

THE EFFECT OF LEADERS' PRO-ORGANIZATIONAL UNETHICAL BEHAVIOR ON
FOLLOWERS: A MORAL CLEANSING PERSPECTIVE

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ABSTRACT

THE EFFECT OF LEADERS' PRO-ORGANIZATIONAL UNETHICAL BEHAVIOR ON FOLLOWERS: A MORAL CLEANSING PERSPECTIVE

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Pro-organizational unethical behavior refers to behaviors that aim to benefit the organizations and violate moral norms or standards. Based on the overarching framework of moral cleansing, the current work presents a model describing the indirect effect that leaders' unethical pro-organizational behavior has on followers' subsequent *ethical* behavior via followers' moral judgment of leader behavior and their feelings of guilt, as well as the moderation effect of followers' identification with the organization and identification with the leader on this indirect effect. Study 1 used a laboratory experimental design and data from 300 undergraduate students demonstrated a positive relationship between leaders' unethical pro-organizational behavior and followers' perceived immorality of leader behavior and the buffering moderation effect of followers' identification with the organization on this relationship. Study 2 used a correlational survey design and collected data from 490 full-time employees. Study 2 replicated the findings of Study 1 and observed a positive relationship between followers' perceived immorality of leader behavior and their feelings of guilt and the strengthening moderation effect of followers' identification with the leader on this relationship. Study 2 further demonstrated that followers' guilt was positively related to their subsequent engagement of ethical behavior that directly or indirectly compensated for the leaders' unethical conducts. Theoretical and practical implications of these findings are discussed.

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This dissertation is dedicated to my two grandmothers.
Thank you for your love and for teaching me to be honest and kind.
You have always been in my thoughts since you were gone.
I hope you are proud of me watching from above.

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CHAPTER 1: INTRODUCTION

It is increasingly recognized that the job of leaders in organizations includes much more than just supervising followers and pursuing bottom-line outcomes. Leaders are expected to have moral obligations such as treating followers in a fair way and modeling normatively appropriate behaviors (Brown & Treviño, 2006). Previous research has demonstrated that behaviors exhibited by leaders play a key role in affecting followers' ethical and unethical conduct (for reviews, see Kish-Gephart, Harrison, & Treviño, 2010; Treviño, den Nieuwenboer, & Kish-Gephart, 2014; Treviño, Weaver, & Reynolds, 2006). In particular, it has been well supported that leaders' demonstration and promotion of ethical behavior is effective in increasing followers' ethical behavior and reducing their unethical conduct (Brown, Treviño, & Harrison, 2005; Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009; Schaubroeck et al., 2012), and is beneficial to other important workplace outcomes such as followers' job attitudes and job performance (for a meta-analysis, see Ng & Feldman, 2015). On the other hand, however, leaders may violate moral standards and exhibit unethical behaviors such as abusing followers (Tepper, 2000) and taking unwarranted credits for self-interest (Rus, van Knippenberg, & Wisse, 2010a, 2010b). Research has shown that unethical behaviors performed by leaders have a detrimental effect for their followers and the organization (Mitchell & Ambrose, 2007; Tepper, Moss, Lockhart, & Carr, 2007; A. Peng, Schaubroeck, & Li, 2014; J. Peng, Wang, & Chen, in press).

Unethical behaviors investigated in the current literature primarily derive from self-serving motives and harm the interests of the organization and/or its members. Recently, however, research has begun to cast doubt on the assumption that unethical behaviors are driven chiefly by self-interest. Instead, individuals commonly exhibit unethical behaviors with the intention to benefit their organization. For example, the popular press reported that Stephen Anderson, a New

York Police Department detective, fabricated drug charges against innocent people to meet arrest quotas and outperform the other departments on federal antidrug funds (Balko, 2011). Umphress and colleagues (2010, 2011) developed the construct of unethical pro-organizational behavior (UPB), defined as “actions that are intended to promote the effective functioning of the organization or its members and violate core social values, norms, or standards of proper conduct” (Umphress & Bingham, 2011, p. 622). Because leaders are responsible for achieving the collective goals of the group and the organization, it is particularly challenging for leaders to refrain from UPB (Hoyt, Price, & Poatsy, 2013). Instead, leaders are motivated to “take all means” for the benefit of the organization and/or the group that they are associated with, even if it means violating moral standards and ethical norms.

We know little about the consequence of leaders’ UPB on followers. Unlike other types of unethical behavior performed by leaders that harm the follower (e.g., abusive supervision, Tepper, 2000), UPB has paradoxical features. Although UPB violates moral standards, followers – as members of the organization – may directly or indirectly become the recipient of the positive consequences brought about by their leaders’ UPB. For example, what if a sales manager of a company were to deceive a client to get a lucrative deal to help the company reach its sales goal and outperform other companies? On one hand, followers could focus on the negative consequences that the leader’s UPB has on the victims including the customers and the competing companies and perceive the UPB as immoral because it violates moral principles and ethical standards. On the other one hand, followers could value the contribution that the leader’s UPB made to the organization and be willing to evaluate the leader’s UPB as less morally questionable or even appropriate. Such moral judgment lays as the foundation upon which followers react to the leader’s UPB.

In the current research, I integrate the moral judgment literature and the moral cleansing literature to investigate whether and how followers will compensate for their leaders' UPB by engaging in ethical and prosocial behaviors. More specifically, followers engage in moral judgment after they witness their leaders' UPB. Although UPB violates widely held moral standards such as care and justice and thus is likely to be perceived as immoral, some followers, however, may be motivated to see their leaders' UPB as less morally questionable. I argue that the extent to which the followers evaluate their leaders' UPB as immoral depends on their identification with the organization. Identification with a group makes individuals feel less obliged to ensure the welfare of outgroup members (Tajfel, 1982); instead, those who are highly identified with their groups show ingroup favoritism and outgroup discrimination (Tajfel & Turner, 1986). Therefore, employees highly identified with the organization may tend to minimize the negative consequences of their leaders' UPB on the victims who are stakeholders outside of the organization (i.e., outgroup members). They may even rationalize their leaders' UPB as serving legitimate purposes to contribute to the organization (Umphress & Bingham, 2011). On the other hand, employees with lower levels of identification with the organization are less likely to overlook the well-being of stakeholders outside of the organization and these employees are not motivated to see the leaders' UPB as serving legitimate purposes. As a result, their immorality perception of leaders' UPB is less likely to be mitigated.

Employees' perceived immorality of their leaders' UPB will be accompanied by guilt, an emotion generated by moral transgressions (Tangney, 1990; Tracy & Robins, 2006). Guilt can be induced not only by one's own misdeeds, but also by other persons' misdeeds one has witnessed (i.e., vicarious guilt; Gino, Gu, & Zhong, 2009; Lickel, Schmader, & Spanovic, 2007). Employees may experience guilt following their leaders' UPB, which is brought about by the moral judgment of their leaders' UPB as morally questionable. Based on the literature on

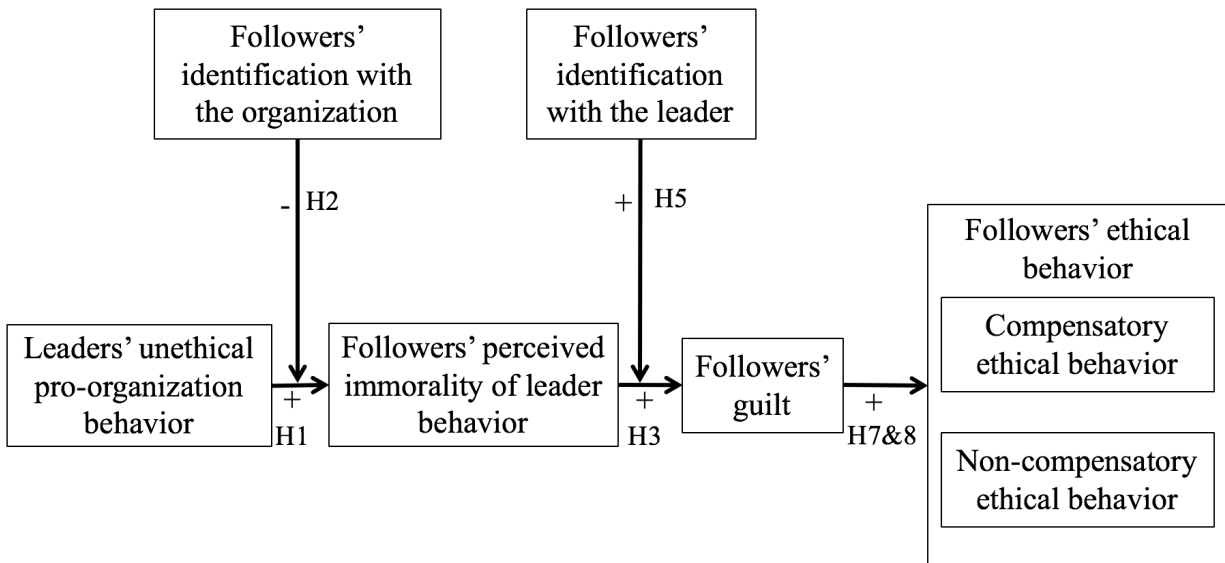
vicarious guilt, one's identification with the perpetrator is positively related to the extent to which one will experience guilt after witnessing the perpetrator's wrongdoings (Lickel, Schmader, Curtis, Scarnier, & Ames, 2005; Lickel et al., 2007). Therefore, in my research model I argue that the followers' identification with their leaders strengthens the relationship between perceived immorality of leaders' behavior and the followers' guilt.

The experience of feeling guilt further motivates individuals to engage in reparative and prosocial behaviors (Baumeister, Stillwell, & Heatherton, 1994; Leith & Baumeister, 1998; Tangney, 1995). The moral cleansing literature suggests that guilt is an important emotional mechanism that motivates individuals to act in morally laudable ways to remedy past transgressions (Zhong, Liljenquist, & Cain, 2009). Notably, this literature suggests that the reparative behaviors may directly compensate for the previous unethical behavior, such as offering support to the victims of the prior transgressions (Doosje, Branscombe, Spears, & Manstead, 1998). The reparative behaviors may also not directly compensate for the previous wrongdoings; instead, individuals may engage in diverse forms of prosocial behaviors such as donating to charity and volunteering that fall into different domains as the previous misdeeds (e.g., Jordan, Mullen, & Murnighan, 2011). Therefore, in response to guilt induced by their leaders' UPB, followers may engage in both compensatory and non-compensatory ethical behaviors.

Taken together, my research model posits that followers who witness leaders' UPB may subsequently engage in morally laudable behaviors that directly or indirectly compensate for the leaders' prior misdeeds. The followers' perceived immorality of the leaders' behavior and followers' guilt are two mediating mechanisms underlying this relationship. Followers' identification with the organization and their identification with the leader influence the strength of the relationship between the leaders' UPB and followers' perceived immorality of the leaders'

behavior, and the relationship between perceived immorality of the leaders' behavior and guilt, respectively. The proposed model is presented in Figure 1.

Figure 1. Proposed research model



My dissertation aims to make several contributions to the existing literature. First, it contributes to the leadership literature. Studies have well documented that behaviors performed by the leader, such as abusive supervision (Liu, Liao, & Loi, 2012; Mawritz, Mayer, Hoobler, Wayne, & Marinova, 2012), transformational leadership (Yang, Zhang, & Tsui, 2010), and ethical leadership (Mayer et al., 2009; Ruiz, Ruiz, & Martínez, 2011), trickle down to affect followers so that followers engage in the *same* behaviors. My research, however, investigates the idea that individuals may behave in the *opposite* manner following their leaders' behaviors. By applying a moral cleansing perspective, I argue that followers may compensate for, instead of emulating, their leaders' previous unethical behaviors. More specifically, if the followers' moral judgment of their leaders' UPB results in immorality perceptions of such behavior, they are more likely to feel guilt. Furthermore, they are more motivated to seek remedies for the leaders' prior

moral transgressions. Therefore, the current research contributes to the leadership literature in explaining how the detrimental *trickle-down* of unethical behavior exhibited by leaders to unethical behavior exhibited by followers (e.g., Greenbaum, Mawritz, Bonner, Webster, & Kim, 2018; Liu et al., 2012; Mawritz et al., 2012) can be mitigated.

Second, the current research contributes to the UPB literature. In spite of the well demonstrated effect of leaders' unethical behaviors on followers (Kish-Gephart et al., 2010; Treviño et al., 2014), previous research has exclusively studied leaders' unethical behavior that primarily promotes self-interest (Rus et al., 2010a, 2010b) and/or harm the organization and its members (e.g., Tepper, 2000). By contrast, leaders' UPB may do good to the organization and its members. Moral transgressions that benefit other individuals are more likely to be perceived as less immoral (Levine & Schweitzer, 2014; Wiltermuth, 2011). I therefore suggest that moral judgment of leaders' UPB plays an important role in influencing how followers react to leaders' UPB, because not all followers hold the same beliefs about the wrongness of leaders' UPB. Although moral judgment has been identified as a core element in (un)ethical intentions and behaviors (Rest, 1986; Treviño et al., 2006), it has received little attention in the existing organizational ethics research. The current research adds to the UPB literature by clarifying moral judgment of UPB as a critical process that impacts individuals' reactions to UPB.

Third, my research contributes to the moral cleansing literature by taking an effort to solve the mixed findings regarding the effect of vicarious moral cleansing. Empirical evidence is accumulating to demonstrate the effect of vicarious moral licensing (i.e., individuals receive "license" from others' ethical behaviors and tend to behave unethically afterward; e.g., Kouchaki, 2011; Meijers, Noordewier, Verlegh, Zebregs, & Smit, in press). By contrast, existing studies on vicarious moral cleansing (i.e., individuals are motivated to "cleanse" others' unethical behavior and tend to behave ethically afterwards) has produced very mixed results (see

Gino et al., 2009; Tetlock, Kristel, Elson, Green, & Lerner, 2000, for studies supporting the effect; see Meijers et al., 2018; K. Newman & Brucks, 2018, for studies failing to support the effect). As my model argues, followers are more likely to directly or indirectly compensate for their leaders' prior UPB when they simultaneously have lower levels of identification with the organization and higher levels of identification with the leader. Besides identification with the perpetrator, which is identified by Gino and colleagues (2009) as a key factor in strengthening individuals' vicarious moral cleansing, my model suggests that the extent to which individuals are motivated to rationalize the perpetrator's prior wrongdoings and make them seem less abhorrent plays an important role in mitigating the vicarious moral cleansing effect. Therefore, the current research adds to the moral regulation literature by identifying the perceived immorality of the perpetrator's behavior as a precursor of vicarious moral cleansing. Accordingly, factors contributing to the immorality perception of the perpetrator's behavior will serve as potential boundary conditions of vicarious moral cleansing.

Last but not the least, the current research adds to a new but burgeoning line of research to investigate the "dark side" of organizational identification (e.g., M. Chen, Chen, & Sheldon, 2016). Organizational identification has been regarded as a positive perception that is associated with a myriad of favorable work-related attitudes and behaviors, including high job satisfaction, high job involvement, low turnover intention, and high job performance (Riketta, 2005). By contrast, I will examine the potential detrimental effect of organizational identification on followers who have observed the leaders' UPB. More specifically, high organizational identification motivates followers to evaluate their leaders' UPB as less immoral and offsets the positive relationship between the leaders' UPB and the followers' following ethical behaviors.

In the following sections, I review related theory and research in Chapter 2. I then develop specific hypotheses in Chapter 3. Chapter 4 presents an overview of studies. Chapter 5, 6, and 7

describe the methodology and present results of the pilot study, Study 1 (an experimental study), and Study 2 (a correlational survey study), respectively. Finally, I discuss the theoretical and practical implications, limitations, and future directions of this dissertation in Chapter 8.

CHAPTER 2: LITERATURE REVIEW

In this chapter, I first review current research on unethical pro-organizational behavior (UPB). I also summarize extant findings on the effect of leader's unethical behavior on followers. Next, I review the literature on moral judgment and the moral emotion of guilt, before proceeding to describe the phenomenon of moral cleansing and its potential role in serving as the overarching theoretical framework in this dissertation. Finally, I review existing literature on third-party justice effect which can potentially function as an alternative response to leaders' UPB.

Unethical Pro-organizational Behavior

Unethical pro-organizational behavior (UPB) refers to “actions that are intended to promote the effective function of the organization or its members and violate core societal values, mores, laws, or standards of proper conduct” (Umpress & Bingham, 2011, p. 622). This construct incorporates two important characteristics. First, as with other types of unethical behaviors, UPB is contrary to accepted moral norms in society (Treviño et al., 2006). Second, UPB is done with the intent to benefit the organization and/or members of the organization. Therefore, UPB goes against with the assumption of many studies in the unethical behavior literature that unethical behaviors derive primarily from self-interested motives (Greenberg, 2002; Kish-Gephart et al., 2010; Treviño et al., 2014). For example, people may engage in cheating behavior in the workplace that seeks to create an unfair advantage and enhance benefits for themselves (Mitchell, Baer, Ambrose, Folger, & Palmer, 2018), but they may also cheat to make their group and organization look good (M. Chen et al., 2016; Gino & Pierce, 2009).

UPB may involve acts of commission (i.e., do something) and omission (i.e., fail to do something). Typical examples of UPB include failing to report negative information to the public to protect the organization's image (omission), lying to customers to increase the sales of

products and services provided by the organization (commission), and misrepresenting the truth to boost the organization's reputation (commission, Umphress & Bingham, 2011; Umphress et al., 2010).

The conceptualization of UPB does not imply that UPB serves no personal interests (Umphress & Bingham, 2011). By being a member of the organization, the actor who engages in UPB may ultimately benefit from his/her contribution to the organization's achievement and success. However, UPB differs from unethical behaviors with the sole beneficiary as the self (e.g., stealing property from the organization). Umphress and colleagues (2010) demonstrated the distinctiveness of UPB relative to other forms of unethical behavior that harms the organization and/or its members by conducting a confirmatory factor analysis using their UPB scale and the organizational deviance scale developed by Bennett and Robinson (2000). Thau and colleagues (2015) found that for participants with a high need for inclusion, perceiving a high risk of exclusion from a group increased their unethical behaviors for the benefit of the group, but this effect did not apply to unethical behaviors for the benefit of themselves. These findings show that UPB is distinct from self-serving unethical behavior.

There is a burgeoning line of research investigating what factors motivate employees to engage in UPB. Based on social identity theory (Tajfel & Turner, 1986), Umphress and colleagues (2010, 2011) proposed and tested identification with the organization as an important factor that increases individuals' UPB. Individuals with higher identification with the organization perceive high belongingness with the organization (Ashforth & Mael, 1989) and they internalize their organization's successes and failures as their own (Mael & Ashforth, 1992). As a consequence, they are motivated to engage in behaviors that favor the organization, even if it means violating commonly held moral principles and harming entities outside the organization (Ashforth & Anand, 2003; Dukerich, Kramer, & Parks, 1998). Several studies have provided

evidence supporting the positive relationship between employees' identification with the organization and their UPB (M. Chen et al., 2016; Effelsberg, Solga, & Gurt, 2014; Kong, 2016).

Another key antecedent of UPB is moral disengagement. Moral disengagement refers to a set of cognitive justification that allows individuals to reconstrue unethical behaviors as less immoral (Bandura, 1999; Moore, Detert, Treviño, Baker, & Mayer, 2012). Research has demonstrated that moral disengagement is positively related to UPB (M. Chen et al., 2016; Lee, Schwarz, Newman, & Legood, 2019).

Besides the personal factors such as identification with the organization and moral disengagement, research has examined several contextual factors as antecedents of UPB. Umphress and Bingham (2011) suggested that social exchange relationships would be an important factor motivating employees to engage in UPB. Employees may exhibit UPB in return for the favorable treatment they have received from the organization. Consistent with this argument, studies have found that several contextual factors that feature high-quality social exchange, such as transformational leadership (Effelsberg et al., 2014) and effective human resource practices (T. Wang, Long, Zhang, & He, in press; T. Xu & Lv, 2018), motivate employees to engage in higher levels of UPB. Miao and colleagues (2013) argued that compared with those supervised by leaders with low ethical leadership, employees supervised by leaders with moderate levels of ethical leadership had a higher quality of social exchange relationship with their leaders. As a consequence, they were more likely to engage in UPB. On the other hand, compared with high-level ethical leadership, moderate ethical leadership was not enough to send followers a strong message that unethical behaviors will be disciplined. Consistent with their argument, they found an inverted U-shape relationship between ethical leadership and employees' UPB, such that UPB was highest when leaders exhibited a moderate level of ethical leadership.

Research on the consequences of UPB remains scarce. There is some evidence showing that unethical behaviors with other-serving motives instead of self-serving motives may produce favorable outcomes for the person who engages in them. For example, Levine and Schweitzer (2014, 2015) found that individuals who lied to benefit others are seen as more trustworthy and ethical than those who told the truth to benefit themselves or those who lied to benefit themselves.

In summary, the empirical investigation of UPB remains in its infancy. Scholars are generally interested in why an individual engages in UPB. The consequence of displaying UPB has received much less attention. In the current dissertation, I specifically look at whether and how leaders' UPB affects followers' cognitive reaction (i.e., moral judgment) and affective reaction (i.e., the self-conscious moral emotion of guilt), which lead to followers' engagement in ethical behaviors. Below I briefly review existing literature on the effect of leaders' unethical behavior on followers, individuals' moral judgment, and the moral emotion of guilt.

The Effects of Leaders' Unethical Behavior on Followers

Organizational research has emphasized the role of leaders' ethical behaviors in generating favorable outcomes for the followers and organizations. Research has shown that ethical leadership, defined as "the demonstration of 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 et al., 2005, p. 120), increases followers' prosocial behaviors and discourages their unethical behaviors (Schaubroeck et al., 2012; Mayer, Aquino, Greenbaum, & Kuenzi, 2012). Ethical leadership can also enhance followers' job satisfaction (Ruiz et al., 2011), job performance (Piccolo, Greenbaum, Hartog, & Folger, 2010), and citizenship behaviors (Avey, Palanski, & Walumbwa, 2011).

Ethical leadership is distinct from unethical leadership, which has been defined as leader behaviors that “are illegal and/or violate moral standards, and impose processes and structures that promote unethical conduct to followers” (Brown & Mitchell, 2010; p. 588). Much research has investigated unethical leadership in the form of abusive supervision, which describes a leader’s sustained display of hostile verbal and nonverbal behaviors (Tepper, 2000). Abusive supervision can be regarded as a type of unethical leader behavior because various examples of abusive supervision, such as telling followers their suggestions are stupid and ostracizing followers, violate the widely accepted moral standards of justice and care. Research shows that abusive supervision is related to followers’ lower levels of job satisfaction and justice perception and higher levels of psychological stress (Tepper, 2000; Tepper, 2007; Tepper et al., 2007). Employees supervised by abusive leaders are more likely to also engage in unethical behavior themselves. For example, leaders supervised by abusive leaders are more likely to display abusive behaviors toward their followers (Liu et al., 2012; Mawritz et al., 2012). This reflects the social learning processes associated with unethical leadership. Research has also used the social exchange perspective to understand the consequences of abusive supervision. Abusive supervision is negatively related to follower job performance and organizational citizenship behavior because followers have low-quality relationships with abusive leaders; therefore, they are reluctant to take the effort to contribute to the organization’s effectiveness (A. Peng et al., 2014; E. Xu, Huang, Lam, & Miao, 2012).

