

WHY MACHIAVELLIAN EMPLOYEES ENGAGE  
IN UNETHICAL BEHAVIOR: EXAMINING THE  
ROLES OF MORAL DISENGAGEMENT, MORAL  
FLEXIBILITY, AND (UN)ETHICAL LEADERSHIP.

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Abstract: This research examines how and when employee Machiavellianism could be harmful to organizations and their members. Two explanatory mechanisms, moral disengagement, and moral flexibility were proposed and tested in the relationship between employee Machiavellianism and employee negative behaviors (unethical and deviant behaviors). In addition, effects of leadership styles (ethical leadership and abusive supervision) on the mechanisms were examined. A latent moderated structural equation (LMSE) modeling was utilized on the multi-source/multi-wave data of 226 working adults in the United States. Results showed that moral disengagement mediates the relationship between employee Machiavellianism and employee negative behaviors while moral flexibility does not. Ethical leadership deter Machiavellian employees to initiate both explanatory mechanisms while abusive supervision does not exacerbate the ill-effects. Additionally, moral flexibility measure was conceptualized and validated in the present dissertation.

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## CHAPTER I

### INTRODUCTION

*“All courses of action are risky, so prudence is not in avoiding danger (it's impossible), but calculating risk and acting decisively. Make mistakes of ambition and not mistakes of sloth. Develop the strength to do bold things, not the strength to suffer.” – Niccolo Machiavelli (1513/1981).*

Guided by a cynical view of humanity and equipped with a repertoire of manipulative tactics, Machiavellians seek to control and power to advance their self-interests, even if it comes at the expense of others (Christie & Geis, 1970; Dahling, Whitaker, & Levy, 2009). Although Machiavellians strive to get ahead and get what they want, they often struggle to get along with those around them (Chamorro-Premuzic, 2015; Hogan, 2007). Machiavellians have difficulty reading facial expressions (Simon, Francis, & Lombardo, 1990), are less empathetic (Wastell & Booth, 2003), and are prone to alexithymia, an inability to emotionally connect to others (Wastell & Booth, 2003). Machiavellianism is also negatively related to positive traits such as agreeableness and conscientiousness (Jakobwitz & Egan, 2006; Lee & Ashton, 2005; Paulhus & Williams, 2002). Highly Machiavellian individuals manipulatively construct self-images (Fontana, 1971) to achieve self-centered goals (Christie & Geis, 1970; Leary & Kowalski, 1990).

Machiavellians believe that the ends always justify the means and act manipulatively to accomplish their goals. Thus, it is not surprising that management researchers examining the “darker” side of organizational behavior have investigated the negative effects of Machiavellian employees and organizations (Dahling, Kuyumcu, & Librizzi, 2012; Granitz, 2003; Greenbaum, Hill, Mawritz, & Quade, 2017; Griffin, O’Leary-Kelly, & Pritchard, 2004; Kessler et al., 2010; Kish-Gephart, Harrison, & Treviño, 2010; Li-Ping Tang, Chen, & Sutarso, 2008; O’Boyle, Forsyth, Banks, & McDaniel, 2012). In the workplace, Machiavellianism is associated with many negative outcomes (Dahling et al., 2009) including theft, lying, deceit, sabotage, cheating (see Dahling et al., 2012 for review), and other counterproductive work behaviors (Dahling et al., 2012). It is also negatively related to attitudinal and behavioral outcomes such as job satisfaction and task performance (Dahling et al., 2012).

While research on Machiavellianism at work has steadily increased, important questions remain unanswered. Although many studies have looked at the direct relationship between Machiavellianism and unethical intentions and behavior (Kish-Gephart et al., 2010; O’Boyle et al., 2012), little is known about the mediating mechanisms through which Machiavellians leads to such behavior as well as the contextual factors which can strengthen or attenuate these relationships. Understanding the underlying psychological processes can be critical for researchers and practitioners because it could offer suggestions for them about what type of management strategies they should consider to disconnect the relationship between Machiavellianism and unethical behavior. Although past research has shown negative organizational consequences of having Machiavellians in organizations and discovered some characteristics of Machiavellians to explain unethical behaviors at work, it

did not seem to make a significant contribution to the field because, practically, it is hardly possible to consistently identify Machiavellian individuals and screen them out in the hiring process as their presence is quite prevalent (Fishman, 1983). Thus, if both researchers and practitioners understand psychological mechanisms through which Machiavellianism leads to unethical behaviors, they can prevent Machiavellian employees from unethical behavior by exercising effective management strategies (e.g., carefully constructed reward systems) or offering proper contexts (e.g., ethical climate, rules/policies, leadership behaviors) which can promote ethical behavior.

Second, much of the extant research has focused on the influence of Machiavellian leaders on employees (Belschak, Den Hartog, & De Hoogh, 2018; Castille, Buckner, & Thoroughgood, 2018; Wisse, Barelds, & Rietzschel, 2015). Other studies have examined the effects of different leadership styles (Belschak et al., 2018; Belschak, Den Hartog, & Kalshoven, 2015; Greenbaum et al., 2017; Wisse et al., 2015) on employee Machiavellianism, however, there is a big gap in the literature in terms of what psychological mechanisms that Machiavellian employees adopt and when and how leaders could intervene to break or aggravate such mechanism (see Figure 1 for proposed theoretical model). I suggest that highly Machiavellian followers are more likely to morally disengage by justifying and reframing their self-centered, immoral actions to retain positive self-regard (Bandura, 2002, 2016; Bandura, Barbaranelli, Caprara, & Pastorelli, 1996; Fiske, 2004) and avoid negative emotions (Tillman, Gonzalez, Whitman, Crawford, & Hood, 2018). In addition, I propose that Machiavellian employees may be more likely to adopt moral flexibility, one's malleable state that allows individuals to freely adjust their own moral standards to contexts, allows Machiavellian employees to select less stringent moral

standards and avoid ones that could trigger moral awareness and moral emotions (See Figure 1).

Although both mechanisms make it easier for employees to violate societal and/or organizational norms (see S. R. Martin, Kish-Gephart, & Detert, 2014), each operates differently. Moral disengagement is a set of cognitive mechanisms that deactivates moral self-regulation, helping individuals assuage moral dissonance when their actual behavior conflicts with their ethical beliefs. Thus, moral disengagement is a response to the psychological discomfort (e.g., guilt, shame) that occurs when their actions are inconsistent with their beliefs/standards. Moral flexibility, however, is not a response to dissonance because morally flexible individuals pre-emptively adjust their moral standards before they act, thereby allowing multiple and arbitrary interpretations of negative behavior.

Furthermore, moral disengagement and moral flexibility differ in terms of their implications for moral awareness. Individuals with moral disengagement are fully aware of moral issues and use different tactics to avoid emotional setbacks. Those who are morally flexible, however, may initially recognize potential moral issues but eliminate it with preemptively lowering their moral standards before engaging in actions, reducing the likelihood that moral recognition would be activated. Given individuals typically see themselves as more ethical compared to others (e.g., Ford & Richardson, 1994; Vitell & Festervand, 1987), discovering potential mediating mechanisms such as moral disengagement and moral flexibility may broaden our knowledge of how individuals with Machiavellian traits maintain a positive sense of their ethical selves.

In addition to studying mediating mechanisms, I also identify important boundary conditions. Consistent with the interactionist view of moral decision making (Trevino,

1986), I propose that employee Machiavellianism interacts with ethical leadership and abusive supervision to initiate moral disengagement and moral flexibility, which in turn leads to negative employee behaviors. Due to Machiavellian employees' sensitivity toward situational cues and intensified focus on rewards/punishments, Machiavellian employees under abusive supervisors may be more likely to endorse negative actions of abusive leaders (and ignore the actions of ethical leaders) and freely engage in the similar actions while employees under ethical leaders may focus on potential downsides (punishments) of engaging in negative behaviors.

My work has the potential to make several important contributions to the behavioral ethics and organizational deviance literatures. First, I provide novel explanations for how Machiavellian followers, via moral disengagement and moral flexibility, engage in negative behaviors. Second, I conceptualize a new construct, moral flexibility, as well as develop an instrument to measure it (see chapter 2). In as much as moral flexibility can explain how people maintain a positive ethical self-concept while engaging in unethical behavior, it can enrich our understanding of how good people can do bad things. Third, my research contributes to both the literatures on leadership and Machiavellianism by examining the interactive effect of employee Machiavellianism in leader-follower interactions and the negative outcomes of these interactions. I identify a mitigating factor, ethical leadership, which neutralizes the deleterious effect of follower Machiavellianism, and an exacerbating factor, abusive supervision, which intensifies the harmful effect of follower Machiavellianism. Finally, my work explores how moral disengagement is initiated. Moore (2015, p. 200) stated that "there is little empirical evidence showing how moral disengagement is initiated. Without knowing this evidence, there are nagging doubts about

how moral disengagement functions as a process rather than a disposition.” In response to this call for further research on the moral disengagement process, I investigate how ethical leadership and abusive supervision interact with followers’ Machiavellianism to shape their (negative) behavior.

The rest of my dissertation proposal is organized as follows. In the next chapter (chapter 2), I conceptualize and validate a scale of moral flexibility. In Chapter 3, I develop a theoretical model to answer my research questions. In Chapter 4, I report the methods and analyses that I will use to test my model. Finally in Chapters 5 and 6, I discuss implications of the present dissertation and conclude.

## CHAPTER II

### 2. MORAL FLEXIBILITY CONSTRUCT DEVELOPMENT

#### **2.1. Conceptualizing moral flexibility**

Moral flexibility is a state that allows individuals to change their own personal standards consciously or unconsciously. Individuals in this state may freely adjust their moral standards without upholding generally accepted norms in the society or organization. The malleable nature of moral flexibility has implications for employee behavior.

The subjectivity of moral flexibility generates multiple and arbitrary interpretations of situations, significantly clouding moral awareness and judgement. Judging what is right or wrong is greatly influenced by the context and social cues in which their actions take place (see “interactionist view” of ethical decision-making; Trevino, 1986). Evaluating ethical contexts in a subjective fashion may give individuals opportunity to prioritize personal moral standards over universal standards (e.g., deonance) and impair their ability to fully recognize potential moral issues of their projected actions. Moral flexibility produces greater variability and leniency in what is considered morally acceptable, such that those with moral flexibility will be more inclined to act according to their immediate need and turn the situation to their advantage (e.g., happiness; J. Joireman, 2004; J. A. Joireman, Van Lange, & Van Vugt, 2004).

Thus, the likelihood of behaving unethically is likely higher when moral flexibility is present.

In addition, moral flexibility deactivates moral emotions (e.g., shame, guilt, embarrassment, and pride; Tangney, Stuewig, & Mashek, 2007). The emotions are important regulators that help individuals behave in socially attractive (Tracy, Robins, & Tangney, 2007)(Tracy, Robins & Tangney, 2007) and responsible ways (Baumeister, Stillwell, & Heatherton, 1994; Beer, Heerey, Keltner, Scabini, & Knight, 2003; Leith & Baumeister, 1998). Thus, impaired moral awareness and convenient moral standards protect morally flexible individuals from experiencing emotional backlash (e.g., guilt, shame, embarrassment) because they may act (or plan to act).

Furthermore, moral flexibility derives from a self-serving bias that causes individuals to embrace multiple moral views and selectively choose one to maximize self-interest. For example, individuals with moral flexibility may use situational relevance to determine how much courses of actions are relevant to their own self-interest. In this way, moral flexibility is a form of moral hypocrisy (Batson, Kobryniewicz, Dinnerstein, Kampf, & Wilson, 1997; Batson, Thompson, Seufferling, Whitney, & Strongman, 1999; Valdesolo & DeSteno, 2006). Moral hypocrisy occurs if individuals embrace universal moral standards when their self-interests are not affected by a particular decision; however, they use more conveniently lenient moral standards when a decision is relevant to self-interests (Gino, 2016).

## **2.2. Conceptual differences between moral flexibility and relevant constructs**

The conceptualization of Moral flexibility is related to but distinct from that of existing theoretical concepts, including Utilitarianism, relativism, and cognitive

flexibility. According to classic Utilitarianism, maximizing aggregate welfare (Bentham, 1789; Mill, 1861) is the guiding principle for moral action and decision making.

Proponents of utilitarianism claim that determining whether actions are morally right or wrong depends on their consequences. Actions are said to be morally right if they maximize the good or minimize the bad- in other words, moral actions should serve ‘the greatest happiness for the greatest number’ (Bentham, 1830). For example, stealing from a company might be justified according to Utilitarianism if the consequences of the theft (e.g., stolen money/goods) benefit the greatest good for the greatest number. Stealing may also be deemed licit or illicit depending on the situation by one who is morally flexible; however, a morally flexible individual is motivated by maximizing self-interests (e.g., “greatest happiness for me”) rather than Utilitarianism’s greatest happiness principle so that they adopt malleable moral standards that best-accommodate self-interests without experiencing any constraints (e.g., cognitive, and emotional setbacks).

In addition, moral flexibility is also conceptually different from moral relativism, which refers to the difference in moral judgment across people. Moral relativism, the antithesis of moral absolutism, is an ethical philosophy that explains differences in moral judgment (Barnett, Bass, & Brown, 1996; Forsyth, 1981, 1992; Forsyth, Nye, & Kelley, 1988). According to moral relativism, there are no universal moral principles because moral beliefs are the product of cultural histories (Mynatt & Herman, 1975). From the perspective of moral relativism, ‘right’ moral values vary by the culture in which one lives because different cultures embrace radically different moral values. Thus, what is thought to be moral in one culture could be immoral in another culture, meaning moral relativism produces variation across cultures.

Conversely, moral flexibility, as a malleable state, only shows how freely and widely an individual uses the spectrum of one's own moral standards, but it is not culturally laden. In other words, moral flexibility highlights the possibility of adjustments to moral standards through the person-situation interaction, and thus produces multiple interpretations of moral behavior by considering personal factors (e.g., individuals' self-interest, financial/emotional distress, personal goals, work environment) rather than universal or societal factors (e.g., societal norms, cultural systems). As a result, individuals with moral flexibility may prioritize and follow personally convenient values rather than uphold the overarching values endorsed in the broader society.

Finally, moral flexibility is different from cognitive flexibility in terms of its conceptual domain, which is morality. Cognitive flexibility is a general trait (ability) that allows individuals to redefine and evaluate events and information in multiple ways (Isen, 2002), while moral flexibility, as a state, allows selectively adjusting personal moral standards for self-interests. Thus, cognitive flexibility may help individuals to draw wider moral boundaries by allowing them to restructure situational demands (Gino & Ariely, 2012). However, the individuals may not necessarily engage in unethical behaviors.

To sum up, moral flexibility is a mental state that allows individuals to constantly change their personal standards (e.g., the moral standards they have today will not be the same ones they will have one week from now) that do not necessarily recognize and considered generally shared values and norms in the society. Individuals with moral flexibility may lack the motivation to uphold morality and solely prioritize material values and interests. Thus, they may engage in unethical actions to benefit themselves at

the cost of others. Based on these conceptualizations of moral flexibility, I use the remaining part of this chapter to lay out my agenda for developing a new construct and measure.

### **2.3. Developing and validating moral flexibility scale**

In the first study, I developed a measure of “moral flexibility” by following Hinkin (1998)’s approach, which is a conventional protocol for a new scale. This approach includes 1) item generation, 2) questionnaire administration, 3) initial item reduction, 4) confirmatory factor analysis, 5) convergent/discriminant validity, and 6) replication.

