Unethical Pro-organizational Behavior: A Moderated Mediational Model of Its Transmission From Managers to Employees

Canh M. Nguyen[1,2], Lu Zhang[1] $\;$, and David Morand[3]

Abstract
This study explores the psychological mechanism underlying and the boundary conditions affecting the relationship between managers' unethical pro-organizational behavior (UPB) and subordinates' willingness to engage in UPB. Drawing upon social learning and social cognitive theories, employee moral disengagement was predicted to mediate the relationship between managers' UPB and employees' UPB willingness; in addition, the moderating roles of both leader–member exchange and ethical relativism were investigated within this relationship. The results, based on 29 managers and 200 subordinates in Vietnam, supported the proposed mediation model. The findings further indicated that leader–member exchange augmented the positive relationship between managers' UPB and employee moral disengagement, whereas employee ethical relativism weakened the positive relationship between moral disengagement and employees' UPB willingness. By elucidating the underlying mechanism and boundary conditions, our findings offer an empirical basis for considering managers' UPB as a critical antecedent to employees' willingness to engage in UPB and also inform effective intervention approaches for organizations to constrain UPB.

Keywords
unethical pro-organizational behavior, moral disengagement, multilevel analysis, leader–member exchange, ethical relativism

Unethical pro-organizational behavior (UPB), defined as unethical employee behaviors intended to serve the interests of their organization (Umphress & Bingham, 2011), has received increasing attention from scholars in recent years (Chen et al., 2016). Although UPB is conceptualized as being driven by benevolent motives to help an organization or its members, such conduct clearly creates moral hazards for both organizations and society at large (Cialdini et al., 2004). Two recent and quite salient instances of corporate malfeasance include the well-publicized incident at Wirecard as well as the emissions software fiasco at Volkswagen: Wirecard attempted to fake its sales to inflate profits (Hakim & Ewing, 2015), whereas Volkswagen knowingly deployed illegal software on their cars to reduce emissions readings during regulatory testing (McCrum, 2019). In both cases, these unethical activities were decidedly not for the benefit of single individuals but primarily for the benefit of their organizations. Moreover, these UPBs carried enormous destructive ramifications—legally, financially, and reputationally—for both Wirecard and Volkswagen.

An understanding of UPB is of central concern to the field of human resource management (HRM) in that there has been a significant, and relatively recent, outpouring of literature emphasizing the pivotal role that HRM can and should play in promoting ethical values and ethical leadership (Caldwell et al., 2011; Gond et al., 2011; Jamali et al., 2015; Manroop et al., 2014; Martin & Woldring, 2001). HRM's potential role relative to UPB is especially important due to what might be termed UPB's 'seductive' aspects. More specifically, the distinctive difference between UPB and other unethical behaviors lies in the intent behind UPB. UPB is carried out with the specific intention of benefitting the organization, its members, or both. Given this pro-organizational guise, there is the possibility that the unethical aspects of UPB might be ignored, downplayed, or even entirely misapprehended by employees as well as managers, and as a consequence, UPB may be less likely to be detected and prevented. As such, companies may be lax in monitoring and addressing UPB in their HRM

[1]School of Business Administration, Ulsan National Institute of Science and Technology (UNIST), Ulsan, South Korea
[2]College of Economics, Can Tho University, Can Tho, Vietnam
[3]School of Business Administration, Pennsylvania State University, Harrisburg, USA

Corresponding Author:
Lu Zhang, School of Business Administration, Ulsan National Institute of Science and Technology (UNIST), Ulsan 44919, South Korea.
Email: lzhang@unist.ac.kr

practices (e.g., training, performance evaluation, and discipline). Moreover, even when companies do pay attention to UPB, without a thorough understanding of the processes and potential boundary conditions underlying UPB, their efforts may be in vain.

Previous empirical research has identified several organizational and individual predictors of employee UPB. Such antecedents include employee attitudes such as organizational affective commitment (Matherne & Litchfield, 2012), organizational identification (Effelsberg et al., 2014; Umphress et al., 2010), and psychological entitlement (Lee et al., 2019); leader behaviors such as ethical leadership (Miao et al., 2013; Wang & Li, 2019), transformational leadership (Effelsberg et al., 2014; Graham et al., 2015), and responsible leadership (Cheng et al., 2019); and organizational characteristics such as ethical organizational climate (Miao et al., 2013). Additionally, Fehr et al. (2019) and Zhang et al. (2018) demonstrated that supervisor UPB is positively associated with subordinate UPB.

The present study builds on this emergent literature and also responds to the call for exploring the mechanisms underlying the relationship between supervisor UPB and employee UPB (Zhang et al., 2018). The cognitive and psychological processes that underlie and influence the cause and effect relations of workplace behaviors are intrinsically important relative to theory development (Bargh & Ferguson, 2000; Moore et al., 2012; Moore & Gino, 2015; Tenbrunsel & Smith-Crowe, 2008; Treviño et al., 2006). In the case of UPB in particular, we must first acquire a nuanced understanding of the psychological mechanism underlying the UPB transmission process. Further, we need to specify the contextual and/or individual boundary conditions that influence such transmission process in order to understand how to intervene. To this end, the present study examines the mediating role of *moral disengagement* as a psychological process through which manager UPB influences employee UPB (measured as employee willingness to engage in UPB—hereafter termed 'employee willingness'). We also investigated both *leader–member exchange* (LMX) and *ethical relativism* as contextual and individual boundary conditions to this mediated relationship.

Our study makes a number of contributions to existing research on UPB, ethical leadership, and leadership and ethics literature generally. Firstly, this study contributes to UPB literature by virtue of its focus on moral disengagement as a mediating variable between manager UPB and subordinates' UPB willingness. Recent studies have shown that moral disengagement is a key psychological process through which unethical leader behaviors translate into unethical subordinate behaviors (Moore et al., 2019; Valle et al., 2019). However, because UPB is disguised under the pro-organizational shield,

whether moral disengagement likewise mediates the trickle-down effects (i.e., from manager to subordinates) of UPB remains an open question. In short, we know little about whether the transmission of UPB from managers to subordinates operates through the moral disengagement mechanism as pro-self-unethical behaviors have proven to do.

Secondly, our study explores the potential dark side of high-quality LMX relationships (e.g., Bryant and Merritt, 2021; Harris and Kacmar, 2006). We posit LMX, defined as the quality of the relationship between leader and follower (Graen & Uhl-Bien, 1995), as an important contextual boundary condition for the impact of leader UPB on subordinates' UPB willingness via moral disengagement. Drawing on social exchange theory, we expect that subordinates in high-quality LMX relationships are more inclined to be morally disengaged in response to managerial UPB. As such, a high-quality LMX relationship combined with unethical leadership can result in moral disengagement and, in turn, employees' willingness to engage in UPB.

Finally, our study contributes to general ethics literature by considering the role of ethical relativism as an individual-level boundary condition in our proposed mediated relationship. Using the logic from social cognitive theory (Bandura, 1991), we argue that individuals high in ethical relativism—that is, those who reject the concept of universal ethical rules—may be more likely to resort to UPB when morally disengaged. Accordingly, we incorporate individual differences in ethical relativism into our UPB model and examine whether this ethical ideology may heighten employees' inclination to engage in UPB as a result of moral disengagement.