Some other hypotheses concerning abusive supervision derive from justice theories. Perceived procedural injustice (Zellars, Tepper, & Duffy, 2002) and interactional injustice (Aryee, Chen, Sun, & Debrah, 2007) served as mediators underlying the relationship between abusive supervision and followers’ citizenship behavior. Mitchell and Ambrose (2007) found that abusive supervision was not only positively related to supervisor-directed deviance but also

positively related to deviance targeted at the organization and coworkers. They suggested that employees engaged in deviant behaviors because they sought to retaliate against the injustice they received from the abusive leaders. Simon and colleagues (2015) reported that anger, a type of emotion stemming from the perception of unfairness, motivated followers of abusive leaders to engage in counterproductive behaviors.

Abusive supervision focuses on the interpersonal treatment that the leader gives to the followers. Besides abusive supervision, the organizational literature has also investigated other similar constructs that describe interpersonal unethical leader behaviors, such as supervisor undermining (i.e., leader behaviors intended to hinder the followers' ability to establish and maintain relationships, achieve work-related success, and gain a favorable reputation; Duffy, Ganster, & Pagon, 2002) and tyrannical leadership (i.e., leader behaviors characterized by a high level of task concern at the cost of the well-being of followers; Ashforth, 1994). These unethical leader behaviors all include acts of unjustified criticism, derogatory comments, and belittling. Existing studies have repeatedly demonstrated that this type of leaders' unethical behavior is negatively related to followers' job performance and well-being (e.g., Duffy et al., 2002; Frazier & Bowler, 2015; Nahum-Shani, Henderson, Lim, & Vinokur, 2014).

Scholars have also investigated leaders' unethical behaviors that are not interpersonal. For example, Rus and colleagues (2010a, 2010b) addressed supervisor self-interest behaviors, referred to as leaders' actions that benefit themselves at the expense of the followers. These behaviors include supervisors taking credit for followers' work and effort, avoiding responsibilities, and blaming followers when they (the supervisors) are the actual wrongdoers (Rus et al., 2010a, 2010b). Research has found that leaders' self-interest behavior was positively related to employees' selfish behavior of knowledge hiding, which contributed to decreased team creativity (J. Peng et al., in press). Research has also suggested that employees would perceive

self-serving leaders as “takers” of resources and feel anxious about potential loss of resources under the supervision of self-serving leaders, such that leaders’ self-serving behavior was negatively associated with employees’ psychological safety (Mao, Chiang, Chen, Wu, & Wang, 2019; J. Peng et al., in press). For another example of non-interpersonal unethical leader behavior, Greenbaum and colleagues (2018) addressed leaders’ expediency behavior, which they defined as “use of unethical practices to expedite work for self-serving purposes” (p. 525). They found that leaders’ expediency behavior was positively related to followers’ expediency behavior.

As this brief review suggests, unethical leader behaviors investigated in the existing literature are primarily conducted with self-serving motives and harm the benefit of the organization and/or its members (e.g., followers). By contrast, the emerging line of research on UPB emphasizes that people can engage in unethical behavior to benefit their organizations and/or members in their organizations. Yet we lack knowledge about how leaders’ UPB influences followers’ behaviors.

Moral Judgment

Moral judgment has been regarded as a core element in individuals’ ethical decision making (Rest, 1986). Moral judgment involves assessing the moral acceptability of an action. The outcome of moral judgment is the extent to which individuals perceive behavior as morally right or wrong (Rozin, 1999). One of the most influential theories on moral judgment is Kohlberg’s cognitive moral development theory (1969), which explains how individuals advance the complexity of thinking about why actions are morally right or wrong. According to this theory, individuals move through stages of moral reasoning in an irreversible sequence. At the highest stage, individuals make moral judgment based on universally held ethical principles of *justice*. In contrast to Kohlberg’s (1969) ideas about justice as the core component of people’s moral

concerns, Gilligan (1982) argued for an alternative core component of moral concerns: *Care*. Reflecting an integration of Kohlberg's and Gilligan's approaches, Turiel (1983, p.3) offered a widely accepted definition of the moral domain as "prescriptive judgments of justice, rights, and welfare pertaining to how people ought to relate to each other." Scholars have argued that justice and care are two key components of moral domain based on which individuals make moral judgment (Aquino & Reed, 2002; Lapsley & Lasky, 2001; Walker & Hennig, 2004). In organizational science, research also typically views organizational ethics in terms of "fairness and welfare (avoiding harm to and caring for others)" (Weaver, Reynolds, & Brown, 2014, p. 113). Accordingly, employees perceive whether a behavior they observe is morally right or wrong primarily based on the extent to which they believe the behavior violates the principles of care and justice.

Haidt and Graham (2007) developed the Moral Foundation Theory, arguing that the moral domain is broader than care and justice. The Moral Foundation Theory posited that there exist five categories of moral intuitions pertaining to morally relevant behaviors: Care, Justice, Loyalty, Respect, and Purity. In addition to Care and Fairness, Loyalty describes moral concerns about betrayal or failure to come to the aid of the ingroup, Respect describes moral concerns about disobedience to legitimate authorities, and Purity describes moral concerns about not keeping oneself spiritually and physically clean. According to the Moral Foundation Theory, individual differences in the endorsement of each of the five moral foundations are common (Graham, Haidt, & Nosek, 2009; Graham et al., 2013). The Moral Foundation Theory has also been applied to investigate leader behaviors. Fehr and colleagues (2015) used this theory to illustrate the types of leader behavior that followers are most likely to perceive as ethical and theorized how followers' endorsement of each of the five moral foundations determine the specific types of follower behavior that emerge after witnessing ethical leader behaviors.

The outcome of moral judgment has been associated with characteristics of the ethical issues. A critical characteristic of the ethical issues is their consequences. Most unethical acts bring about negative consequences to other people, and the magnitude of negative consequences is positively related to perceived wrongness (J. Weber, 1996). If a moral transgression brings benefits to both the perpetrator and other people, it would be regarded as less immoral than a moral transgression that solely benefits the perpetrator (Wiltermuth, 2011). The behavior of telling a lie to help another person is rated as even more ethical than telling a truth to benefit oneself (Levine & Schweitzer, 2014). Another characteristic of ethical issues being frequently investigated is the type of moral concerns they elicit based on the Moral Foundation Theory (i.e., care, justice, loyalty, respect, or purity). Scenarios indicating care violations were rated as the most morally questionable compared with scenarios indicating other types of violations (Gray, Schein, & Ward, 2014; Schein & Gray, 2015). Among the other types of violations, unfair behaviors indicating justice violation were rated as the most immoral (Schein & Gray, 2015).

A series of studies used ethical dilemmas which described that one innocent person had to be killed to save multiple other innocent persons, and asked participants the extent to which such resolutions were immoral. Results showed that personal (i.e., physical directness of killing is high, such as pushing a man onto the track to kill him) resolutions were perceived as more immoral than impersonal (i.e., physical directness of killing is low, such as pressing a button to kill the person) resolutions (Hauser, Cushman, Young, Jin, & Mikhail, 2007; Moore, Clark, & Kane, 2008). Other factors that influence the extent to which such resolutions were perceived as less immoral included inevitability of the death of the person being killed and a larger number of innocent persons being saved (Moore et al., 2008).

Besides characteristics of the ethical issues, individual differences also affect the outcome of their moral judgment. For example, the extent to which individuals prefer utilitarian principles

or formalistic principles is associated with their moral judgment (Brady & Wheeler, 1996).

Utilitarians perceived higher immorality of distributive injustice issues and formalists perceived higher immorality of procedural injustice issues (Schminke, Ambrose, & Noel, 1997). For another example, the endorsement of different foundational moral values described by the Moral Foundation Theory was related to the extent to which one judged the moral acceptability of causing harm to one person to save multiple others. Those with higher endorsement of Care foundation (i.e., they believed protecting others from harm is critically important) rated harmful action in service of saving lives as less morally acceptable, and those with higher endorsement of Ingroup foundation (i.e., they believed protecting the benefit of their group is critically important) rated such action as more morally acceptable (Crone & Laham, 2015).

Moral judgment is generally considered to be the cognitive process that serves as a precursor to ethical intentions and behaviors (Treviño et al., 2006). Empirical findings support the idea that the extent to which individuals perceived an action as morally wrong is negatively associated with their engagement in this action (Wiltermuth, 2011). A recent study also reported a positive relationship between perceived immorality of a moral transgression and the desire to punish the perpetrator of the transgression (Hofmann, Brandt, Wisneski, Rockenbach, & Skitka, 2018).

The Moral Emotion of Guilt

Moral emotions are defined as emotions “that are linked to the interests or welfare either of society as a whole or at least of persons other than the judge or agent” (Haidt, 2003; p. 276).

Moral emotions are regarded as a key element influencing the link between moral standards and moral behaviors (Tangney, Stuewig, & Mashek, 2007). Self-conscious moral emotions such as guilt, shame, and pride are evoked by self-reflection and self-evaluation (Tangney et al., 2007). After individuals engage in morally questionable behaviors, they very often experience aversive

feelings such as guilt and shame. Conversely, after individuals engage in morally laudable behaviors, they tend to experience prideful feelings.

Specifically, guilt is generated when the reflection of past morally questionable behavior focuses on the behavior and its consequences for others (Tracy & Robins, 2004). This distinguishes it from shame, which is generated when the reflection focuses on the self who engaged in the transgression. Guilt arises from a moral transgression when the actor recognizes it as having violated moral norms and that it has generated negative consequences on another person (Ortony, Clore, & Collins, 1988; Tangney & Dearing, 2002).

Guilt is associated with the reparative actions such as confession, apologies, and making amends (Baumeister et al., 1994; Leith & Baumeister, 1998; Tangney, 1995). Feeling guilt is also positively related to empathic concerns for others (Leith & Baumeister, 1998; Tangney & Dearing, 2002; Tangney, Youman, & Stuewig, 2009). For example, Ketelaar and Au (2003) reported that after feeling guilt generated by making an unfair offer in an earlier round of a social bargaining game, individuals showed more cooperative behaviors and made less selfish offers when re-playing the game. Nelissen and Dijkster (2007) replicated this finding and found that after recalling a personal experience in which they felt guilty, participants were more likely to cooperate in a social bargaining game. de Hooij and colleagues (2007) reported that guilt induced by an autobiographical recall procedure increased cooperation as measured by behaviors in a social bargaining game and a survey of everyday cooperation behavior.

Guilt is not only experienced in reaction to one's own morally questionable behavior but also experienced in response to transgressions conducted by other individuals (Lickel et al., 2005). This phenomenon is referred to as "vicarious guilt" (Lickel, Schmader, & Barquissau, 2004). Lickel and colleagues found that vicarious guilt was elicited when the focus was on the harm caused by the transgressions to another group or individual (Lickel et al., 2005; Schmader

& Lickel, 2006). A series of studies have found that after individuals were reminded of the historic unethical behaviors that their group members engaged in (e.g., Dutch participants were reminded of their country's colonial exploitation of Indonesia), they experienced guilt (Doosje et al., 1998; Swim & Miller, 1999). Gino and colleagues (2009) also reported that witnessing an in-group member who behaved in an unfair way to maximize his or her benefits at the cost of another person induced the observers' guilt.

Individuals' identification with the perpetrators plays an important role in affecting vicarious guilt (Lickel et al., 2005). Goldstein and Cialdini (2007) proposed after individuals observe a behavior exhibited by someone with whom they highly identify, individuals can make inferences about themselves using attributes that they infer from that person's behavior. Empirical findings supported that when individuals observe other people engaging in morally questionable behaviors, their identification with the perpetrators is positively related to their experienced guilt (Doosje et al. 1998; Doosje, Branscombe, Spears, & Manstead, 2004). Similarly, compared to participants who had no relationship with wrongdoers, those who were closer to the wrongdoers reported more guilt after witnessing (Eskine, Novreske, & Richards, 2013) or recalling (J. Chen, Wei, Shang, Wang, & Zhang, 2018) the wrongdoers' transgressions.

The consequences of vicarious guilt parallel the consequences of guilt generated by personal misdeeds. Consistent with the findings of personal guilt, vicarious guilt elicited by group members' morally questionable behaviors is positively related to empathy for others (Zebel, Doosje, & Spears, 2004) and intentions to engage in reparative behaviors (Lickel et al., 2005). For example, Dutch students who felt guilt when exposed to their country's history of exploiting Indonesia many years ago were more likely to support financial compensation to the Indonesian government (Doosje et al., 1998). Similarly, after experiencing vicarious guilt associated with their group members' prior unethical behaviors toward underrepresented ethnic

groups, individuals showed more support for affirmative action aimed at compensating the underrepresented ethnic groups (Iyer, Leach, & Crosby, 2003; Swim & Miller, 1999).

To summarize, guilt is an affective experience induced by one's own misdeeds or others' misdeeds. Feeling guilt is positively related to reparative and prosocial behaviors.

The Effect of Moral Cleansing

The moral emotion of guilt, as reviewed in the previous section, has been regarded as an emotional mechanism in the phenomenon of moral cleansing (Zhong et al., 2009). Moral cleansing refers to behaviors aimed at restoring the positive moral self-image in response to previous transgressions. In this section, I briefly review the moral cleansing literature.

The phenomenon of moral cleansing effect is part of a burgeoning literature on moral self-regulation, and it addresses the importance of an individual's prior (un)ethical behaviors on his or her following behaviors (West & Zhong, 2015). People monitor fluctuations in the sense of morality and are motivated to keep a positive moral self-concept (Nisan, 1990; Zhong et al., 2009). Acting in a morally questionable way harms individuals' moral self-image and prompts them to engage in behaviors that help to "cleanse" themselves of feelings of immorality and restore their positive moral self-regard (Jordan et al., 2011; Sachdeva, Iliev, & Medin, 2009; Zhong & Liljenquist, 2006).

Moral cleansing behaviors fall into three categories (West & Zhong, 2015). The first category is restitution cleansing, wherein one corrects the wrong one has committed. Individuals may do this by seeking to directly compensate for their previous misdeeds. For example, Dutton and Lake (1973) reported that after white participants were given feedback indicating that they held prejudices against racial minorities, they gave more money to a black (versus white) panhandler. Tetlock and colleague (2000) reported that when liberal participants found that they inadvertently used race-tainted base rates in setting insurance premiums, they revised their

estimates to correct for the previous discriminating base rates. Similarly, marketing scholars found that customers were more likely to make utilitarian (versus hedonic) consumption choices following overindulgence (Ramanathan & Williams, 2007). In a recent study, Liao and colleagues (2018) found that after leaders engaged in abusive behaviors towards a follower, they would perceive increases in experienced guilt towards the abused follower. They further engaged in more consideration and initiating structure behaviors towards the abused follower, seemingly to directly compensate for their previous abuse.

The second category of cleansing behaviors is referred as “behavioral cleansing”; it describes diverse forms of prosocial behaviors that are not in the same domain as the previous misdeeds (West & Zhong, 2015). For example, Carlsmith and Gross (1969) found that for those whose moral values have been violated, they were more likely to comply with requests for help, regardless of whether such compliance directly compensated for the previous moral-self damage. Similarly, participants who recalled previous unsafe sexual activities showed a stronger tendency to donate to a homeless shelter (Stone, Wiegand, Cooper, & Aronson, 1997). Jordan and colleagues (2011) also found that individuals who recalled their previous immoral behavior of “using others to get something they wanted” (p. 705) indicated higher prosocial intentions, including greater likelihoods of donating to charity, donating blood, and volunteering. The content of these prosocial intentions (e.g., donation) does not overlap with the content of the previous morally questionable behaviors (e.g., unsafe sexual behavior). In an exception to the trend in this literature, Iyer and colleagues (2003) found that guilt induced by discriminating against African Americans was predictive of support for affirmative action programs aimed at compensating African Americans (i.e., restitution cleansing), but was not predictive of support for other non-compensatory efforts (i.e., behavioral cleansing).

The third category of moral cleansing behaviors is symbolic and metaphorical acts. The overlap between morality and physical purity is a pervasive metaphor. Several studies have found that physical cleansing serves as a symbolic act to correct for past misdeeds. For example, Zhong and Liljenquist (2006) found that compared to those who recalled their past moral behaviors, participants who recalled their past immoral behaviors preferred cleansing-related products. They also reported that after recalling past immoral behaviors, those who were given the opportunity to sanitize their hands reported less guilt and were less likely to engage in volunteering behaviors than those who were not given the opportunity to clean themselves. Similarly, Gino and colleagues (2015) found that feeling immoral increased participants' desire for physical cleansing. Gollwitzer and Melzer (2012) reported that after playing video games involving unethical element (i.e., violence against humans), players reported higher levels of moral distress and were more likely to select hygiene products as gifts than those who played video games without unethical element (i.e., violence against objects).

Vicarious moral cleansing refers to engaging in compensatory behaviors following others' misdeeds. Tetlock and colleagues (2000) showed that exposure to others' morally questionable behaviors motivated the observer to take actions to correct for those behaviors. For example, reading about another person's immoral decision about organ transplant increased the participants' intention to volunteer for an organ-donation campaign. Gino and colleagues (2009) also found that participants were motivated to compensate for the transgression of an in-group member with whom they identified by being more generous to others in a dictator game. K. Newman and Brucks (2018) recently reported an experiment in which they found that a lower level of a brand's social responsibility increased the generosity behavior of its customers via the customers' emotion of guilt. Meanwhile, a few studies have failed to support the effect of vicarious moral cleansing. For example, in another experiment conducted by K. Newman and

Brucks (2018) in which they used similar operationalization and measures, the vicarious moral cleansing effect was absent. In another recent study, Meijers and colleagues (in press) observed that after participants thought of a morally questionable other, they did not engage in more environmentally friendly behaviors (i.e., choose more organic products) than their peers who thought of a morally laudable other.

To summarize, moral cleansing describes a phenomenon that individuals tend to engage in different types of reparative and prosocial behaviors to remedy their prior misdeeds. The effect of vicarious moral cleansing has gained mixed support.

Third-party Justice Effect

Observing leaders' UPB falls within the scope of the broader literature of third-party justice. This literature addresses whether and how observers (i.e., third-parties) react after they witness another person being mistreated. Here I briefly review this line of research.

Existing literature on third-party justice effects is primarily based on the deontic justice perspective (Rupp, Shao, Thornton, & Skarlicki, 2013). The deontic justice perspective suggests that people often believe that standards of fair treatment should be upheld, and justice transgressions should be punished even when they are not the direct victim of injustice (Folger, 2001; Folger, Cropanzano, & Goldman, 2005). More specifically, witnessing mistreatment generates a 'deontic motivation' in which the observer experiences moral anger that derives from perceiving that the mistreatment violated widely held moral principles (Folger, 2001; Folger et al., 2005). Moral anger is a set of emotions that include the discrete emotion of anger and related emotions such as being upset with or showing hostility towards the perpetrator (O'Reilly, Aquino, & Skarlicki, 2016). Anger is typically experienced when individuals perceive actual or potential harm to themselves and the harm appears to be caused (often intentionally) by a responsible perpetrator (Roseman, 1991; Smith & Ellsworth, 1985). By contrast, *moral anger*

does not need the perception of harm that is towards the self. Instead, moral anger is experienced when one observes morally questionable actions targeting a third party. Unlike self-conscious moral emotions such as guilt and shame, moral anger is a type of other-focused moral emotion because it is directed at the perpetrator (Tangney et al., 2007). Moral anger motivates individuals to take actions to punish the perpetrator who violates moral norms, providing a moral remedy (Folger et al., 2005).

Empirical studies have supported the idea that observing others being mistreated leads to intentions and behaviors directed toward punishing the perpetrator. For example, Greenbaum and colleagues (2013) reported that employees' observation of the supervisors' abuse of customers was positively related to their organizational deviance and turnover intentions. Skarlicki and Rupp (2010) found that after reading a story depicting an unfair (versus fair) manager, participants showed more retributive reactions such as indicating a willingness to write a letter to complain about the manager's wrongdoing.

Deontic justice reactions also emerge when a peer is the wrongdoer. Observers of incivility toward others tended to punish the peer perpetrator by allocating undesirable work to him or her (Reich & Hershcovis, 2015) or indicating reluctance to recommend the perpetrator for another good job (O'Reilly et al., 2016). The third-party justice effect is also present when the whole organization is perceived as the perpetrator. After third-party observers learned about a bank's layoff from a newspaper article, they would report retributive intentions both as potential employees (e.g., refuse to accept the offer from the bank) and potential customers (e.g., prefer to do banking elsewhere) if they perceived the bank's layoff was unfair (Skarlicki, Ellard, & Kelln, 1998). Moral anger directed toward the perpetrator serves as the mediating mechanism underlying such third-party justice effects (e.g., Mitchell, Vogel, & Folger, 2015; Reich & Hershcovis, 2015; O'Reilly et al., 2016).

Results of some recent studies showed that not all observers believe it is unfair to mistreat certain individuals. For example, Blader and colleagues (2010, 2013) found that observers' justice judgments were biased by their evaluation of the target of the mistreatment. Observers who held a negative evaluation of the recipient of an objectively unfair outcome judged it as fairer. By contrast, those who held a positive evaluation of the recipient judged an objectively unfair outcome as less fair and experienced higher levels of anger. Similarly, Mitchell and colleagues (2015) reported that when employees observed abusive supervision targeted at a coworker, they would evaluate the extent to which the coworker deserved such unethical treatment. Employees experienced anger when the target of abuse was considered undeserving of mistreatment, and they were more likely to exhibit deviance behaviors directed at the leader. Conversely, if the target of abuse was deemed to be deserving of mistreatment, employees reported feeling contented and strove to exclude the targeted coworker.

Besides punishing the perpetrator, third-parties who witness transgressive behaviors towards others may also be motivated to help the victims. Priesemuth and Schminke (2019) found that observing abusive supervision towards coworkers elicited the observers' moral anger, which was positively related to their behaviors to protect the coworker against the leader's unethical actions. Mitchell and colleagues (2015) also reported that observers would engage in prosocial behaviors to support the abused coworker if they evaluated the coworker as undeserving of the leader's abuse. Based on the theoretical model developed by O'Reilly and Aquino (2011), the third-party's power is an important factor affecting the extent to which the third-party tends to help the victims. When the third-party's resource power (i.e., the extent to which a person possesses resources that can be used to affect others' outcomes) is relatively high, he or she is more likely to help the victims.