#### **2.3.1. Item generation and content validity**

To generate items for the new measure, I utilized a hypothetically deductive approach that incorporates both inductive and deductive item generation. First, I thoroughly reviewed the relevant literature on moral flexibility. After reviewing the literature on moral flexibility (Gino & Ariely, 2012; Shalvi & Leiser, 2013; Descioli et al., 2014; Shalvi et al., 2011), I created five items from the literature. Sample items include, “I am flexible with my moral standard,” “I modify my ethical standard to accommodate the situation,” and “It is okay to be more flexible in changing moral expectations of myself.”

Second, I collected qualitative data by conducting semi-structured interviews and creating empirically-driven items. I recruited and interviewed one hundred thirty-five working adults who are taking online graduate classes at a large, public Northwestern university. Participants were asked to answer questions about their experience when they were in demand of modifying or adapting their moral standards and/or behaviors.

Specifically, they were given the definition of moral flexibility, and asked to share their experiences where they were in the situation to be morally flexible and how they thought, felt, and behaved. Also, they were asked to describe someone who is morally flexible. All their responses were recorded and content-analyzed for drafting moral flexibility measurement items. I ended up creating 17 survey items. A total of 22 items were created from the literature review and interview scripts. This meets Anderson and Gerbing (1988)'s suggestion to have at least twice as many measurement items as I would need to retain in the final measure, which I was thinking 5 to 10 items.

Third, I checked the face validity of the 22 initial items. As suggested by DeVellis (2012, 2016), I invited 12 subject matter experts (SMEs) consisting of judges who are scholars in the field of business ethics. The main purpose of this panel review was to check whether the initial items sufficiently capture the conceptual domain of moral flexibility. The SMEs were given a definition of moral flexibility and were asked to report how well the items describe the definition on a Likert-type scale (1 = not at all like the definition, 5 = just like the definition). Additionally, they were asked to provide feedback in terms of the item's wording, clarity, and conciseness. Based on their review comments and mean ratings of each item, I omitted 14 items that lacked face validity (average of SME ratings that were less than 4.00 were dropped). Also, I rewrote three items to enhance their clarity.

### **2.3.2. Survey administration**

With the eight items that passed the content validity assessment (See Table 1), I administered the survey with a sample relevant and representative to the actual population of my study interests (working adults) to examine how the items capture the

psychometric properties of moral flexibility (Stone, 1978). In addition, I checked if the measurement items were properly written and operationalized in the survey setting. The survey stem of the new measure is, “Instructions: Please read each of the following statements and indicate how strongly you agree with the statements about yourself.” Participants were asked to report their agreement on a seven-point Likert type scale (1 = Strongly disagree; 7 = Strongly agree). I conducted a pilot test with the initial items by using data from Amazon’s Mechanical Turk (M-Turk). One hundred ninety-nine working adults (116 females and 83 males) took part in the pretest (See Table 2). The average age of the sample is 34.63 years (SD = 10.16), and the racial composition of the sample was 90.5% Caucasians, 3.5% African American, 3.5% other races, 2.0% Hispanic, and .5% Asians.

A correlation analysis was conducted to check how the initial items were correlated together. I checked the correlation coefficients among the initial items and drop items that did not hang well with other items. All the eight items were significantly and positively correlated with each other (all  $r$ 's > .52;  $p$ 's < .01). None of the means significantly deviated from the overall means of the items.

### **2.3.3. Item reduction (Exploratory factor analysis)**

In the next step, I discover the factor structure of the moral flexibility measure. Before conducting an exploratory factor analysis (EFA), I checked the inter-item correlations among the moral flexibility items. Additionally, I checked the reliability estimates (Cronbach’s alpha) to see if there are any items that do not contribute to the overall reliability.

Two hundred fifteen working adults (151 males and 57 females) were recruited from Mturk to take part in this EFA study (See Table 2). The average age of the sample is 36.21 years (SD = 9.57), and the racial composition of the sample was 69.8% Caucasians, 12.6% African American, 5.6% Hispanic, 4.7% other races, 4.2% Asians, and 3.3% did not report their races.

The initial eight items of the moral flexibility scale were used in EFA. Participants were asked to indicate the extent to which they agree with each of the statements on a Likert-type scale (1 = Strongly disagree; 7 = Strongly agree). Sample items include, “I adapt my moral standard to fit those around me,” and “My moral standard is malleable.” Before running the EFA, I checked inter-item correlation coefficients among the eight moral flexibility items, and they hang together well (all  $r$ 's  $>.71$ ;  $p$ 's  $<.01$ ). The reliability estimate of the moral flexibility scale was .97. None of the items was suggested to be excluded to enhance the reliability (a). As a result, the eight items were subjected to exploratory factor analysis.

I used the varimax rotation and principal axis factoring method for the EFA. Although it is conventional to use Kaiser (1960a, 1960b)'s cutoff (eigenvalue-greater-than-one-rule), the conventional rule can be problematic because 1) the cutoff was originally developed for Principal Component Analysis (PCA), 2) it potentially leads to arbitrary decisions, and 3) it typically overestimates/underestimates the number of factors (Zwick & Velicer, 1986). Thus, by following methods recommended by Haywood and his colleagues (Hayton, Allen, & Scarpello, 2004). I conducted a Parallel Analysis (PA), which is based on Monte-Carlo Simulation, to find the exact eigenvalue and make

decisions (e.g., how many factors are to be retained). The simulation results revealed that the largest eigenvalue to be used for the first factor was 1.29.

I also used a series of decision rules for this EFA, including items should 1) be significantly loaded onto one moral flexibility factor (factor loadings should be greater than .40), 2) have no cross-loadings (items should not be loaded to multiple factors at .40 or greater), and 3) have their factor loadings to be significantly different by .20 when items are loaded in multiple factors (DeVellis, 2012).

The EFA results showed that the largest eigenvalue was 6.46, and it explained 80.75% of the total variance. No other eigenvalues were greater than 1.29 threshold that was yielded from the parallel analysis. All eight items had factor loadings great than .40 with no cross-loadings. Thus, I confirmed the uni-dimensionality of the 8-item moral flexibility scale (See Table 3). The minimum factor loading was .84 (“My moral standards are malleable.”), and the maximum factor loading was .92 (“I adjust my moral standards in response to the situation.”).

#### **2.3.4. Convergent and discriminant validity**

The next step is to examine the factor structure and soundness of the measurement model and to assess the convergent and discriminant validity of the scale. As suggested by [Hinkin \(1998\)](#), I conducted a series of CFAs. In the data collection, I included measures of conceptually-relevant constructs including cognitive flexibility, utilitarianism, and ethical relativism to show that moral flexibility taps into a unique conceptual domain.

One hundred ninety-six adults (102 males and 94 females) in the United States recruited from Amazon Mechanical Turk (M-Turk) were asked to complete a survey in

exchange for cash payment. The average age of this sample was 33.82 years (SD = 7.92), and the racial composition of the sample was 71.9% Caucasian, 8.7% Asian, 8.2% African American, 7.1% Hispanic, and 4.1% other races.

## **Measures**

***Moral flexibility.*** The newly-developed, eight-item moral flexibility scale was used to measure moral flexibility. Participants were asked to indicate the extent to which they agree with each of the statements on a Likert-type scale. Sample items include, “I adapt my moral standard to fit those around me,” and “My moral standard is malleable.” The reliability estimates for this measure as .95.

***Cognitive flexibility.*** A twelve-item scale developed by Martin and Rubin ([1995](#)) was used to capture participants’ cognitive flexibility. Among the 12 items, I omitted reverse coded items that were contributing to suppressing the overall reliability of this scale. Participants were asked to report the extent to which they agreed with each of the statements on a seven-point Likert-type scale. Sample items include, “I am willing to listen and consider alternatives for handling a problem,” and “I have many possible ways of behaving in any given situation.” The reliability estimate for this measure was .78.

***Utilitarianism.*** A five-item scale developed by [Robinson \(2012\)](#) was used to measure utilitarianism. Participants were asked to report how much they agree with each statement on a seven-point Likert type scale (*1 = Strongly disagree; 7 = Strongly agree*). Sample items include, “Rules and laws are irrelevant; whether an action produces happiness is all that matters when deciding how to act,” and “The only moral principle that needs to be followed is that one must maximize happiness.” The reliability estimate for this measure was .92.

***Ethical relativism.*** To assess participants' ethical relativism, I used 10-item ethical relativism items from Ethical Position Questionnaire (EPQ), which was developed by Forsyth (1980). Participants were asked to indicate how much they agree with the ten statements on a 7 point Likert-type scale (1 = Strongly agree, 7 = Strongly disagree). Sample items include, "It is never necessary to sacrifice the welfare of others," and "No rule concerning lying can be formulated (whether a lie is permissible or not permissible totally depends on the situation)." The reliability estimate for this measure was .88.

## **Results**

As suggested by [Hinkin \(1998\)](#), I conducted a series of CFAs to show the factor structure of the measurement model and validate convergence and divergence of the new measure. The CFAs were conducted in Mplus with MLM estimator that considers the skewness of the data (See Table 4). The first CFA was conducted only on the 8-item moral flexibility measure. The fit statistics revealed that the model fits the data well ( $\chi^2 = 163.03$ ,  $df = 20$ ,  $p < .01$ ; CFI = .91; SRMR = .04; RMSEA = .19 ([Arbuckle, 1997](#); [Bollen, 1989](#); [Browne, Cudeck, Bollen, & Long, 1993](#)). Although RMSEA was greater than the desirable conventional cutoff, the RMSEA value is attributed to inflated estimates occurring from the small degrees of freedom (Kenny et al., 2015). All eight parameter estimates for the moral flexibility were statistically significant (all  $p$ 's  $< .01$ ).

As the conceptualization of moral flexibility involves flexible cognition and moral standards, I examined moral flexibility scale's convergence and divergence with relevant constructs, including cognitive flexibility, utilitarianism, and ethical relativism. Due to the lenient nature of these constructs in terms of adhering to moral rules, these constructs were correlated to each other. Particularly, moral flexibility is significantly correlated

with cognitive flexibility, ( $r = -.16, p < .05$ ), utilitarianism ( $r = .40, p < .01$ ), and ethical relativism ( $r = .50, p < .01$ ).

Then I ran a series of CFAs and tested the chi-square differences to provide evidence that the moral flexibility scale is distal to the other three scales (See Table 4). First, I ran a CFA with a four-factor model with all the items loaded on their respective factor (original 4-factor model). The results showed that the four-factor model is a good fit to the data ( $\chi^2 = 696.90, df = 371, p < .001, RMSEA = .07, CFI = .91, TLI = .90, SRMR = .07$ ) with items being significantly loaded onto their intended factor (all  $ps' < .01$ ). Then, the four-factor model was compared with an alternative three-factor model whereby a) moral flexibility and cognitive flexibility items merged into a single factor ( $\chi^2 = 1007.05, df = 374, p < .001, RMSEA = .09, CFI = .82, TLI = .81, SRMR = .10$ ), b), moral flexibility, cognitive flexibility, and utilitarianism items were merged into a single factor ( $\chi^2 = 1637.92, df = 376, p < .001, RMSEA = .13, CFI = .65, TLI = .62, SRMR = .13$ ), c) moral flexibility, cognitive flexibility, utilitarianism, and ethical relativism items loaded on a single/common factor ( $\chi^2 = 2095.90, df = 377, p < .001, RMSEA = .15, CFI = .52, TLI = .48, SRMR = .15$ ). I conducted Chi-square difference tests to assess whether the four-factor model has significantly better measurement model fit than the alternative models have. The results revealed that the original four-factor model had a significantly better measurement model fit over the three-factor model a ( $\Delta\chi^2 = 310.15, \Delta df = 3, p < .01, \Delta RMSEA = .02, \Delta CFI = .17, \Delta TLI = .09, \Delta SRMR = .03$ ), model b ( $\Delta\chi^2 = 941.02, \Delta df = 5, p < .01, \Delta RMSEA = .06, \Delta CFI = .26, \Delta TLI = .28, \Delta SRMR = .06$ ), and model c ( $\Delta\chi^2 = 1399.00, \Delta df = 6, p < .01, \Delta RMSEA = .08, \Delta CFI = .39, \Delta TLI = .42, \Delta SRMR = .08$ ). Overall, the CFA results showed that the 8-item moral flexibility scale provide

evidence of convergent validity and discriminant validity. To further examine the discriminant validity of the new measure, I checked the correlations between moral flexibility, and social desirability and age. The results revealed that moral flexibility is unrelated to social desirability ( $r = -.05, p = .50$ ) and age ( $r = -.02, p = .75$ ).

Additionally, I attempted to assess the convergent and discriminant validity of the moral flexibility by using Fornell-Larcker (1981) criteria that compare each scale's square root of average variance extracted (AVE) with its correlation coefficients to its relevant constructs (See Table 5). To show convergent validity, composite reliability (CR) should be greater than .70. In addition, square rooted AVE of each scale should exceed its correlation coefficients to other scales to provide support for discriminant validity. As shown in Table 5, the CRs of each scale are greater than .70, confirming convergent validity. And the square rooted AVE of each scale was greater than its correlation coefficients to its relevant scales, confirming the discriminant validity of each scale.

### **2.3.5 Cross-validation and criterion validity**

After developing the new moral flexibility scale, I collected another set of data to cross-validate findings from previous CFA studies. More importantly, I also assessed the criterion validity of the scale in the nomological network. As suggested by previous research on moral flexibility (Gino & Ariely, 2012; Shalvi, Dana, Handgraaf, & De Dreu, 2011; Shalvi & Leiser, 2013), moral flexibility may lead to ethically questionable behaviors, including unethical behavior and deviant behaviors. I examined correlation coefficients between moral flexibility and negative employee behaviors, including

interpersonal deviance, social undermining, workplace incivility, unethical behavior, unethical pro-organizational behavior, counterproductive work behavior.

### **Participants**

One hundred ninety-nine adults (101 female, 98 male) in the United States recruited from Amazon Mechanical Turk (M-Turk) were asked to complete a survey in exchange for cash payment. The average age of this sample was 32.27 years (SD = 10.02), and the racial composition of the sample was 78.4% Caucasian, 7% Hispanic, 5.5% other races, 5% Asians, and 4% African American.

### **Measures**

I used the same moral flexibility, cognitive flexibility, utilitarianism, and ethical relativism measures that were used in the previous CFA study. In addition, to test criterion-related validity, I measured the following constructs for criterion-related validity testing.

***Interpersonal deviance.*** The interpersonal deviance scale developed by Bennett and Robinson (2000) was used to measure deviant behaviors. Participants were asked to report how much they agree with each statement on a seven-point Likert type scale (1 = Strongly disagree; 7 = Strongly agree). Sample items include “Made fun of someone at work” and “Made an ethnic, religious, or racial remark at work.” The reliability estimate was .96.

***Social undermining.*** A scale developed by Duffy, Ganster, and Pagon (2002) was used to measure social undermining. Participants were asked to report how frequently they engage in behaviors in each statement on a seven-point Likert type scale (1 = Never; 7 = Always). Participants will read, “How often have your coworkers intentionally.....?”

and they were presented with each statement. Sample items include, “Criticized the way you handled things on the job in a way that was not helpful?” and “Gave you incorrect or misleading information about a job?” The reliability estimate was .96.

***Workplace incivility.*** A scale developed by Cortina, Magley, Williams, and Langhout (2001) was used to measure workplace incivility. Participants will be asked to report how much they agree with each statement on a seven-point Likert type scale (1 = Strongly disagree; 7 = Strongly agree). Sample items include, “You paid little attention to statements or showed little interest in others' opinion at work?” and “You ignored or excluded others from professional camaraderie?” The reliability estimate was .89.