We tested our hypotheses using multiphase and multilevel data from 29 managers and their 200 subordinates in Vietnam. While the phenomenon of UPB has been widely studied in the context of Western countries, our study features a unique context in Vietnam, a developing country undergoing rapid economic growth and societal changes. These increased business activities may stimulate unethical behaviors in organizations due to high level of competition, lack of social control over the business ethic practices, limit of financial and technology resources, and the lack of awareness on corporate social responsibility (Lu, 1997; Phan & Podruzsik, 2018; Rossouw, 1994). Furthermore, Vietnam's high level of cultural collectivism, including its emphasis on group over personal goals (Hofstede, 2001), may potentially promote UPB. Thus, this interesting economic, social, and cultural context makes Vietnam an apt context for examining UPB. In the following section, we discuss our conceptualization of the study constructs and provide the rationales for our theoretical model and hypotheses.

Literature Review and Hypotheses

Unethical Pro-organizational Behavior

Umphress et al. (2010) defined UPB as unethical actions intended to benefit an organization and/or its members. This definition incorporates two key components. Firstly, UPB comprises both acts of commission (e.g., exaggerating numbers to make the company appear more profitable and attract investment) and of omission (e.g., withholding negative information about the company's products from customers), both of which are either illegal or violate societal norms and values (Umphress et al., 2010). Secondly, UPB is a type of pro-organizational behavior neither specified in formal job descriptions nor ordered by superiors, yet it is carried out with the specific intention of helping the organization (Brief & Motowidlo, 1986). UPB clearly differs from forms of unethical work behavior with a pro-self-intention (such as deviant behavior) in that UPB is carried out with a pro-organization intention (Lee et al., 2019; Umphress et al., 2010). Moreover, it is the unethical component that distinguishes UPB from pro-organizational behaviors, such as organizational citizenship behaviors, as these are clearly ethical behaviors.

Our theorization of the positive relationship between managers' UPB and subordinates' UPB willingness is informed by social learning theory (Bandura, 1977). According to this theory, new behaviors can be acquired either through direct experience or by observing the behavior of others. In organizational contexts, managers influence employees' behaviors via a modeling process in which employees observe managers' behavior and its consequences and learn what behaviors are expected, rewarded, and punished (Brown et al., 2005). In this process, managers constitute an important and legitimate model for their subordinates. Prior empirical studies have demonstrated the relevance of managers' ethical behaviors in influencing subordinates' UPB. For example, Cheng et al. (2019) demonstrated that responsible leadership had a negative effect on subordinate UPB. Miao et al. (2013) found that ethical leadership had a curvilinear relationship with employee UPB, such that UPB increased as the level of ethical leadership increased from low to moderate; as the level of ethical leadership increased from moderate to high, UPB decreased. Wang and Li (2019) reported that ethical leadership was positively related to subordinate UPB via identification with supervisors; conversely, ethical leadership was negatively associated with UPB via taking responsibility. More recently, Gigol (2020) found that authentic leadership has a positive effect on follower UPB, and Shaw et al. (2020) demonstrated that authoritarian–benevolent leadership was positively related to follower UPB. In the present study, we directly examine whether employees express a willingness to mirror the UPB behaviors of their supervisors.

We expect that when managers engage in UPB, their subordinates will be more willing to follow suit.

The Mediating Role of Moral Disengagement

Although social learning theory (Bandura, 1977) has been used to explain how modeling might influence the transmission of UPB, it does not capture the discrete psychological processes through which managerial UPB might influence employee UPB willingness (Mayer et al., 2009). Consequently, we draw upon social cognitive theory (Bandura, 1991) to posit that self-regulatory processes (i.e., moral disengagement) may account for the process through which employees become willing to engage in UPB as a result of managers' UPB. Moral disengagement refers to cognitive mechanisms that deactivate or disengage the moral self-regulatory processes that normally inhibit unethical behaviors (Bandura, 1986). Accordingly, people are more likely to commit unethical acts when disengaging from the moral norms and self-sanctions that ordinarily inhibit such acts.

To more clearly understand the psychological and interactional dynamics of moral disengagement, it is important to consider the significant role leaders play in the modeling process due to their credibility and status in an organization (Brown et al., 2005). Through modeling, subordinates might learn and imitate not only ethical acts but also misconduct. Thus, when leaders act in a deviant way, followers are likely to morally disengage so as to emulate that inappropriate conduct. One specific disengagement mechanism proposed by Bandura is *moral justification* (Umphress & Bingham, 2011); in this case, employees make their own UPB appear less immoral, acceptable, or even respectable by rationalizing that their managers have engaged in UPB with a benevolent intention. A second proposed disengagement mechanism entails subordinates' *displacement of responsibility*. That is, subordinates may excuse their own UPB by ascribing responsibility to supervisors when said supervisors themselves model the same acts. Employees thereby diffuse their sense of moral responsibility by using their supervisor's UPB as a shield to protect themselves from moral conflict or guilt.

In support of moral disengagement theory, prior studies have demonstrated that leaders impact followers' ethical decision making by influencing followers' moral self-regulatory processes (Brown et al., 2005; Moore et al., 2019; Schminke et al., 2002). For example, Rice et al. (2020) determined that managers' abusive behavior initiates the process of moral disengagement by prompting moral leniency and deliberate forgetting of moral norms and rules, which accounts for the trickle-down effect of abusive behavior from managers to supervisors. In addition, Moore et al. (2019) found that moral disengagement mediated the relationship between ethical leadership and followers' propensity

to engage in unethical workplace behavior, while Valle et al. (2019) demonstrated that moral disengagement mediates the relationship between abusive supervision and subordinate organizational deviance.

On the basis of these studies, we suggest that managers' UPB is likely to trigger the psychological process of employee moral disengagement. In short, when subordinates observe their managers' UPB, they might view these acts as personally and organizationally acceptable, resulting in the activation of moral disengagement. We thus hypothesize the following.

> **Hypothesis 1:** Employees' moral disengagement mediates the relationship between managers' UPB and employees' UPB willingness.

The Moderating Effect of LMX

As the relationship between managers' UPB and subordinates' UPB willingness through moral disengagement unfolds in supervisor–subordinate dyads, it is also important to consider the overall relational context as a key boundary condition. More specifically, we argue that LMX, or the relationship quality between manager and subordinate, may influence the extent to which subordinates' moral disengagement is activated as a result of managers' UPB. Research suggests that the quality of LMX can predict the impact of leadership behavior on subordinates by influencing their perception of and response to managers' behavior (Sparrowe et al., 2006). In the present study, we argue that high-quality LMX strengthens the relationship between managers' UPB and employee moral disengagement, which will in turn augment employees' willingness to engage in UPB. Previous research by Bryant and Merritt (2021) indicated that high LMX increases employees' willingness to perform UPB to benefit their leaders. Valle et al. (2019) reported that employees higher in LMX are more likely to engage in moral disengagement in response to abusive supervision and are therefore more likely to engage in deviant behaviors.