To summarize, existing research on third-party justice effects suggests that observers generally tend to feel moral anger towards the perpetrator after they observe transgressions conducted by the perpetrator targeted at someone else, and as a consequence they show retributive intentions and behaviors such as punishing the perpetrator and helping the victim.

The literature review in this chapter offers a comprehensive overview of the theoretical background of this dissertation. In the next section, I develop the specific hypotheses based on the literature review.

CHAPTER 3: HYPOTHESES DEVELOPMENT

Leaders' UPB, Followers' Moral Judgment, and Followers' Identification with the Organization

After followers observe their leaders' unethical pro-organizational behavior (UPB), they will engage in moral judgment activities to assess the moral acceptability of the UPB (Rest, 1986). The extent to which they perceive the UPB as morally wrong plays a critical role in how they will respond to the leaders' UPB (Treviño et al., 2006). Although the understanding of morality varies (e.g., Gilligan, 1982; Kohlberg, 1971), scholars have identified care and justice as two core components of people's moral concerns (Aquino & Reed, 2002; Lapsley & Lasky, 2001; Walker & Hennig, 2004; Weaver et al., 2014). People tend to perceive violations of care and justice as the most immoral than other types of violations (e.g., violations of respect, loyalty, or purity; Schein & Gray, 2015). Therefore, individuals perceive immorality of a behavior primarily based on the extent to which they believe the behavior violates the moral standard of care and justice.

Here I argue that followers will perceive their leaders' UPB as morally wrong because UPB violates the moral principle of care and justice. UPB is intended to promote the effective functioning of the organization or its member, but it usually achieves this goal at the cost of entities outside of the organization (M. Chen et al., 2016; Umphress & Bingham, 2011). For example, a typical example of UPB is misrepresenting truths about products and services to customers and clients so that the organization is more likely to gain benefit from them (Umphress et al., 2010). Thus, customers and clients are treated unfairly, and their welfares are threatened. For another example, UPB can involve activities such as cheating and lying that directly or indirectly put another organization which is competing with one's organization at a disadvantaged position (Balko, 2011, Umphress et al., 2010). Such activities harm the welfare of

the other organization and its members, making them experience injustice. Therefore, displaying UPB undermines the welfare and justice experience of out-organizational entities such as customers, clients, and other organizations. As a consequence, followers will perceive their leaders' UPB as immoral as it runs counter to the fundamental moral concerns of care and justice.

Hypothesis 1: Leaders' UPB is positively related to followers' perceived immorality of leaders' behavior.

Research suggests that moral transgressions that benefit not only the perpetrator but also others may be perceived as less wrong than transgressions that solely benefit the perpetrator (Levine & Schweitzer, 2014; Wiltermuth, 2011). Leaders' UPB is intended to benefit the organization and/or its members (Umphress et al., 2010). Therefore, it is likely that followers' perceived immorality of leaders' UPB will be mitigated depending on how followers weigh the benefits that UPB may bring to the organization versus the negative consequences it may impose on victims. I argue that the way in which employees make moral judgment of their leaders' UPB is highly contingent on their identification with the organization. Identification with the organization is defined as "the perception of oneness or belongness with the organization" (Ashforth & Mael, 1989). Employees with higher levels of identification with the organization see themselves as similar to other members of the organization, ascribe organizational characteristics to themselves, and take the organization's interest to heart (Ashforth & Mael, 1989; D. van Knippenberg & Sleebos, 2006). Identification with the organization is a key predictor of organizational attitudes and behaviors. Employees with higher identification with the organization are more involved in their job, have higher task performance, and engage in higher organizational citizenship behavior (for a meta-analysis, see Riketta, 2005).

Here I argue that followers who are highly identified with their organizations evaluate their leaders' UPB as less immoral, compared to those with lower levels of identification with their organizations. First, followers with higher organizational identification are more likely to minimize UPB's harmful and/or unfair consequences on victims. Social identification makes individuals feel entitled to reduce their perceived obligation for ensuring the welfare of the outgroup members (Tajfel, 1982). Therefore, employees with higher organizational identification tend to be less concerned about UPBs' potential negative influence on entities outside of the organization, such as clients, customers, other organizations and members of other organizations, but feel more obliged to fight for the interest of their own organization. As a result, they may tend to diminish the perceived negative consequences of UPB. For example, employees who are highly identified with the organization are more likely to see the behavior of deceiving customers to promote sales as "no big deal" because these followers are less concerned about the welfare of out-organizational entities (i.e., customers) but more concerned about obtaining benefit for the organization.

Second, employees who highly identify with the organization may devalue the victims of UPB. Previous research has shown that individuals with high group identification tend to show ingroup favoritism and outgroup discrimination and hostility (Hogg, 2006; Tajfel & Turner, 1986; Turner, 1999; van Leeuwen, van Knippenberg, & Ellemers, 2003). Therefore, employees with high organizational identification are more likely to see victims of UPB as unworthy of fair and caring treatment because they are out-group members (c.f., organizational members are in-group members). For example, if UPB is conducted to gain an unfair advantage against the organization's competitor, followers with higher identification with the organization may think the competitor "deserves" such treatment. To summarize, followers who are highly identified with the organization are less motivated to exhibit high levels of moral concerns of care and

justice to members outside of the organization. This argument is consistent with the Moral Foundation Theory (Haidt & Graham, 2007) which posits that there exist individual differences in the extent to which people endorse the fundamental moral domain of care and justice (Graham et al., 2009, 2013).

Third, I argue that employees with higher organizational identification are more likely to reconstrue UPB as necessary or even respectable, because they see such behaviors as serving the “greater good” for the organization. Based on the Moral Foundation Theory (Haidt & Graham, 2007; Graham et al., 2011), in addition to the widely accepted moral domains of care and justice, loyalty is another important moral domain based on which people make moral judgment. Individuals who endorse loyalty as a fundamental moral domain are very concerned about moral transgressions that threaten their group’s benefits, such as betrayal, and they tend to moralize behaviors that contribute to the welfare of their groups (Graham et al., 2011). Employees who highly identify with the organization are prone to endorse loyalty as a fundamental moral domain, as they are proud of their membership in the organization and they take the organization’s interest to heart (Ashforth & Mael, 1989; B. van Knippenberg, Martin, & Tyler, 2006). As a consequence, they are likely to perceive UPB as less morally questionable, as the behavior is likely to contribute to the organization’s effective functioning. By contrast, those with less organizational identification are less likely to justify UPB because they are less motivated to defend pro-organizational actions.

Taken together, employees who are highly identified with the organization are more likely to see UPB as less immoral by minimizing the threats that UPB imposes on its victims, devaluing victims as deserving the treatment of UPB, and justifying or even moralizing UPB as serving the greater good to the organization. Therefore, I hypothesize:

Hypothesis 2: Followers' identification with the organization moderates the relationship between leaders' UPB and followers' perceived immorality of leaders' behavior, such that the positive relationship is weaker for followers who have higher levels of identification with the organization.

In the above arguments, I proposed three potential mechanisms (*minimization of negative consequences of UPB, derogation towards victims of UPB, and reconstrual of UPB as respectable*) underlying the hypothesized difference in moral judgment of leaders' UPB between employees with higher identification with the organization and those with lower identification with the organization. I therefore explored which mechanism(s) mediated the hypothesized moderation effect. Besides, the extent to which employees perceive that they benefit themselves from leaders' UPB may also play a role in reducing their perceived immorality of leaders' UPB. Experimental findings suggest that when individuals gain benefit from another person's deception behavior, they would still perceive that person as benevolent and trustworthy (Levine & Schweitzer, 2015). Thus, the alternative mechanism of *self-benefiting* was measured and controlled for when exploring the mediation effect of the three proposed mechanisms.

Exploratory research question: Does minimization of negative consequences of UPB, derogation towards victims of UPB, or reconstrual of UPB as respectable mediate the moderation effect of followers' identification with the organization on the relationship between leaders' UPB and followers' perceived immorality of leaders' behavior?

Followers' Moral Judgment, Guilt, and Identification with the Leader

Following the evaluation of the leaders' UPB as morally wrong, followers are more likely to experience the emotion of guilt. The generation of guilt involves a moral appraisal process in which individuals realize that the moral transgressions result in other people's negative consequences (Tangney & Dearing, 2002; Tracy & Robins, 2006). As I argued above, followers

perceive their leaders' UPB as immoral as UPB brings about harmful and/or unfair consequences to the victims. Previous research on vicarious guilt suggests that individuals may feel guilt not because of their own misdeeds, but also because of the recognition of other persons' misdeeds (Lickel et al., 2007). For example, European American participants experience "White guilt" which stems from perceived social inequality of Black Americans that results from past immoral racial discrimination exhibited by other European Americans (Iyer et al., 2003). Therefore, with a recognition of the negative consequences that their leaders' UPB brings about, followers will experience guilt following their perception of their leaders' UPB as immoral.

Hypothesis 3: Followers' perceived immorality of leaders' behavior is positively related to followers' guilt.

Integrating the moral judgment and vicarious guilt literature, I propose that followers engage in moral judgment after they observe their leaders' UPB, and their perceived immorality of their leaders' UPB results in their experiences of guilt. Taken together, the observation of leaders' UPB elicits followers' guilt via followers' perceived immorality of leaders' behavior.

Notably, there may be an alternative emotional consequence of observing the leaders' UPB on followers. Existing research on third-party justice effects based on the deontic justice perspective shows that individuals experience moral anger after they witness injustice towards other individuals (Mitchell et al., 2015; Reich & Hershcovis, 2015; O'Reilly et al., 2016). However, this line of research has mostly studied unfair actions that do not bring about positive outcomes for the observer, such as abusive supervision towards coworkers (e.g., Mitchell et al., 2015; Skarlicki & Rupp, 2010) and one peer being rude to another peer (e.g., Reich & Hershcovis, 2015; O'Reilly et al., 2016). What is unique about UPB is that followers may directly or indirectly benefit from such unethical behavior. Studies have shown that guilt, instead of anger, is more likely to be induced when individuals receive positive outcomes through

procedures biased in favor of themselves (Spencer & Rupp, 2009; Weiss, Suckow, & Cropanzano, 1999). Therefore, in the current dissertation I propose that guilt, instead of moral anger, is the emotional reactions that individuals experience following leaders' UPB. To rule out the possibility for the alternative emotional reaction of moral anger, in this dissertation I measured moral anger along with guilt.

Hypothesis 4: Leaders' UPB has an indirect positive relationship with followers' guilt via their perceived immorality of leaders' behavior.

Furthermore, I argue that the extent to which followers experience guilt following their immoral perception of their leaders' UPB depends on their identification with their leaders. Identification with the leader refers to the extent to which the leader is included in the follower's relational self (i.e., self defined by relationships with significant others; D. van Knippenberg, van Knippenberg, De Cremer, & Hogg, 2004). Followers who are highly identified with the leader usually recognize that they share similar values and attributes with the leader and are more likely to perceive that acting for the benefit of the leader is acting for their own benefit (Aron, 2003; Berscheid & Reis, 1998). Identification with the leader also leads to a greater likelihood of being influenced by the leader (D. van Knippenberg et al., 2004).

Individuals integrate aspects of others' attributes into their own self-concept. Evidence from neuroscience suggests that being exposed to other persons' actions can result in the same neural responses as if one performed these actions oneself (e.g., Decety & Grezes, 2006; Kang, Hirsh, & Chasteen, 2010; Niedenthal, Barsalou, Winkielman, Krauth-Gruber, & Ric, 2005). Goldstein and Cialdini (2007) proposed a vicarious self-perception process and posited that the attributes one infers from observing another person's behavior can be used to make inferences about one's own attributes. They also pointed out the extent to which the behavior of others can influence one's self-perception depends on one's identification with those individuals.

Therefore, followers who highly identify with their leaders are more likely to make inferences about themselves from their leaders' attributes. After observing leaders' UPB, followers highly identified with their leaders will show stronger emotional reactions to perceived immorality of leader behavior, because high identification with the leader motivates them to act as if they have behaved immorally by engaging in UPB themselves. As a result, followers' identification with their leaders will strengthen the relationship between perceived immorality of leader behavior and guilt. This argument is consistent with existing research on vicarious guilt showing that compared to participants who had distant relationship with the wrongdoer, those who were closer to the wrongdoer reported higher levels of guilt after observing the wrongdoer's moral transgression (J. Chen et al., 2018; Doosje et al., 2008; Eskine et al., 2013; Lickel et al., 2005).

Hypothesis 5: Followers' identification with the leader moderates the relationship between their perceived immorality of leaders' behavior and their guilt, such that the positive relationship is stronger for followers who have higher levels of identification with the leader.

To summarize, I hypothesize a mediation relationship between leaders' UPB and followers' guilt via followers' perceived immorality of leader behavior. The first stage of the mediation relationship is moderated by followers' identification with the organization, and the second stage of the mediation relationship is moderated by followers' identification with the leader. High identification with the organization and low identification with the leader mitigate the first-stage and second-stage relationships, respectively. The hypothesized mediation relationship is stronger when followers' identification with the organization is low and their identification with the leader is high.

Hypothesis 6: The indirect relationship between leaders' UPB and followers' guilt via followers' perceived immorality of leaders' behavior is moderated by followers' identification with the organization (6a) and their identification with the leader (6b), such that the indirect effect is more positive for followers whose identification with the organization is lower (6a) and whose identification with the leader is higher (6b).

Followers' Guilt and Ethical Behavior

What consequences await individuals who feel guilt due to their leaders' engagement of UPB? The existing literature suggests that guilt is associated with reparative behaviors that directly compensate for the prior transgressions (Baumeister et al., 1994; Leith & Baumeister, 1998; Liao et al., 2018; Tangney, 1995). Vicarious guilt elicited by observing others' moral transgressions towards certain victims also motivates participants to directly help and/or compensate for the victims (Doosje et al., 1998; Iyer et al., 2003; Swim & Miller, 1999).

Accordingly, in the current research I hypothesize that followers' guilt induced by observing the leaders' UPB may motivate followers to engage in reparative behaviors that directly compensate for the victims of the leaders' UPB. I label this category of reparative acts as *compensatory ethical behaviors*. Examples of compensatory ethical behavior include revealing negative information about the organization to customers and clients, making apologies to stakeholders who are victims of the UPB, and going out of one's way to help a customer or client who was mistreated by UPB.

Although shame may also be elicited following others' transgressions (i.e., vicarious shame; Lickel et al., 2005), previous research has demonstrated that guilt, instead of shame, serves as the affective mechanism that foster reparative motives and actions (Meijers et al., in press; Tangney & Dearing, 2002). To rule out the possibility for the alternative emotional mechanism of shame, in this dissertation I measured shame along with guilt.

Hypothesis 7: Followers' guilt is positively related to their compensatory ethical behavior.

Guilt is related to empathic concerns for others (Leith & Baumeister, 1998; Tangney & Dearing, 2002) that is more general and goes above and beyond only compensating the victims. Research has shown that guilt induced by a previous unfair division of money is not only related to a more unselfish division of money subsequently, but also related to higher tendency to behave cooperatively in everyday situations (de Hooge et al., 2007). The moral cleansing literature also suggests that individuals may engage in ethical behaviors that do not directly compensate for the prior misdeeds (West & Zhong, 2015; Zhong et al., 2009). Instead, individuals may engage in morally laudable behaviors that fall into different domains as the prior misdeeds (e.g., Carlsmith & Gross, 1969; Jordan et al., 2011; Steele, 1988; Stone et al., 1997).

Followers who feel guilt induced by the leaders' UPB may be particularly likely to engage in this type of *non-compensatory ethical behaviors*. Due to differences in status and hierarchy compared with the leader, followers may find it difficult to act in an opposite way against the leaders' behavior (i.e., engage in compensatory ethical behavior following leaders' UPB). Zhong and colleagues (2009) suggested that "the alternative routes (of behaviors that do not directly compensate for the misdeeds) can be equally effective when a direct route (of directly reparative behaviors) is not available or is too costly." (p. 81) Therefore, followers who feel guilt induced by their leaders' UPB may be motivated to engage in non-compensatory ethical behaviors that do not directly compensate for the leaders' UPB. Examples of non-compensatory ethical behaviors include donating to charity, donating blood, volunteering, and helping someone who is not a stakeholder involved in the leaders' UPB.

Hypothesis 8: Followers' guilt is positively related to their non-compensatory ethical behavior.

Taken together, I hypothesize that leaders' UPB may exert the vicarious moral cleansing effect on followers' compensatory and non-compensatory ethical behavior through followers' guilt. This is consistent with previous research that emphasizes the emotional mechanism of moral cleansing (Zhong et al., 2009): Individuals are likely to feel guilt following their morally questionable behavior, and the experience of guilt motivates them to perform reparative behaviors (e.g., Iyer et al., 2003; Liao et al., 2018). As I have argued above, the immorality perception of leader behavior, as the outcome of followers' moral judgment, elicits followers' experiences of guilt. Therefore, I hypothesize the following mediation effects:

Hypothesis 9: Leaders' UPB has an indirect positive relationship with followers' compensatory ethical behavior via followers' perceived immorality of leaders' behavior and followers' guilt.

Hypothesis 10: Leaders' UPB has an indirect positive relationship with followers' non-compensatory ethical behavior via followers' perceived immorality of leaders' behavior and followers' guilt.

Finally, as I have argued above, followers' moral judgment of leaders' UPB depends on their identification with the organization, and their vicarious guilt in response to perceived immorality of leader behavior depends on their identification with the leader. Therefore, I hypothesize the following moderated mediation effects:

Hypothesis 11: The indirect relationship between leaders' UPB and followers' compensatory ethical behavior via followers' perceived immorality of leaders' behavior and followers' guilt is moderated by followers' identification with the organization (11a) and their identification with the leader (11b), such that the indirect effect is more positive for followers whose identification with the organization is lower (11a) and whose identification with the leader is higher (11b).

Hypothesis 12: The indirect relationship between leaders' UPB and followers' non-compensatory ethical behavior via followers' perceived immorality of leaders' behavior and followers' guilt is moderated by followers' identification with the organization (12a) and their identification with the leader (12b), such that the indirect effect is more positive for followers whose identification with the organization is lower (12a) and whose identification with the leader is higher (12b).

CHAPTER 4: OVERVIEW OF STUDIES

In the current research, two main studies were conducted to test the proposed model. Before these two studies, a pilot study was conducted to validate the scale of moral judgment used across the two studies and the scale of unethical pro-organizational behavior (UPB) used in Study 2. Existing measures of moral judgment are usually single-item scales that ask individuals to rate to what extent they evaluate a particular behavior as “wrong” (Gray et al., 2014; Sabo & Giner-Sorolla, 2017; Simpson & Laham, 2015), “ethical” (Zhang, Gino, & Margolis, 2018), “morally appropriate” (Moore et al., 2008), or “acceptable” (Crone & Laham, 2015). Because moral judgment is a core construct in my proposed model, I developed a 6-item scale for its measurement by integrating items used in existing measures. The goal of the pilot study was to provide evidence for the construct validity of this scale.

For the scale to measure UPB, the majority of current literature uses the 6-item scale developed by Umphress et al. (2010). However, not all items in this scale are observable (e.g., “If my organization needed me to, I would give a good recommendation on the behalf of an incompetent employee in the hope that the person will become another organization’s problem instead of my own”). Also, most of the items tap informational injustice (e.g., “If it would help my organization, I would conceal information/misrepresent the truth/withhold negative information/exaggerate the truth”), not the other dimensions of injustice: distributive injustice, procedural injustice, and interpersonal injustice (Colquitt, 2001; Colquitt, Long, Rodell, & Halvorsen-Ganepola, 2015). Therefore, in this dissertation I adapted items used by Umphress et al. (2010) and developed a broadened measure of UPB that excluded items describing behaviors that are difficult to observe by a third-party and included items describing behaviors that violate other dimensions of justice. Another goal of the pilot study was to pilot this measure.

Following the pilot study, Study 1 was a laboratory experimental study aimed at investigating followers' moral judgment of their leaders' UPB. More specifically, Study 1 tested the impact of leaders' UPB on followers' perceived immorality of leader behavior and the moderating effect of followers' identification with the organization (Hypotheses 1 and 2). Undergraduate students were asked to take the role of an employee and read a vignette in which their leaders' behavior and their identification with the organization were manipulated. Then they reported their perceived immorality of the leaders' behavior in the vignette.

Study 2 was a survey study in which full-time employees reported their observations of leaders' UPB, their identification with the organization and identification with the leader, their perceived immorality of leader behavior, their guilt, and their compensatory and non-compensatory ethical behaviors across two time points. Study 2 aimed to test the overall moderated mediation model linking leaders' UPB to followers' ethical behaviors via perceived immorality of leader behavior and guilt, as well as the moderating role of identification with the organization and identification with the leader (Hypotheses 1 to 12).

CHAPTER 5: PILOT STUDY

Participants and Procedure

Participants in the pilot study were recruited through Amazon's Mechanical Turk (MTurk; Amazon, 2014), an online crowdsourcing labor market. Research has shown that data obtained via MTurk are comparable to data collected using more traditional, convenience sampling methods (Buhrmester, Kwang, & Gosling, 2011; Paolacci, Chandler, & Ipeirotis, 2010; Steelman, Hammer, & Limayem, 2014). Scholars have encouraged using MTurk as a new way to collect data for organizational research (Landers & Behrend, 2015). A recent review found an increase in articles using MTurk that are published on top organizational journals (Cheung, Burns, Sinclair, & Sliter, 2017).

To be eligible to participate in the current study, participants needed to be adults (i.e., above the age of 18) and reside in the United States. They were invited to complete an online survey that was administrated via Qualtrics (<https://www.qualtrics.com>), and the payment for participation was \$1.00. The online survey asked participants to answer questions about UPB by using the developed UPB scale, and to rate two lists of exemplary leader behaviors that represented ethical leadership and abusive supervision, respectively, by using the moral judgment scale. Participants were also asked to report their demographic information.

One hundred and fifty-one participants responded to the online survey. Following the recommendations in addressing the validity concerns when using MTurk (Brawley & Pury, 2016; Cheung et al., 2017), we included an attention check question that asked participants to describe in a few sentences something that made them "feel particularly good or bad today". The final sample consisted of 135 participants who passed the attention check question (pass rate = 89.4%). Among them, 84 (66.2%) were male and 51 (37.8%) were female. Their average age was 33.67 years ($SD = 9.45$). The majority of them were Caucasians (72.6%).

Materials and Measures

Unethical pro-organizational behavior. The scale that I developed to measure unethical pro-organizational behavior (UPB) included eight items. Four items (e.g., “If it would help my organization, I would misrepresent the truth to make my organization look good”) were from the Umphress et al. (2010). The other four items were adapted from the injustice measures used by Colquitt et al. (2015) and Dunford et al. (2015). More specifically, two items (“If it would help my organization, I would treat customers and clients with disregard” and “If it would help my organization, I would treat customers and clients in a derogatory manner”) described unethical behaviors that violated interpersonal justice. The other two items (“If it would help my organization, I would cut corners to provide insufficient service to customers and clients” and “If it would benefit my organization, I would take advantage of customers and clients so that they don’t get their money’s worth at my organization”) described unethical behaviors that violated distributive justice. Participants were asked to indicate the extent to which they agreed with each statement using a 7-point Likert scale (1 = *strongly disagree*, 7 = *strongly agree*). This measure is provided in Appendix A.