***Unethical pro-organizational behavior.*** A six-item scale UPB developed by Umphress, Bingham, and Mitchell (2010) was used to measure unethical pro-organizational behavior. Participants will be asked to report how much they agree with each statement on a seven-point Likert type scale (1 = Strongly disagree; 7 = Strongly agree). Sample items include, “If it helped the organization, I would exaggerate the truth about company’s products or services to customers and clients,” and “If the organization needed me to, my coworkers would give a good recommendation on behalf of an incompetent employee in the hope that the person will become another organization’s problem instead of my own.” The reliability estimate was .92.

***Unethical behavior.*** A ten-item measure developed by Moore, Detert, Treviño, Baker, and Mayer (2012) was used to measure unethical behavior. Participants were asked to rate the frequency that they engage in unethical behavior. Sample items include, “Falsifying a receipt to get reimbursed for more money than you spent on business expenses,” and “Discussing confidential company information with an unauthorized

person.” Each item was measured on a seven-point Likert-type scale (1 = Never, 7 = Very often). The reliability estimate was .96.

***Counterproductive work behavior.*** The 7-item short version of the scale developed by Spector, Bauer, and Fox (2010) was used to measure CWB. Participants were asked to rate the frequency that they engage in CWBs on a seven-point Likert-type scale (1 = Never, 7 = Very often). Sample items include, “Told people outside the job what a lousy place you work for,” and “Purposely wasted your employer’s materials/supplies.” The reliability estimate was .88.

***Social desirability.*** A five-item scale developed by Strahan & Gerbasi (1972) was used to measure social desirability. Participants were asked to report how much they agree with each statement on a seven-point Likert type scale (1 = Strongly disagree; 7 = Strongly agree). Sample items include, “I’m always willing to admit it when I make a mistake” and “I have never been irked when people expressed ideas very different from my own.” The reliability estimate was .70.

## **Results**

To cross-validate the soundness of the moral flexibility scale, I conducted the same set of analyses that were used in the previous section. The first CFA was conducted only on the 8-item moral flexibility measure. The fit statistics revealed that the model fits the data well ( $\chi^2 = 127.06$ ,  $df = 20$ ,  $p < .01$ ; RMSEA = .16; CFI = .94; TLI = 0.92; SRMR = .03 (Arbuckle, 1997; Bollen, 1989; Browne et al., 1993). As with the previous analyses, we found the higher RMSEA value that is attributable to inflated estimates occurring from the small degrees of freedom (Kenny et al., 2015). All eight parameter estimates for the moral flexibility were statistically significant (all  $p$ 's < .01). I also found that moral

flexibility is significantly correlated with the three relevant constructs, cognitive flexibility, ( $r = -.15, p < .05$ ), utilitarianism ( $r = .58, p < .01$ ), and ethical relativism ( $r = .57, p < .01$ ).

Then I ran a series of CFAs and tested the chi-square differences to show that the moral flexibility scale is distal to the other three scales. Results echoed the findings from the previous section. The four-factor model is a good fit to the data ( $\chi^2 = 758.41, df = 371, p < .001, RMSEA = .07, CFI = .90, TLI = .91, SRMR = .07$ ) with items being significantly loaded onto their intended factor (all  $ps' < .01$ ). And the four-factor model was compared with alternative models, a) moral flexibility and cognitive flexibility items merged into a single factor (le factor ( $\chi^2 = 1187.74, df = 374, p < .001, RMSEA = .13, CFI = .80, TLI = .79, SRMR = .11$ ), b) moral flexibility, cognitive flexibility, and utilitarianism items were merged into a single factor ( $\chi^2 = 1774.83, df = 376, p < .001, RMSEA = .14, CFI = .66, TLI = .64, SRMR = .13$ ), c) moral flexibility, cognitive flexibility, utilitarianism, and ethical relativism items loaded on a single/common factor ( $\chi^2 = 2120.89, df = 377, p < .001, RMSEA = .15, CFI = .58, TLI = .55, SRMR = .14$ ). Chi-square difference tests showed that the original four-factor model had a significantly better measurement model fit over the three-factor model a ( $\Delta\chi^2 = 429.33, \Delta df = 3, p < .05, \Delta RMSEA = .06, \Delta CFI = .10, \Delta TLI = .12, \Delta SRMR = .04$ ), model b ( $\Delta\chi^2 = 1016.42, \Delta df = 3, p < .05, \Delta RMSEA = .007, \Delta CFI = .24, \Delta TLI = .27, \Delta SRMR = .06$ ), and model c ( $\Delta\chi^2 = 2120.89, \Delta df = 6, p < .05, \Delta RMSEA = .08, \Delta CFI = .32, \Delta TLI = .36, \Delta SRMR = .007$ ). I also checked the correlations between moral flexibility, and social desirability and age. The results revealed that moral flexibility is unrelated to social desirability ( $r = -.08, p = .24$ ) but age is ( $r = -.17, p = .02$ ). Overall, the CFA results showed that the 8-

item moral flexibility scale provide evidence of convergent validity and discriminant validity.

Consistent with the previous section, I also assessed the convergent and discriminant validity of the moral flexibility by using Fornell-Larcker's (1981) criteria. As shown in Table 7, the CRs of each scale are greater than .70, confirming convergent validity. And the square rooted AVE of each scale was greater than its correlation coefficients to its relevant scales, confirming the discriminant validity of each scale.

Finally, I examined criterion-related validity by assessing correlation coefficients between moral flexibility and employee negative behaviors (See Table 8). As I predicted, moral flexibility is positively correlated with interpersonal deviance ( $r = .37, p < .01$ ), social undermining ( $r = .39, p < .01$ ), workplace incivility ( $r = .39, p < .01$ ), UB ( $r = .41, p < .01$ ), and CWB ( $r = .39, p < .01$ ) but not UPB ( $r = .02, p = .78$ ).

## CHAPTER III

### 3. THEORETICAL DEVELOPMENT

#### **3.1. Machiavellianism and employee negative behaviors**

Machiavellianism (Mach) is a personality trait that promotes self-centered behavior. Individuals high in Machiavellianism manipulate (Christie & Geis, 1970; Linton & Wiener, 2001; Whiten & Byrne, 1988; Wilson, Near, & Miller, 1996) and strategically deceive others to achieve their personal goals (Radin, 2000). Machiavellians have an inherent distrust of others (Christie & Geis, 1970) and are less emotionally detached in interpersonal relationships. They are strongly goal-focused but also shortsightedly fixated on their immediate goals. High-Machiavellian individuals are less likely to perceive ethical issues (Schepers, 2003), so it is not surprising that they use interpersonal relationships opportunistically and are willing to deceive others for personal gain (Christie & Geis, 1970).

Machiavellianism predicts unethical behavior across a variety of organizational contexts (Jones & Kavanagh, 1996). For instance, employee Machiavellianism in non-profit organizations, organizations with missions and cultures directed toward the service of others, is associated with unethical behavior (Smith, McTier, & Pope, 2009).

Similarly, [Winter, Stylianou, and Giacalone \(2004\)](#) found that High-Machiavellian employees in the IT industry consider both intellectual property and privacy infractions more ethically acceptable. In the behavioral economics literature, researchers have found that Machiavellian individuals engage in frequent defection ([Wilson et al., 1996](#)) and economic opportunism ([Sakalaki, Richardson, & Thépaut, 2007](#)). They are prone to change groups ([Wilson et al., 1996](#)) and cheat others for maximizing benefits for themselves ([Gunnthorsdottir, McCabe, & Smith, 2002](#)). Furthermore, meta-analyses ([Kish-Gephart et al., 2010](#); [O'Boyle et al., 2012](#)) have confirmed that Machiavellianism is positively associated with unethical and counterproductive behaviors such as lying, theft, and bullying ([Dahling et al., 2012](#)). Overall, there is ample evidence that Machiavellianism is associated with exploitative and counterproductive work behaviors occurring in the workplace.

Although the direct effect of Machiavellianism on negative behaviors is well established, no studies discovered underlying psychological processes and boundary conditions of these effects. With the current state of the literature, our knowledge will be theoretically and practically limited to suggesting the negative influence of Machiavellian employees (bad apples) and the importance of screening them out in the hiring or appraisal phases. To address this issue, this dissertation study shed light on psychological mechanisms of how Machiavellian employees end up deciding to behave negatively and when and how (e.g., location of moderators) leaders could step in to break such mechanisms. By identifying the mechanisms and boundary conditions, researchers would be able to elaborate theories by identifying other factors that may trigger the proposed

mechanisms, and practitioners may better manage employees with Machiavellian tendencies by fostering appropriate leadership styles.

### **3.2. Mediating role of moral disengagement**

One of the tenets of social cognitive theory (Bandura, 1989, 1991) is that individuals exercise control over their thoughts and behaviors through self-regulation processes (Bandura, 1991), including 1) self-monitoring, which helps individuals examine their decision and actions; 2) self-judgmental processes, which helps them determine whether actions are morally good or bad; and 3) self-reactive mechanisms, which censure or approve specific behaviors. Working together, these self-regulatory systems prevent individuals from engaging in actions that are inconsistent with their moral standards.

Individuals, however, can deactivate their self-regulatory systems through *moral disengagement* processes (Bandura, 1991). Moral disengagement facilitates unethical behavior through a variety of mechanisms: *moral justification, euphemistic labeling, advantageous comparison, displacement of responsibility, diffusion of responsibility, disregarding or distorting the consequences, dehumanization, and attribution of blame.*

The first three deactivation mechanisms (moral justification, euphemistic labeling, and advantageous comparison) cognitively restructure unethical acts to make them morally acceptable. Moral justification involves using noble ends to justify unethical means (e.g., protecting a company's reputation by concealing occupational health and safety violations). With euphemistic labeling, individuals use sanitized language to make their unethical acts appear less harmful or even benign (Bolinger, 1982). Advantageous comparison occurs when individuals favorably compare their own unethical behaviors

with others' more reprehensible behaviors to make theirs seem innocuous ([Bandura, 2002](#)). Individuals displace responsibility when they blame their unethical acts on authority figures (e.g., my boss told me to do it). Diffusion of responsibility occurs in groups when individuals feel less responsible for unethical behavior (e.g., someone else should have stopped this from happening). Distortion of consequences involves denying the harm caused by one's actions (Bandura, 1999, 2002, 2016; Bandura et al., 1996). Through dehumanization, individuals exclude targets of their harmful acts from moral consideration (e.g., Harris & Fiske, 2006 for neuro-imaging study; 2011). Attribution of blame allows individuals to assign responsibility to the victim of the immoral act (e.g., blaming a rape victim for being raped). In sum, Machiavellians are manipulative and distrustful. They are willing to use any means necessary to achieve their goals, and they have cynical beliefs about others. Because of these characteristics, they are more likely to use moral disengagement tactics to get what they want by engaging in negative (unethical/deviant) behaviors. Therefore, I propose the following:

*H1: Machiavellianism predicts employee a) unethical behavior and b) deviance through employee moral disengagement.*

### **3.3. Mediating role of moral flexibility**

When individuals engage in unethical behaviors, they often experience moral dissonance between their moral standards (what they should have done) and their actions (what they actually did). As I have already discussed, one way for Machiavellians to avoid the emotional setbacks (e.g., guilt, shame) that are associated with moral dissonance is to morally disengage. Another way is for Machiavellians to avoid

dissonance by selectively choosing lenient moral standards that best serve their self-interests.

It is important to note that Machiavellians are aware of organizational and societal norms; however, they comply with these norms only when it is beneficial for them to do so (Schepers, 2003). When organizational and societal norms impede the maximization of self-interest, Machiavellians selectively adjust their own moral standards to better accomplish their goals (Davies & Stone, 2003) which is what the concept of moral flexibility encompasses. Machiavellians believe that the ends justify the means (Cohen, 2016). Thus, they may consider moral flexibility (e.g., bending their own moral standards) as a strategy to effectively pursue their self-interests. Their strong goal orientation and instrumental approach (Christie & Geis, 1970) narrow their focus on the pursuit of self-oriented goals. Machiavellians fail to consider other important priorities, which leads to distorted risk preferences in ethical decision-making processes (Ordóñez, Schweitzer, Galinsky, & Bazerman, 2009).

By lowering their personal moral standards, moral flexibility allows Machiavellians to remove ethical barriers so that they can do whatever is necessary to achieve their goals. Furthermore, moral flexibility prevents moral dissonance and the wasted emotional (e.g., negative emotions) and cognitive resources that come from it by preemptively legitimizing behavior that is generally deemed unethical by others. Recent research revealed that individuals change their moral values to benefit themselves over others. For example, in a series of behavioral economic games, participants adjusted their moral values to maximize their benefits (DeScioli, Massenkoff, Shaw, Petersen, and Kurzban (2014). Moral flexibility frees Machiavellians from behavioral restrictions by

encouraging flexible movement within their moral structure. I propose that Machiavellians engage in unethical practices through moral flexibility:

*H2: Moral flexibility mediates the positive relationship between Machiavellianism and employee a) unethical behavior and b) deviance.*

### **3.4. Moderating effect of ethical leadership**

Ethical leadership can be conceptualized as “*the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communications, reinforcement, and decision-making*” (Brown, Treviño, & Harrison, 2005, p. 120). Ethical leaders promote ethical behaviors and discourage unethical behavior (Brown et al., 2005; Piccolo, Greenbaum, Hartog, & Folger, 2010). A number of studies have shown that ethical leadership can increase followers’ satisfaction with the leader, perceptions of leader effectiveness, the quality of the leader-member exchange relationship, organizational commitment, and pro-social behaviors, as well as decrease deviant employee behavior (Brown & Treviño, 2006, 2014; Brown et al., 2005; Hassan, Mahsud, Yukl, & Prussia, 2013; Kalshoven, Den Hartog, & De Hoogh, 2011; Resick, Hargis, Shao, & Dust, 2013; Walumbwa, Morrison, & Christensen, 2012; Walumbwa & Schaubroeck, 2009; Yukl, Mahsud, Hassan, & Prussia, 2013).

Ethical leaders share three essential attributes or components: (1) They serve as ethical role models for other people, (b) treat people fairly, and (3) actively manage ethics in the organization (Brown & Treviño, 2006; Brown et al., 2005). Ethical leaders are known for their honesty and integrity. They stick to their principles even in the face of adversity, risk, or pressure (Brown & Treviño, 2006). Ethical leaders treat others with

consideration and respect (Brown & Treviño, 2006; Brown et al., 2005) and emphasize the importance of ethical behavior and the avoidance of unethical behavior (Den Hartog, 2015). They also serve as moral managers because they model ethically appropriate behavior and promote it to others by clearly communicating ethical standards and expectations. Ethical leaders reward ethical behavior and punish unethical behavior (Brown & Treviño, 2006, 2014).

Strong ethical leadership is likely to deter Machiavellian employees from behaving unethically. Machiavellians are attentive to information regarding the types of behaviors that are likely to be rewarded, and they have a strong preference for money and power (Freeman & Stewart, 2006; Sakalaki et al., 2007). Ethical leaders promote ethical behavior (and discourage unethical behavior) by role modeling, communicating expectations for appropriate conduct, and using rewards and punishments for behavioral reinforcement. These actions of an ethical leader alert Machiavellian employees to the benefits of behaving within a defined range of moral standards. They also convey the drawbacks of engaging in unethical behavior -- increased risk of detection because of heightened “moral surveillance” by an ethical leader as well as a greater likelihood of punishment -- that work against a Machiavellian’s self-interest (Belschak et al., 2015; Wilson et al., 1996). For these reasons, I predict that ethical leadership deters a Machiavellian from morally disengaging:

*H3a: Ethical leadership moderates the relationship between follower Machiavellianism and moral disengagement, such that the relationship will be weaker in the presence of high ethical leadership.*

Similarly, I propose the relationship between employee Machiavellianism and moral flexibility is weakened by ethical leadership. Although high Machiavellians operate in a morally flexible state, it is less likely to occur when ethical leaders clearly define which standards and behaviors are (un)acceptable at work. According to Kessler et al. (2010), Machiavellians are adept at manipulating and deceiving, but they can be accommodating and respectful when they believe it will help them achieve their goals. High Machiavellians will pay more attention to cues or signs coming from their leaders about the ethical values, standards, and behaviors that directly lead to rewards and punishment.