To delineate the underlying logic of our argument, existing LMX literature (which is rooted in social exchange theory; Blau, 1964) posits that supervisors develop differential relations with subordinates (Schriesheim et al., 1999). Low-quality LMX is characterized by economic exchange, whereas high-quality LMX is characterized by social exchange (Casimir et al., 2014). In high-quality relationships, employees perceive high levels of trust, receive more support and feedback from their managers, and are able to access various social and work-related resources (Gerstner & Day, 1997; Graen & Uhl-Bien, 1995; Scandura & Schriesheim, 1994). Conversely, low-quality relationships are characterized by the exchange of

information and money but are without trust, support, and frequent feedback (Bryant & Merritt, 2021; Gerstner & Day, 1997). Although prior LMX studies have demonstrated that LMX relates to a host of positive behavioral outcomes (Ilies et al., 2007), they have rarely linked LMX with negative organizational behaviors (for an exception, see Valle et al., 2019).

Like any other social exchange relationship, the norm of reciprocity governs LMX relations: subordinates reciprocate managers' treatment, either favorable or unfavorable, to maintain a balanced relationship (Uhl-Bien & Maslyn, 2003). When managers commit UPB, employees who have a better relationship with their supervisors may reciprocate the positive exchange relationship by also undertaking UPB. In other words, employees may view UPB, such as lying to customers about an unsafe product, as a way to reciprocate positive social exchange relationships with their managers (Umphress & Bingham, 2011). In order to commit reciprocal UPB, employees must first activate moral disengagement to eliminate self-sanctions that emerge from acting in a way that transgresses personal and societal moral standards (Greenberg & Scott, 1996). Furthermore, when a subordinate in a high-quality relationship experiences manager UPB, they may be more motivated to resort to moral disengagement mechanisms (such as moral justification) to rationalize managers' UPB, which may otherwise degrade the manager's image and/or the exchange relationship (Umphress & Bingham, 2011). Therefore, we anticipate that LMX might influence the indirect effect of managers' UPB on employees' UPB willingness via employee moral disengagement given LMX's moderating effect on the relationship between manager UPB and employee moral disengagement. Based on these arguments, we propose the following hypotheses:

> **Hypothesis 2a:** LMX will moderate the relationship between managers' UPB and employees' moral disengagement such that the relationship is more positive when LMX is high than when LMX is low.
> **Hypothesis 2b:** LMX will moderate the indirect effect of managers' UPB on employees' UPB willingness via employees' moral disengagement such that the indirect effect is stronger when LMX is high than when LMX is low.

The Moderating Effect of Ethical Relativism

Research suggests that morally relevant traits predict employees' propensity to conduct UPB (Umphress & Bingham, 2011). One key moral trait is ethical relativism, which is defined as the extent to which an individual rejects universal moral principles in favor of determining their ethical decisions based on the situation at hand

(Forsyth, 1980). Previous research has concluded that relativists are more likely to engage in unethical behaviors (Douglas & Wier, 2000; Kish-Gephart et al., 2010). For example, participants are presented with a scenario in which an individual withholds relevant information regarding a product they are supposed to sell, and they are subsequently asked to state their degree of agreement or disagreement regarding whether a moral value has been transgressed in this scenario. The results indicated that relativists are generally less likely to agree that a moral value has definitely been transgressed in comparison with idealists.

Based on these empirical findings, we believe that ethical relativism is a key individual-level boundary condition to our proposed theoretical model, meaning that ethical relativism is not only an antecedent to UPB but also enhances the link between moral disengagement and UPB. While moral disengagement contains a set of cognitive processes temporarily stimulated in response to certain ethical situations (Moore, 2015), ethical relativism is a stable trait that reflects behavioral tendencies in people (Winter et al., 2004). According to social cognitive theory (Bandura, 1991), context and individual differences are two important components of moral agency (Valle et al., 2019). Moral actions stem from the reciprocal interplay between contextual and personal influences (Miao et al., 2013). Thus, we consider ethical relativism as an individual difference component that interacts with moral disengagement as a contextual component influencing subordinates' UPB willingness. In other words, because relativists tend to justify their actions using subjective and/or cultural preferences as opposed to universal moral principles (Forsyth, 1980), we argue that employees high in ethical relativism are more likely to justify their own UPB in a personally disengaged moral context. As a consequence, highly relativistic employees are more willing to engage in UPB when they become morally disengaged. Therefore, we expect that employee ethical relativism will strengthen the indirect effect of manager UPB on subordinate UPB willingness via moral disengagement by amplifying the relationship between employee moral disengagement and UPB willingness of employees. Accordingly, we propose the following hypotheses:

Hypothesis 3a: Employee ethical relativism will moderate the positive relationship between employees' moral disengagement and UPB willingness of employees such that the relationship is more positive for employees high in ethical relativism than for employees low in ethical relativism.

Hypothesis 3b: Employee ethical relativism will moderate the indirect effect of managers' UPB on employees' UPB willingness via employees' moral disengagement such that the indirect effect is stronger for employees high in ethical relativism than for employees low in ethical relativism.

Methods

Sample and Procedures

We collected data for our study through a national university's connection with graduate student alumni who are managers of local private companies in Vietnam. We selected 30 managers using the convenient sampling approach in five telecom and mobile service companies and surveyed these managers and their 220 full-time employees. In this study, we focused on supervisors' direct-report relationships, in which subordinates have sufficient interactions with their supervisors and directly observe and experience their supervisors' UPB. Based on our observations as well as information from the HRM department, supervisors and subordinates were arranged to sit in the same physical work environment where they could have face-to-face interaction on a daily basis. We first sent out the manager survey to measure UPB of managers. After 1 week, LMX, moral disengagement, and ethical relativism were measured on the first wave of the employee survey. The second wave of the employee survey was sent after a further 4 weeks to measure employee UPB willingness. Of the 30 managers and 220 employees contacted, one manager and 20 employees did not respond to our surveys, resulting in 97% and 91% response rates, respectively. Thus, the final sample included 29 managers and 200 employees. Through our alumni connection, we were able to directly distribute the surveys to respondents in a paper-and-pen format and also ask for the managers' cooperation in urging their subordinates to fill out the surveys. Additionally, participants were guaranteed confidentiality and assured that the data would be used only for research purposes. Therefore, we can obtain a high response rate.

Participants

The manager and employee samples had an average age of 37.95 ($SD = 4.54$) and 30.82 ($SD = 4.47$) years, respectively. Forty-eight percent of managers and 40.5% of employees were male. Respondents reported that they had been employed by their current company for 10.69 years ($SD = 4.40$) in the case of managers and 5.83 years ($SD = 3.35$) in the case of employees. Managers supervised 6.9 employees on average. The distribution of employees across the five companies was 21.5%, 18.5%, 20.0%, 16.5%, and 23.5%, with an average of 40 employees per company.

Measures

All items were assessed on a 7-point scale ranging from 1 (*strongly disagree*) to 7 (*strongly agree*). The English questionnaires were translated into Vietnamese and then back to English to ensure translation equivalence (Brislin, 1970).

Level-1 Employee Measures. Employee moral disengagement was measured by using Moore et al.'s (2012) 8-item scale.

Table 1. Confirmatory Factor Analysis Results.