Exemplary leadership behaviors. Exemplary leadership behaviors presented to participants were adapted from the ethical leadership scale (Brown et al., 2005) and abusive supervision scale (Tepper, 2000). Two sample items for ethical leadership were “Makes fair and balanced decisions,” and “Disciplines followers who violate ethical standards.” Two sample items for abusive supervision were “Ridicules followers,” and “Tells his followers that their thoughts or feelings are stupid.” The presentation order of ethical leadership and abusive supervision (i.e., which list of behaviors preceded the other) was randomized. Appendices B and C provide those exemplary leadership behaviors.

Moral judgment. I developed a 6-item moral judgment scale to measure the perceived immorality of leader behavior by integrating previous single-item measures (e.g., Crone & Laham, 2015; Gray et al., 2014; Moore et al., 2008; Sabo & Giner-Sorolla, 2017; Simpson & Laham, 2015; Zhang et al., 2018). More specifically, participants were asked to rate the extent to which they think the leader's behaviors were wrong (1 = *not at all wrong*, 5 = *extremely wrong*), ethical (1 = *not at all ethical*, 5 = *extremely ethical*), immoral (1 = *not at all moral*, 5 = *extremely moral*), acceptable (1 = *not at all acceptable*, 5 = *extremely acceptable*), morally questionable (1 = *not at all morally questionable*, 5 = *extremely morally questionable*), and morally appropriate (1 = *not at all morally appropriate*, 5 = *extremely morally appropriate*). The presentation order of the six items was randomized. Responses on “ethical,” “acceptable,” and “morally appropriate” were reverse coded. Higher scores indicated higher perceived immorality of leader behavior. This scale is presented in Appendix D.

Results

The inter-item correlations of the UPB scale are presented in Table 1. Cronbach's alpha of the 8-item scale was 0.93.

Table 1. Inter-item correlations of the UPB scale (Pilot Study)

Item number	1	2	3	4	5	6	7	8
1	-							
2	.66**	-						
3	.63**	.68**	-					
4	.66**	.68**	.78**	-				
5	.64**	.53**	.49**	.51**	-			
6	.65**	.41**	.49**	.49**	.74**	-		
7	.70**	.54**	.56**	.59**	.65**	.69**	-	
8	.72**	.58**	.55**	.56**	.65**	.73**	.76**	-

Note. $N = 135$. * $p < .05$. ** $p < .01$. The corresponding items 1 to 8 are provided in Appendix A.

The exploratory factor analysis (EFA) on the eight items showed that only one factor with an eigenvalue larger than 1.00 was extracted, and this factor explained 66.65% of all variances.

All items had significant loadings on this factor (ranging from 0.78 to 0.87). To summarize, the 8-item scale demonstrated satisfactory psychometric properties.

The inter-item correlations of the perceived immorality of ethical leadership behaviors and abusive supervision behaviors are presented in Table 2 and 3, respectively. Cronbach's alpha of the 6-item scale was 0.82 when used to rate ethical leadership behaviors, and 0.83 when used to rate abusive supervision behaviors.

Table 2. Inter-item correlations of the moral judgment scale to rate ethical leadership behaviors (Pilot Study)

Items	1	2	3	4	5	6
1. Wrong	-					
2. Ethical (reverse coded)	.41**	-				
3. Immoral	.51**	.37**	-			
4. Acceptable (reverse coded)	.52**	.73**	.37**	-		
5. Morally questionable	.61**	.37**	.48**	.48**	-	
6. Morally appropriate (reserve coded)	.50**	.55**	.32**	.55**	.42**	-

Note. $N = 135$. * $p < .05$. ** $p < .01$.

Table 3. Inter-item correlations of the moral judgment scale to rate abusive supervision behaviors (Pilot Study)

Items	1	2	3	4	5	6
1. Wrong	-					
2. Ethical (reverse coded)	.42**	-				
3. Immoral	.54**	.17	-			
4. Acceptable (reverse coded)	.51**	.71**	.21*	-		
5. Morally questionable	.69**	.38**	.60**	.39**	-	
6. Morally appropriate (reserve coded)	.41**	.56**	.13	.62**	.30**	-

Note. $N = 135$. * $p < .05$. ** $p < .01$.

The confirmatory factor analysis (CFA) on the six items showed that when used to rate ethical leadership, a one-factor model (residuals of the reverse-coded items were correlated) had a good fit with the data: CFI = 1.00, TLI = 1.00, RMSEA = 0.00, SRMR = 0.02, $\chi^2(6) = 4.81$, $p = .57$, all loadings were significant. A two-factor model with reverse-coded items (i.e., ethical, acceptable, and morally appropriate) loading on one factor and the other items loading on the

other factor was also estimated. This model also had satisfactory fit: CFI = 0.98, TLI = 0.97, RMSEA = 0.07, SRMR = .03, $\chi^2 (8) = 13.26, p = .10$, all loadings were significant.

When the scale was used to rate abusive supervision, the fit indices of the one-factor model (residuals of the reverse-coded items were correlated) were: CFI = 0.97, TLI = 0.93, RMSEA = 0.11, SRMR = .05, $\chi^2 (6) = 16.47, p = .01$, all loadings were significant. The fit indices of the two-factor model with reverse-coded items on the other factor were: CFI = 0.98, TLI = 0.96, RMSEA = 0.09, SRMR = .05, $\chi^2 (8) = 16.50, p = .04$, all loadings were significant. The unsatisfactory RMSEA may be the result of the relatively small sample size. To summarize, the one-factor model fit well with the data. In the following analyses, the average of the six-item scale served as the score of the perceived immorality leader behavior.

One-sample *t* tests showed that the perceived immorality of abusive supervision behaviors ($M = 4.38, SD = 0.77$) was significantly higher than the middle point of the scale (i.e., 3), $t(134) = 20.86, p < .01$, and the perceived immorality of ethical leadership behaviors ($M = 1.53, SD = 0.75$) was significantly lower than the middle point of the scale, $t(134) = -22.90, p < .01$.

Besides, paired-sample *t*-test showed that participants rated abusive supervision behaviors as significantly more immoral than ethical leadership behaviors, $t(134) = 22.98, p < .01$.

Discussion

The results above suggested that the scales that measured UPB and moral judgment of leader behavior both demonstrated satisfactory psychometric properties. As expected, participants rated abusive supervision behaviors as more immoral, and rated ethical leadership behaviors as less immoral. This provided evidence for the construct validity of the moral judgment scale.

Therefore, I used the UPB scale described here to measure leaders' UPB in Study 2 and used the moral judgment scale described here to measure perceived immorality of leader behavior in both Study 1 and Study 2.

CHAPTER 6: STUDY 1

Participants and Procedure

Study 1 involved a 3 (leader behavior: unethical pro-organizational behavior [UPB] vs. unethical self-serving behavior vs. control) * 2 (identification with the organization: high vs. low) between-subject research design. A prior power analysis was conducted using *G*power* (Faul, Erdfelder, Lang, & Buchner, 2007) to calculate the sample size needed. The main purpose of Study 1 was to test the moderation effect of identification with the organization on the relationship between leaders' UPB and employees' moral judgment of leader behavior. Therefore, the interaction effect was of the greatest interest to me. I expected a small-to-medium interaction effect and therefore used Cohen's $f = 0.18$ (i.e., mean of 0.1 and 0.25, which indicate "small" and "medium" effect sizes respectively; Cohen, 1988) as the effect size of the hypothesized interaction. The alpha level was set to be 0.05. The result of the prior power analysis showed that in order to achieve a power of 0.8 to test the hypothesized interaction effect, the total sample size was 301 (i.e., 50.17 participants in each of the six groups).

Accordingly, I collected data from 300 undergraduate students in a large Midwestern university. They participated in the study in exchange for course credits. Their average age was 19.5 years ($SD = 2.51$). Forty-eight participants (16.0%) were male, 249 (83.0%) were female, and three did not provide information about their gender. The majority of them were Caucasians (68.9%), followed by African Americans (13.5%), Asians (12.0%), and Hispanics (4.0%). Among them, 224 (74.7%) had job experience.

After they came to the lab, participants were greeted and presented with the consent form. Upon agreeing to participate, participants were asked to adopt the role of an employee in a retail company. They read a vignette that included the description about the company, in which their identification with the organization (high vs. low) was manipulated. The vignette also included

the description about their work experiences in this company, in which their leaders' behaviors (UPB vs. unethical self-serving behavior vs. control) was manipulated. After reading the vignette, participants rated the perceived immorality of their leaders' behaviors and answered questions related to potential mechanisms underlying their moral judgment. Finally, they were asked to provide information about their demographic information including age, gender, ethnicity, and work experiences.

Materials and Measures

Throughout this study, participants were asked to adopt the role of an employee at Hicra Corp., an imaginary retail company in which they had worked for three years. Identification with the organization (two levels: high vs. low) was manipulated with the procedure used by M. Chen and colleagues (2016), adapted from the manipulation used by B. van Knippenberg and colleagues (2006). Those who were assigned to the high identification with the organization group read that "Over the past 3 years, it has become clear that Hicra Corp. is a good fit for you. You and your coworkers hold very similar attitudes about the direction and vision of the company, and you have considerable personal interaction with people at the company. You feel Hicra Corp.'s successes are your successes. If someone praises Hicra Corp., it feels like a personal compliment to you." The other participants who were assigned to the low identification with the organization group read that "Over the past 3 years, it has become clear that Hicra Corp. is a poor fit for you. You and your coworkers hold very different attitudes about the direction and vision of the company, and you have very little personal interaction with people at the company. You feel Hicra Corp.'s successes do not mean your successes. If someone praises Hicra Corp., it does not matter much to you."

Following the manipulation of identification with the organization was the manipulation of leader behavior (three levels: UPB vs. unethical self-serving behavior vs. control). Participants

read descriptions about their leaders' actions in a managerial scenario, which allowed them to learn about the leaders' behavior. All participants read "Recently, Hicra Corp. is competing with Kisto Corp., another large retail company, for securing a sales contract. Your direct manager, Alex, is leading this project." Those assigned to the UPB group then read that Alex exaggerated the truth about Hicra Corp.'s product to make it look good and withheld negative information about Hicra Corp.'s product from the clients, in order to gain an advantage in the competition for Hicra Corp. In the end, Alex won the competition against Kisto Corp. and successfully made a lucrative sales deal for Hicra Corp. Hicra Corp. earned a significant increase in the market share and Kisto Corp. encountered a huge crisis because of the failure. This scenario was adapted from two items ("If it would help my organization, I would exaggerate the truth about my company's products or services to customers and clients," and "If it would benefit my organization, I would withhold negative information about my company or its products from customers and clients.") from the 6-item UPB scale developed by Umphress and colleagues (2010).

By contrast, those assigned to the unethical self-serving behavior group read that when working on the project, instead of giving credit to the followers for tasks requiring a lot of time and effort, Alex took all the credit himself/herself. Alex also left the office early although this meant that the followers had to stay late to finish some of his/her work. In the end, Alex did not win the competition against Kisto Corp. Nevertheless, Alex's presentation made him/her look good in front of the top management team and word on the street said Alex was going to get a promotion very soon. This scenario was adapted from 3 items ("Instead of giving credit to my subordinates for jobs requiring a lot of time and effort, I took the credit myself," "I have left the office early although this meant that my subordinates had to finish some of my work," and "I have used my leadership position to obtain benefits for myself.") from the 9-item self-serving leader behavior scale developed by Rus and colleagues (2010a).

Those who were assigned to the control group read a vignette similar to the UPB group, but the vignette in this condition described Alex as using sales expertise and skills (instead of exaggerating the truth and withholding negative information) to secure a lucrative deal for Hicra Corp. All vignettes are included in Appendix E.

After reading the vignette, participants completed a questionnaire that included the manipulation checks, the measure of moral judgment of leader behavior, and the measures of potential mechanisms underlying the moral judgment. The questionnaire used a 7-point Likert scale (1 = *strongly disagree*, 7 = *strongly agree*), unless otherwise stated. For the manipulation check of identification with the organization, participants were asked to rate the extent to which based on their role in the scenario they agreed that they would “feel strongly identified with Hicra Corp.,” and would “feel a part of Hicra Corp.” Participants’ responses to the two questions were highly correlated ($r = 0.91, p < 0.01$), and therefore were averaged to form a single indicator for manipulation check of identification with the organization. Higher scores indicated higher identification with the company described in the vignette. For the manipulation check of leader behavior, participants were asked to rate their agreement with two statements about the leaders’ motivation. One statement asked about the perceived pro-organizational motivation: “In this competition project, Alex’s behaviors are for the benefits of Hicra Corp.” The other asked about the perceived self-serving motivation: “In this competition project, Alex’s behaviors are for the benefits of himself/herself.” I expected that the participants assigned to the UPB and the control groups would rate the leaders’ pro-organizational motivation higher than the participants assigned to the unethical self-serving behavior group. Also, those assigned to the unethical self-serving behavior group would rate the leaders’ self-serving motivation as higher than those assigned to the other two groups.

Following the manipulation check, participants reported their perceived immorality of leader behavior using the moral judgment scale validated in the pilot study. More specifically, participants were asked to indicate the extent to which they rate the leader's behavior in the vignette as wrong (1 = *not at all wrong*, 5 = *extremely wrong*), ethical (1 = *not at all ethical*, 5 = *extremely ethical*), immoral (1 = *not at all moral*, 5 = *extremely moral*), acceptable (1 = *not at all acceptable*, 5 = *very acceptable*), morally questionable (1 = *not at all morally questionable*, 5 = *extremely morally questionable*), and morally appropriate (1 = *not at all morally appropriate*, 5 = *extremely morally appropriate*). Cronbach's alpha of the scale was 0.94. Therefore, the average score of the six items served as the outcome of moral judgment. Higher scores indicated a higher level of perceived immorality of leader behavior.

Then participants answered questions about potential mechanisms underlying their moral judgment. More specifically, *minimization of negative consequences of UPB* was measured with one item: "It is not a big deal to take advantage of Kisto Corp." *Derogation towards victims of UPB* was measured with one item: "Kisto Corp. deserves to lose the competition." *Reconstrual of UPB as respectable* was measured with one item: "Alex's behaviors serve the "greater good" for the organization." These measures were developed by adapting items from the moral disengagement scale (Moore et al., 2012) to the current experimental scenario. The alternative mechanism of *perceived self-benefitting* was measured with one self-developed item: "Alex's behaviors would to some extent bring about desirable outcomes for you."

Measures of Study 1 are provided in Appendices F, G, and H.

Analyses and Results

Manipulation checks

Before testing hypotheses, I conducted the manipulation check of identification with the organization. Independent sample t-tests showed that those assigned to the high identification

with the organization group indicated that they had higher identification with the company described in the vignette ($M = 5.90$, $SD = 1.40$) than those assigned to the low identification with the organization group ($M = 2.18$, $SD = 1.37$), $t(298) = 23.27$, $p < 0.01$. Therefore, the manipulation of identification with the organization was successful.

For the manipulation check of leader behavior, there existed three groups (i.e., UPB, unethical self-serving behavior group, and the control group) and two independent variables (i.e., perceived pro-organizational motivation and perceived self-serving motivation). Therefore, I conducted multivariate analysis of variance (MANOVA). A one-way MANOVA showed a significant multivariate main effect for leader behavior groups, Wilks' $\lambda = 0.39$, $F(4, 592) = 88.69$, $p < 0.01$, partial $\eta^2 = 0.38$. Given the significance of the overall test, the univariate main effects were examined. Significant univariate main effects were obtained for perceived leader pro-organizational motivation, $F(2, 297) = 213.84$, $p < 0.01$, partial $\eta^2 = 0.59$; and for perceived leader self-serving motivation, $F(2, 297) = 36.28$, $p < 0.01$, partial $\eta^2 = 0.20$.

Four planned comparisons were conducted using Bonferroni adjusted alpha levels of 0.0125 ($= 0.05/4$) per test. The results showed that, as expected, participants assigned to the UPB group rated the leaders' pro-organizational motivation ($M = 5.14$, $SD = 1.71$) as significantly higher than those assigned to the unethical self-serving leader behavior group ($M = 2.06$, $SD = 1.38$), $t(297) = 14.95$, $p < 0.01$; and they rated the leaders' self-serving motivation ($M = 5.56$, $SD = 1.54$) as significantly lower than those in the unethical self-serving leader behavior group ($M = 6.62$, $SD = 0.85$), $t(297) = -5.26$, $p < 0.01$. Those assigned to the control group also rated the leaders' pro-organizational motivation ($M = 6.15$, $SD = 1.24$) as significantly higher than those in the unethical self-serving leader behavior group, $t(297) = 19.85$, $p < 0.01$; and rated the leaders' self-serving motivation ($M = 4.92$, $SD = 1.73$) as significantly lower than those in the unethical self-serving leader group, $t(297) = -8.43$, $p < 0.01$. Taken together, the manipulation check

results of perceived pro-organizational and self-serving leader motivation were consistent with the expectation. Therefore, the manipulation of leader behavior was successful.

Testing of Hypotheses 1 and 2

An initial two-way factorial analysis of covariance (ANCOVA) that investigated the effect of leader behavior (3 levels: UPB, unethical self-serving behavior, and control), the effect of identification with the organization (2 levels: low and high), and their interaction effect on the perceived immorality of leader behavior, with demographic variables (i.e., age, gender, ethnicity, and work experiences) as covariates was conducted. None of the demographic variables had a significant effect on the outcome (F values ranged from 0.01 to 3.39, p values ranged from 0.94 to 0.07). Therefore, the demographic variables were not included in the final analysis reported below.

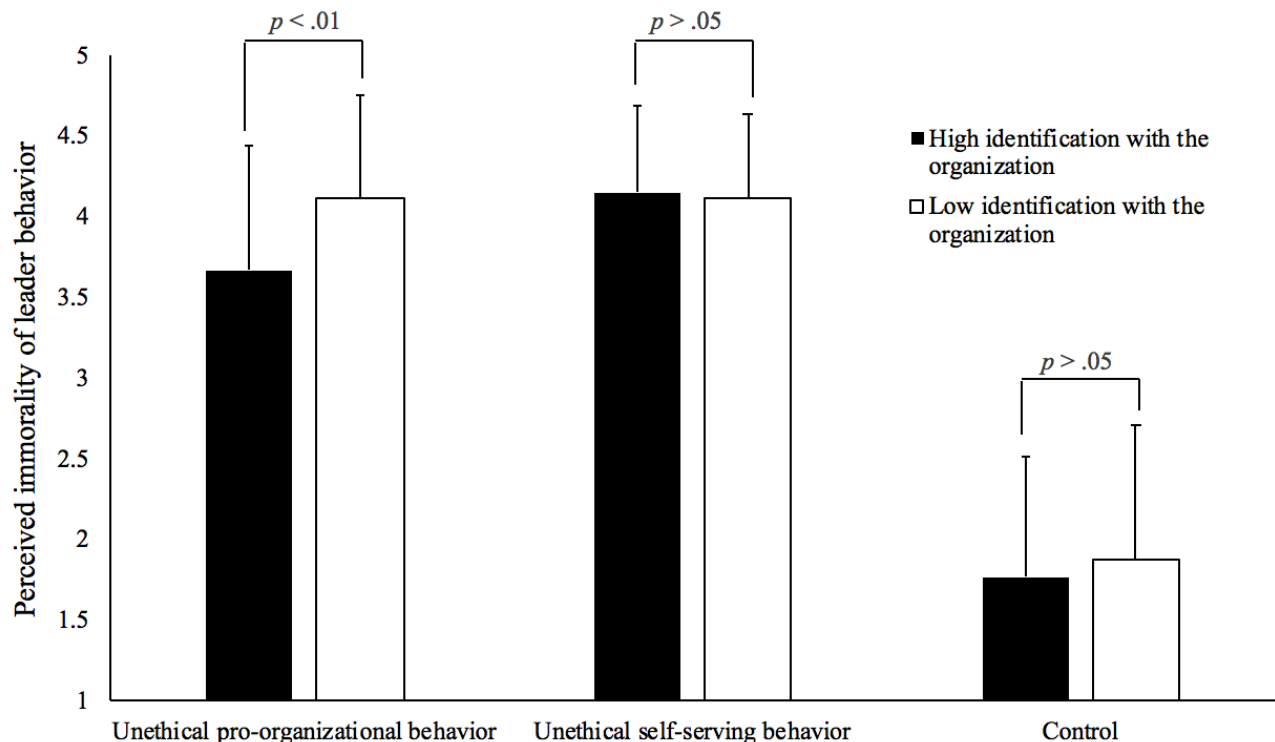
The two-way factorial analysis of variance (ANOVA) yielded a significant interaction effect between leader behavior and identification with the organization on the perceived immorality of leader behavior, $F(2, 294) = 3.15, p < 0.05$, partial $\eta^2 = 0.02$. The main effect of leader behavior was significant, $F(2, 294) = 337.84, p < 0.01$, partial $\eta^2 = 0.70$. The main effect of identification with the organization was also significant, $F(1, 294) = 4.32, p < 0.05$, partial $\eta^2 = 0.01$.

To test Hypothesis 1, I conducted a planned comparison between the UPB group and the control group. The result showed that participants who were assigned to the UPB group ($M = 3.89, SD = 0.74$) indicated the leaders' behavior as significantly more immoral than those in the control group ($M = 1.82, SD = 0.79$), $t(297) = 20.92, p < 0.01$. Therefore, Hypothesis 1 was supported.

Because the proposed interaction effect was significant, I proceeded to make three planned comparisons between high versus low identification with the organization groups for the

participants in the three leader behavior groups, respectively. These planned comparisons were conducted using Bonferroni adjusted alpha levels of 0.0167 ($= 0.05/3$) per test. The results showed that, as expected, for leaders' UPB, participants who had high identification with the organization ($M = 3.67$, $SD = 0.77$) rated the leaders' behavior as significantly *less* immoral than those who had low identification with the organization ($M = 4.11$, $SD = 0.65$), $t(294) = -3.16$, $p < 0.01$. However, for unethical self-serving leader behavior, participants who had high ($M = 4.15$, $SD = 0.54$) and low ($M = 4.11$, $SD = 0.53$) identification with the organization did not show significant difference in perceived immorality of leader behavior, $t(294) = 0.29$, $p = .77$. Similarly, for participants in the control group, high ($M = 1.77$, $SD = 0.75$) or low ($M = 1.87$, $SD = 0.84$) identification with the organization had no significant effect on perceived immorality of leader behavior, $t(294) = -0.72$, $p = .47$. Hypothesis 2 was therefore supported. The pattern of the interaction is presented in Figure 2.