Fueled by a desire to advance to positions of higher status and power prompts Machiavellians to pay attention to and follow the guidance of their leaders. Machiavellianism employees engage in vicarious learning, embracing leader values and mimicking their behavior (Den Hartog & Belschak, 2012). Ethical leaders create a disincentive for Machiavellian employees to use moral flexibility by encouraging them to follow specific moral standards to reach their goals; therefore, I predict that ethical leadership inhibits a Machiavellian's use of moral flexibility.

*H3b: Ethical leadership moderates the relationship between follower Machiavellianism and moral flexibility, such that the relationship will be weaker when ethical leadership is high.*

### **3.5. Moderating effect of abusive supervision**

With the direct and indirect costs from abusive supervision (e.g., performance decrement, follower turnover, legal compensation) exceeding \$23.8 billion dollars annually, abusive supervision, which refers to “subordinates’ perceptions of the extent to

which supervisors engage in the sustained display of hostile verbal and nonverbal behaviors, excluding physical contact” (Tepper, 2000, p. 178) has become one of the most important topics in the literature on the “dark side of leadership” (Tepper, Duffy, Henle, & Lambert, 2006). A large body of research has consistently demonstrated that abusive supervision creates detrimental effects on organizational functioning (for reviews Martinko, Harvey, Brees, & Mackey, 2013; Tepper, 2007).

Abusive supervision increases strain such as psychological distress (Harvey, Stoner, Hochwarter, & Kacmar, 2007) and emotional exhaustion (Wheeler, Halbesleben, & Whitman, 2013) and reduces employees' well-being (Hoobler & Brass, 2006; Kernan, Watson, Fang Chen, & Gyu Kim, 2011), and the quality of social relationships (Carlson, Ferguson, Perrewé, & Whitten, 2011; Lian, Ferris, & Brown, 2012). More importantly, those who perceive their leader as an abusive supervisor are less likely to commit to and perform their job requirements (Priesemuth, Schminke, Ambrose, & Folger, 2014; Zellars, Tepper, & Duffy, 2002) and are more likely to engage in negative behaviors such as deviance (Thau, Bennett, Mitchell, & Marrs, 2009) and retaliation (Mitchell & Ambrose, 2012). The negative effects of abusive supervision are contagious. They can spread to coworkers (Hoobler & Brass, 2006; Mitchell & Ambrose, 2007) and trickle down to lower organizational levels (Mawritz, Mayer, Hoobler, Wayne, & Marinova, 2012).

Perceptions of and reactions to a leader's behavioral style can vary among members of a workgroup because, in part, followers' traits influence their interpretation of leader behavior (Aquino & Thau, 2009; Bamberger & Bacharach, 2006; Martinko et al., 2013; Tepper et al., 2006). For example, the negative effects of Machiavellianism are

enhanced by abusive supervision, leading high Machiavellian followers to engage in greater levels of unethical and deviant behaviors when abusive supervision is present (Greenbaum et al., 2017).

Abusive supervision may encourage Machiavellian followers to morally disengage, facilitating deviance and unethical behaviors. First, high Machiavellian followers may have an increased displacement of responsibility (Bandura, 1999, 2002, 2016; Bandura et al., 1996) when reporting to an abusive supervisor. As supervisors are role models for followers, abusive supervisors who mistreat and engage in uncivil behaviors toward followers may signal to Machiavellianism followers that they are permitted to do the same to others (coworkers/customers). Following their abusive supervisors' example, Machiavellian employees may engage in aggressive and hostile actions but displace responsibility to their leaders rather than feel personally responsible themselves.

Additionally, as Machiavellian followers have a strong desire for control, they may feel their own control is restricted and threatened when abusive supervisors exercise their power and social dominance (Shao, Resick, & Hargis, 2011). Such control loss may trigger them to seek compensatory control (Kay, Whitson, Gaucher, & Galinsky, 2009) by utilizing power and dominance in other domains (Allen & Greenberger, 1980; Ambrose, Seabright, & Schminke, 2002). Thus, high Machiavellian followers may argue that their unethical/deviant actions are attributable to the abusive supervisors who treated them aggressively and reduced their personal control.

Furthermore, high Machiavellian followers may advantageously compare their anticipated unethical actions with the unethical actions of their abusive supervisor.

Aggressive and condescending actions from abusive supervisors may be perceived much more severely from a follower's perspective allowing High Machiavellianism followers to justify their abuse toward coworkers or others. For example, when Machiavellian employees observe a supervisor verbally abusing a coworker, they may justify their own mistreatment of the coworker on the grounds that it is not nearly as harmful as the supervisor's abuse. Thus, aligning with these arguments, I hypothesize the following.

*H4a: Abusive supervision moderates the relationship between follower Machiavellianism and moral disengagement, such that the relationship will be stronger when abusive supervision is high.*

Abusive supervisors tend to violate universal moral norms by prioritizing self-interests over the rights of others (Greenbaum et al., 2017; Greenbaum, Mawritz, Mayer, & Priesemuth, 2013; Mawritz et al., 2012). They may provide contextual cues that suggest adhering to moral standards is not essential (Greenbaum et al., 2017); therefore, their followers may be less likely to adhere to moral standards in that context. Actions of abusive supervisors may have a greater impact on high Machiavellianism followers by signaling that ignoring moral standards and pursuing courses of action that benefit themselves is acceptable even if it imposes expenses to others (Dahling et al., 2009). All in all, abusive supervision induces Machiavellians to be morally flexible, setting aside generally-accepted moral standards in favor of some personally agreed-upon standards.

*H4b: Abusive supervision moderates the relationship between follower Machiavellianism and moral flexibility, such that the relationship will be stronger when the employees perceive their leaders to be abusive leaders.*

### **3.6. Conditional indirect effects of employee Machiavellianism**

To complete my theoretical model, I propose that the harmful chain of relationships between employee Machiavellianism and negative employee behaviors via moral flexibility and moral disengagement will be attenuated in the presence of ethical leaders and exacerbated in the presence of an abusive leader. Here, I predict the following.

*H5: Ethical leadership moderates the magnitude of the indirect relationships between follower Machiavellianism and unethical behavior via a) moral disengagement and b) moral flexibility, such that the relationships will be attenuated when employees have ethical leaders.*

*H6: Ethical leadership moderates the magnitude of the indirect relationships between follower Machiavellianism and deviance via a) moral disengagement and b) moral flexibility, such that the relationships will be attenuated when employees have ethical leaders.*

*H7: Abusive supervision moderates the magnitude of the indirect relationships between follower Machiavellianism and unethical behavior via a) moral disengagement and b) moral flexibility, such that the relationships will be strengthened when employees have abusive leaders.*

*H8: Abusive supervision moderates the magnitude of the indirect relationships between follower Machiavellianism and deviance via a) moral disengagement and moral flexibility, such that the relationships will be strengthened when employees have abusive leaders.*

## CHAPTER IV

### 4. TESTING OF HYPOTHESES

#### **4.1. Participants and procedures**

I collected multisource (focal employee-coworker dyad) field data at two different times in the three weeks of separation. The dynamic and time-variant nature of this data was to minimize the concerns of single-source bias and common method variance. Particularly, I asked participants to rate their paired partner's unethical behaviors as it allows us to avoid any self-report and social desirability bias.

I collected data from two sources, 1) graduate students at a large, public northeastern university in the U.S and 2) working adults at Amazon's Mechanical Turk (Mturk). The student received extra credit for their participation, and Mturk participants were compensated by \$16 for their full participation across two times. Participants who were currently working full-time (at least 20 hours per week) were qualified to take part in this study as focal employees. Before answering survey questionnaires, they were asked to fill out an online form, in which they create their own passcode and invite their working acquaintance who will complete coworker survey. After the completion of this form, these focal employee participants were re-directed to the focal employee time 1 survey and the Qualtrics automatically sent email invitations to referred coworker for coworker time 1 survey.

The coworker participants received the passcode in the email invitation and were asked to provide the passcode at the beginning of coworker time 1 survey. Three weeks after the Time 1 survey completion, email invitations for Time 2 surveys were sent to both focal employee and coworker participants. This referral data collection method is commonly used in the field of management, and it helps researchers to attain diverse, generalizable sample (e.g., Bonner, Greenbaum, & Quade, 2017; Grant & Mayer, 2009).

Seven hundred eighty-four participants took part in focal employee time 1 survey. 303 participants who were referred by focal employees completed the coworker time 1 survey. Afterward, 231 participants completed focal employee Time 2 survey (attrition rate of 70.5%) and 200 participants completed coworker Time 2 survey (attrition rate of 34.0%). After accounting for unmatched dyads, and attritions across two times, I retained 113 dyad (226 participants) for data analyses.

Focal employee participants included 54.0% male, with an average age of 31.89 years ( $SD = 9.96$ ), and average organizational tenure of 60.2 months ( $SD = 55.97$ ). The racial composition for the focal employee participants was 70.8% Caucasian, 9.7% Asian, 8.0% Hispanic, 7.1% African American, and 4.4% mixed and/or other races. Coworker participants included 52.2% male, with an average age of 38.54 years ( $SD = 11.26$ ) with and an average organizational tenure of 105 months ( $SD = 84.63$ ). The racial composition for coworker participants was 79.6% Caucasian, 8.0% Hispanic, 7.1% Asian, 4.4% African American, and .9% mixed and/or other races. To ensure there were any significant mean differences in study variables across the two groups, a series of analyses of variance (ANOVA) was conducted. The results revealed that there were no significant mean differences in each variable (all  $p$ 's < .24).

## 4.2. Measures

**Employee Machiavellianism.** Employee Machiavellianism was measured in Time 1 using [Dahling et al. \(2009\)](#)'s 16-item scale. Participants were asked to report how much they agree with each statement on a seven-point Likert type scale ( $1 = \textit{Strongly disagree}$ ;  $7 = \textit{Strongly agree}$ ,  $\alpha = .91$ ). Sample items include, "I believe that lying is necessary to maintain a competitive advantage over others," and "Other people are always planning ways to take advantage of the situation at my expense."

**Moral disengagement.** I measured moral disengagement in Time 2 using the scale developed by [Detert, Treviño, and Sweitzer \(2008\)](#). Participants were asked to report how much they agree with each statement on a seven-point Likert type scale ( $1 = \textit{Strongly disagree}$ ;  $7 = \textit{Strongly agree}$ ;  $\alpha = .87$ ). Sample items include, "Taking something without the owner's permission is okay as long as you're just borrowing it," and "Some people have to be treated roughly because they lack feelings that can be hurt."

**Moral flexibility.** I measured moral flexibility in Time 2 using the newly developed moral flexibility scale from the previous section. Participants were asked to report how much they agree with each statement on a seven-point Likert type scale ( $1 = \textit{Strongly disagree}$ ;  $7 = \textit{Strongly agree}$ ;  $\alpha = .98$ ). Sample items include, "My moral standards are flexible." and "I often adapt my morality in response to those around me."

**Ethical leadership.** I measured ethical leadership in Time 1 by using the ten-item measure developed by [Brown et al. \(2005\)](#). Participants were asked to indicate how strongly they agree with statements about their own immediate leader/boss/manager, on a seven-point Likert-type scale ( $1 = \textit{strongly disagree}$ ,  $7 = \textit{strongly agree}$ ;  $\alpha = .95$ ). Sample items include, "My supervisor listens to what department employees have to

say,” and “My supervisor defines success not just by results but also the way the results are obtained.”

***Abusive supervision.*** I measured abusive supervision in Time 1 using the five-item abusive supervision scale developed by [Tepper \(2000\)](#). Participants were asked to indicate how strongly they agree with statements about their own immediate leader/boss/manager, on a seven-point Likert-type scale (*1 = strongly disagree, 7 = strongly agree*;  $\alpha = .96$ ). Sample items include, “My supervisor tells me my thoughts or feelings are stupid,” and “My supervisor makes negative comments about me to others.”

***Unethical behavior (UB; other-rated).*** As with the scale development study, I used the same unethical behavior scale developed by [Moore et al. \(2012\)](#) in Time 2. Participants were asked to rate their matched partner’s unethical behavior ( $\alpha = .93$ ). Participants read, “*Please rate the frequency with which the person who you invited for (the person who gave you) this survey engages in each of the following behaviors, ranging from (1) “never” to (7) “very often”.*” Sample items include, “Taking property from work without permission.” and “Making ethnic, religious, or racial remarks at work”.

***Deviance (Other-rated).*** Similarly, I used the same deviance scale developed by [Bennett and Robinson \(2000\)](#) in Time 2. Participants were asked to rate their matched partner’s deviance ( $\alpha = .93$ ). Participants read, “*Please rate the frequency with which the person who you invited for (the person who gave you) this survey engages in each of the following behaviors, ranging from (1) “never” to (7) “very often”.*” Sample item includes, “Played a mean prank on someone at work,” and “Publicly embarrassed someone at work”.

### 4.3. Results

#### 4.3.1. Measurement model and construct validity

Table 9 includes descriptive statistics, correlation coefficients, reliability estimates, AVEs and CRs. All study variables are standardized before being subjected to analyses<sup>1</sup>. Prior to hypotheses testing, I conducted a confirmatory factor analysis (CFA) to examine distinctiveness of my study variables (See Table 10).

The CFA results revealed that, model fit indices of the original 7 factor measurement model provide an acceptable fit to the data ( $\chi^2_{df=506} = 1150.88$ , CFI = .92; TLI = .91; SRMR = .06; RMSEA = .08) with all measure measurement items are significantly loaded onto its intended factor (all  $p < .001$ ). I then compare the 7-factor model with several alternative models including a) 6-factor model with unethical behavior and deviance are merged into one factor ( $\chi^2_{df=512} = 1271.42$ , CFI = .90; TLI = .90; SRMR = .06; RMSEA = .08), b) 6-factor model with moral disengagement and moral flexibility are merged into one factor ( $\chi^2_{df=512} = 1602.70$ , CFI = .85; TLI = .84; SRMR = .12; RMSEA = .10), c) 5-factor model with unethical behavior and deviance are merged into one factor and a moral disengagement and moral flexibility are merged into another factor ( $\chi^2_{df=517} = 1812.81$ , CFI = .84; TLI = .82; SRMR = .12; RMSEA = .10), d) 4-factor model with unethical behavior, deviance, moral disengagement, and moral flexibility are merged into a factor ( $\chi^2_{df=521} = 3035.14$ , CFI = .68; TLI = .66; SRMR = .18; RMSEA = .15), e) 3-factor model with unethical behavior, deviance, moral

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<sup>1</sup> Model fit indices for original measurement model was below the cut-off value (CFI = .81) due to redundancy among dependent variables (unethical behavior and deviance) and a moderator (ethical leadership). I used the randomized item parceling technique (Williams & O'Boyle, 2008) to yield better distributional properties and more reliable and stable model parameter estimates (Bandalos, 2002; Bandalos & Finney, 2001; Holt, 2004).

disengagement, moral flexibility, and Machiavellianism are merged into a factor ( $\chi^2_{df=524} = 3238.20$ , CFI = .66; TLI = .63; SRMR = .18; RMSEA = .15), f) 2- factor model with unethical behavior, deviance, moral disengagement, moral flexibility, and Machiavellianism are merged into one factor and moderator variables are merged in another factor ( $\chi^2_{df=526} = 3821.20$ , CFI = .58; TLI = .56; SRMR = .19; RMSEA = .17), and g) a common factor model where all study variables are merged in a single factor ( $\chi^2_{df=527} = 5199.32$ , CFI = .41; TLI = .37; SRMR = .22; RMSEA = .20). As shown in Table 10, chi-square different test results showed that the original 7-factor model has a significantly better model fit over the alternative models.