Models	χ^2	df	$\Delta\chi^2$	TLI	CFI	RMSEA
Four-factor model[a]	877.91***	428		0.93	0.93	0.07
Three-factor model[b]	1,248.79***	431	370.88	0.69	0.70	0.10
Two-factor model[c]	1,819.52***	433	941.64	0.50	0.50	0.13
One-factor model[d]	2,255.82***	434	1,347.91	0.34	0.35	0.14

Note. TLI = Tucker–Lewis index; CFI = comparative fit index; RMSEA = root mean square error of approximation; LMX = leader–member exchange; UPB = unethical pro-organizational behavior.
[a]Four-factor included LMX, employee moral disengagement, employee ethical relativism, and UPB willingness of employees.
[b]Employee moral disengagement and employee ethical relativism loaded on one construct and the other two variables represented two latent constructs.
[c]Employee moral disengagement and employee ethical relativism loaded on one factor and LMX and UPB willingness of employees constituted the other factor.
[d]All variables were combined into one factor.
***$p < .001$.

A sample item is "it is okay to spread rumors to defend those you care about." The alpha reliability was 0.88. We measured LMX using Scandura and Graen's (1984) 7-item scale ($\alpha =$ 0.87). A sample item is "my manager understands my problems and needs." Employee ethical relativism was measured using Forsyth's (1980) 10-item scale. An example item is "no rule concerning lying can be formulated; whether a lie is permissible or not permissible totally depends on the situation." The scale's reliability coefficient was 0.84. We measured employees' willingness to engage in UPB 4 weeks after the first employee survey administration using the 6-item scale developed by Umphress et al. (2010). A sample item is "if it would help my company, I would withhold negative information about my company or its products from customers and clients." The measure's reliability coefficient was 0.88.

We performed a four-factor confirmatory analysis to assess the discriminant validity of the employee measures by using AMOS version 21 (Arbuckle, 2012). More precisely, we assessed the fit of a four-factor model (LMX, moral disengagement, ethical relativism, and UPB willingness of employees). The items all loaded significantly on their scales, and the overall fit of the model was acceptable (χ^2 (428) = 877.91; $p < .001$; TLI = 0.93; CFI = 0.93; RMSEA = 0.07). Moreover, as shown in Table 1, the fit of the four-factor model was superior to that of the three-factor model ($\Delta\chi^2 = 370.88$, $df = 431$, $p < .001$), the two-factor model ($\Delta\chi^2 = 941.64$, $df = 433$, $p < .001$), and the one-factor model ($\Delta\chi^2 = 1347.91$, $df = 434$, $p < .001$). The results suggest that the four study variables were distinct from each other.

Level-2 Manager Measures. We also measured managers' UPB using the 6-item scale developed by Umphress et al. (2010). An example item is "I have withheld negative information about my company or its products from customers and clients because it would help my company." The measure's reliability coefficient was 0.82. This measure was collected 1 week before the first wave of the employee survey.

Control variables. We controlled for employees' years of work tenure (open-ended), job level, and organizational identification as previous research has shown that these variables may influence UPB (Kalshoven et al., 2016; Umphress et al., 2010). Organizational identification was measured by using Mael and Ashforth's (1992) 6-item scale ($\alpha = 0.73$). The sample item is "my company's successes are my successes."

Data Analysis Strategy

Since the employees represented in our data were nested under managers, we employed a multilevel modeling approach to account for their nonindependence (Hofmann et al., 2000). We conducted a multilevel path analysis using Mplus (Muthén & Muthén, 1998–2017). The variance components model using the maximum likelihood estimates revealed significant level 2 variances in that ~24% of variances can be explained by between-group variances, confirming the appropriateness of the multilevel model.

To test Hypothesis 1 involving the mediation effect, we conducted bootstrapping analyses to determine the significance of the indirect effect of managers' UPB on employees' UPB willingness via moral disengagement using the MLmed macro for SPSS developed by Rockwood and Hayes (2017). To test Hypothesis 2a, which involves cross-level interaction between manager UPB and LMX, we group-mean centered LMX to eliminate the potential confounding effect of the between-group interaction (Hofmann & Gavin, 1998). For Hypothesis 3a on the interaction between moral disengagement and ethical relativism, we mean centered the two variables before computing the product term. For both moderation effects, we plotted the interaction effects by using one standard deviation above and below the mean of the moderator variables. Additionally, we performed simple slope analyses by using the simple slope test for multilevel model procedures outlined by Preacher et al. (2006). Finally, we estimated the indirect effect of manager UPB on subordinate UPB

Table 2. Descriptive Statistics, Correlations, and Reliabilities.

Variables	Mean	SD	1	2	3	4	5	6	7	8
1. Manager UPB	4.93	0.99	(.82)							
2. Employee UPB willingness	4.52	1.14	.35**	(.88)						
3. Moral disengagement	4.01	1.11	.16*	.20**	(.88)					
4. Ethical relativism	5.44	0.88	.02	.29*	.34**	(.84)				
5. LMX	5.42	0.83	−.11	.03	.31**	.01	(.87)			
6. Organizational identification	5.84	0.66	.15*	.15*	−.05	.52	.36**	(.73)		
7. Employee job level	1.52	0.58	−.16*	−.26**	−.17*	−.25**	−.04	.01	1	
8. Employee work tenure	5.83	3.35	−.12	−.22**	−.02	.13	.02	.00	.45**	1

Note. $N = 200$ at level 1; $N = 29$ at level 2. Reliability coefficients (alpha) are on the diagonal. Coding for employee job level was as follows: 1 = non-supervisor, 2 = professional, 3 = first-line supervisor, 4 = mid-level manager, 5 = upper-level manager. UPB = unethical pro-organizational behavior; LMX = leader–member exchange.
*$p < .05$, **$p < .01$.

Table 3. Results of Multilevel Path Analysis and Bootstrapping Analysis of the Indirect Effect.

Variables	Moral disengagement		Employee UPB willingness	
	γ	SE	γ	SE
Organizational identification	0.07	0.10	0.13	0.12
Employee job level	−0.15	0.13	−0.40*	0.15
Employee work tenure	−0.12	0.10	0.05	0.04
UPB of managers	0.24*	0.11	0.30***	0.09
LMX	0.09	0.07		
UPB of managers × LMX	0.10*	0.03		
Moral disengagement			0.20*	0.04
Ethical relativism			−0.13	0.11
Moral disengagement × ethical relativism			−0.21**	0.07
Indirect effect				

	Effect	SE	MCLL	MCUL
Moral disengagement	0.13*	0.05	0.07	0.26

Note. $N = 200$ at level 1; $N = 29$ at level 2. Bootstrap sample size = 10,000. UPB = unethical pro-organizational behavior; LMX = leader–member exchange; MCLL = Monte Carlo lower limit; MCUL = Monte Carlo upper limit.
*$p < .05$, **$p < .01$, ***$p < .001$.

willingness via moral disengagement at higher (+1 standard deviation) and lower levels (−1 standard deviation) of LMX and ethical relativism using Bauer et al.'s (2006) method to test Hypotheses 2b and 3b, which examine the moderating effect of LMX and ethical relativism on the indirect effect of managers' UPB on employees' UPB willingness via moral disengagement. Notably, although managers and employees were nested within companies, we found no systematic variances across the companies and thus did not include the company as a level 3 construct.