Figure 2. The interaction of leader behavior and followers' identification with the organization on followers' perceived immorality of leader behavior (Study 1)



Testing of mechanisms underlying followers' moral judgment of leader behavior

To test the exploratory research question of the proposed mechanisms underlying moral judgment, I conducted supplementary analyses on participants who were assigned to the UPB group and the control group. In both groups, participants read the vignettes describing that the leader won the competition for their company and the other company lost the competition.

Correlations between perceived immorality of leader behavior, and the potential mechanisms underlying moral judgment are presented in Table 4. As shown in Table 4, minimizing the negative consequences of UPB, derogation towards victims of UPB, reconstruing UPB as respectable, and perceived self-benefitting from UPB were all negatively related with perceived immorality of leader behavior.

Table 4. Demographic statistics and correlations between study variables for participants assigned to the UPB and the control group (Study 1)

	<i>M</i>	<i>SD</i>	1	2	3	4	5	6
1. Identification with the organization ^a	0.50	0.50	-					
2. Perceived immorality of leader behavior	2.86	1.29	-.10	-				
3. Minimization	3.03	1.78	.04	-.49**	-			
4. Derogation	3.12	1.74	.09	-.45**	.49**	-		
5. Reconstrual	4.92	1.80	.18*	-.63**	.41**	.40**	-	
6. Self-benefitting	5.07	1.71	.50**	-.21**	.14*	.19**	.42**	-

Note. $N = 200$. * $p < .05$. ** $p < .01$.

^a 1 = high identification with the organization; 0 = low identification with the organization. Minimization = Minimization of negative consequences of UPB; Derogation = Derogation towards victims of UPB; Reconstrual = Reconstrual of UPB as respectable; Self-benefitting = Perceived self-benefitting from UPB.

Multiple regression analyses (Baron & Kenny, 1986) were conducted to investigate the potential mediating effects of these cognitive processes underlying the difference of moral judgment of leaders' UPB for individuals with higher versus lower identification with the organization. First, the four potential mechanisms (i.e., the proposed mediators) were regressed on identification with the organization (i.e., the proposed independent variable). Second,

perceived immorality of leader behavior (i.e., the proposed dependent variable) was regressed on identification with the organization. Finally, perceived immorality of leader behavior was regressed on identification with the organization as well as the four potential mechanisms. The unstandardized regression coefficients and standard errors (in parentheses) of these regression analyses are presented in Table 5.

As shown in Table 5, identification with the organization was significantly related to reconstrual ($B = 0.64, p < 0.05$) and perceived self-benefitting ($B = 1.71, p < 0.01$). Reconstrual was significantly related to perceived immorality of leader behavior ($B = -0.37, p < 0.01$) but perceived self-benefitting was not significantly related to perceived immorality of leader behavior. This indicated that compared to those assigned to the lower identification with the organization group, participants assigned to the higher identification with the organization group were more likely to reconstrue the leaders' UPB as respectable, and the reconstrual was further associated with their decreased levels of perceived immorality of leaders' UPB.

I then used the bootstrapping method recommended by Selig and Preacher (2008) to estimate the confidence intervals for the indirect effect that identification with the organization had on perceived immorality of leader behavior via reconstrual. The 95% CIs for the indirect effect was $[-.421, -.046]$, excluding zero. Therefore, the supplementary analyses suggest that the mechanism underlying the reduced perceived immorality of leaders' UPB for followers highly identified with the organization was followers' reconstrual of UPB as respectable.

Table 5. Mediation analyses of mechanisms underlying the effect of identification with the organization on perceived immorality of leaders' UPB (Study 1)

<i>Predictors</i>	Mediating variables				Dependent variable	
	Minimization	Derogation	Reconstrual	Self-benefitting	Perceived immorality of leader behavior	
Identification with the organization ^a	0.15 (0.25)	0.33 (0.25)	0.64* (0.25)	1.71** (0.21)	-0.27 (0.18)	-0.08 (0.15)
Minimization						-0.15** (0.05)
Derogation						-0.11* (0.05)
Reconstrual						-0.37** (0.05)
Self-benefitting						0.06 (0.05)
<i>F</i>	0.35	1.78	6.48*	66.10**	2.18	35.62**
Adjusted <i>R</i> ²	-.003	.004	.027	.246	.006	.465
ΔF						43.52**
ΔR^2						.468

Note. *N* = 200. * *p* < .05. ** *p* < .01.

^a 1 = high identification with the organization; 0 = low identification with the organization. Minimization = Minimization of negative consequences of UPB; Derogation = Derogation towards victims of UPB; Reconstrual = Reconstrual of UPB as respectable; Self-benefitting = Perceived self-benefitting from UPB.

Discussion

Study 1 results revealed that compared to leaders' neutral behavior, leaders' UPB was related to followers' higher perceived immorality of leader behavior. Furthermore, identification with the organization significantly moderated the relationship between leader behavior and participants' perceived immorality of leader behavior. Participants with higher identification with the organization rated leaders' UPB as significantly less immoral than those with lower identification with the organization. Meanwhile, identification with the organization did not alter participants' moral judgment of leaders' unethical self-serving behavior or neutral behavior.

Thus, the results of Study 1 provided support to Hypotheses 1 and 2.

Exploratory supplementary analyses showed that those with higher identification with the organization tended to reconstrue UPB as respectable, which was further related to decreased perceived immorality of leaders' UPB. Therefore, among the three proposed mechanisms (i.e., minimizing consequences of UPB, derogation towards victims of UPB, and reconstruing UPB as respectable), results supported the role of reconstrual in explaining the difference of moral judgment of leaders' UPB for those who are highly (vs. lowly) identified with the organization.

Building on Study 1 that supported Hypotheses 1 and 2, I conducted Study 2 that surveyed full-time employees to examine the overall model linking leaders' UPB with followers' subsequent ethical behavior via the moral judgment of leader behavior and guilt (Hypotheses 1 to 12).

CHAPTER 7: STUDY 2

Goals of Study 2

The goals of Study 2 are two-fold. First, Study 1 was an experimental study conducted in the lab with undergraduate students as participants. A survey study based on responses from employees can cross-validate the results found in laboratory experimental designs and bolster the generalizability of findings (McGrath, 1982). Second, Study 1 only tested the relationship between leaders' unethical pro-organizational behavior (UPB) and followers' perceived immorality of leader behavior and the moderating effect of followers' identification with the organization on this relationship. Study 2 was aimed at testing the whole proposed model.

Participants and procedures

Participants in Study 2 were recruited through Amazon's Mechanical Turk (MTurk; Amazon, 2014), an online crowdsourcing labor market. Criteria for study participation included: (a) participants should be full-time employees based in the U.S., (b) they had a direct leader with whom they frequently interacted, (c) they worked in service or sales industries and they worked closely with customers and clients, and (d) they had no scheduled absences from work (i.e., vacation) one month before and after the data collection.

Participants were asked to fill in two online surveys via Qualtrics (<https://www.qualtrics.com>). The Time 1 survey measured their observation of their leaders' UPB, their identification with the organization and identification with the leader, the perceived immorality of leader behavior, their guilt, shame, and moral anger, and their compensatory ethical behavior (baseline) and non-compensatory ethical behavior (baseline). The Time 1 survey also asked participants to report their demographic information including age, gender, and organizational tenure. The Time 2 survey was administered one month after the Time 1 survey

and measured participants' compensatory ethical behavior and non-compensatory ethical behavior in the past month.

Participants received \$ 1.00 for completing each survey. For the Time 1 Survey, participants were first asked to answer questions related to the eligibility of this study and would be screened out if they failed to pass the eligibility questions. Nine hundred and fifty-eight participants responded to the Time 1 Survey. Among them, 490 participants passed the eligibility questions and completed the survey. One month later, the Time 2 Survey invitation was sent only to those who completed the Time 1 Survey. Two hundred and fifty-five participants (response rate = 52.0%) completed the Time 2 Survey.

Following the recommendations of Goodman and Blum (1996), I conducted multiple logistic regression analyses to investigate whether the focal independent variables (i.e., leaders' UPB and participants' identification with the organization) and demographics (i.e., participants' gender, age, and organizational tenure) predicted whether or not participants completed the Time 2 Survey. Results from the multiple logistic regression revealed that both leaders' UPB ($B = -.37$, $SE = .08$, $p < 0.01$) and participants' identification with the organization ($B = -.15$, $SE = .08$, $p < 0.05$) significantly predicted whether or not participants completed the Time 2 Survey. Thus, the results may be affected by participant attrition.

Following the recommendation to deal with missing data (D. Newman, 2014), I used the full information maximum likelihood (FIML) procedure throughout the analyses. Thus, the final sample consisted of 490 participants who completed the Time 1 Survey. Among them, 266 (52.9%) were male. Their average age was 34.10 years ($SD = 9.38$). Their average organizational tenure was 6.34 years ($SD = 7.71$). The majority of them were Caucasians (71.2%) and the majority of them had obtained an educational level of the college degree or higher (79.2%).

Measures

Leaders' unethical pro-organizational behavior was measured with the 8-item scale (Cronbach's $\alpha = .95$) described in the pilot study. The items were adapted to reflect leaders' behavior. Two sample items were "In order to benefit my organization, my leader concealed information from customers and clients that could be damaging to my organization," and "In order to benefit my organization, my leader cut corners to provide insufficient service to customers and clients, given what they paid for the service." Participants were asked to report the frequency that his or her leader had exhibited each behavior in the past month using a 5-point Likert scale ranging from 1 (*never*) to 5 (*always*).

Identification with the organization was measured with the 6-item scale (Cronbach's $\alpha = .90$) developed by Mael and Ashforth (1992). Two sample items were "I am very interested in what others think about this company," and "When someone praises this company, it feels like a personal compliment." Participants were asked to report the extent to which they agreed with each statement using a 7-point Likert scale ranging from 1 (*strongly disagree*) to 7 (*strongly agree*).

Perceived immorality of leader behavior was measured with six items (Cronbach's $\alpha = .82$) as used in Study 1. Participants were asked to rate their leaders' behavior based on what they had observed about how their leaders treated customers and clients in the past month. They indicated the extent to which their leaders' behavior when treating customers or clients in the past month as wrong (1 = *not at all wrong*, 5 = *extremely wrong*), ethical (1 = *not at all ethical*, 5 = *extremely ethical*), immoral (1 = *not at all moral*, 5 = *extremely moral*), acceptable (1 = *not at all acceptable*, 5 = *very acceptable*), morally questionable (1 = *not at all morally questionable*, 5 = *extremely morally questionable*), and morally appropriate (1 = *not at all morally appropriate*, 5 = *extremely morally appropriate*).

Mechanisms of moral judgment were measured with items adapted from the moral disengagement scale (Moore et al., 2012). More specifically, *Minimization of negative consequences of UPB* was measured with “Telling small lies to customers and clients don’t really hurt them,” and “It is not a big deal to take advantage of customers and clients.” Cronbach’s $\alpha = .88$. *Derogation towards victims of UPB* was measured with “Customers who get mistreated have usually done something to bring it on,” and “Some customers have to be treated roughly because they lack feelings that can be hurt.” Cronbach’s $\alpha = .83$. *Reconstrual of UPB as respectable* was measured with “Playing dirty is sometimes necessary in order to achieve noble ends for my organization,” and “It would be OK to be less than fully truthful to protect my company’s organization’s interest.” Cronbach’s $\alpha = .88$. *Perceived self-benefitting from leader behavior* was measured with two self-developed items (Cronbach’s $\alpha = .72$). The two items are “I would receive benefits (directly or indirectly) from my leader’s interactions with customers and clients last month,” and “My leader’s interactions with customers and clients last month would to some extent bring about desirable outcomes for me.”

Identification with the leader was measured with six items (Cronbach’s $\alpha = .90$) modified from Mael and Ashforth (1992). Two sample items were “When someone criticizes him/her, it feels like a personal insult,” and “My leader’s successes are my successes.” Participants were asked to report the extent to which they agreed with each statement using a 7-point Likert scale ranging from 1 (*strongly disagree*) to 7 (*strongly agree*).

Guilt was measured with the 3-item scale (Cronbach’s $\alpha = .92$) developed by Tangney and colleagues (1996). Participants were asked to report the extent to which they felt “repentant,” “guilty,” and “blameworthy” after observing how their leaders treated customers or clients in the past month, using a 5-point Likert scale ranging from 1 (*not at all*) to 5 (*extremely*).

Shame was measured with two items (Cronbach's $\alpha = .91$) from the scale used by Bonner and colleagues (2017). Participants were asked to report the extent to which they felt "ashamed" and "dissatisfied with yourself" after observing how their leaders treated customers or clients in the past month, using a 5-point Likert scale ranging from 1 (*not at all*) to 5 (*extremely*).

Moral anger was measured with the 3-item scale (Cronbach's $\alpha = .91$) developed by Barclay and colleagues (2005). Participants were asked to report the extent to which they felt "angry," "upset," and "hostile" towards their leader after observing how their leader treated customers or clients in the past month, using a 5-point Likert scale ranging from 1 (*not at all*) to 5 (*extremely*).

Compensatory ethical behavior was measured with five items that reflected customer/client-oriented citizenship behavior using the measure developed by Bettencourt and colleagues (2001). Two sample items were "followed through in a conscientious manner on promises to customers and clients," and "was exceptionally courteous and respectful to customers and clients regardless of circumstances." Customer/client-oriented citizenship behavior describes activities that employees engage in to help customers and clients and these activities go above and beyond employees' duties (Podsakoff & MacKenzie, 1997). It is used as the operationalization of compensatory ethical behavior because leaders' UPB in this study reflects transgressions targeting at customers and clients. In the Time 1 survey, participants were asked to report the general frequency that they engaged in each behavior (Cronbach's $\alpha = .85$) using a 5-point Likert scale ranging from 1 (*never*) to 5 (*always*). It served as a *baseline* measure of compensatory ethical behavior frequency. In the Time 2 survey, Participants were asked to report the frequency that they engaged in each behavior in the past month (Cronbach's $\alpha = .83$) using a 5-point Likert scale ranging from 1 (*almost never*) to 5 (*very often*).

Prosocial behavior was used as one operationalization of non-compensatory ethical behavior. It was measured with two items (i.e., “donated to charity,” and “donated blood”) from the prosocial behavior scale used by Jordan and colleagues (2011). Prosocial behavior is an appropriate operationalization of non-compensatory ethical behavior in the current study because it describes general morally laudable behavior and is not aimed at directly helping customers or clients (i.e., victims of leaders’ UPB). In the Time 1 survey, participants were asked to report the general frequency that they engaged in each behavior (Cronbach’s $\alpha = .67$) using a 5-point Likert scale ranging from 1 (*never*) to 5 (*always*). It served as a *baseline* measure of prosocial behavior frequency. In the Time 2 survey, participants were asked to report the frequency that they engaged in each behavior in the past month (Cronbach’s $\alpha = .71$) using a 5-point Likert scale ranging from 1 (*almost never*) to 5 (*very often*).

Volunteering behavior was used as another operationalization of non-compensatory ethical behavior. Volunteering behavior describes giving time and/or energy during a planned activity for an external nonprofit or charitable group or organization (Rodell, Breitsohl, Schröder, & Keating, 2016). It is an appropriate operationalization of non-compensatory ethical behavior in the current study because it is intended to help external groups and is not aimed at benefiting customers or clients (i.e., victims of leaders’ UPB). Volunteering behavior was measured with the 5-item scale developed by Rodell (2013). Two sample items were “applied your skills in ways that benefit a volunteering group,” and “devoted your energy towards a volunteering group.” In the Time 1 survey, participants were asked to report the general frequency that they engaged in each behavior (Cronbach’s $\alpha = .94$) using a 5-point Likert scale ranging from 1 (*never*) to 5 (*always*). It served as a *baseline* measure of volunteering behavior frequency. In the Time 2 survey, participants were asked to report the frequency that they engaged in each

behavior in the past month (Cronbach's $\alpha = .97$) using a 5-point Likert scale ranging from 1 (*almost never*) to 5 (*very often*).

All measures described here are provided in Appendices I to S.

Analytical Strategies

Hypotheses were tested with path analyses using Mplus 7 (Muthén, & Muthén, 2014), following the recommendation of using structural equation model (SEM) to test mono-level dual-stage moderated mediation (Liu, Zhang, & Wang, 2012). Full information maximum likelihood (FIML) procedure was used throughout the analyses. It is worthwhile to mention that whether to use FIML or listwise deletion (i.e., deleting responses from participants that did not complete the Study 2 survey and only keeping paired responses) did not change the significance of results reported below.

Analyses and Results

Testing of the measurement model

Before testing the hypotheses, I conducted a confirmatory factor analysis (CFA) that included the measures of all focal study variables (observation of leaders' UPB, identification with the organization, perceived immorality of leader behavior, identification with the leader, guilt, shame, moral anger, compensatory ethical behavior, prosocial behavior, and volunteering behavior). The measurement model had satisfactory model fit: CFI = 0.92, TLI = 0.91, RMSEA = 0.06, SRMR = 0.08, $\chi^2(941) = 1779.90, p < 0.01$. All loadings were significant.

I also compared the original CFA model with several alternative measurement models by creating less factor(s) and permitting items from two or more original factors to load on one single factor. The alternative measurement models all demonstrated worsened fit (decreases in CFI and TLI $\geq .01$) than the original measurement model. Results of the model comparisons are

presented in Table 6. Therefore, the CFA results supported the distinctiveness between focal study variables.

Table 6. Confirmatory factor analysis of original and alternative measurement models (Study 2)

Model	Descriptions	χ^2	df	CFI	TLI	RMSEA	SRMR
1	Original measurement model	1779.90	941	0.92	0.91	0.06	0.08
2	Identification with the organization and identification with the leader were combined into one factor.	2086.91	950	0.89	0.88	0.07	0.08
3	Leaders' UPB and followers' perceived immorality of leader behavior were combined into one factor.	1846.04	950	0.91	0.90	0.06	0.08
4	Guilt, shame, and moral anger were combined into one factor.	1875.26	958	0.91	0.90	0.06	0.08
5	Leaders' UPB, followers' perceived immorality of leader behavior, guilt, shame, and moral anger were combined into one factor.	2241.56	971	0.87	0.87	0.07	0.08
6	Compensatory ethical behavior, prosocial behavior, and volunteering were combined into one factor.	2254.62	958	0.87	0.86	0.08	0.11
Comparison		$\Delta\chi^2$	Δdf	significance			
	1 vs. 2	307.01	9	$p < .01$			
	1 vs. 3	66.14	9	$p < .01$			
	1 vs. 4	95.36	17	$p < .01$			
	1 vs. 5	461.66	30	$p < .01$			
	1 vs. 6	474.72	17	$p < .01$			

Table 7. Descriptive statistics and binary correlations between variables (Study 2)

	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7	8	9	10
1. Age	34.10	9.38	-									
2. Gender ^a	1.46	0.50	.11*	-								
3. Education ^b	5.24	1.22	-.06	.02	-							
4. Organizational tenure	6.34	7.71	.30**	-.01	.11*	-						
5. Leaders' UPB	2.38	1.17	-.27**	-.05	.34**	.00	(.95)					
6. Identification with the organization	5.34	1.26	.05	.04	.14**	.14**	.07	(.90)				
7. Minimization	3.25	1.83	-.22**	-.09	.29**	.00	.62**	.17**	(.88)			
8. Derogation	3.39	1.78	-.24**	-.09*	.30**	.00	.58**	.20**	.77**	(.83)		
9. Reconstruct	3.38	1.80	-.25**	-.08	.30**	-.03	.62**	.17**	.82**	.78**	(.88)	
10. Self-benefitting	4.61	1.31	-.09*	-.07	.11*	.01	.10*	.32**	.23**	.29**	.26**	(.72)
11. Perceived immorality of leader behavior	2.20	0.87	-.25**	-.06	.23**	-.04	.78**	-.06	.47**	.42**	.51**	-.02
12. Identification with the leader	4.73	1.41	-.01	.08	.17**	.10*	.20**	.68**	.28**	.29**	.27**	.34**
13. Guilt	2.00	1.27	-.26**	-.03	.31**	.02	.70**	.07	.52**	.50**	.53**	.07
14. Shame	1.97	1.30	-.20**	-.01	.28**	.06	.71**	.06	.50**	.48**	.49**	.06
15. Moral anger	1.97	1.30	-.20**	-.03	.26**	.04	.70**	.00	.47**	.43**	.44**	.05
16. Compensatory ethical behavior (baseline)	3.89	0.78	.30**	.06	-.15**	.12**	-.34**	.27**	-.36**	-.34**	-.33**	.10*
17. Prosocial behavior (baseline)	2.98	1.07	-.16**	.03	.34**	.07	.48**	.28**	.44**	.46**	.43**	.22**
18. Volunteering behavior (baseline)	3.00	1.08	-.16**	.08	.36**	.03	.43**	.33**	.36**	.41**	.38**	.21**
19. Compensatory ethical behavior (T2)	4.09	0.69	.30**	.20**	.02	.07	-.34**	.27**	-.28**	-.26**	-.34**	.04
20. Prosocial behavior (T2)	2.35	1.16	-.15*	.13**	.26**	.07	.43**	.27**	.40**	.43**	.38**	.13*
21. Volunteering behavior (T2)	2.60	1.35	-.16*	.17**	.30**	.01	.42**	.27**	.33**	.37**	.31**	.08

Table 7. (cont'd)

	11	12	13	14	15	16	17	18	21	22	23
11. Perceived immorality of leader behavior	(.82)										
12. Identification with the leader	.03	(.90)									
13. Guilt	.62**	.20**	(.92)								
14. Shame	.65**	.20**	.78**	(.91)							
15. Moral anger	.63**	.14**	.71**	.75**	(.91)						
16. Compensatory ethical behavior (baseline)	-.40**	.18**	-.29**	-.24**	-.20**	(.85)					
17. Prosocial behavior (baseline)	.33**	.34**	.50**	.44**	.39**	-.14**	(.67)				
18. Volunteering behavior (baseline)	.28**	.45**	.42**	.38**	.39**	-.03	.65**	(.94)			
19. Compensatory ethical behavior (T2)	-.37**	.17**	-.23**	-.26**	-.24**	.63**	-.05	.04	(.83)		
20. Prosocial behavior (T2)	.28**	.35**	.47**	.43**	.38**	-.23**	.66**	.61**	-.10	(.71)	
21. Volunteering behavior (T2)	.29**	.36**	.38**	.35**	.35**	-.15**	.55**	.70**	-.01	.76**	(.97)

Note. Pairwise deletion. *N* ranges from 239 to 490. * $p < .05$. ** $p < .01$.

Internal reliabilities are presented in the parentheses.

All variables were measured at Time 1, except for compensatory ethical behavior (T2), prosocial behavior (T2), and volunteering behavior (T2).

^a 1 = male; 2 = female.

^b 1 = secondary/middle school; 2 = some high school; 3 = high school diploma or GED; 4 = some college or a complete vocational certification; 5 = college degree; 6 = some graduate coursework; 7 = master's degree; 8 = Ph.D., M.D., or J.D.