In addition, I calculated average variance extracted (AVE) and composite reliability (CR) to confirm convergent and discriminant validity among study variables by using Fornell and Larcker (1981)'s criterion. As shown in Table 9, the composite reliability of each variable ranges from .86 (Machiavellianism) to .98 (Moral flexibility), which is greater than .70. This provides sufficient evidence of internal consistency. The square root of AVE of each variable is greater than its correlation coefficients to other variables, confirming discriminant validity of study variables.

#### **4.3.2. Testing of hypotheses**

To test my hypotheses, I utilized structural equation modeling (SEM; Anderson & Gerbing, 1988). First, I tested whether the relationships between employee Machiavellianism (MACH) on Unethical and Deviant behaviors are mediated by the proposed explanatory mechanisms (moral disengagement and moral flexibility). These indirect effects were examined by using bootstrapped SEM with 5,000 bootstrap replications (e.g., Zhao, Lynch Jr, & Chen, 2010). This method yielded confidence

intervals to assess statistical significance of specific indirect effects, and to show their magnitude (Hayes, 2009). To assess theorized relationships simultaneously, I allowed dependent variables (unethical behavior and deviance) to covary each other. Similarly, I allowed moral disengagement and moral flexibility to covary each other. The model fit for my structural model showed a good model fit to the data ( $\chi^2_{df=289} = 778.42$ , CFI = .91; TLI = .90; SRMR = .05; RMSEA = .09).

H1 predicted that moral disengagement mediates the relationship between employee Machiavellianism and employee negative behavior. Results showed that employee Machiavellianism is positively associated with moral disengagement ( $\gamma = .48$ ,  $t = 4.11$ ,  $p < .01$ ), which in turn, leads to unethical behavior ( $\gamma = .43$ ,  $t = 2.37$ ,  $p < .05$ ) and deviance ( $\gamma = .48$ ,  $t = 2.81$ ,  $p < .01$ ). In addition, results from bootstrapped SEM (See Table 11) showed that the indirect effects of employee Machiavellianism to unethical behavior ( $\gamma = .21$ ,  $t = 2.06$ ,  $p < .05$ , 95% C.I. = [.046, .445]) and deviance ( $\gamma = .23$ ,  $t = 2.25$ ,  $p < .05$ , 95% C.I. = [.066, .461]) through moral disengagement are significant, supporting H1a and H1b.

H2 predicted that moral flexibility mediates the relationship between employee Machiavellianism and employee negative behavior. Results revealed that Employee Machiavellianism is positively associated with moral flexibility ( $\gamma = .50$ ,  $t = 4.94$ ,  $p < .01$ ). However, moral flexibility is not associated with unethical behavior ( $\gamma = -.07$ ,  $t = -.82$ ,  $p = .41$ ) nor deviance ( $\gamma = -.11$ ,  $t = -1.33$ ,  $p = .18$ ). Results showed that indirect effects of employee Machiavellianism to unethical behavior ( $\gamma = -.04$ ,  $t = -.74$ ,  $p = .457$ , 95% C.I. = [-.162, .031]) and deviance ( $\gamma = -.06$ ,  $t = -1.14$ ,  $p = .254$ , 95% C.I. = [-.176, .013])

through moral flexibility were not statistically significant. Thus, H2a and H2b are not supported.

I predicted the moderating effects of ethical leadership and abusive supervision on the relationship between employee Machiavellianism and moral disengagement, and employee Machiavellianism and moral flexibility. Particularly, I predicted that ethical leadership (abusive supervision) would suppress (exacerbate) the positive relationship between employee Machiavellianism and the mediators (moral disengagement and moral flexibility). To test these hypotheses, I used a latent moderated structural equation (LMSE) method, which is known to produce unbiased and robust results (Moosbrugger, Schermelleh-Engel, & Klein, 1997). Since this method does not produce conventional model fit indices, I conducted a log-likelihood difference test which compares the fit of the structural model with and without interaction terms. The results revealed that, the full model with interaction terms (LMSE; Loglikelihood value = -6998.66) produced a better fit to the data than the model without the interaction terms (Log likelihood value = -6979.56),  $-2LL$  change = 12.20,  $p < .01$ . (see Figure 2 for results).

As theorized, the interactive effects between employee Machiavellianism and ethical leadership on moral disengagement (H3a;  $\gamma = -.16$ ,  $t = -3.21$ ,  $p < .01$ ) and moral flexibility (H3b;  $\gamma = -.15$ ,  $t = -2.45$ ,  $p < .05$ ) are statistically significant. To understand the nature of these interactive effects (Aiken, West, & Reno, 1991), I conducted two simple slope tests. As shown in Figure 3, the positive relationship between employee Machiavellianism and moral disengagement is attenuated when the ethical leadership is high ( $b = .20$ ,  $p < .01$ ), opposed to low ( $b = .53$ ,  $p < .01$ ). Similarly, as in Figure 4, the positive relationship between employee Machiavellianism and moral flexibility is weaker

when the ethical leadership is high ( $b = .25, p < .01$ ), opposed to low ( $b = .52, p < .05$ ). Thus, H3a and H3b are supported.

However, the interactive effects between employee Machiavellianism and abusive supervision on moral disengagement (H4a;  $\gamma = -.04, t = -.85, p = .394$ ) and moral flexibility (H4b;  $\gamma = -.08, t = -1.59, p = .113$ ) were not statistically significant. This suggests that the positive relationships between Machiavellianism and moral disengagement (and moral flexibility) were not exacerbated with the presence of high abusive supervision.

Finally, I examined conditional indirect effects of employee Machiavellianism and employee negative behavior (unethical and deviant behavior). As shown in Table 13, the effect of employee Machiavellianism on unethical behavior through moral disengagement is attenuated when ethical leadership is higher ( $\gamma = .23, p < .01$ ; 95% C.I. [.099, .366]), opposed to low ( $\gamma = .09^*, p < .05$ , 95% C.I. [.009, .169]), supporting H5a. Similarly, the effect of employee Machiavellianism on deviance through moral disengagement through moral disengagement is attenuated when ethical leadership is higher ( $\gamma = .26, p < .01$ ; 95% C.I. [.123, .401]), opposed to low ( $\gamma = .10, p < .05$ ; 95% C.I. [-.088, .024]), supporting H6a. The results suggest that ethical leadership suppresses the explanatory power of moral disengagement in the relationship between employee Machiavellianism and employee negative behaviors.

However, the effects of employee Machiavellianism on employee deviance through moral flexibility are not moderated by ethical leadership. In other words, there were no significant mediating effects of moral flexibility in the relationship between employee Machiavellianism and unethical behavior at the high ( $\gamma = -.03, ns$ ; 95% C.I. [-.088, .024])

and low levels of ethical leadership ( $\gamma = -.06$ , *ns*; 95% C.I. [-.156, .038]. In addition, no significant mediating effects of moral flexibility emerged in the relationship between employee Machiavellianism and deviance at the high ( $\gamma = -.05$ , *ns*; 95% C.I. [-.105, .014]) and low levels of ethical leadership ( $\gamma = -.08$ , *ns*; 95% C.I. [-.183, .015]. Thus, H5b and H6b were not supported.

Additionally, I assessed the same conditional indirect effect of employee Machiavellianism on employee negative behavior with abusive supervision as a moderator. Echoing the non-significant interaction effects of abusive supervision on the relationship between employee Machiavellianism and employee negative behavior (unethical behavior and deviance), there were no conditional indirect effects emerged. In other words, abusive supervision does not strengthen the magnitude of the explanatory mechanisms (H7a: moral disengagement; H7b: moral flexibility) between employee Machiavellianism and unethical behavior, regardless of the level of abusive supervision. Similarly, abusive supervision does not strengthen the magnitude of the explanatory mechanisms (H8a: moral disengagement; H8b: moral flexibility) between employee Machiavellianism and deviance. Thus, H7a, H7b, H8a, and H8b were not supported.

## CHAPTER V

### 5. DISCUSSION

The present study brings the psychological processes in which Machiavellian employees engage in negative behaviors (unethical/deviant behaviors) to the forefront by suggesting two explanatory mechanisms, moral flexibility and moral disengagement which make them easier to act unethically while preserving the semblance of being moral. Additionally, the study examined the role of leadership in shaping harmful mechanisms.

To examine my theoretical hypotheses, I successfully developed and validated the scale of moral flexibility as in Chapter 2. In the main hypothesis testing study, I found some significant patterns of the results. Specifically, I found that employee Machiavellianism is positively associated with both moral disengagement and moral flexibility, however, moral disengagement only mediated the effect of Machiavellianism on employee negative behaviors. In addition, results from moderation analyses confirmed that ethical leadership interacted with moral disengagement and moral flexibility while abusive supervision did not work with employee Machiavellianism. This confirms that ethical leadership plays a significant role to deter or suppress Machiavellian employees to initiate the harmful mediating mechanisms while abusive supervision did not affect them at all.

## **5.1. Theoretical implications**

The current study makes several important contributions to research on Machiavellianism, leadership, and unethical behaviors. First, the findings of this study contribute to behavioral ethics and organizational deviance literature. Most of the research on Machiavellianism has examined the direct relationship between Mach and unethical intentions and behavior (Kish-Gephart et al., 2010; O'Boyle et al., 2012) and characteristics of Mach which causes unethical behaviors at work. The current study adds to this limited research on the simple relationship between Mach and unethical behaviors by examining the possible mediating mechanisms through which Machiavellians engage in such behavior. Therefore, this study offers novel explanations for how Machiavellian followers engage in negative behaviors and shows two possible mediation processes which can promote negative behaviors.

Second, the study adds to research on moral psychology and behavioral ethics by developing and validating a new construct, moral flexibility. Moral flexibility has been considered as one of the reasons to explain unethical behavior such as cheating, as it generates multiple and arbitrary interpretations of situations, predicting increased unethical actions (Gino & Ariely, 2012; Kim, Kim, & Park, 2012). Given that high Machiavellians are strongly goal-focused and use all possible means to achieve their goals (Belschak et al., 2018; Belschak et al., 2015), it is plausible to predict that Machiavellians are likely to experience moral flexibility and thus increase unethical behavior. To date, however, the validated measure has yet been developed, and thus research on moral flexibility has provided limited knowledge for ethic researchers. With an increasing need for the validated measure, this study develops moral flexibility

measure and examines moral flexibility as a potential explanatory mechanism between employee Mach and unethical behaviors.

Third, this study contributes to both the literature on leadership and Machiavellianism. Most research on Machiavellianism and leadership has examined the effects of Machiavellian leaders on employees (Belschak et al., 2018; Castille et al., 2018) or the effects of different leadership styles on employee Machiavellianism. The current study adds to this limited research on Machiavellianism by examining the effects of different leadership styles and employee Machiavellianism on moral disengagement and moral flexibility. Focusing on how to manage specific groups of employees, the study suggests that ethical leadership as a superior moderator could alleviate the deleterious effect of employee Machiavellianism while abusive supervision may not be a catalyst to trigger moral disengagement and moral flexibility, which may subsequently lead to negative employee behaviors.

Finally, this study responds to request for limited research on the moral disengagement process. Although past research has examined negative outcomes of moral disengagement and how it facilitates negative behaviors at work, research on how moral disengagement is initiated and the functions as a process has been scarce (Moore, 2015). The current study examined moral disengagement as a process rather than disposition and finds support that employee Machiavellianism can serve as an initiator for moral disengagement. Thus, exploring moral disengagement as an underlying process in which high Machiavellian employees lead to unethical behaviors can broaden our knowledge of how self-regulation systems can deactivate and hence leads Machiavellians to undesirable actions.

Overall, by exploring one antecedent (follower Machiavellianism), mediators (moral disengagement and moral flexibility), and moderators (ethical leadership and abusive supervision), this study provides a comprehensive perspective allowing understanding about the central causes of unethical behavior and the processes in which Machiavellian manage ethics.

## **5.2. Practical implications**

Beyond theoretical implications, the present study makes several implications for managers at contemporary organizations. Although acknowledging the fact that maintaining Machiavellians as either followers or leaders is detrimental for organizations, individuals with Machiavellian tendencies are found to be everywhere, and organizations are no exception. Thus, past research has recommended identifying and removing them (Dahling et al., 2009). However, identifying and separating individuals with high Machiavellianism in the organizations is hardly possible. To address this issue, Belschak et al., (2015) urged the need to change perspective on dealing with them to find a way to reduce negative and motivate positive behavior. The current research shows that employee Machiavellianism is positively related to moral disengagement, which in turn leads to unethical and deviant behavior. But this relationship can be weakened when high ethical leadership is present. This finding illustrates the importance of ethical leaders in organizations and implies that high Machiavellian propensities can even be controlled to some degree under the high level of ethical leadership. Although negative employee behaviors are a low-base rate phenomenon (Brown & Treviño, 2006; Kaptein, 2011; Tepper, Henle, Lambert, Giacalone, & Duffy, 2008; Treviño & Weaver, 2003; Zuber & Kaptein, 2014), consequences of a single event would be severe. Thus, by

fostering ethical leaders, organizations can control and manage “bad apples” effectively and reduce the problematic behavior occurring in their workplace.

Second, the study offers two novel explanations of how Machiavellianism fuels negative employee behaviors. As suggested by Baumeister and Newman (1994), people do not distort the decision process to engage in unethical behavior. Instead, they reduce the dissonance between one’s cognition of a moral self and immoral behavior is desired by engaging in subtle moral rationalization. Like this view, the present study theorized and sought to provide evidence that employees who possess higher levels of Machiavellian tendencies are more likely to adopt moral disengagement as a strategy to engage in their own negative behaviors. Given that moral disengagement provides individuals various ways (i.e., moral justification, euphemistic labeling, etc.) to justify their immoral act, understanding moral disengage mechanisms in organizations can help managers institute decision-making systems that are designed to address ethical issues.

Third, the study explains how employees with higher levels of Machiavellians may maintain a positive sense of their ethical selves while behaving unethically. Since moral flexibility enables them to act on their self-interest while obscuring the relevance of moral issues, those who are experiencing moral flexibility have no need to justify their unethical behavior and suffer from psychological distress as they believe that their decision has been made within their moral compass. This psychological process can be detrimental not only to Machiavellian employees but also to those who attempt to maximize self-interest. Unlike moral disengagement, moral flexibility does not accompany the self-regulation process and emotional backlash as it preemptively impairs moral awareness. Thus, this guilt-free process may seem appealing for individuals who

are eager to achieve their goals. Given the relationship between Machiavellianism and moral flexibility, organizations, therefore, might consider including carefully designed training or moral programs which can spark off one's moral awareness to prevent them from engaging in moral flexibility. In this respect, understanding moral flexibility as the underlying process of unethical behavior would help in mapping out a training roadmap and therefore reduce the operation of moral flexibility.