Results

Table 2 presents the descriptive statistics, correlations, and reliabilities for all of the variables in our study. As expected, managers' UPB was significantly and positively related to

both employees' UPB willingness ($r = .35$, $p < .01$) and moral disengagement ($r = .16$, $p < .05$). Moral disengagement and ethical relativism were also significantly and positively related to employees' UPB willingness ($r = .20$, $p < .01$; and $r = .29$, $p < .05$).

In Hypothesis 1, we predicted that moral disengagement would mediate the positive relationship between manager UPB and employee UPB willingness. As shown in Table 3 and Figure 1, the multilevel path analysis results indicated that managers' UPB was positively related to moral disengagement ($γ = 0.24$, $p < .05$). Moral disengagement was also significantly related to employees' UPB willingness ($γ = 0.20$, $p < .05$). What is more, the relationship between managers' UPB and employees' UPB willingness was found to be significant ($γ = 0.30$, $p < .001$), supporting a partial but not full mediation effect. Additionally, the
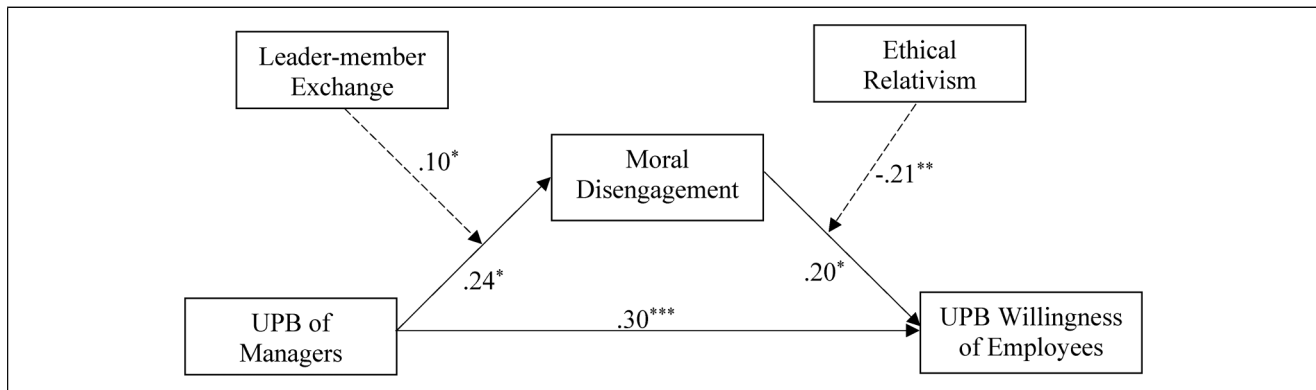
Figure 1. Estimated model.
Note. Unstandardized parameter estimates are reported. Dashed line indicates the interaction effects of UPB of managers and LMX on moral disengagement and the interaction effects of ethical relativism and moral disengagement on UPB willingness of employees. UPB = unethical pro-organizational behavior; LMX = leader–member exchange.
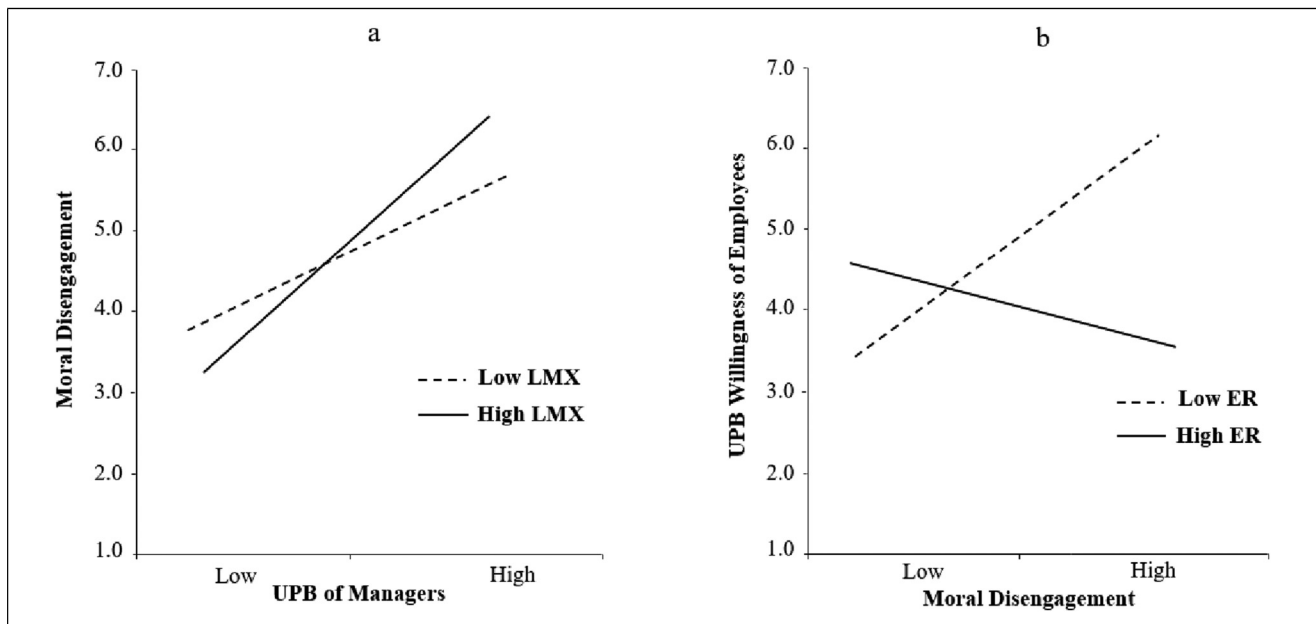

Figure 2. Effects of the interaction of UPB of managers and LMX on moral disengagement and the interaction effects of moral disengagement and ethical relativism on UPB willingness of employees.
Note. UPB = unethical pro-organizational behavior; LMX = leader–member exchange.

bootstrapping analyses provided support for the significance of the indirect effect of manager UPB on employees' UPB willingness via moral disengagement (indirect effect = 0.13, MCCI = [0.07, 0.26]). Together, these results supported Hypothesis 1.

Hypothesis 2a predicted that LMX would moderate the relationship between manager UPB and employee moral disengagement. As shown in Table 3 and Figure 1, the interaction between managers' UPB and LMX was significantly related to employee moral disengagement ($\gamma = 0.10$, $p < .05$). To further probe these results, we plotted the interaction effect between managers' UPB and moral disengagement for

high and low levels of LMX in Figure 2a. As illustrated, manager UPB was more positively related to employee moral disengagement when the quality of LMX was high. Simple slope analyses indicated that slope was significantly different from zero for high LMX ($\beta = 0.31$, $p < .05$) but insignificant for low LMX ($\beta = 0.17$, ns). Therefore, Hypothesis 2a was supported.

Hypothesis 3a predicted the moderating effect of ethical relativism on the relationship between moral disengagement and employee UPB willingness. Indeed, we found that the interaction between ethical relativism and moral disengagement was significantly related

to employee UPB willingness ($\gamma = -0.21$, $p < .01$). Importantly, the relationship between moral disengagement and employees' UPB willingness was more positive for employees low in ethical relativism than for employees high in ethical relativism (see Figure 2b). Simple slope analyses demonstrated that the slope was significantly different from zero for low ethical relativism ($\beta = 0.60$, $p < .001$), but insignificant for high ethical relativism ($\beta = 0.01$, ns). The pattern was opposite to what we hypothesized in Hypothesis 3a.