UPB = Unethical pro-organizational behavior; Minimization = Minimization of negative consequences of UPB; Derogation = Derogation towards victims of UPB; Reconstrual = Reconstrual of UPB as respectable; Self-benefitting = Perceived self-benefitting from leader behavior.

Path analyses results

Table 7 displays the descriptive statistics and binary correlations between all study variables. To test the hypotheses, I ran path analyses by following the recommendation of Liu et al. (2012). More specifically, an interaction term was made by multiplying centered leaders' UPB and centered followers' identification with the organization. Another interaction term was made by multiplying centered perceived immorality of leader behavior and centered identification with the leader. Perceived immorality of leader behavior was regressed on leaders' UPB, followers' identification with the organization, and their interaction term. Guilt, shame, and moral anger were regressed on followers' perceived immorality of leader behavior, followers' identification with the leader, and their interaction term. Guilt, shame, and moral anger were also regressed on leaders' UPB, followers' identification with the organization, and their interaction term. The three behavioral outcomes (compensatory ethical behavior, prosocial behavior, and volunteering behavior) were regressed on all three emotions, the baseline behavioral frequency, as well as leaders' UPB, followers' identification with the organization, followers' perceived immorality of leader behavior, followers' identification with the leader, and the two interaction terms. As shown in Table 7, age, gender, and education were significantly correlated with at least one dependent variables in the model. Age and education were also significantly correlated with at least one independent variables in the model. I included age, gender, and education as control variables throughout the analyses. Whether or not to include them in the model did not change the direction or significance of all the other results.

Tables 8 and 9 show the results of the path analyses. Following the recommendation of Liu et al. (2012) and other scholars (e.g., Edwards & Lambert, 2007; Hayes, 2015), all paths were modeled simultaneously, not in a piecemeal approach. The results are presented in two separate tables merely for the ease of reporting. As shown in Table 8, leaders' UPB was positively related

to followers' perceived immorality of leader behavior ($B = .59, p < .01$). Hypothesis 1 was therefore supported.

Table 8. Hypotheses testing regarding perceived immorality of leader behavior and moral emotions (Study 2)

Variables	DV = Perceived immorality of leader behavior		DV = Guilt		DV = Shame		DV = Moral anger	
	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>
Control variables								
Age	-.00	.00	-.01	.00	-.00	.00	.00	.00
Gender	-.02	.05	-.02	.07	-.01	.07	-.03	.07
Education	-.01	.02	.08*	.03	.04	.03	.03	.03
Focal variables								
Leaders' UPB	.59**	.02	.49**	.06	.47**	.06	.60**	.07
Identification with the organization	-.09**	.02	-.03	.04	-.07	.05	-.08	.05
Leaders' UPB × Identification with the organization	-.07**	.02	.01	.03	-.01	.04	-.04	.04
Perceived immorality of leader behavior			.37**	.08	.41**	.07	.31**	.07
Identification with the leader			.18**	.04	.16**	.04	.07	.04
Perceived immorality of leader behavior × Identification with the leader			.14**	.03	.14**	.04	.04	.04

Note. $N = 490$. * $p < .05$. ** $p < .01$.

UPB = Unethical pro-organizational behavior.

Followers' identification with the organization had a significant buffering moderation effect on the relationship between leaders' UPB and followers' perceived immorality of leader behavior ($B = -.07, p < .01$). Figure 3 shows the pattern of the interaction. Simple slope tests revealed that for employees with lower identification with the organization ($-1 SD$), the observation of their leaders' UPB was positively related to their perceived immorality of leader behavior (*simple slope* = .67, $p < .01$). For those with higher identification with the organization ($+1 SD$), this relationship was also significant, with a weaker simple slope (*simple slope* = .50, $p < .01$). Hypothesis 2 was therefore supported.

Figure 3. Interaction effect of identification with the organization on the relationship between leaders' UPB and followers' perceived immorality of leader behavior (Study 2)

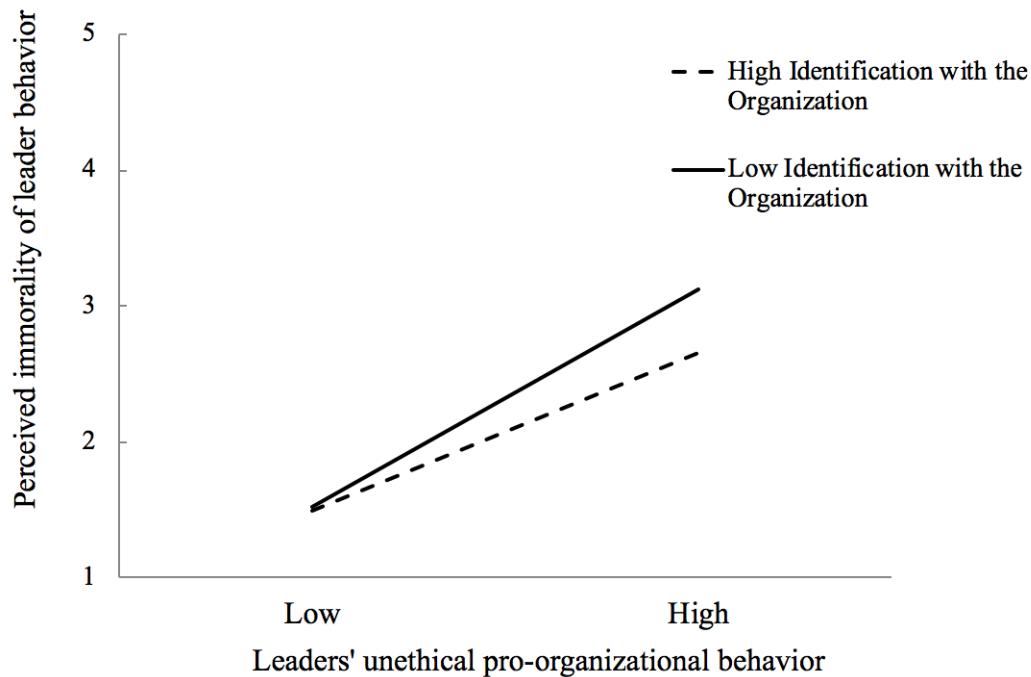


Table 8 also showed that the perceived immorality of leader behavior was positively related to guilt ($B = .37, p < .01$), shame ($B = .41, p < .01$), and moral anger ($B = .31, p < .01$).

Hypothesis 3 was therefore supported. The direct effects of leaders' UPB on followers' guilt, shame, and moral anger were also significant and positive (all $p < .01$).

Followers' identification with the leader had a significant moderating effect on the relationship between perceived immorality of leader behavior and guilt ($B = .14, p < .01$) and the relationship between perceived immorality of leader behavior and shame ($B = .14, p < .01$), but not the relationship between perceived immorality of leader behavior and moral anger ($B = .04, p = .23$). Figures 4 and Figure 5 show the pattern of the interactions predicting guilt and shame. Simple slope tests revealed that for employees with higher identification with the leader (+1 *SD*), perceived immorality of leader behavior was positively related to their emotions of guilt (*simple slope* = .57, $p < .01$) and shame (*simple slope* = .61, $p < .01$). For those with lower identification with the leader (−1 *SD*), these relationships were also significant, with weaker simple slopes (for

guilt, *simple slope* = .18, $p < .05$; for shame, *simple slope* = .20, $p < .01$). Hypothesis 5 was therefore supported.

Figure 4. The moderation effect of identification with the leader on the relationship between perceived immorality of leader behavior and guilt (Study 2)

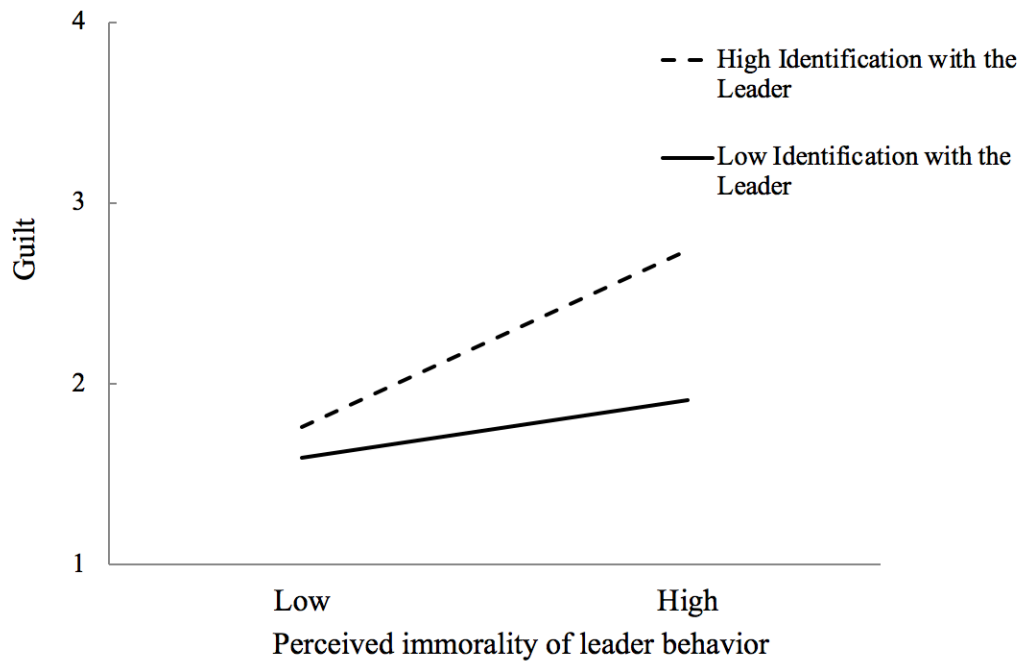


Figure 5. The moderation effect of identification with the leader on the relationship between perceived immorality of leader behavior and shame (Study 2)

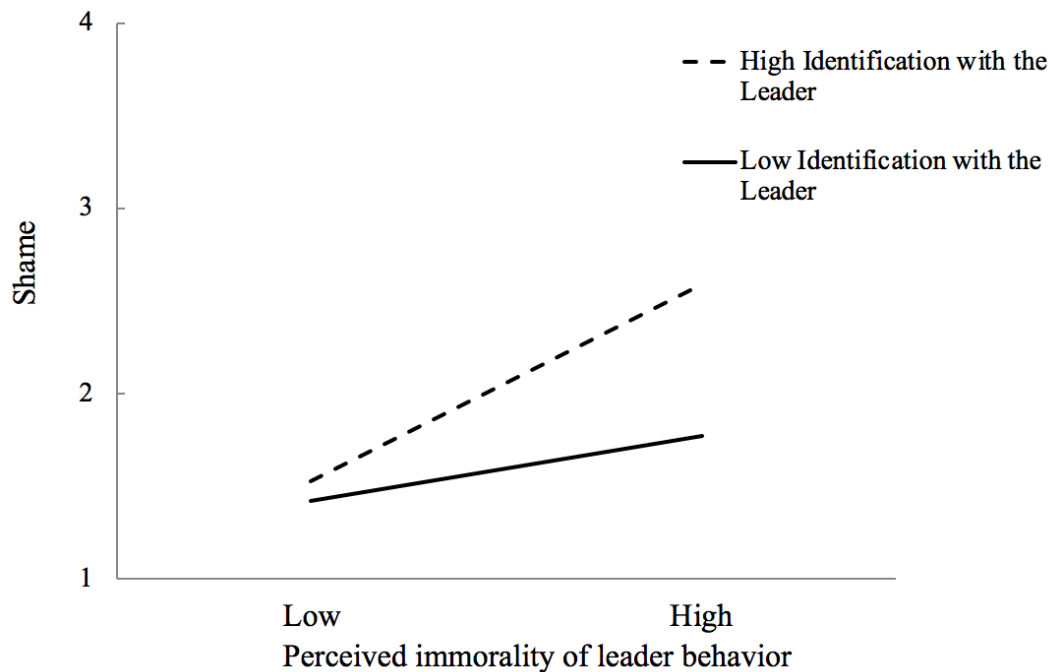


Table 9. Hypotheses testing regarding behavioral outcomes (Study 2)

Variables	DV = Compensatory ethical behavior		DV = Prosocial behavior		DV = Volunteering behavior	
	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>
<i>Control variables</i>						
Age	.01	.00	-.00	.01	-.00	.01
Gender	.10	.07	.11	.11	.22	.13
Education	.04	.03	.08	.05	.10	.06
Baseline compensatory ethical behavior	.50**	.07				
Baseline prosocial behavior			.42**	.06		
Baseline volunteering behavior					.53**	.07
<i>Focal variables</i>						
Leaders' UPB	.02	.07	.11	.13	.20	.12
Identification with the organization	.09*	.04	.08	.07	.06	.08
Leaders' UPB × Identification with the organization	.04	.03	.03	.05	-.02	.06
Perceived immorality of leader behavior	-.12	.08	-.02	.12	.05	.11
Identification with the leader	-.02	.04	.06	.06	.03	.07
Perceived immorality of leader behavior × Identification with the leader	-.03	.03	-.02	.05	-.00	.06
Guilt	.20*	.09	.26*	.10	.24**	.08
Shame	-.26**	.06	.04	.12	-.12	.11
Moral anger	.02	.08	-.08	.13	-.07	.12

Note. N = 490. * $p < .05$. ** $p < .01$.

UPB = Unethical pro-organizational behavior.

Table 9 presents the path analyses results concerning the three behavioral outcomes. As is shown in Table 9, guilt was positively related to compensatory ethical behavior ($B = .20, p < .05$), prosocial behavior ($B = .26, p < .05$), and volunteering behavior ($B = .24, p < .01$) after controlling for the baseline frequency of these behaviors. As prosocial behavior and volunteering behavior serve as the operationalization of non-compensatory ethical behavior, Hypotheses 7 and 8 were both supported.

Notably, shame was *negatively* related to compensatory ethical behavior ($B = -.26, p < .01$), and insignificantly related to prosocial behavior ($B = .04, p = .73$) and volunteering behavior ($B = -.12, p = .28$). Moral anger was insignificantly related to all three behaviors (p ranged from .55 to .81). The direct effects of leaders' UPB on the three behavioral outcomes were all insignificant (p ranged from .08 to .77). The direct effects of perceived immorality of leader behavior on the three behavioral outcomes were also insignificant (p ranged from .14 to .86).

Indirect effects testing

To investigate the indirect effect of leaders' UPB on followers' guilt via followers' perceived immorality of leader behavior, I ran bootstrapping analyses with 20,000 replications following procedures recommended by Hayes (2015). The estimate of the indirect effect was .219. The 95% confidence intervals (CIs) for the indirect effect were [.136, .303]. As the 95% CIs excluded zero, Hypothesis 4 was supported.

I then ran bootstrapping analyses with 20,000 replications to investigate the conditional indirect effect of leaders' UPB on followers' guilt via their perceived immorality of leader behavior at specific values of identification with the organization ($-1 SD$ and $+1 SD$) and identification with the leader ($-1 SD$ and $+1 SD$). I also compared the indirect effects at different values of the two moderators. The results are presented in Table 10. As shown in Table 10, the 95% CIs for the indirect effects at different values of the two moderators all excluded zero, suggesting they were all positive and significant. Besides, the 95% CIs for the differences between each two indirect effects all excluded zero, suggesting they were all significant. When identification with the leader was held constant, the indirect effect was more positive when identification with the organization was lower (comparisons 1 vs. 3 and 2 vs. 4). When identification with the organization was held constant, the indirect effect was more positive when identification with the leader was higher (comparisons 1 vs. 2 and 3 vs. 4). The conditional

indirect effect was highest when identification with the organization was lower and identification with the leader was higher (estimate = .378); and was lowest when identification with the organization was higher and identification with the leader was lower (estimate = .091).

Hypotheses 6(a) and 6(b) were therefore supported.

Table 10. The conditional indirect effect of leaders' UPB on followers' guilt and shame via followers' perceived immorality of leader behavior (Study 2)

DV	Number	Identification with the organization	Identification with the leader	The estimate	95% CIs
Guilt	1	Higher (+1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.283	[.184, .389]
	2	Higher (+1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.091	[.021, .161]
	3	Lower (−1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.378	[.240, .523]
	4	Lower (−1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.122	[.028, .213]
	Comparison		1 vs. 2	.191	[.095, .285]
			1 vs. 3	-.095	[-.177, -.039]
			1 vs. 4	.161	[.054, .266]
			2 vs. 3	-.287	[-.425, -.154]
			2 vs. 4	-.031	[-.069, -.008]
			3 vs. 4	.257	[.124, .391]
Shame	1	Higher (+1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.305	[.209, .411]
	2	Higher (+1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.102	[.024, .179]
	3	Lower (−1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.408	[.268, .559]
	4	Lower (−1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.136	[.032, .232]
	Comparison		1 vs. 2	.203	[.098, .311]
			1 vs. 3	-.102	[-.189, -.041]
			1 vs. 4	.169	[.053, .293]
			2 vs. 3	-.306	[-.463, -.160]
			2 vs. 4	-.034	[-.074, -.010]
			3 vs. 4	.271	[.124, .428]

Similar bootstrapping analyses were conducted to investigate the indirect effect of leaders' UPB on followers' shame via their perceived immorality of leader behavior. The estimate of the indirect effect was .238. The 95% confidence intervals (CIs) for the indirect effect were [.157, .324], which excluded zero. Thus, leaders' UPB was positively related to followers' shame via their perceived immorality of leader behavior. Comparisons of conditional indirect effect at specific values of the two moderators are presented in Table 10. Same as the results for guilt, the 95% CIs for the indirect effects at different values of the two moderators all excluded zero and

the 95% CIs for the differences between each two indirect effects all excluded zero. This indirect effect was highest when followers' identification with the organization was lower and identification with the leader was higher (estimate = .408); and was lowest when identification with the organization was higher and identification with the leader was lower (estimate = .102).

Next, I bootstrapped the indirect effect of leaders' UPB on followers' subsequent engagement of ethical behavior via their perceived immorality of leader behavior and guilt. The estimate of the indirect effect was .044 for compensatory ethical behavior, .056 for prosocial behavior, and .051 for volunteering behavior. The 95% confidence intervals (CIs) for the indirect effect were [0.011, 0.090], [0.016, 0.116], and [0.019, 0.104], respectively. As all CIs excluded zero, these indirect effects were positive and significant. Thus, both Hypotheses 9 and 10 were supported.

Estimations of the conditional indirect effect at specific values of identification with the organization ($-1 SD$ and $+1 SD$) and identification with the leader ($-1 SD$ and $+1 SD$) and their comparisons are presented in Table 11. For the three ethical behaviors, the 95% CIs for the indirect effects at different values of the two moderators all excluded zero, indicating they were all positive and significant. Indirect effect comparison further showed that for the three behavioral outcomes, the 95% CIs for the differences between each two indirect effects at different values of the two moderators all excluded zero, indicating they were all significant. When identification with the leader was held constant, the indirect effect was more positive when identification with the organization was lower (comparisons 1 vs. 3 and 2 vs. 4). When identification with the organization was held constant, the indirect effect was more positive when identification with the leader was higher (comparisons 1 vs. 2 and 3 vs. 4). The conditional indirect effect was highest when identification with the organization was lower and identification with the leader was higher (estimate = .076 for compensatory ethical behavior, .097 for prosocial

behavior, and .089 for volunteering behavior); and was lowest when identification with the organization was higher and identification with the leader was lower (estimate = .018 for compensatory ethical behavior, .023 for prosocial behavior, and .021 for volunteering behavior). Thus, Hypotheses 11a, 11b, 12a, and 12b were all supported.

Table 11. The conditional indirect effect of leaders' UPB on followers' ethical behavior via followers' perceived immorality of leader behavior and guilt (Study 2)

DV	Number	Identification with the organization	Identification with the leader	The estimate	95% CIs
Compensatory ethical behavior	1	Higher (+1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.057	[.015, .114]
	2	Higher (+1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.018	[.003, .047]
	3	Lower (−1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.076	[.021, .155]
	4	Lower (−1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.025	[.004, .063]
	Comparison		1 vs. 2	.039	[.011, .083]
			1 vs. 3	-.019	[-.050, -.005]
			1 vs. 4	.033	[.008, .077]
			2 vs. 3	-.058	[-.124, -.016]
			2 vs. 4	-.006	[-.020, -.001]
			3 vs. 4	.052	[.014, .114]
Prosocial behavior	1	Higher (+1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.072	[.020, .149]
	2	Higher (+1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.023	[.005, .059]
	3	Lower (−1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.097	[.026, .200]
	4	Lower (−1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.031	[.006, .078]
	Comparison		1 vs. 2	.049	[.013, .110]
			1 vs. 3	-.024	[-.064, -.006]
			1 vs. 4	.041	[.009, .101]
			2 vs. 3	-.073	[-.161, -.019]
			2 vs. 4	-.008	[-.024, -.002]
			3 vs. 4	.065	[.016, .148]
Volunteering behavior	1	Higher (+1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.067	[.024, .133]
	2	Higher (+1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.021	[.005, .052]
	3	Lower (−1 <i>SD</i>)	Higher (+1 <i>SD</i>)	.089	[.032, .179]
	4	Lower (−1 <i>SD</i>)	Lower (−1 <i>SD</i>)	.029	[.006, .069]
	Comparison		1 vs. 2	.045	[.014, .088]
			1 vs. 3	-.022	[-.056, -.009]
			1 vs. 4	.038	[.009, .080]
			2 vs. 3	-.067	[-.143, -.029]
			2 vs. 4	-.007	[-.021, -.002]
			3 vs. 4	.060	[.019, .118]

Finally, as shame was negatively associated with subsequent compensatory ethical behavior, similar approaches were used to investigate the indirect effect of leaders' UPB on followers' compensatory ethical behavior via their perceived immorality of leader behavior and shame. The estimate of the indirect effect was $-.063$, with the 95% CIs as $[-.109, -.035]$ which excluded zero. Therefore, leaders' UPB had a significant and negative indirect relation with followers' subsequent compensatory ethical behavior via followers' perceived immorality of leader behavior and shame.

Estimations of the conditional indirect effect at specific values of identification with the organization ($-1\ SD$ and $+1\ SD$) and identification with the leader ($-1\ SD$ and $+1\ SD$) and their comparisons are presented in Table 12. The 95% CIs for the indirect effects at different values of the two moderators all excluded zero, indicating they were all negative and significant. Indirect effect comparison further showed that the 95% CIs for the differences between each two indirect effects at different values of the two moderators all excluded zero, indicating they were all significant. When identification with the leader was held constant, the indirect effect was more negative when identification with the organization was lower (comparisons 1 vs. 3 and 2 vs. 4); when identification with the organization was held constant, the indirect effect was more negative when identification with the leader was higher (comparisons 1 vs. 2 and 3 vs. 4). The conditional indirect effect was most negative when identification with the organization was lower and identification with the leader was higher (estimate = $-.108$); and was least negative when identification with the organization was higher and identification with the leader was lower (estimate = $-.027$).