Finally, this study draws attention to the need for intervention. As Machiavellianism is a personality trait, such disposition is relatively stable over time. Thus, identifying the ways or conditions that help stimulate self-regulation processes is critical for organizations. Given the relationship between employee Machiavellianism and moral disengagement, organizations may choose to adopt strong moral codes and educate periodically, expecting to activate their self-regulatory process. Organizations may also attempt to train employees who are more prone to moral disengagement. Particularly, training may integrate different aspects of moral disengagement (e.g., justification, euphemistic labeling, advantageous comparison, etc.) associated with their job, organizations, and industry. Such attempts to break the link between Machiavellianism and moral disengagement can impede the progress of deactivation of self-regulatory systems, and thus managers can effectively exercise control over employees with high Machiavellian tendencies.

### **5.3. Limitations and future studies**

The present study is not without limitations. First, the current study is carefully designed with representative samples, in which the data were collected over two time periods to avoid common method variance and reduce social desirability bias via ideal

conditions of having coworkers evaluate their partner's unethical behavior over time. Nonetheless, in the absence of an experimental design, judgment about the causal relationship among key constructs relies upon the theory and logic I have built upon rather than conclusive empirical evidence. Although the study is carefully designed and chosen sample was appropriate as our primary focus on psychological processes, adding an experimental study would enhance the internal validity of the findings. Future research could explore whether moral flexibility plays a role in mediation between Mach and unethical behavior in an experimental setting.

Second, this study did not fully consider the severity of unethicality, and this might be a cause of insignificant mediation path (moral flexibility). While Machiavellian employees constantly look for and take advantage of the situation in a way that satisfies their self-interests, measures developed and validated in the business ethics literature include items that are more obvious and severe in terms of the content. Thus, the level of moral disengagement, which increases with projected shame and guilt, should be more reflective and responsive to the severity of negative behaviors (e.g., the more severe consequences of negative actions, the higher levels of moral disengagement). Indeed, as in both scale development studies and the main study, moral disengagement is more strongly related to employee negative behaviors than moral flexibility is. However, behavioral researchers have been suggested that individuals tend to cheat by little (Ariely, 2012). Moral flexibility may have more predictive power in explaining negative behavior that is less severe, implicit, and less- morally charging. This is because moral flexibility does not require complex cognitive processes to justify their negative actions but rather help them act in accordance with their negative dispositions without producing

unfavorable emotions (i.e., shame and guilt). Therefore, for negative actions of lesser magnitude, high Mach employees may take a moral flexibility route to bypass the complex process of moral disengagement and focus more on achieving their self-interests by engaging in unethical and deviant behaviors.

Third, although this study explores the role of leadership styles in the front end (employee Machiavellianism to moral disengagement, and employee Machiavellianism to moral flexibility), it would be interesting to see if the leadership styles moderate the back end (the mediators to dependent variables) of the model as well. For example, the presence of an ethical leader may not only deter Machiavellian employees from becoming morally disengaged and/or flexible, but even so, it may also prohibit them from engaging in negative behaviors. Indeed, my supplemental analyses provided some evidence. For example, with moral disengagement as a mediator, ethical leadership moderated both the relationship between employee Machiavellianism and moral disengagement (a path;  $b = -.16, p < .01$ ) and the relationships between moral disengagement to unethical behavior (the first b path;  $b = -.10; p < .05$ ) and deviant behavior (the second b path;  $b = -.13; p < .01$ ). The same pattern of results was produced with having moral flexibility as a mediator. Ethical leadership moderated both the relationship between employee Machiavellianism and moral flexibility (a path;  $b = -.13, p < .01$ ) and the relationships moral flexibility to unethical behavior (the first b path;  $b = -.14; p < .05$ ) and deviant behavior (the second b path;  $b = -.16; p < .01$ ). This provides evidence that ethical leaders provide “double” protections whereby they do not only deter Machiavellian followers from triggering moral flexibility and disengagement but also suppress them to engage in actual negative actions.

Fourth, the present study only considered two leadership styles as contextual factors; however, it would be fruitful for researchers to discover other contextual factors that may either exacerbate or attenuate the relationship between employee Machiavellianism and unethical behaviors. For example, situational factors such as ethical organizational culture, ethical climate, and monitoring may reduce the detrimental effect of employee Machiavellianism because these factors alert them to the importance of ethics and provide useful information about which behavior should be valued and avoided in the workplace.

Fifth, I collected data from a general population, which may contribute to low base rates (e.g., low means and standard deviations) in Machiavellianism. While flooring effects are quite common in most survey research in the field of behavioral ethics (Bennett & Robinson, 2000; Brown & Treviño, 2006; Kaptein, 2008; Tepper et al., 2008; Zuber & Kaptein, 2014), my findings should be used with care. Future studies with oversampling of high Machiavellians (e.g., identifying those who are in highly ranked or high-powered positions or those who are high in ambition) or cross-validating the results between non-clinical and clinical Machiavellianism samples could be beneficial to enhance the external validity of the present dissertation.

Finally, in this study, I primarily used data from Amazon Mechanical Turk (M-Turk) for my scale development studies. While collecting data from Mturk would provide 1) generalizable and diverse samples (e.g., Dumas et al., 2013; Hewlin et al., 2015; Long et al., 2011) and 2) increased feasibility (Aguinis & Lawal, 2012; Buhrmester, Kwang, & Gosling, 2011; Horton, Rand, & Zeckhauser, 2011; Sprouse, 2011), participants may not be free of distraction (e.g., taking surveys while being distracted or doing other things) or

ballot-stuffing (e.g., taking the same survey with different accounts). Thus, additional validations should be conducted with data from the real organization or at least more controlled settings.

## CHAPTER VI

### CONCLUSION

Individuals strive to act consistently with one's moral principles. However, moral action is often costly, and one's moral convictions are challenged by others competing. In the same way, violating one's moral principles is costly, and when individuals are attempted to act contrary to one's moral principles, they strive to reduce the cost of acting immorally through various psychological processes. The present study responds to the call to find underlying processes of unethical behavior and examine leadership styles that may affect the relationships between Machiavellian employees and psychological processes, leading them to increased unethical behaviors.

Although organizations have attempted to understand why their employees engage in unethical actions and examine how to prevent them from reoccurring, most of the research has focused on the ways that help "correct" unethical behaviors, such as the adoption of a code of ethics and training in organizational systems (Joseph, 2003; Tenbrunsel, Diekmann, Wade-Benzoni, & Bazerman, 2010). Thus, knowledge of the processes behind unethical behavior will not only help researchers explain the occurrence of such behavior but also will allow us to identify factors that can impede these processes and discourage unethical actions.

The results of this study show that moral disengagement plays an important role in the relationship between Machiavellian employees and unethical behavior and the relationship between Machiavellianism and moral disengagement can be moderated by ethical leadership which in turn reduces unethical behavior. As I predicted, the relationship between Machiavellianism and moral disengagement was weakened when ethical leaders existed, which makes unethical behavior less likely. The study also shows that Machiavellian employees are prone to moral flexibility, which allows them to adjust their own moral standards according to the context. The positive relationship between Machiavellianism and moral flexibility is promising because it opens the door to a new possibility of psychological process that operates without experiencing self-regulation processes.

Together, these findings suggest that Machiavellians tend to engage in unethical behaviors through two different psychological processes, and ethical leadership can attenuate the link between Machiavellianism and moral disengagement. More research is warranted in Machiavellians' reactions to different types of unethical behaviors and various factors which can encourage or discourage the activations of such processes and, in turn, increase chances of unethical behavior while still upholding a positive sense of morality.

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## APPENDICES

Appendix A: TABLES

Appendix B: FIGURES

Appendix C: STUDY MEASURES

Appendix D: IRB APPROVAL

## Appendix A: Tables

Table 1. Initial 8-items of moral flexibility scale

Table 2. Demographics of samples used in scale validation

Table 3. Exploratory factor analysis

Table 4. Confirmatory factor analyses results, CFA study.

Table 5. CR, AVE, and correlation coefficients, CFA study

Table 6. CFA results, cross-validation and criterion-related validity study.

Table 7. CR, AVE, and correlation coefficients, criterion-related validity study

Table 8. Descriptive statistics and correlations, criterion-related validity study

Table 9. Descriptive statistics and variable inter-correlations, main study

Table 10. CFA Results, main study

Table 11. Indirect effects, main study

Table 12. Conditional indirect effects, main study

Table 1.

*Initial 8-items of moral flexibility scale*

Item
1. My moral standards are flexible.
2. My moral standards are malleable.
3. I adjust my moral standards in response to the situation.
4. I often adapt my morality in response to those around me.
5. I shape my moral standards to fit different situations.
6. I pick the moral standards that best suit the situation.
7. I am able to change my moral standards to suit my situation
8. I am able to change my moral standards according to the situation.

Table 2.

*Demographics of samples used in scale validation*

Sample	Validation Use	Sex (Female, Male)	Age ( <i>M</i> , <i>SD</i> )	Ethnicity
Pilot test	Pilot test	116, 83	34.63, 10.16	90.5% Caucasians, 3.5% African American, 3.5% other races, 2.0% Hispanic, and .5% Asians.
Sample 1	EFA	57, 151	36.21, 9.57	69.8% Caucasians, 12.6% African American, 5.6% Hispanic, 4.7% other races, 4.2% Asians, and 3.3% did not report their races.
Sample 2	CFA and Convergent/Discriminant Validity	94, 102	33.82, 7.92	71.9% Caucasian, 8.7% Asians, 8.2% African American, 7.1% Hispanic, and 4.1% other races
Sample 3	Nomological network test	101, 98	32.27, 10.02	78.4% Caucasian, 7% Hispanic, 5.5% other races, 5% Asians, and 4% African American

Table 3.

*Exploratory factor analysis*

Item	Factor Loading
1. My moral standards are flexible.	.90
2. My moral standards are malleable.	.84
3. I adjust my moral standards in response to the situation.	.92
4. I often adapt my morality in response to those around me.	.87
5. I shape my moral standards to fit different situations.	.89
6. I pick the moral standards that best suit the situation.	.88
7. I am able to change my moral standards to suit my situation	.89
8. I am able to change my moral standards according to the situation.	.88

Note N = 215

Table 4.

*Confirmatory factor analyses results, CFA study.*

Model	$\chi^2$	<i>df</i>	$\Delta\chi^2$	$\Delta_{df}$	CFI	SRMR	RMSEA
4-factor model (MF, CF, ER, and UT)	696.90*	371			.91	.07	.07
a. 3-factor model (merged MF and CF)	1007.05*	374	310.15	3	.82	.10	.09
b. 2-factor model (merged MF, CF, and UT)	1637.92*	376	941.02	5	.65	.13	.13
c. Common factor model (merged all constructs)	2095.90*	377	1399.00	6	.52	.15	.15

*N* = 196. MF = Moral flexibility; CF= Cognitive Flexibility, ER= Ethical relativism; UT = Utilitarianism

Table 5.

*CR, AVE, and correlation coefficients, CFA study*

Variables	CR	AVE	1	2	3	4	5	6
1. MF	.95	.72	<b>.85</b>					
2. CF	.79	.33	-.16*	<b>.57</b>				
3. UT	.92	.71	.40**	-.20**	<b>.84</b>			
4. ER	.88	.49	.50**	-.09	.37**	<b>.71</b>		
5. SD			-.05	.29**	.12	.03	-	
6. Age			-.02	.07	-.08	-.10	.10	-

MF = Moral flexibility; CF= Cognitive Flexibility, ER= Ethical relativism; UT = Utilitarianism CR = Composite Reliability, AVE = Average Variance Extracted; the square root of the average variance extracted for the constructs are in diagonal line (in bold).

Table 6.

*CFA results, cross-validation and criterion-related validity study*

Model	$\chi^2$	<i>df</i>	$\Delta\chi^2$	$\Delta_{df}$	CFI	SRMR	RMSEA
4-factor model (MF, CF, ER, and UT)	758.41*	371			.90	.07	.07
a. 3-factor model (merged MF and CF)	1187.74*	374	429.33	3	.80	.11	.13
b. 2-factor model (merged MF, CF, and UT)	1774.83*	376	1016.42	5	.66	.13	.14
c. Common factor model (merged all constructs)	2120.89*	377	1362.48	6	.58	.14	.15

N = 199. MF = Moral flexibility; CF= Cognitive Flexibility, ER= Ethical relativism; UT = Utilitarianism

Table 7.

*CR, AVE, and correlation coefficients, criterion-related validity study*

Variables	CR	AVE	1	2	3	4	5	6
1. Moral flexibility	.96	.77	<b>.88</b>					
2. Cognitive Flexibility	.83	.39	-.15*	<b>.62</b>				
3. Utilitarianism	.94	.75	.58**	-.16*	<b>.87</b>			
4. Ethical relativism	.88	.47	.57**	.05	.55**	<b>.69</b>		
5. Social desirability			-.08	.31**	.06	.01	-	
6. Age			-.17*	.03	-.08	-.12	.07	-

*N* = 199; CR = Composite Reliability, AVE = Average Variance Extracted; the square root of the average variance extracted for the constructs are in diagonal line (in bold).

Table 8.

*Descriptive statistics and correlations, criterion-related validity study*

Variables	Mean	SD	1	2	3	4	5	6	7	8
1. Moral flexibility	3.72	1.50	-							
2. Interpersonal deviance	1.90	1.37	.37**	-						
3. Social undermining	2.04	1.32	.39**	.88**	-					
4. Incivility	2.51	1.21	.39**	.74**	.83**	-				
5. UPB	4.25	1.57	.02	.17*	.16*	.18*	-			
6. UB	1.64	1.23	.41**	.83**	.77**	.68**	.20**	-		
7. CWB	2.57	1.31	.39**	-.82**	.79**	.70**	.06	.76**	-	
8. Social desirability	4.89	.94	-.08	.12	.01	-.03	.30**	.13	-.03	-

*Note.*  $N = 199$ .

\*Correlation is significant at  $p \leq .05$

\*\*Correlation is significant at  $p \leq .01$

Table 9.

*Descriptive statistics and variable inter-correlations, main study*

Variables	Mean	STD	CR	$\sqrt{AVE}$	1	2	3	4	5	6	7
1. Mach	3.25	1.10	.86	.78	(.91)						
2. MD	2.02	1.02	.92	.77	.43**	(.87)					
3. MF	2.81	1.57	.98	.93	.40**	.58**	(.98)				
4. EL	5.65	1.10	.96	.94	-.29**	-.34**	-.16*	(.95)			
5. AS	1.52	1.01	.95	.89	.40**	.40**	.23**	-.51**	(.96)		
6. UB	1.24	.66	.96	.94	.28**	.41**	.23**	-.25**	.40**	(.93)	
7. DEV	1.38	.78	.95	.93	.33**	.42**	.24**	-.26**	.45**	.79**	(.93)

*Note.*  $N = 226$ .

\*Correlation is significant at  $p \leq .05$

\*\*Correlation is significant at  $p \leq .01$

Mach = Machiavellianism; MD = Moral disengagement; MF = Moral flexibility; EL = Ethical leadership; AS = Abusive Supervision; UB = Unethical Behavior; DEV = Deviance

Table 10.