Finally, Hypotheses 2b and 3b predicted that LMX and ethical relativism would moderate the indirect effect of manager UPB on employee UPB willingness via moral disengagement. As shown in Table 4, the conditional indirect effect at high levels of LMX was significant (0.15, 95% CI = [0.04, 0.28]), whereas the indirect effect at low levels of LMX was nonsignificant (0.06, 95% CI = [−0.02, 0.12]); the difference between these two conditions was significant (difference = 0.09, 95% CI = [0.02, 0.19], supporting Hypothesis 2b. For ethical relativism, the indirect effect was 0.12 (95% CI = [0.03, 0.23]) when ethical relativism was low versus 0.02 (95% CI = [−0.02, 0.08]) when it was high. These conditional indirect effects were significantly different from each other (difference = −0.10, 95% CI = [−0.16, −0.03]). Thus, while these results provided support for the moderating effect of ethical relativism, the direction was contrary to what we hypothesized in Hypothesis 3b. More specifically, we found that ethical relativism weakened the indirect effect of managers' UPB on employees' UPB willingness via moral disengagement.

Discussion

The present study investigated the mediating role of employee moral disengagement in the trickle-down effect of managers' UPB on subordinates' UPB willingness. We further examined the moderating effect of LMX and

Table 4. Conditional Indirect Effects of Manager UPB on Employee UPB Willingness.

Moderators	Estimate	SE	LLCI	ULCI
Low LMX (−1 SD)	0.06	0.03	−0.02	0.12
High LMX (+1 SD)	0.15*	0.05	0.04	0.28
Difference	0.09*	0.02	0.02	0.19
Low ethical relativism (−1 SD)	0.12*	0.03	0.03	0.23
High ethical relativism (+1 SD)	0.02	0.01	−0.02	0.08
Difference	−0.10*	0.02	−0.16	−0.03

Note. N = 200 at level 1; N = 29 at level 2. 95% Confidence interval was calculated using parameter bootstrapping method based on 20,000 resamples. LLCI = lower level confidence interval; ULCI = upper level confidence interval; LMX = leader–member exchange.
*p < .05.

ethical relativism within this mediated relationship. The results indicate that employee moral disengagement partially mediated the relationship between manager UPB and subordinates' UPB willingness. In line with our theorization, the relationship between managers' UPB and employees' UPB willingness via moral disengagement was positively moderated by LMX. However, contrary to our hypothesis, we found that ethical relativism negatively moderated the indirect effect of manager UPB on employees' UPB willingness via moral disengagement.

Theoretical Implications

Although much time and effort has been spent both in research and practice to combat unethical and counterproductive work behaviors, much less emphasis has been placed on understanding and preventing UPB (Pierce & Aguinis, 2013; Umphress et al., 2010). Moreover, much of the extant research that does investigate UPB tends to explore the effects of individual differences on their ensuing UPB (Castille et al., 2018; Umphress & Bingham, 2011). Such an approach is important, but it is also vital to examine how social contexts—and in particular surrounding individuals—can impact employees' willingness to engage in UPB. Moreover, the particular social influence processes that we have studied herein involve downward influence patterns within organizations (i.e., the social influence of leaders). Leadership is a central and vital force within organizations; thus, the idea that managers influence the UPB willingness of subordinates makes a contribution to UPB literature. The findings of this study are path breaking relative to our ability to understand how and why UPB behaviors occur in organizations. Our findings elucidate the underlying processes through which UPB spreads from managers to employees and pinpoint several important boundary conditions to this relationship. Overall, we found that moral disengagement mediated the relationship between manager UPB and subordinate UPB willingness. Moreover, the results indicated that LMX augmented, whereas ethical relativism attenuated this mediated relationship.

This study contributes to ethical leadership literature by examining the underlying mechanism in the relationship between managers' unethical behavior and that of their subordinates. Our results supported the mediating role of moral disengagement in the relationship between managers' UPB and employees' UPB willingness. Understanding the mediating role of moral disengagement advances our understanding of the employee psychological processes through which managers achieve their influence. Our findings demonstrate that moral disengagement accounts for the trickle-down effects of both pro-self and pro-organization unethical behaviors.

Incorporating LMX in our theoretical model as a moderator is responsive to the call for research that considers the

rich social exchange relationship between managers and their employees regarding UPB (Graham et al., 2015). Based on the social norm of reciprocity, prior studies have demonstrated that employees are often motivated to conduct UPB because they feel obliged to repay the perceived benefits they have received from their organizations (Pierce & Aguinis, 2013). Our findings contribute to this line of literature by showing that employees are willing to engage in UPB to reciprocate the positive exchange relationship with their supervisors. Furthermore, our findings that employees with higher LMX are more willing to model their supervisors' UPB offer more evidence of the negative consequences of high-quality LMX because high-quality LMX may facilitate the transmission of UPB from leaders to their subordinates.

Additionally, the present study examined the moderating role of ethical relativism in the positive relationship between moral disengagement and employees' UPB willingness. We expected that the interactive effect of moral disengagement and ethical relativism would exacerbate employees' willingness to engage in UPB. However, contrary to our hypothesis, we found a negative moderating effect for ethical relativism, indicating that the relationship between moral disengagement and UPB willingness of employees was more positive for employees low in ethical relativism.

To explain this unexpected finding, it is necessary to consider the reasoning underpinning our hypothesis. We anchored our hypothesis in the notion that relativists are more likely to engage in unethical behavior. This notion appears to be a well-established view within the existing literature. However, we closely reexamined the empirical studies of Kish-Gephart et al. (2010) and Douglas and Wier (2000), which are presumed to form the basis for this notion; following this re-evaluation of these studies, we posit that the crux of the problem is that the actual empirical findings have been inaccurately interpreted in subsequent literature. Empirical research on relativists and their moral judgements typically proceeds by presenting participants with scenarios that describe a presumptive unethical action or situation (Singhapakdi, 2004). Said studies then query participants regarding their degree of certainty as to whether the scenario in question describes a clear ethical problem (Kish-Gephart et al., 2010). The results show that relativists are less likely to agree that a moral value has been violated in a given scenario than idealists. However, these results beg the question: *by what logic does this empirical finding lead subsequent authors to reasonably draw the conclusion that relativists are "more unethical"?* To work through a response to this question, the scenarios employed in this research encode *a priori* normatively rooted presumptions as to what constitutes ethical or unethical conduct (e.g., the presumption that not fully disclosing product information to a buyer is always morally wrong). Yet one would expect that relativists, by their very nature

as *situationalists* (Forsyth, 1980), would be inherently less likely to concur with *a priori* categorizations regarding what constitutes a right or wrong action. Relativists, when forming judgments, "prefer to evaluate the event in question with a skeptical perspective" (Poór et al., 2015, p. 487). Thus, we could venture that relativists (again, by their very definition as relativists) perhaps do not feel that they have sufficient information regarding the scenario in question, meaning that they are less likely (than idealists) to agree that a moral value has been transgressed. We would further note that Forsyth, in his seminal work on idealism and relativism (Forsyth, 1980; Forsyth & Berger, 1982), neither hypothesized the existence of nor empirically found any differences between idealists and relativists in their propensity to engage in unethical behavior.