Table 12. The conditional indirect effect of leaders' UPB on followers' compensatory ethical behavior via followers' perceived immorality of leader behavior and shame (Study 2)

DV	Number	Identification with the organization	Identification with the leader	The estimate	95% CIs
Compensatory ethical behavior	1	Higher (+1 <i>SD</i>)	Higher (+1 <i>SD</i>)	-.081	[-.141, -.045]
	2	Higher (+1 <i>SD</i>)	Lower (-1 <i>SD</i>)	-.027	[-.057, -.009]
	3	Lower (-1 <i>SD</i>)	Higher (+1 <i>SD</i>)	-.108	[-.191, -.058]
	4	Lower (-1 <i>SD</i>)	Lower (-1 <i>SD</i>)	-.036	[-.075, -.012]
	Comparison		1 vs. 2	-.054	[-.106, -.024]
			1 vs. 3	.027	[.010, .061]
			1 vs. 4	-.045	[-.098, -.016]
			2 vs. 3	.081	[.037, .157]
			2 vs. 4	.009	[.003, .023]
			3 vs. 4	-.072	[-.146, -.031]

Testing of mechanisms underlying followers' moral judgment of leader behavior

Supplementary analyses were conducted to test the exploratory research question of the proposed mechanisms underlying moral judgment. As argued above, followers with higher identification with the organization may tend to mitigate negative consequences of leaders' UPB, devalue victims of leaders' UPB, or reconstrue leaders' UPB as necessary or even respectable. These perceptions may further buffer the extent to which followers judge their leaders' UPB as immoral. Therefore, I built a mediated moderation model to investigate the extent to which the moderation effect of identification with the organization on the relationship between leaders' UPB and followers' perceived immorality of leader behavior is transmitted via the proposed mechanisms as mediators.

To test the mediated moderation model, I ran path analyses by following the recommendation of Liu et al. (2012). More specifically, the proposed mechanisms were regressed on identification with the organization and leaders' UPB. Interaction terms were made by multiplying centered leaders' UPB and centered mechanisms. Another interaction term was made by multiplying centered leaders' UPB and centered identification with the organization.

Perceived immorality of leader behavior was regressed on leaders' UPB, the mechanisms, identification with the organization, and all interaction terms. Same as the main analyses, all paths were modeled simultaneously, not in a piecemeal approach. The path analyses results are presented in Table 13.

As shown in Table 13, identification with the organization was positively related to all three potential mechanisms (i.e., minimization, derogation, and reconstrual, all $p < .01$). Among the three mechanisms, reconstrual had a significant and buffering moderation effect on the relationship between leaders' UPB and followers' perceived immorality of leader behavior ($B = -.07, p < .01$). Minimization ($B = .01, p = .54$) and derogation ($B = -.02, p = .50$) did not significantly moderate the relationship between leaders' UPB and followers' perceived immorality of leader behavior.

Simple slope tests revealed that for employees who reconstrued UPB as less respectable ($-1 SD$), the observation of their leaders' UPB was positively related to their perceived immorality of leader behavior (*simple slope* = $.71, p < .01$). For those who reconstrued UPB as more respectable ($+1 SD$), this relationship was also significant, with a weaker simple slope (*simple slope* = $.47, p < .01$). The interaction pattern is presented in Figure 6.

Bootstrapping analysis with 20,000 replications was then conducted to investigate the indirect effect (i.e., the amount of the moderation effect that was transmitted through the mediator). The estimate of the indirect effect was $-.013$. The 95% confidence intervals (CIs) for the indirect effect were $[-0.027, -0.004]$, which exclude zero. Thus, followers' reconstrual of UPB as respectable significantly mediated the moderating effect that identification with the organization had on the relationship between leaders' UPB and followers' perceived immorality of leader behavior.

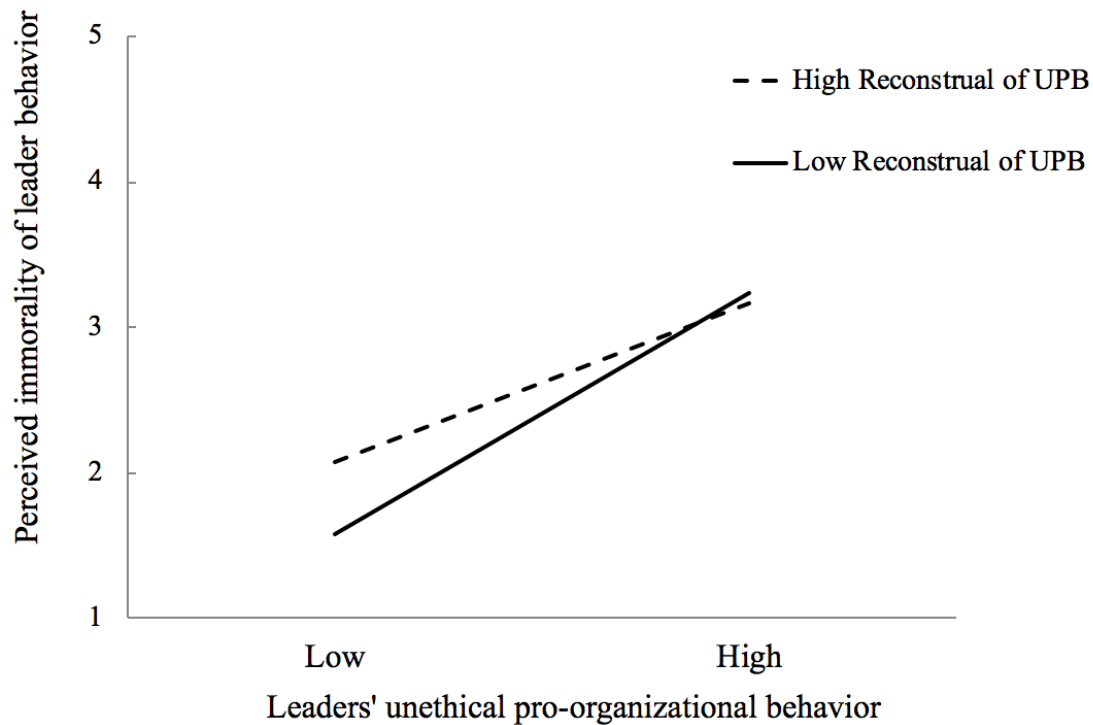
Table 13. Mediated moderation analyses of potential mechanisms underlying the moderating effect of identification with the organization on the relationship between leaders' UPB and followers' perceived immorality of leader behavior (Study 2)

Variables	DV = Minimization		DV = Derogation		DV = Reconstrual		DV = Self- benefitting		DV = Perceived immorality of leader behavior	
	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>
<i>Control variables</i>										
Age	-.01*	.01	-.02*	.01	-.02*	.01	-.01	.01	-.00	.00
Gender	-.22	.13	-.22	.13	-.18	.13	-.18	.11	-.03	.05
Education	.11	.06	.15*	.06	.13*	.06	.05	.05	-.01	.02
<i>Focal variables</i>										
Leaders' UPB	.88**	.07	.76**	.07	.85**	.07	.05	.06	.59**	.05
Identification with the organization	.19**	.06	.23**	.06	.19**	.05	.33**	.06	-.07*	.03
Leaders' UPB × Identification with the organization									-.04	.02
Minimization									-.02	.03
Leaders' UPB × Minimization									.01	.02
Derogation									-.04	.03
Leaders' UPB × Derogation									-.02	.02
Reconstrual									.06*	.03
Leaders' UPB × Reconstrual									-.07**	.02
Self-benefitting									-.02	.03
Leaders' UPB × Self-benefitting									.02	.02

Note. N = 490. * $p < .05$. ** $p < .01$.

UPB = Unethical pro-organizational behavior; Minimization = Minimization of negative consequences of UPB; Derogation = Derogation towards victims of UPB; Reconstrual = Reconstrual of UPB as respectable; Self-benefitting = Perceived self-benefitting from leader behavior.

Figure 6. The moderation effect of reconstrual on the relationship between leaders' UPB and followers' perceived immorality of leader behavior (Study 2)



Discussion

By using correlational survey data of 490 full-time employees, Study 2 results replicated the moderation effect of identification with the organization on the relationship between leaders' UPB and followers' perceived immorality of leader behavior that was found in Study 1. Consistent with Study 1, Study 2 also suggests that followers' reconstrual of UPB as respectable serves as the mechanism underlying the reduced perceived immorality of leader UPB for those who are highly identified with the organization.

Study 2 results also revealed that followers' perceived immorality of leader behavior was significantly related to their feelings of guilt. Followers' identification with the leader strengthened this relationship. The feeling of guilt was further positively related to compensatory and non-compensatory ethical behaviors (after controlling for the baseline frequency of these behaviors). Consistent with Hypotheses 1 to 12, the results supported the overall vicarious moral

cleansing model linking leaders' UPB with followers' subsequent ethical behavior via followers' moral judgment of leader behavior and their guilt. The buffering moderation effect of identification with the organization and the strengthening moderation effect of identification with the leader on this indirect effect were also supported.

Notably, the current study also investigated other two affective responses following the observation of leaders' UPB: Shame and moral anger. Findings in Study 2 concerning the three moral emotions of guilt, shame, and moral anger are distinguishable from each other. Shame and guilt are both elicited after witnessing others' wrongdoings (Lickel et al., 2005). Research consistently shows that guilt is positively related to empathic concerns and reparative actions such as apologies and correcting the consequences of the behavior (Leith & Baumeister, 1998; Ketelaar & Au, 2003; Tangney & Dearing, 2002; Tangney et al., 1996). On the other hand, shame is negatively related to empathy but positively associated with attempts to deny the wrongdoings and subsequent maladaptive behavior (Dearing, Stuewig & Tangney, 2005; Dickerson, Gruenewald, & Kemeny, 2004; Leith & Baumeister, 1998; Tibbetts, 1997). Consistent with these previous findings, the current study suggests that guilt promotes subsequent ethical behaviors that compensate for the leaders' wrongdoings, while shame decreases subsequent compensatory ethical behavior.

Another moral emotion that is likely to be elicited after observing others' moral transgressions is moral anger (Folger et al., 2005) and research on third-party justice has demonstrated that moral anger serves as the motive to take retributive actions against the perpetrator (Mitchell et al., 2015; Reich & Hershcovis, 2015; O'Reilly et al., 2016). In the current study, I found that although moral anger was also elicited following the perceived immorality of leader behavior, along with guilt and shame, it was not significantly related to subsequent compensatory or non-compensatory ethical behaviors (c.f., retributive behaviors).

Also, followers' identification with the leader strengthened the relationship between their perceived immorality of leader behavior and their emotions of guilt and shame, but this interaction was not present for the emotion of moral anger.

To summarize, shame, guilt, and moral anger are all moral emotions that may be elicited after observing others' wrongdoings targeting a third-party, and findings of the current study help to distinguish between them. The extent to which the self is in part defined by interpersonal relations with the perpetrator is related to two self-conscious moral emotions (i.e., guilt and shame) but not related to the other-focused moral emotion of moral anger. Only self-conscious moral emotions (i.e., guilt and shame) are associated with subsequent ethical reparative actions, and they exert contrasting effects (i.e., fostering versus reducing) on subsequent ethical reparative actions.

CHAPTER 8: GENERAL DISCUSSION

Summary of Findings

In this dissertation, I conducted two main studies to investigate the relationship between leaders' unethical pro-organizational behavior (UPB), followers' perceived immorality of leader behavior, their affective responses, and their subsequent engagement of compensatory and non-compensatory ethical behaviors. The studies also investigated the moderation effect of followers' identification with the organization on the relationship between leaders' UPB and followers' perceived immorality of leader behavior, as well as the moderation effect of followers' identification with the leader on the relationship between their perceived immorality of leader behavior and affective responses.

Results of Study 1 (a laboratory experimental study) and Study 2 (a correlational survey study) both supported that followers' identification with the organization buffered the positive relationship between leaders' UPB and followers' perceived immorality of leader behavior such that those who were highly identified with their organizations tended to rate their leaders' UPB as less immoral. Exploratory supplementary analyses of both Study 1 and Study 2 data suggested that the underlying mechanism of this "relaxed" moral judgment of leader behavior may be followers' reconstrual of UPB as respectable. In other words, reconstruing UPB served as a proxy to identification with the organization in buffering the relationship between leaders' UPB and followers' perceived immorality of leader behavior.

Study 2 further supported the hypothesized positive relationship between followers' perceived immorality of leader behavior and their emotion of guilt, as well as the strengthening moderation effect of followers' identification with the leader on this relationship. The emotion of guilt was further related to followers' engagement in ethical behaviors that directly or indirectly compensated for leaders' wrongdoings. The positive indirect effect that leaders' UPB had on

followers' subsequent ethical behavior via their perceived immorality of leader behavior and guilt was also demonstrated in Study 2, suggesting that followers may behave in the opposite manner as their leaders' actions. Study 2 also revealed the buffering moderation effect of followers' identification with the organization and the strengthening moderation effect of followers' identification with the leader on the indirect effect. To summarize, this dissertation supported the hypothesized vicarious moral cleansing model that the feeling of guilt following the judgment of leaders' UPB as immoral motivates followers to engage in ethical behavior to "cleanse" for leaders' UPB. Such vicarious moral cleansing effect was highest for those with low identification with the organization and high identification with the leader.

Results of Study 2 also suggested that followers' perceived immorality of leader behavior might elicit the emotion of shame, and shame had a *negative* effect on followers' subsequent compensatory ethical behavior. Leaders' UPB had an indirect and negative effect on followers' subsequent compensatory ethical behavior via perceived immorality of leader behavior and shame. Thus, shame served as an emotional mechanism that decreased the vicarious moral cleansing effect via guilt that was described above.

In the following sections, I elaborate several theoretical and practical implications associated with these results, discuss the limitations of the two studies, and propose directions for future research to consider.

Theoretical Contributions

This dissertation contributes to the current literature in several ways. First, it adds to the leadership literature by applying the moral cleansing perspective to investigate the influence of leaders' unethical behavior on followers. Followers may experience leaders' unethical transgressions that target themselves or target third-parties. Previous research shows that leaders' unethical behavior targeting followers is harmful to followers' performance and well-being and

increase followers' unethical behavior (e.g., Mitchell & Ambrose, 2007; A. Peng et al., 2014; Simon et al., 2015). On the other hand, leaders' unethical behavior targeting third-parties generates followers' deontic injustice experiences and motivates them to take retributive reactions towards leaders (e.g., Mitchell et al., 2015). By contrast, the current work theorizes and demonstrates that followers are motivated to engage in ethical behavior that directly or indirectly compensates for leaders' unethical behavior. The current work also shows that the self-conscious moral emotion of guilt, instead of the other-directed moral emotion of moral anger, serves as the mediating mechanism underlying this effect. Thus, unlike existing work that based on the deontic justice perspective (Mitchell et al., 2015; Skarlicki & Rupp, 2010), my dissertation emphasizes that the moral cleansing perspective plays an important role in investigating followers' responses to leaders' unethical behavior targeting third-parties. Notably, the unethical leader behavior (i.e., leaders' UPB) that I examined here is different from the unethical leader behavior investigated in existing work (e.g., leaders' mistreatment toward coworkers) that applied the deontic justice perspective. Thus, findings from the current dissertation and existing work are not mutually exclusive, but complementary. To summarize, the current work broadens our understanding of the effect of leaders' unethical behavior on followers.

Second, the current dissertation contributes to the literature on UPB by exploring potential mechanisms that influenced the moral judgment of others' UPB for individuals with higher (versus lower) identification with the organization. Identification with the organization has been identified as an important factor that influences one's engagement of UPB (M. Chen et al., 2016; Effelsberg et al., 2014; Kong, 2016; Umphress et al., 2010, 2011). However, little empirical research to date has clarified what lies underneath the association between identification with the organization and the engagement of UPB. In one exception, M. Chen and colleagues (2016) proposed and tested moral disengagement as the mediator of the link between identification with

the organization and UPB, but they did not investigate which specific moral disengagement strategies mediated this relationship. In this dissertation I studied three specific cognitive processes (i.e., minimization of negative consequences of UPB, derogation towards victims of UPB, and reconstrual of UPB as respectable) that would potentially serve as the mechanism underlying the hypothesized difference of moral judgment for employees with varying levels of identification with the organization, and findings across two studies consistently indicated that reconstrual of UPB as respectable explained the reduced perceived immorality of leaders' UPB for followers who are highly identified with the organization. This dissertation did not study the main effect of identification with the organization on one's engagement of UPB or the mediating of reconstrual underlying this relationship. Nevertheless, it demonstrates that identification with the organization affects the moral judgment of others' UPB via the extent to which one reconstrues UPB as respectable and suggests that this cognitive process may be important for understanding prior theorizing on the close connection between identification with the organization and UPB (Umphress & Bingham, 2011).

Third, this work adds to a burgeoning line of research that looks at the effect of work experiences on non-work behaviors (Geurts & Demerouti, 2003). The findings suggest that observation of leaders' UPB at work may promote followers' morally laudable behaviors outside the organization such as donation and volunteering. Scholars have long proposed the compensatory hypothesis regarding work/non-work interface (Kabanoff & O'Brien, 1980; Wilensky, 1960), such that deprivations of factors such as autonomy, variety, skill utilization, and social interaction at work will be followed by non-work activities involving a high level of such factors in an attempt to make up for the deprivations. In support of such compensatory hypothesis, research found that employees engaged in non-work activities that were challenging, were meaningful, or expressed care, to compensate for jobs that lacked challenge (Mansfield &

Evans, 1975), were less meaningful (Rodell, 2013), or had an excess of masculinity (Marshall & Taniguchi, 2012), respectively. Ethicality, however, was not present in previous theorizing or empirical studies of work/non-work interface. The findings of the current dissertation indicate that the experiences of witnessing immoral behaviors at work may produce compensatory motives to make up for the unethical transgressions, leading to a higher likelihood of performing ethical non-work behaviors such as donation, giving blood, and volunteering. Therefore, the current dissertation adds to existing theories and research on work/non-work interface by highlighting the element of ethicality as a type of work contexts that may drive compensatory motives and furthermore, compensatory behaviors.

Practical Implications

Findings of this research can be used to draw a few insights for practice. First, results of both Study 1 and 2 indicate that followers who are highly identified with the organization tend to perceive UPB as respectable or even necessary, and “relax” their moral judgment of such actions. Although employees who have high identification with the organization are more likely to be highly involved in jobs and have satisfactory job performance (Riketta, 2005), this dissertation suggests that they may also perceive unethical behavior as less immoral as long as it brings benefits to the organization. This finding provides important implications for organizations aiming to build more ethical climates. For example, ethics training is a practice that teaches employees the ethical requirements of the organization and how to respond when they experience ethical problems (Palmer & Zakhem, 2001; Sekerka, 2009). Past research suggests that ethics training will likely foster positive perceptions of ethical climate and culture, decrease unethical behavior and increase ethical behavior and reporting of unethical behavior (Valentine & Fleischman, 2004; Warren, Gaspar, & Laufer, 2014; Weaver & Treviño, 1999). A critical element of such training is to raise moral awareness, a crucial component of ethical

decision making in organizations (Rest, 1986). Findings of the current dissertation can be leveraged to design ethics training programs that increase employees' moral awareness of UPB, emphasizing the possibility that one may perceive such actions as respectable and even necessary especially if one is highly identified with the organization. More specifically, ethics training programs can include presentations of past real examples of UPB, discussions of hypothetical ethical dilemmas involving UPB, and role-plays of stakeholders including employees who are highly identified with the organization in dealing with cases describing UPB (Gioia, 1992; Weber, 2007).

Second, the results of this dissertation suggest that it is worthwhile for practitioners to pay more attention to the influence of managers' unethical conducts on followers' well-being, especially for followers who are highly identified with the managers. Identification with the leader has been demonstrated as a critical factor for the effectiveness of desirable leadership such as transformational leadership (X. Wang & Howell, 2012) and authentic leadership (Gill & Caza, 2018), but the current dissertation indicates that identification with the leader may generate more threats to followers' well-being following their managers' wrongdoings. Followers who have high levels of identification with the manager are more likely to construe the behavior of the manager as reflecting on themselves. If the manager engages in unethical transgressions, these followers are more likely to have themselves scrutinized and evaluated, and experience negative affects including shame and guilt. Guilt and shame have been demonstrated to have a detrimental effect on individuals' well-being, leading to low self-esteem and a wide variety of psychological symptoms such as depression and anxiety (Tangney & Dearing, 2002). One way for companies to mitigate such detrimental effect after identifying problematic behaviors performed by managers is to open up formal or informal communication channels with the managers' followers. During the communications, companies can debrief what has happened and help

followers to deal with the aftermath, including the accompanying negative affects such as shame and guilt. Such communications will be especially helpful for followers who have close interpersonal relations with the manager. Another way is to provide accessible resources (e.g., emotion management workshops, counseling, etc.) to help employees better understand and cope with shame and guilt at work arising from others' wrongdoings.

Finally, it should be noted that this dissertation does not indicate that managers are encouraged to exhibit UPB in order to promote their followers' following ethical behavior. Instead, this dissertation suggests that managers' UPB may still generate negative consequences to followers as it has direct and positive effects on followers' negative affects including guilt, shame, and moral anger. Negative affects are also associated with a myriad of undesirable consequences at the workplace including low job performance and low job satisfaction (Dalal, Lam, Weiss, Welch, & Hulin, 2009; Kafetsios & Zampetakis, 2008). Also, managers' UPB had a negative binary correlation with followers' subsequent compensatory ethical behavior, indicating that in general, managers' unethical behavior towards customers would reduce followers' customer-oriented citizenship behavior. Therefore, although this dissertation suggests that followers are motivated to engage in ethical behaviors as attempts to make up for leaders' UPB, leaders should still try to refrain from exhibiting UPB, for employees' well-being and also for building a more ethical climate in the workplace.

Limitations and Future Directions

Several limitations in the current research should be acknowledged and considered. First, Study 2 is a correlational survey study relying on single-source, self-report data, which is vulnerable to common method bias (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). While using separate data source (i.e., leaders' self-rating of their UPB) is desirable to mitigate common method bias, in this study the employees' observation of leaders' unethical conduct was

critical because the process of employees' moral judgment derives from their own perceptions. Besides, the common method bias concern is somewhat alleviated in that the baseline engagement of the outcome variables (i.e., compensatory and non-compensatory ethical behavior) was controlled for when examining the effects of employees' emotions on their ethical behavior. This empirical strategy helps mitigate concerns about spurious relations from common method bias. Also, I examined two moderation effects in the model. Common method bias cannot produce interaction effects (Evans, 1985; Siemsen, Roth, & Oliveira, 2009). Thus, common method bias is an unlikely explanation for the moderation results found in Study 2.

