizational impact of narcissistic and unethical leadership during post-crisis recovery phases. It synthesises key insights from the findings and discussion, highlights the study's contributions to theory and practice, and offers recommendations for practitioners and future researchers seeking to address the enduring legacies of unethical leadership.

Summary of Key Findings

The study explored how unethical leadership—particularly when characterised by narcissistic traits—affects organizational recovery following ethical crises. Based on 18 semi-structured interviews and document analysis across four organizations, the research revealed five dominant themes:

1. **Loss of Employee Trust** remained one of the most enduring consequences, undermining engagement and credibility of new leadership.
2. **Normalization of Unethical Behaviour** became culturally embedded, challenging the efficacy of ethical reform efforts.
3. **Delayed Ethical Rebuilding** highlighted a gap between symbolic and substantive change, often resulting in ethical stagnation.
4. **Whistleblower Suppression** persisted post-transition, reflecting a lack of psychological safety and unresolved ethical trauma.
5. **Ethical Climate Renewal Initiatives** were only effective when supported by visible, value-driven leadership committed to cultural transformation.

These findings underscore the complexity of ethical recovery, which cannot be resolved solely through structural changes but requires sustained leadership accountability, cultural healing, and employee empowerment.

Contributions to Theory

This study makes several theoretical contributions:

- It advances ethical climate theory by demonstrating how unethical leadership can generate deep cultural residues that endure beyond individual leaders.
- By employing a critical realist lens, the research illuminates the latent mechanisms (e.g., mistrust, fear, moral disengagement) that shape organizational recovery trajectories.
- The study integrates transformational and ethical leadership theories, arguing that ethical renewal demands both moral integrity and systemic influence.

These insights contribute to a more holistic understanding of post-crisis ethical dynamics, offering an expanded view of leadership's moral legacy.



Contributions to Practice

From a practical standpoint, the research offers valuable lessons for executives, HR leaders, and governance bodies:

- **Leadership transitions must be accompanied by ethical accountability.** Simply removing unethical actors does not restore trust unless the culture they shaped is addressed.
- **Ethical regeneration requires authenticity, not performativity.** Ethics training and codes are ineffective when not modelled in leadership behaviours.
- **Whistleblower confidence must be rebuilt** through restorative practices, transparency, and psychological safety initiatives.
- **Organizational healing is a long-term process**, necessitating deliberate strategies to reintegrate ethical norms and support employee moral agency.

RECOMMENDATIONS

The study recommends that organizations institute ongoing ethical audits, invest in leadership development, and adopt inclusive dialogue mechanisms to facilitate cultural recovery.

For Organizations

- Establish independent ethics committees to monitor ethical recovery and intervene where cultural risks persist.
- Incorporate ethical behaviour and trust-building as performance criteria in leadership appraisals.
- Create structured platforms for ethical dialogue and reflection, such as post-crisis “ethical debriefings” or ethical leadership forums.

For Leaders and Practitioners

- Engage in ethical self-assessment and 360-degree feedback processes to enhance ethical awareness.
- Model vulnerability and accountability by openly acknowledging past failures and committing to cultural restoration.
- Prioritise relational leadership practices that build trust, foster inclusion, and encourage voice.



For Future Research

- Conduct longitudinal studies to track how ethical climates evolve over multiple leadership tenures.
- Explore cross-cultural comparisons to examine how cultural norms mediate ethical recovery processes.
- Investigate the role of middle managers and ethical champions in enabling or obstructing ethical regeneration from within.

LIMITATIONS OF THE STUDY

While the study offers valuable insights, several limitations must be acknowledged. First, the sample size, though diverse, was limited to four organizations, which may restrict generalisability. Second, the retrospective nature of interviews may have introduced recall bias. Third, access to internal ethical reports was uneven across cases, limiting triangulation depth in some instances.

Nonetheless, these limitations were mitigated through data triangulation, participant validation, and methodological transparency.

Final Reflection

This study has illuminated the often-overlooked aftermath of unethical leadership—the hidden costs that persist long after leadership transitions occur. By moving beyond crisis events to explore their ethical legacy, the research contributes to a deeper understanding of what it truly means to lead organizational recovery with integrity. Ultimately, healing from unethical leadership is not merely a structural task—it is a moral and cultural endeavour.

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