In sum, simply because relativists express less certainty (in comparison with idealists) when queried as to whether a moral value has been transgressed in a given situation does not necessarily mean that relativists are less ethical. Given this understanding of the mindset of relativists, we would speculate that high relativists in our survey tended to maintain a skeptical and situational perspective on moral issues even when they were morally disengaged. As a consequence, their responses were more equivocal, attenuating the positive relationship between moral disengagement and employee UPB willingness. On the other hand, with regard to low relativists, Figure 2b shows that moral disengagement had a significant and positive effect on their UPB willingness, suggesting that once they were morally disengaged, they lost their moral compass and fell under the influence of moral disengagement, increasing their willingness to engage in UPB.

Managerial Implications

Our study shows the UPB of managers to have a significant impact on the UPB willingness of their subordinates. Overall, employee engagement in UPB not only violates ethical and societal norms, but can also lead to destructive consequences for organizations in the long run (Cialdini et al., 2004; Umphress & Bingham, 2011). For this reason, it is essential for organizations to be aware of and proactively respond to UPB; this is especially important due to the fact that while UPB is clearly unethical, it can operate under the guise of supporting the organization. It is this contradiction in understanding the morality of UPB that can sometimes blind individuals to the unethical aspects of their own (or others') UPB; for the same reason, interventions designed to curb UPB are of paramount importance.

The domain of organizational ethics has, in recent years, garnered increasing attention and substantial concern. As noted earlier, HRM has a legitimate and strategic role to play both in maintaining and shaping organizations'

ethical climate. For example, Caldwell et al. (2011) wrote that the competitive demands of contemporary organization environments create "implicit ethical duties that human resource professionals owe to their organizations"; they contended that ethical stewardship is an obligation of HRM (p. 171). Similarly, Martin and Woldring (2001) emphasized human resource managers' vital role in translating ethical principles into organizational practice. Jamali et al. (2015) also discussed the important role played by HRM in supporting the challenges of corporate social responsibility (and the treatment of ethics falls under this umbrella term). Gond et al. (2011) argued for HRM's pivotal role in promoting ethical leadership, and Manroop et al. (2014) underscored human resource systems' important role in influencing ethical climates by "articulating and reinforcing the values and behaviors the organization desires from employees" (p. 798).

Given the above findings, what specifically might HR managers do? First and foremost, efforts aimed at education, training, and leadership development are central. It is worth noting the common adage that "leadership starts at the top," meaning that the behaviors of top leadership impart a message that trickles down and ultimately affects the entire organization. As such, it may also be that UPB "starts at the top." Although we did not consider top leadership in the current study, it is reasonable to infer that the attitudes and behaviors of top leadership relative to UPB exert a similar trickle-down effect; this suggests how crucial it is that top leadership be involved in any efforts to combat UPB.

In addition, as a part of managerial education and leadership development activities, we would emphasize how simple *awareness* can exert a sobering and strong effect. Indeed, managers may be unaware of the degree of their own influence upon subordinates' UPB. Accordingly, not only top management but all managers should be made aware of our findings that managers' UPB exerts a significant influence upon subordinates' UPB willingness. We believe that this is a powerful finding and that simple knowledge of this relationship will underscore the importance of modelling appropriate behaviors.

Organizations might also reconsider the criteria and methods used for evaluation and promotion. Organizations can send a clear message to managers that they will not advance their careers by engaging in unethical behaviors —even when such behaviors are carried out with the intention of helping the organization—by establishing defined standards for promotions that discourage or penalize UPB. Such measures can help prevent managers from engaging in UPB and, in turn, reduce the willingness of employees to engage in UPB.

Finally, given that our study revealed the negative possibilities of high-quality LMX relationships, which are shown to strengthen the indirect effect of manager UPB on subordinate UPB willingness via moral disengagement, organizations are advised to beware of the perils of employees' having close ties with an unethical leader. Although a high-quality LMX relationship works to promote positive social exchange relationships, it may become a breeding ground for unethical behaviors, including UPB. Managers should be cognizant that their subordinates might be willing to model managerial behaviors to reciprocate a positive relationship. As such, top leadership needs to highlight the importance of ethical values and integrate ethical expectations into LMX contexts.

Limitations and Future Research

This study has several potential limitations. Firstly, because every national culture is unique, our sample (Vietnam) could limit the generalizability of our findings to other contexts. Future research in different cultural contexts is needed to generalize these findings. Secondly, although our study relied on self-reported data from employees and their supervisors, concerns about common method bias can be somewhat mitigated by the fact that our analyses were based on multiple sources (e.g., managers' UPB as a predictor of subordinates' UPB willingness) and included a time lag between the measurement of the predictor and criterion variables (Podsakoff et al., 2012). While we took steps to combat the possible influence of common method bias, future research may consider adopting objective measures of UPB conduct.

Thirdly, while our measures have been widely used and accepted in prior research (Castille et al., 2018; Umphress et al., 2010), we would note that we measured only the *presence* of UPB, as opposed to the extent or frequency of such behaviors. Accordingly, a potential direction for future research may be to investigate differences in employees' UPB that might arise as a consequence of the intensity (i.e., severity or frequency) of their superiors' UPB. Fourthly, this study only investigated the role of managers' UPB in influencing subordinates' UPB willingness. However, prior empirical research suggests that the ethical behavior of peers also has a significant impact on the ethical behavior of subordinates (Deshpande & Joseph, 2009). Future research might therefore explore the concurrent impact of both supervisors' and coworkers' UPB on individuals, thus enabling a comparison of the relative strength of these two different sources of influence. In addition, Robinson and O'Leary-Kelly (1996) demonstrated that task interdependence strengthens the contagion effect of aggressive behavior in the group context. Future research might consider the moderating effect of task interdependence on the relationship between coworkers' UPB and employees' UPB.

Finally, we examined only the mediating role of moral disengagement and the moderating roles of LMX and

ethical relativism in the relationship between managers' UPB and that of their subordinates. It would be interesting to explore other mediators and moderators in order to advance our understanding of the various mechanisms and contingencies implicated in this relationship. For instance, based on attribution theory (Weiner, 1985), employees may entertain divergent attributions regarding their manager's motivation for engaging in UPB (e.g., organizational concern, prosocial values, and/or impression management). As such, attributions of UPB motives might also potentially moderate the relationship between managers' UPB and subordinates' UPB.

Declaration of Conflicting Interests

Funding

ORCID iD

Lu Zhang https://orcid.org/0000-0003-1711-8550

References

Arbuckle, J. L. (2012). *IBM SPSS Amos 21 'user's guide*. Amos Development Corporation.

Bandura, A. (1977). *Social learning theory*. Prentice Hall.

Bandura, A. (1986). *Social foundations of thought and action: A social cognitive theory*. Prentice Hall.