*CFA Results, main study*

	$\chi^2$	df	RMSEA	CFI	TLI	SRMR	$\Delta\chi^2$	$\Delta df$
Original Model	1150.88	506	.08	.92	.91	.06		
a. UB+DEV	1271.42	512	.08	.90	.90	.06	120.54	6
b. MD+MF	1602.70	512	.10	.85	.84	.12	451.82	6
c. UB+DEV /MD+MF	1812.81	517	.11	.84	.82	.12	661.93	11
d. UB+DEV+MD+MF	3035.14	521	.15	.68	.66	.18	1884.26	15
e. UB+DEV+MD+MF+Mach	3238.27	524	.15	.66	.63	.18	2087.39	18
f. (UB+DEV+MD+MF+Mach)+(EL & AS)	3821.20	526	.17	.58	.56	.19	2670.32	20
e. Common	5199.32	527	.20	.41	.37	.22	4048.44	21

*Note.*  $N = 226$ . Mach = Machiavellianism; MD = Moral disengagement; MF = Moral flexibility; EL = Ethical leadership; AS = Abusive Supervision; UB = Unethical Behavior; DEV = Deviance

Table 11.

*Indirect effects, main study*

Explanatory Mechanisms	Indirect Effect
Employee Machiavellianism to moral disengagement to unethical behavior	.21** [.046, .445]
Employee Machiavellianism to moral flexibility to unethical behavior	-.04 [-.162, .031]
Employee Machiavellianism to moral disengagement to deviance	.23** [.066, .461]
Employee Machiavellianism to moral flexibility to deviance	-.06 [-.176, .013]

*Note.*  $N = 226$ . All indirect effects are reported in standardized form; \*  $p < .05$ ; \*\*  $p < .01$

Table 12.

*Conditional indirect effects, main study*

Explanatory Mechanisms	Low EL (M-1Std)	High EL (M+1Std)
Employee Machiavellianism to moral disengagement to unethical behavior	.23** [.099, .366]	.09* [.009, .169]
Employee Machiavellianism to moral flexibility to unethical behavior	-.06 [-.156, .038]	-.03 [-.088, .024]
Employee Machiavellianism to moral disengagement to deviance	.26** [.123, .401]	.10* [.014, .187]
Employee Machiavellianism to moral flexibility to deviance	-.08 [-.183, .015]	-.05 [-.105, .014]

*Note.*  $N = 226$ . All indirect effects are reported in standardized form; \*  $p < .05$ ; \*\*  $p < .01$

## Appendix B: FIGURES

Figure 1. Theoretical model

Figure 2. LMSE model results (Full model)

Figure 3. The plotted employee Mach x EL interaction on UB, main study

Figure 4. The plotted employee Mach x EL interaction on deviance, main study

Figure 1.

*Theoretical model*

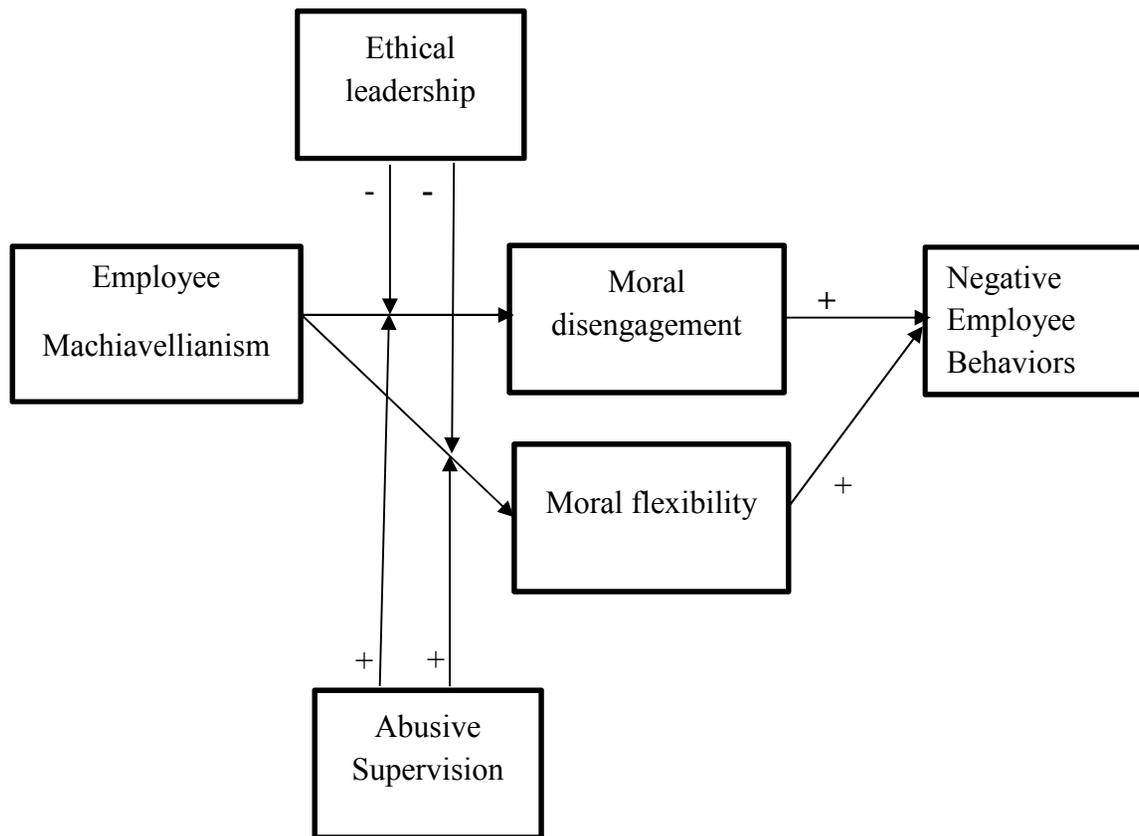


Figure 2.

LMSE model results (Full model)

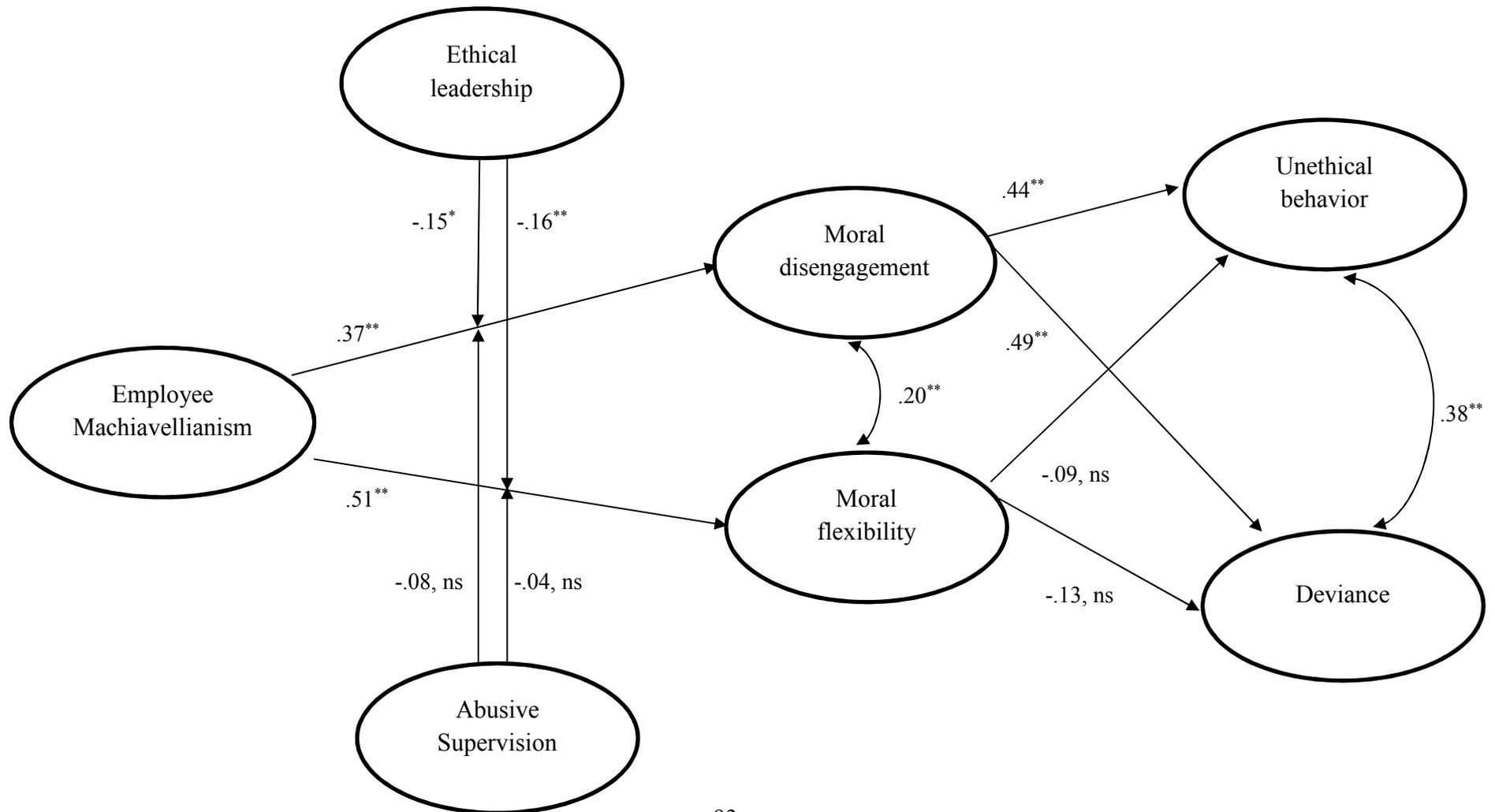


Figure 3.

*The plotted employee Mach x EL interaction on UB, main study*

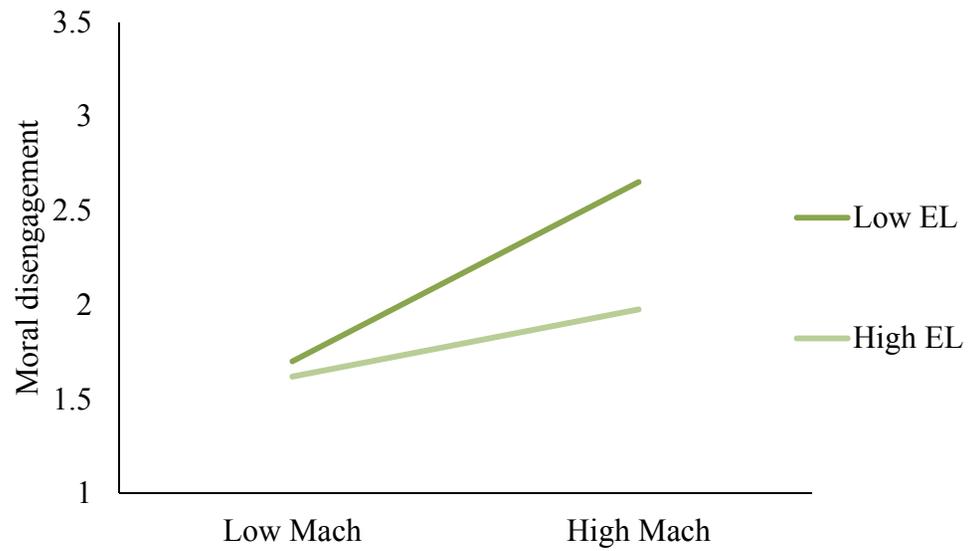
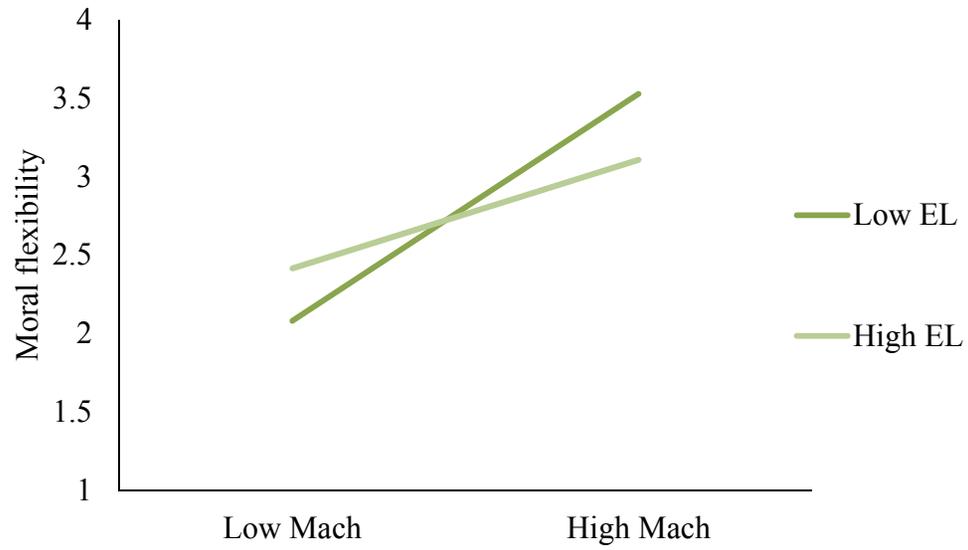


Figure 4.

*The plotted employee Mach x EL interaction on deviance, main study*



## APPENDIX C. STUDY MEASURES

### Scale Validation Study Measures

#### Moral Flexibility

1. My moral standards are flexible.
2. My moral standards are malleable.
3. I adjust my moral standards in response to the situation.
4. I often adapt my morality in response to those around me.
5. I shape my moral standards to fit different situations.
6. I pick the moral standards that best suit the situation.
7. I am able to change my moral standards to suit my situation
8. I am able to change my moral standards according to the situation.

#### Cognitive Flexibility (Martin & Rubin, 1995)

1. I can communicate an idea in many different ways.
2. I avoid new and unusual situations.
3. I feel like I never get to make decisions.
4. I can find workable solutions to seemingly unsolvable problems.
5. I seldom have choices when deciding how to behave.
6. I am willing to work at creative solutions to problems.
7. In any given situation, I am able to act appropriately.
8. My behavior is a result of conscious decisions that I make.
9. I have many possible ways of behaving in any given situation.
10. I have difficulty using my knowledge on a given topic in real life situations.
11. I am willing to listen and consider alternatives for handling a problem.
12. I have the self-confidence necessary to try different ways of behaving.

#### Utilitarianism Scale (Robinson, 2012)

Please indicate how strongly you agree with the following. (1 = strongly disagree, 7 = strongly agree)

1. Rules and laws are irrelevant; whether an action produces happiness is all that matters when deciding how to act.
2. Rules and laws should only be followed when they maximize happiness.
3. If rules and laws do not maximize happiness for people they should be ignored.
4. The only moral principle that needs to be followed is that one must maximize happiness.
5. People that fail to maximize happiness are doing something morally wrong.

### **Ethical Relativism (Forsyth, 1980)**

Please indicate how strongly you agree with the following. (1 = strongly disagree, 7 = strongly agree)

1. There are no ethical principles that are so important that they should be a part of any code of ethics.
2. What is ethical varies from one situation and society to another.
3. Moral standards should be seen as being individualistic; what one person considers to be moral may be judged to be immoral by another person.
4. Different types of morality cannot be compared as to "rightness."
5. Questions of what is ethical for everyone can never be resolved since what is moral or immoral is up to the individual.
6. Moral standards are simply personal rules that indicate how a person should behave, and are not be applied in making judgments of others.
7. Ethical considerations in interpersonal relations are so complex that individuals should be allowed to formulate their own individual codes.
8. Rigidly codifying an ethical position that prevents certain types of actions could stand in the way of better human relations and adjustment.
9. No rule concerning lying can be formulated; whether a lie is permissible or not permissible totally depends upon the situation.
10. Whether a lie is judged to be moral or immoral depends upon the circumstances surrounding the action.

### **Social Undermining (Duffy, Ganster, and Pagon; 2002)**

How often have your co-workers intentionally: (Seven point Likert scale, Frequency)

1. Insulted you?
2. Gave you the silent treatment?
3. Spread rumors about you?
4. Delayed work to make you look bad or slow you down?
5. Belittled your ideas?
6. Hurt your feelings?
7. Talked bad about you behind your back?
8. Criticized the way you handled things on the job in a way that was not helpful?
9. Did not help you as much as they had promised?
10. Gave you incorrect or misleading information about a job?
11. Competed with you for status and recognition?
12. Let you know they did not like you or something about you?
13. Did not defend you when someone spoke poorly about you?