Study 2 also did not empirically establish causality. Although Study 2 was accompanied by Study 1, a laboratory study that investigated the effect of leader behavior on followers' moral judgment of leader behavior using an experimental design, Study 1 did not test the rest hypotheses concerning the relationship between moral judgment, moral emotions, and subsequent ethical behavior. My confidence in the direction of causality derives from considering that moral judgment serves as the prerequisite for following affective experiences of moral emotions and subsequent (un)ethical decision-making (Rest, 1986; Treviño et al., 2006). Yet, it would be helpful for future research to more conclusively test the causal influence of perceived immorality of leader behavior on the experiences of moral emotions and the subsequent engagement of ethical behavior.

Another limitation pertains to the operationalization of UPB. UPB was operationalized as pro-organizational behavior that harmed the benefits of another competing organization (Study 1) or the benefits of customers and clients (Study 2). However, typical UPB includes actions that harm the benefits of other important stakeholders such as the public (e.g., failing to report negative information to the public; Umphress & Bingham, 2011; Umphress et al., 2010), which the current dissertation did not capture. Also, the negative outcomes that UPB brings about to

victims can vary in terms of magnitude (e.g., superficial consequences or serious consequences) and persistence (e.g., one-time harm or enduring harm). A needed direction for future research is to broaden the types of UPB being studied, with an eye toward identifying possible characteristics of UPB that may strengthen or buffer the demonstrated indirect effect that leaders' UPB has on followers' ethical behavior.

Another fruitful research direction for future research to consider is to investigate the potential effect of ethical behavior on employees' subsequent emotions and workplace outcomes. Moral cleansing is theorized as a way to mitigate individuals' concern about moral self (West & Zhong, 2015). As a result, after individuals "cleanse" for their (or someone else's) transgressions, this concern should be alleviated. Future research can investigate whether ethical behavior resulting from guilt is further related to decreases in subsequent guilt, building a negative feedback loop concerning guilt and ethical behavior. Also, employees' engagement of non-work ethical behavior such as volunteering is associated with a variety of desirable outcomes, including feelings of recovery and psychological detachment from work (Mojza, Sonnentag, & Bornemann, 2010) and increases in task performance and decreases in counterproductive behavior (Jones, 2010; Rodell, 2013). Thus, scholars can examine to what extent the vicarious moral cleansing behaviors may further affect employees in terms of their subsequent workplace experiences and job performance.

It may also be worthwhile for future studies to investigate whether and how leaders are motivated to engage in ethical behavior as attempts to "cleanse" for their own UPB, and the potential joint effects of leaders' moral cleansing and followers' vicarious moral cleansing following leaders' UPB. Liao and colleagues (2018) noted that managers are more likely to perform desirable leadership behaviors towards the followers to whom they have previously exhibited abusive supervision. Would managers also make up for their UPB which is much more

equivocal in terms of moral judgment than obvious moral transgressions such as abusive supervision? What role would managers' personal characteristics (e.g., moral identity) and the organization's contextual characteristics (e.g., ethical climate) play in this process? Seeking answers to such questions can deepen our understanding of moral cleansing, UPB, and leadership.

Conclusion

In conclusion, leaders' UPB is positively related to followers' subsequent engagement of ethical behaviors as a way to "cleanse" for leaders' wrongdoings. Followers' perceived immorality of leader behavior and guilt serve as the mediators underlying this vicarious moral cleansing effect. This vicarious moral cleansing effect is stronger for followers who are less identified with the organization, as identification with the organization buffers the positive relationship between leaders' UPB and followers' perceived immorality of leader behavior. This vicarious moral cleansing effect is also stronger for followers who are more identified with the leader, as identification with the leader strengthens the affective response of guilt following the immoral moral judgment of leader behavior.

APPENDICES

APPENDIX A: Measure of Unethical Pro-organizational Behavior in Pilot Study

(Adapted from Umphress et al., 2010, Colquitt et al., 2014, and Dunford et al., 2015)

Please indicate your level of agreement or disagreement with the following statement.

1. If it would help my organization, I would misrepresent the truth to make my organization look good.
2. If it would help my organization, I would exaggerate the truth about my company's products or services to customers and clients.
3. If it would benefit my organization, I would withhold negative information about my company or its products from customers and clients.
4. If needed, I would conceal information from the public that could be damaging to my organization.
5. If it would help my organization, I would treat customers and clients with disregard.
6. If it would help my organization, I would treat customers and clients in a derogatory manner.
7. If it would help my organization, I would cut corners to provide insufficient service to customers and clients.
8. If it would benefit my organization, I would take advantage of customers and clients so that they don't get their money's worth at my organization.

(1 = *strongly disagree*, 7 = *strongly agree*)

APPENDIX B: Exemplary Ethical Leadership Behaviors in Pilot Study

(Adapted from Brown et al., 2005)

In this section, please read the description of a manager's behaviors and answer the questions below based on your opinion on those behaviors.

Here is a list of the manager's typical behaviors at work:

- Listens to what followers have to say.
- Disciplines followers who violate ethical standards.
- Makes fair and balanced decisions.
- Sets an example of how to do things the right way in terms of ethics.
- Discusses business ethics or values with employees.

APPENDIX C: Exemplary Abusive Supervision Behaviors in Pilot Study

(Adapted from Tepper, 2000)

In this section, please read the description of a manager's behaviors and answer the questions below based on your opinion on those behaviors.

Here is a list of the manager's typical behaviors at work:

- Ridicules followers.
- Tells his followers that their thoughts or feelings are stupid.
- Puts his followers down in front of others.
- Made negative comments about his followers to others.
- Tells his followers that they are incompetent.

APPENDIX D: Perceived Immorality of Leader Behavior Scale in Pilot Study

This manager's behaviors are ... (For each line of descriptions, please mark what best fits your opinion)

(1)

Not at all wrong	Slightly wrong	Moderately wrong	To a great extent wrong	Extremely wrong
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(2)

Not at all ethical	Slightly ethical	Moderately ethical	To a great extent ethical	Extremely ethical
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(3)

Not at all immoral	Slightly immoral	Moderately immoral	To a great extent immoral	Extremely immoral
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(4)

Not at all acceptable	Slightly acceptable	Moderately acceptable	To a great extent acceptable	Extremely acceptable
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(5)

Not at all morally questionable	Slightly morally questionable	Moderately morally questionable	To a great extent morally questionable	Extremely morally questionable
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(6)

Not at all morally appropriate	Slightly morally appropriate	Moderately morally appropriate	To a great extent morally appropriate	Extremely morally appropriate
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APPENDIX E: Vignettes in Study 1

Throughout this study, please adopt the role of an employee at Hicra Corp., a large retail company. You have worked in this company for 3 years.

Below you will read a description about Hicra Corp. and some of your work experiences in this company. Please read the description VERY CAREFULLY. Try to fully adopt your role in the scenario as described.

After you read the description, please answer the questionnaire. There are six sections of questions. The questions are about how you would think, feel, and behave in the scenario as described. Please note:

- (1) There are questions on BOTH SIDES of the questionnaire.
- (2) There are no right or wrong answers to these questions. You don't need to overanalyze.
- (3) There is one section of questions on each page. Please do not jump to the next section before completing the current section.

If you have any questions, please let the researcher know. Thank you!

Vignette 1

Identification with the organization: High

Leader behavior: Unethical pro-organizational behavior

Over the past 3 years, it has become clear that Hicra Corp. is a good fit for you. You and your coworkers hold very similar attitudes about the direction and vision of the company, and you have considerable personal interaction with people at the company. You feel Hicra Corp.'s successes are your successes. If someone praises Hicra Corp., it feels like a personal compliment to you.

Recently, Hicra Corp. is competing with Kisto Corp., another large retail company, for securing a sales contract. Your direct manager, Alex, is leading this project. You have noticed that to gain an advantage in the competition for Hicra Corp., Alex has exaggerated the truth about Hicra Corp.'s product to make it look good. Alex has also withheld negative information about Hicra Corp.'s product from the clients.

In the end, Alex has won the competition against Kisto Corp. and successfully makes a lucrative sales deal for Hicra Corp. As a result, Hicra Corp. has earned a significant increase in the market share. Because of the failure, Kisto Corp. has encountered a huge crisis.

Vignette 2

Identification with the organization: High

Leader behavior: Unethical self-serving behavior

Over the past 3 years, it has become clear that Hicra Corp. is a good fit for you. You and your coworkers hold very similar attitudes about the direction and vision of the company, and you have considerable personal interaction with people at the company. You feel Hicra Corp.'s successes are your successes. If someone praises Hicra Corp., it feels like a personal compliment to you.

Recently, Hicra Corp. is competing with Kisto Corp., another large retail company, for securing a sales contract. Your direct manager, Alex, is leading this project. When working on this project, you have noticed that instead of giving credit to the subordinates for tasks requiring

a lot of time and effort, Alex takes all the credit himself/herself. Alex also leaves the office early although this means that the subordinates have to stay late to finish some of his/her work.

In the end, Alex does not win the competition against Kisto Corp. Nevertheless, Alex's presentation makes him/her look good in front of the top management team. Word on the street says Alex is going to get a promotion very soon.

Vignette 3

Identification with the organization: High

Leader behavior: Control

Over the past 3 years, it has become clear that Hicra Corp. is a good fit for you. You and your coworkers hold very similar attitudes about the direction and vision of the company, and you have considerable personal interaction with people at the company. You feel Hicra Corp.'s successes are your successes. If someone praises Hicra Corp., it feels like a personal compliment to you.

Recently, Hicra Corp. is competing with Kisto Corp., another large retail company, for securing a sales contract. Your direct manager, Alex, is leading this project. You have noticed that to gain an advantage in the competition for Hicra Corp., Alex has used his/her sales expertise and communication skills to make a very good presentation that fits well with the needs of the clients.

In the end, Alex has won the competition against Kisto Corp. and successfully makes a lucrative sales deal for Hicra Corp. As a result, Hicra Corp. has earned a significant increase in the market share. Because of the failure, Kisto Corp. has encountered a huge crisis.

Vignette 4

Identification with the organization: Low

Leader behavior: Unethical pro-organizational behavior

Over the past 3 years, it has become clear that Hicra Corp. is a poor fit for you. You and your coworkers hold very different attitudes about the direction and vision of the company, and you have very little personal interaction with people at the company. You feel Hicra Corp.'s successes do not mean your successes. If someone praises Hicra Corp., it does not matter much to you.

Recently, Hicra Corp. is competing with Kisto Corp., another large retail company, for securing a sales contract. Your direct manager, Alex, is leading this project. You have noticed that to gain an advantage in the competition for Hicra Corp., Alex has exaggerated the truth about Hicra Corp.'s product to make it look good. Alex has also withheld negative information about Hicra Corp.'s product from the clients.

In the end, Alex has won the competition against Kisto Corp. and successfully makes a lucrative sales deal for Hicra Corp. As a result, Hicra Corp. has earned a significant increase in the market share. Because of the failure, Kisto Corp. has encountered a huge crisis.

Vignette 5

Identification with the organization: Low

Leader behavior: Unethical self-serving behavior

Over the past 3 years, it has become clear that Hicra Corp. is a poor fit for you. You and your coworkers hold very different attitudes about the direction and vision of the company, and

you have very little personal interaction with people at the company. You feel Hicra Corp.'s successes do not mean your successes. If someone praises Hicra Corp., it does not matter much to you.

Recently, Hicra Corp. is competing with Kisto Corp., another large retail company, for securing a sales contract. Your direct manager, Alex, is leading this project. When working on this project, you have noticed that instead of giving credit to the subordinates for tasks requiring a lot of time and effort, Alex takes all the credit himself/herself. Alex also leaves the office early although this means that the subordinates have to stay late to finish some of his/her work.

In the end, Alex does not win the competition against Kisto Corp. Nevertheless, Alex's presentation makes him/her look good in front of the top management team. Word on the street says Alex is going to get a promotion very soon.

Vignette 6

Identification with the organization: Low

Leader behavior: Control

Over the past 3 years, it has become clear that Hicra Corp. is a poor fit for you. You and your coworkers hold very different attitudes about the direction and vision of the company, and you have very little personal interaction with people at the company. You feel Hicra Corp.'s successes do not mean your successes. If someone praises Hicra Corp., it does not matter much to you.

Recently, Hicra Corp. is competing with Kisto Corp., another large retail company, for securing a sales contract. Your direct manager, Alex, is leading this project. You have noticed that to gain an advantage in the competition for Hicra Corp., Alex has used his/her sales expertise and communication skills to make a very good presentation that fits well with the needs of the clients.

In the end, Alex has won the competition against Kisto Corp. and successfully makes a lucrative sales deal for Hicra Corp. As a result, Hicra Corp. has earned a significant increase in the market share. Because of the failure, Kisto Corp. has encountered a huge crisis.

APPENDIX F: Manipulation Checks in Study 1

Manipulation check of identification with the organization

Below are two statements with which you may agree or disagree based on your role in the scenario that you just read about.

Please indicate your level of agreement or disagreement with each statement. There are no right or wrong answers.

1. You would feel strongly identified with Hicra Corp.
2. You would feel a part of Hicra Corp.

(1 = *strongly disagree*, 7 = *strongly agree*)

Manipulation check of leader behavior

Below are several statements about Alex's behaviors in this competition project in the scenario that you just read about. Please adopt your role in the scenario and indicate your level of agreement or disagreement with each statement. There are no right or wrong answers.

1. In this competition project, Alex's behaviors are for the benefits of Hicra Corp.
2. In this competition project, Alex's behaviors are for the benefits of himself/herself.

(1 = *strongly disagree*, 7 = *strongly agree*)

APPENDIX G: Measure of Perceived Immorality of Leader Behavior in Study 1

Please adopt your role in the scenario and indicate your opinion on Alex's behaviors in the sales competition in the scenario. There are no right or wrong answers.

Alex's behaviors are (For each row, please mark what best fits your opinion)

(1)

Not at all wrong	Slightly wrong	Moderately wrong	To a great extent wrong	Extremely wrong
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(2)

Not at all ethical	Slightly ethical	Moderately ethical	To a great extent ethical	Extremely ethical
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(3)

Not at all immoral	Slightly immoral	Moderately immoral	To a great extent immoral	Extremely immoral
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(4)

Not at all acceptable	Slightly acceptable	Moderately acceptable	To a great extent acceptable	Extremely acceptable
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(5)

Not at all morally questionable	Slightly morally questionable	Moderately morally questionable	To a great extent morally questionable	Extremely morally questionable
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(6)

Not at all morally appropriate	Slightly morally appropriate	Moderately morally appropriate	To a great extent morally appropriate	Extremely morally appropriate
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APPENDIX H: Measures of Potential Mechanisms Underlying Moral Judgment in Study 1

Below are several statements about Alex's behaviors in the sales competition in the scenario that you just read about. Please adopt your role in the scenario and indicate your level of agreement or disagreement with each statement. There are no right or wrong answers.

Self-benefitting from leaders' pro-organizational behavior

Alex's behaviors would to some extent bring about desirable outcomes for you.

(1 = *strongly disagree*, 7 = *strongly agree*)

Minimization of the negative consequences

It is not a big deal to take advantage of Kisto Corp.

(1 = *strongly disagree*, 7 = *strongly agree*)

Derogation towards the victims

Kisto Corp. deserves to lose the competition.

(1 = *strongly disagree*, 7 = *strongly agree*)

Reconstrual as respectable

Alex's behaviors serve the "greater good" for the organization.

(1 = *strongly disagree*, 7 = *strongly agree*)

APPENDIX I: Measure of Leaders' Unethical Pro-organizational Behavior in Study 2

(Adapted from Umphress et al., 2010, Colquitt et al., 2014, and Dunford et al., 2015)

Based on your observation of your leader's behavior, please indicate the frequency that your leader has engaged in the following behavior in the past month.

1. In order to help my organization, my leader misrepresented the truth to make my organization look good in front of customers and clients.
2. In order to help my organization, my leader exaggerated the truth about my company's products or services to customers and clients.
3. In order to benefit my organization, my leader withheld negative information about my company or its products from customers and clients.
4. In order to benefit my organization, my leader concealed information from customers and clients that could be damaging to my organization.
5. In order to benefit my organization, my leader treated customers and clients with disregard.
6. In order to benefit my organization, my leader treated customers and clients in a derogatory manner.
7. In order to benefit my organization, my leader cut corners to provide insufficient service to customers and clients, given what they paid for the service.
8. In order to benefit my organization, my leader took advantage of customers and clients so that they didn't get their money's worth at my organization.

1 = *never*; 2 = *rarely*; 3 = *sometimes*; 4 = *usually*; 5 = *always*

APPENDIX J: Measure of Identification with the Organization in Study 2

(Mael & Ashforth, 1992)

Please indicate the degree to which you agree with each of the following statement about the company that you are currently working in.

1. When someone criticizes this company, it feels like a personal insult.
2. I am very interested in what others think about this company.
3. When I talk about this company, I usually say 'we' rather than 'they'.
4. This company's successes are my successes.
5. When someone praises this company, it feels like a personal compliment.
6. If a story in the media criticized this company, I would feel embarrassed.

1 = *strongly disagree*; 7 = *strongly agree*

APPENDIX K: Measure of Perceived Immorality of Leader Behavior in Study 2

Based on what you have observed about how your leader treated customers and clients in the past month, please rate your leader's behavior.

Your leader's behavior when treating customers or clients in the past month is ...

(1)

Not at all wrong	Slightly wrong	Moderately wrong	To a great extent wrong	Extremely wrong
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(2)

Not at all ethical	Slightly ethical	Moderately ethical	To a great extent ethical	Extremely ethical
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(3)

Not at all immoral	Slightly immoral	Moderately immoral	To a great extent immoral	Extremely immoral
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(4)

Not at all acceptable	Slightly acceptable	Moderately acceptable	To a great extent acceptable	Extremely acceptable
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(5)

Not at all morally questionable	Slightly morally questionable	Moderately morally questionable	To a great extent morally questionable	Extremely morally questionable
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(6)

Not at all morally appropriate	Slightly morally appropriate	Moderately morally appropriate	To a great extent morally appropriate	Extremely morally appropriate
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APPENDIX L: Measures of Potential Mechanisms Underlying Moral Judgment in Study 2

Self-benefitting

1. I would receive benefits (directly or indirectly) from my leader's interactions with customers and clients last month.
2. My leader's interactions with customers and clients last month would to some extent bring about desirable outcomes for me.

(1 = *strongly disagree*, 7 = *strongly agree*)

Minimization of the negative consequences

1. Telling small lies to customers and clients don't really hurt them.
2. It is not a big deal to take advantage of customers and clients.

(1 = *strongly disagree*, 7 = *strongly agree*)

Derogation towards the victims

1. Customers who get mistreated have usually done something to bring it on.
2. Some customers have to be treated roughly because they lack feelings that can be hurt.

(1 = *strongly disagree*, 7 = *strongly agree*)

Reconstrual as respectable

1. Playing dirty is sometimes necessary in order to achieve noble ends for my organization.
2. It would be OK to be less than fully truthful to protect my company's organization's interest.

(1 = *strongly disagree*, 7 = *strongly agree*)

APPENDIX M: Measure of Identification with the Leader in Study 2

(Adapted from Mael & Ashforth, 1992)

Please indicate the degree to which you agree with each of the following statement about your leader.

1. When someone criticizes him/her, it feels like a personal insult.
2. I am very interested in what others think about him/her.
3. When I talk about this him/her, I usually say 'we' rather than 'he' or 'she'.
4. My leader's successes are my successes.
5. When someone praises my leader, it feels like a personal compliment.
6. If a story in the media criticized my leader, I would feel embarrassed.

1 = *strongly disagree*; 7 = *strongly agree*

APPENDIX N: Measure of Guilt in Study 2

(Tangney et al., 1996)

Generally speaking, after observing how your leader treated customers or clients in the past month, you feel...

1. repentant
2. guilty
3. blameworthy

1 = *not at all*; 5 = *extremely*

APPENDIX O: Measure of Shame in Study 2

(Bonner et al., 2017)

Generally speaking, after observing how your leader treated customers or clients in the past month, you feel...

1. ashamed
2. dissatisfied with yourself

1 = *not at all*; 5 = *extremely*

APPENDIX P: Measure of Moral Anger in Study 2

(Barclay et al., 2005)

Generally speaking, after observing how your leader treated customers or clients in the past month, toward your leader you feel...

1. angry
2. upset
3. hostile

1 = *not at all*; 5 = *extremely*

APPENDIX Q: Measure of Compensatory Ethical Behavior in Study 2

(Bettencourt et al., 2001)

Time 1

Generally speaking, please indicate the frequency that you engage in each of the following behavior.

1. followed up in a timely manner to requests and problems raised by customers and clients.
2. was exceptionally courteous and respectful to customers and clients regardless of circumstances.
3. followed through in a conscientious manner on promises to customers and clients.
4. voluntarily assisted customers and clients even if it went beyond your job requirement.
5. went out of your way to help a customer or client.

1 = *never*; 2 = *rarely*; 3 = *sometimes*; 4 = *usually*; 5 = *always*

Time 2

Please indicate the frequency that you engaged in each of the following behavior in the past month.

1. followed up in a timely manner to requests and problems raised by customers and clients.
2. was exceptionally courteous and respectful to customers and clients regardless of circumstances.
3. followed through in a conscientious manner on promises to customers and clients.
4. voluntarily assisted customers and clients even if it went beyond your job requirement.
5. went out of your way to help a customer or client.

1 = *almost never*; 2 = *rarely*; 3 = *a couple times*; 4 = *a few times*; 5 = *very often*

APPENDIX R: Measure of Prosocial Behavior in Study 2

(Jordan et al., 2011)

Time 1

Generally speaking, please indicate the frequency that you engage in each of the following behavior.

1. donated to charity
2. donated blood

1 = *never*; 2 = *rarely*; 3 = *sometimes*; 4 = *usually*; 5 = *always*

Time 2

Please indicate the frequency that you engaged in each of the following behavior in the past month.

1. donated to charity
2. donated blood

1 = *almost never*; 2 = *rarely*; 3 = *a couple times*; 4 = *a few times*; 5 = *very often*

APPENDIX S: Measure of Volunteering Behavior in Study 2

(Rodell, 2013)

Time 1

Generally speaking, please indicate the frequency that you engage in each of the following behavior.

1. gave your time to help a volunteer group
2. applied your skills in ways that benefit a volunteering group
3. devoted your energy towards a volunteering group
4. engaged in activities to support a volunteer group
5. employed your talent to aid a volunteer group

1 = *never*; 2 = *rarely*; 3 = *sometimes*; 4 = *usually*; 5 = *always*

Time 2

Please indicate the frequency that you engaged in each of the following behavior in the past month.

1. gave your time to help a volunteer group
2. applied your skills in ways that benefit a volunteering group
3. devoted your energy towards a volunteering group
4. engaged in activities to support a volunteer group
5. employed your talent to aid a volunteer group

1 = *almost never*; 2 = *rarely*; 3 = *a couple times*; 4 = *a few times*; 5 = *very often*

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