### **Unethical behavior (Moore et al., 2012)**

Please **Rate the frequency with which you engage in each of the following behaviors, ranging from (1) "never" to (7) "very often."**

1. Falsifying a receipt to get reimbursed for more money than you spent on business expenses.
2. Discussing confidential company information with an unauthorized person.

3. Damaging property belonging to my employer.
4. Taking property from work without permission.
5. Saying or doing something to purposely hurt someone at work.
6. Using an illegal drug or consuming alcohol on the job.
7. Making ethnic, religious, or racial remarks at work.

**Workplace Incivility (Cortina, Magley, Williams, & Langhout, 2004)**

Please Rate the frequency with which you engage in each of the following behaviors, ranging from (1) “never” to (7) “very often.

1. Put people down or was condescending to others?
2. Paid little attention to statements or showed little interest in others opinion at work?
3. Made demeaning or derogatory remarks about others at work?
4. Addressed people at work in unprofessional terms, either publicly or privately?
5. Ignored or excluded others from professional camaraderie?
6. Doubted judgment on a matter over which others have responsibility?
7. Made unwanted attempts to draw others into a discussion of personal matters?

**Deviance (Bennet & Robinson, 2000)**

Please indicate how strongly you agree with the following. (1 = strongly disagree, 7 = strongly agree)

1. Made fun of someone at work.
2. Said something hurtful to someone at work.
3. Made an ethnic, religious, or racial remark at work
4. Cursed at someone at work.
5. Played a mean prank on someone at work.
6. Acted rudely toward someone at work.
7. Publicly embarrassed someone at work.

**Counterproductive Work Behavior (Spector, Bauer, & Fox, 2010)**

Please Rate the frequency with which you engage in each of the following behaviors, ranging from (1) “never” to (7) “very often.

1. Purposely wasted your employer’s materials/supplies
2. Complained about insignificant things at work
3. Told people outside the job what a lousy place you work for
4. Came to work late without permission
5. Stayed home from work and said you were sick when you weren’t
6. Insulted someone about their job performance
7. Made fun of someone’s personal life
8. Ignored someone at work
9. Started an argument with someone at work
10. Insulted or made fun of someone at work

**Social Desirability (Strahan & Gerbasi, 1972; SD)**

Please indicate how strongly you agree with the following statements. (1 = strongly disagree, 7 = strongly agree)

1. I'm always willing to admit it when I make a mistake
2. I always practice what I preach
3. I never resent being asked to return a favor
4. I have never been irked when people expressed ideas very different from my own
5. I have never deliberately said something to hurt someone's feelings

### **Demographic Questions**

1. Choose the Industry of your Current Job: (Industry)
2. How old are you?
3. What is your gender?
4. What is your race?
5. What is your educational level?
6. What is your employment status?
7. How many years (rounded to the nearest whole number) have you been employed at your current job?
8. How many different jobs have you had in your life?
9. Please list the city, state (if applicable), and country where you were born.
10. Please list any city, state (if applicable), and country where you have lived, and how old you were when you moved there.
11. How many times in your life have you moved?
12. What is your nationality (e.g. American, Canadian, etc.)?
13. Do you feel comfortable communicating in English?
14. What is your first language?

### **Model Testing Study Measures**

#### **Moral Flexibility**

1. My moral standards are flexible.
2. My moral standards are malleable.
3. I adjust my moral standards in response to the situation.
4. I often adapt my morality in response to those around me.
5. I shape my moral standards to fit different situations.
6. I pick the moral standards that best suit the situation.
7. I am able to change my moral standards to suit my situation
8. I am able to change my moral standards according to the situation.

#### **Machiavellian Personality Scale (Dahling, J.J., Whitaker, B.G., & Levy, P.E., 2009; Mach)**

##### Amorality subscale (Amortality)

1. I believe that lying is necessary to maintain a competitive advantage over others.
2. The only good reason to talk to others is to get information that I can use to my benefit.

3. I am willing to be unethical if I believe it will help me succeed.
4. I am willing to sabotage the efforts of other people if they threaten my own goals.
5. I would cheat if there was a low chance of getting caught.

Desire for Control subscale (Control)

1. I like to give the orders in interpersonal situations.
2. I enjoy having control over other people.
3. I enjoy being able to control the situation.

Desire for Status subscale (Status)

1. Status is a good sign of success in life.
2. Accumulating wealth is an important goal for me.
3. I want to be rich and powerful someday.

Distrust of Others subscale (Distrust)

1. People are only motivated by personal gain.
2. I dislike committing to groups because I don't trust others.
3. Team members backstab each other all the time to get ahead.
4. If I show any weakness at work, other people will take advantage of it.
5. Other people are always planning ways to take advantage of the situation at my expense.

**Moral disengagement (Moore, Detert, Trevino, Baker, & Mayer, 2012; MD)**

1. It is okay to spread rumors to defend those you care about. (MJ)
2. Taking something without the owner's permission is okay as long as you're just borrowing it. (EL)
3. Considering the ways people grossly misrepresent themselves, it's hardly a sin to inflate your own accomplishments a bit. (AC)
4. People shouldn't be held accountable for doing questionable things when they were just doing what an authority figure told them to do. (DIS)
5. People can't be blamed for doing things that are technically wrong when all their friends are doing it too. (DIF)
6. Taking personal credit for ideas that were not your own is no big deal. (DC)
7. Some people have to be treated roughly because they lack feelings that can be hurt. (DH)
8. People who get mistreated have usually done something to bring it on themselves. (AB)

**Unethical behavior (Moore et al., 2012)**

1. Falsifying a receipt to get reimbursed for more money than you spent on business expenses.
2. Discussing confidential company information with an unauthorized person.
3. Damaging property belonging to my employer.
4. Taking property from work without permission.

5. Saying or doing something to purposely hurt someone at work.
6. Using an illegal drug or consuming alcohol on the job.
7. Making ethnic, religious, or racial remarks at work.

**Ethical Leadership (Brown et al., 2005)**

My supervisor...

1. Listens to what department employees have to say.
2. Disciplines employees who violate ethical standards.
3. Conducts his/her personal life in an ethical manner.
4. Has the best interest of his/her employees in mind.
5. Makes fair and balanced decisions.
6. Can be trusted.
7. Discusses business ethics or values with employees.
8. Sets an example of how to do things the right way in terms of ethics.
9. Defines success not just by results but also the way the results are obtained.
10. Asks “what is the right thing to do?” when making decisions.

**Abusive Supervision (Tepper, 2000) (AS)**

1. My supervisor ridicules me.
2. My supervisor tells me my thoughts or feelings are stupid.
3. My supervisor puts me down in front of others.
4. Makes negative comments about me to others.
5. My supervisor tells me I'm incompetent.

**Social Desirability (Strahan & Gerbasi, 1972; SD)**

Please indicate how strongly you agree with the following statements. (1 = strongly disagree, 7 = strongly agree)

1. I'm always willing to admit it when I make a mistake
2. I always practice what I preach
3. I never resent being asked to return a favor
4. I have never been irked when people expressed ideas very different from my own
5. I have never deliberately said something to hurt someone's feelings

**Deviance (Bennet & Robinson, 2000)**

Please indicate how strongly you agree with the following. (1 = strongly disagree, 7 = strongly agree)

1. Made fun of someone at work.
2. Said something hurtful to someone at work.
3. Made an ethnic, religious, or racial remark at work
4. Cursed at someone at work.
5. Played a mean prank on someone at work.
6. Acted rudely toward someone at work.
7. Publicly embarrassed someone at work.

**Demographic Questions**

1. Choose the Industry of your Current Job: (Industry)
2. How old are you?
3. What is your gender?
4. What is your race?
5. What is your educational level?
6. What is your employment status?
7. How many years (rounded to the nearest whole number) have you been employed at your current job?
8. How many different jobs have you had in your life?
9. Please list the city, state (if applicable), and country where you were born.
10. Please list any city, state (if applicable), and country where you have lived, and how old you were when you moved there.
11. How many times in your life have you moved?
12. What is your nationality (e.g. American, Canadian, etc.)?
13. Do you feel comfortable communicating in English?
14. What is your first language?

## APPENDIX D: IRB APPROVAL

1. Scale development study IRB Approval
2. Main study IRB Approval from Oklahoma State University
3. Main study IRB Approval from Pennsylvania State University

## 1. Scale development study IRB Approval



### Oklahoma State University Institutional Review Board

Date: 10/23/2020  
Application Number: IRB-20-480  
Proposal Title: Moral Flexibility and Negative Employee Behaviors

Principal Investigator: Yun Kim  
Co-Investigator(s):  
Faculty Adviser: Bryan Edwards  
Project Coordinator:  
Research Assistant(s):

Processed as: Exempt  
Exempt Category:

#### Status Recommended by Reviewer(s): Approved

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The IRB application referenced above has been approved. It is the judgment of the reviewers that the rights and welfare of individuals who may be asked to participate in this study will be respected, and that the research will be conducted in a manner consistent with the IRB requirements as outlined in 45CFR46.

**This study meets criteria in the Revised Common Rule, as well as, one or more of the circumstances for which continuing review is not required. As Principal Investigator of this research, you will be required to submit a status report to the IRB triennially.**

The final versions of any recruitment, consent and assent documents bearing the IRB approval stamp are available for download from IRBManager. These are the versions that must be used during the study.

As Principal Investigator, it is your responsibility to do the following:

1. Conduct this study exactly as it has been approved. Any modifications to the research protocol must be approved by the IRB. Protocol modifications requiring approval may include changes to the title, PI, adviser, other research personnel, funding status or sponsor, subject population composition or size, recruitment, inclusion/exclusion criteria, research site, research procedures and consent/assent process or forms.
2. Submit a request for continuation if the study extends beyond the approval period. This continuation must receive IRB review and approval before the research can continue.
3. Report any unanticipated and/or adverse events to the IRB Office promptly.
4. Notify the IRB office when your research project is complete or when you are no longer affiliated with Oklahoma State University.

Please note that approved protocols are subject to monitoring by the IRB and that the IRB office has the authority to inspect research records associated with this protocol at any time. If you have questions about the IRB procedures or need any assistance from the Board, please contact the IRB Office at 405-744-3377 or [irb@okstate.edu](mailto:irb@okstate.edu).

Sincerely,  
Oklahoma State University IRB

## 2. Main study IRB Approval



### Oklahoma State University Institutional Review Board

Application Number: IRB-20-480  
Proposal Title: Moral Flexibility and Negative Employee Behaviors

Principal Investigator: Yun Kim  
Co-Investigator(s):  
Faculty Adviser: Bryan Edwards  
Project Coordinator:  
Research Assistant(s):

**Status Recommended by Reviewer(s): Approved**

Study Review Level: Exempt  
Modification Approval Date: 02/15/2021

---

The modification of the IRB application referenced above has been approved. It is the judgment of the reviewers that the rights and welfare of individuals who may be asked to participate in this study will be respected, and that the research will be conducted in a manner consistent with the IRB requirements as outlined in section 45 CFR 46. The original expiration date of the protocol has not changed.

Modifications Approved:

Modifications Approved: Add recruitment via Management SONA and mTurk. SONA participants will receive 2 credits. mTurk participants will be paid \$15

OSU SONA participants are given two options, 1) participants will serve as a focal employee and refer their supervisor in the survey, 2) participants will refer two working adults (one serves as a focal employee and the other serve as a supervisor).

waiver of documentation of consent

The final versions of any recruitment, consent and assent documents bearing the IRB approval stamp are available for download from IRBManager. These are the versions that must be used during the study.

As Principal Investigator, it is your responsibility to do the following:

1. Conduct this study exactly as it has been approved.
2. Submit a status report to the IRB when requested
3. Promptly report to the IRB any harm experienced by a participant that is both unanticipated and related per IRB policy.
4. Maintain accurate and complete study records for evaluation by the OSU IRB and, if applicable, inspection by regulatory agencies and/or the study sponsor.
5. Notify the IRB office when your research project is complete or when you are no longer affiliated with Oklahoma State University.

Sincerely,

Oklahoma State University IRB  
223 Scott Hall, Stillwater, OK 74078  
Website: <https://irb.okstate.edu/>  
Ph: 405-744-3377 | Fax: 405-744-4335 | [irb@okstate.edu](mailto:irb@okstate.edu)

### 3. Main Study IRB Approval from Pennsylvania State University



**Office for Research Protections**  
Vice President for Research  
The Pennsylvania State University  
205 The 330 Building  
University Park, PA 16802

814-865-1775  
Fax: 814-865-8699  
orp@psu.edu  
research.psu.edu/orp

#### EXEMPTION DETERMINATION

**Date:** October 5, 2020

**From:** Amy Sellers,

**To:** Joongseo Kim

Type of Submission:	Initial Study
Title of Study:	Moral flexibility and Employee Negative Behaviors: Moderating Role of Leadership
Principal Investigator:	Joongseo Kim
Study ID:	STUDY00016241
Submission ID:	STUDY00016241
Funding:	Not Applicable
Documents Approved:	<ul style="list-style-type: none"><li>• HRP-591 - Protocol for Human Subject Research (Moral Flexibility) updated100520.pdf (0.03), Category: IRB Protocol</li><li>• Measures updated.docx (0.03), Category: Data Collection Instrument</li></ul>

The Office for Research Protections determined that the proposed activity, as described in the above-referenced submission, does not require formal IRB review because the research met the criteria for exempt research according to the policies of this institution and the provisions of applicable federal regulations.

Continuing Progress Reports are **not** required for exempt research. Record of this research determined to be exempt will be maintained for five years from the date of this notification. If your research will continue beyond five years, please contact the Office for Research Protections closer to the determination end date.

Changes to exempt research only need to be submitted to the Office for Research Protections in limited circumstances described in the below-referenced Investigator Manual. If changes are being considered and there are questions about whether IRB review is needed, please contact the Office for Research Protections.

Penn State researchers are required to follow the requirements listed in the Investigator Manual ([HRP-103](#)), which can be found by navigating to the IRB Library within CATS IRB (<http://irb.psu.edu>).

This correspondence should be maintained with your records.

We would like to know how the IRB Program can better serve you.  
Please fill out our survey; it should take about a minute: <https://www.research.psu.edu/irb/feedback>.

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VITA

YUN CHUNG KIM

Candidate for the Degree of

Doctor of Philosophy

Dissertation: WHY MACHIAVELLIAN EMPLOYEES ENGAGE IN UNETHICAL BEHAVIOR: EXAMINING THE ROLES OF MORAL DISENGAGEMENT, MORAL FLEXIBILITY, AND (UN)ETHICAL LEADERSHIP

Major Field: Business Administration

Biographical:

Education:

Completed the requirements for the Doctor of Philosophy in Business Administration your major at Oklahoma State University, Stillwater, Oklahoma in May, 2022.

Completed the requirements for the Master of Science in Mass Communication at Oklahoma State University, Stillwater, OK in 2013.

Completed the requirements for the Bachelor of Arts in Business Administration at Hankuk University of Foreign Studies, South Korea in 2003.

Experience:

Graduate Research and Teaching Associate, Spears School of Business Oklahoma State University, Stillwater, OK, 2014-2017

Announcer, Gangneung Branch of Mun-Wha Broadcasting Corporations, South Korea, 2003-2006

Professional Memberships:

Academy of Management, 2014-present