Bandura, A. (1991). Social cognitive theory of self-regulation. *Organizational Behavior and Human Decision Processes*, *50*(2), 248-287. https://doi.org/10.1016/0749-5978(91)90022-l

Bargh, J. A., & Ferguson, M. J. (2000). Beyond behaviorism: On the automaticity of higher mental processes. *Psychological Bulletin*, *126*(6), 925-945. https://doi.org/10.1037/0033-2909.126.6.925

Bauer, D. J., Preacher, K. J., & Gil, K. M. (2006). Conceptualizing and testing random indirect effects and moderated mediation in multilevel models: New procedures and recommendations. *Psychological Methods*, *11*(2), 142-163. https://doi.org/10.1037/1082-989x.11.2.142

Blau, P. (1964). *Power and exchange in social life*. John Wiley & Sons.

Brief, A. P., & Motowidlo, S. J. (1986). Prosocial organizational behaviors. *Academy of Management Review*, *11*(4), 710-725. https://doi.org/10.5465/amr.1986.4283909

Brislin, R. W. (1970). Back-translation for cross-cultural research. *Journal of Cross-Cultural Psychology*, *1*(3), 185-216. https://doi.org/10.1177/135910457000100301

Brown, M. E., Treviño, L. K., & Harrison, D. A. (2005). Ethical leadership: A social learning perspective for construct development and testing. *Organizational Behavior and Human Decision Processes*, *97*(2), 117-134. https://doi.org/10.1016/j.obhdp.2005.03.002

Bryant, W., & Merritt, S. M. (2021). Unethical pro-organizational behavior and positive leader–employee relationships. *Journal of Business Ethics*, *168*(4), 777-793. https://doi.org/10.1007/s10551-019-04211-x

Caldwell, C., Truong, D. X., Linh, P. T., & Tuan, A. (2011). Strategic human resource management as ethical stewardship. *Journal of Business Ethics*, *98*(1), 171-182. https://doi.org/10.1007/s10551-010-0541-y

Casimir, G., Ng, Y. N. K., Wang, K. Y., & Ooi, G. (2014). The relationships amongst leader–member exchange, perceived organizational support, affective commitment, and in-role performance: A social-exchange perspective. *Leadership & Organization Development Journal*, *35*(5), 366-385. https://doi.org/10.1108/lodj-04-2012-0054

Castille, C. M., Buckner, J. E., & Thoroughgood, C. N. (2018). Prosocial citizens without a moral compass? Examining the relationship between machiavellianism and unethical pro-organizational behavior. *Journal of Business Ethics*, *149*(4), 919-930. https://doi.org/10.1007/s10551-016-3079-9

Cialdini, R. B., Petrova, P. K., & Goldstein, N. J. (2004). The hidden costs of organizational dishonesty. *MIT Sloan Management Review*, *45*(3), 67-74. Retrieved http://openlink.library.unist.ac.kr/link.cgi?url=https://www.proquest.com/docview/224960110?accountid=29989

Chen, M., Chen, C. C., & Sheldon, O. J. (2016). Relaxing moral reasoning to win: How organizational identification relates to unethical pro-organizational behavior. *Journal of Applied Psychology*, *101*(8), 1082-1096. https://doi.org/10.1037/apl0000111

Cheng, K., F Wei., & Y. Lin (2019). The trickle-down effect of responsible leadership on unethical pro-organizational behavior: The moderating role of leader-follower value congruence. *Journal of Business Research*, *102*, 34-43. https://doi.org/10.1016/j.jbusres.2019.04.044

Deshpande, S. P., & Joseph, J. (2009). Impact of emotional intelligence, ethical climate, and behavior of peers on ethical behavior of nurses. *Journal of Business Ethics*, *85*(3), 403-410. https://doi.org/10.1007/s10551-008-9779-z

Douglas, P. C., & Wier, B. (2000). Integrating ethical dimensions into a model of budgetary slack creation. *Journal of Business Ethics*, *28*(3), 267-277. https://doi.org/10.1023/a:1006241902011

Effelsberg, D., Solga, M., & Gurt, J. (2014). Transformational leadership and follower's unethical behavior for the benefit of the company: A two-study investigation. *Journal of Business Ethics*, *120*(1), 81-93. https://doi.org/10.1007/s10551-013-1644-z

Fehr, R., Welsh, D., Yam, K. C., Baer, M., Weid, W., & Vaulont, M. (2019). The role of moral decoupling in the causes and consequences of unethical pro-organizational behavior. *Organizational Behavior and Human Decision Processes*, *153*, 27-40. https://doi.org/10.1016/j.obhdp.2019.05.007

Forsyth, D. R. (1980). A taxonomy of ethical ideologies. *Journal of Personality and Social Psychology*, *39*(1), 175-184. https://doi.org/10.1037/0022-3514.39.1.175

Forsyth, D. R., & Berger, R. E. (1982). The effects of ethical ideology on moral behavior. *Journal of Social Psychology*, *117*(1), 53-56. https://doi.org/10.1080/00224545.1982.9713406

Gerstner, C. R., & Day, D. V. (1997). Meta-analytic review of leader–member exchange theory: Correlates and construct issues. *Journal of Applied Psychology*, *82*(6), 827-844. https://doi.org/10.1037/0021-9010.82.6.827

Gigol, T. (2020). Influence of authentic leadership on unethical pro-organizational behavior: The intermediate role of work engagement. *Sustainability*, *12*(3), 1-14. https://doi.org/10.3390/su12031182

Gond, J. P., Igalens, J., Swaen, V., & El Akremi, A. (2011). The human resources contribution to responsible leadership: An exploration of the CSR–HR interface. In N. M. Pless, & T. Maak (Eds.), *Responsible leadership* (pp. 115-132). Springer. https://doi.org/10.1007/978-94-007-3995-6_10

Graen, G. B., & Uhl-Bien, M. (1995). Relationship-based approach to leadership: Development of leader–member exchange (LMX) theory of leadership over 25 years: Applying a multi-level multi-domain perspective. *Leadership Quarterly*, *6*(2), 219-247. https://doi.org/10.1016/1048-9843(95)90036-5

Graham, K. A., Ziegert, J. C., & Capitano, J. (2015). The effect of leadership style, framing, and promotion regulatory focus on unethical pro-organizational behavior. *Journal of Business Ethics*, *126*(3), 423-436. https://doi.org/10.1007/s10551-013-1952-3

Greenberg, J., & Scott, K. S. (1996). Why do workers bite the hands that feed them? Employee theft as a social exchange process. In L. L. Cummings, & B. M. Staw (Eds.), *Research in organizational behavior* (pp. 111-156). JAI Press.

Hakim, D., & Ewing, J. (2015, December 1). Volkswagen's software was 'illegal defeat device,' German regulator says. *The New York Times*. https://www.nytimes.com/2015/12/02/business/international/volkswagens-software-use-was-illegal-german-regulator-rules.html

Harris, K. J., & Kacmar, K. M. (2006). Too much of a good thing: The curvilinear effect of leader-member exchange on stress. *Journal of Social Psychology*, *146*(1), 65-84. https://doi.org/10.3200/socp.146.1.65-84

Hofmann, D. A., & Gavin, M. B. (1998). Centering decisions in hierarchical linear models: Implications for research in organizations. *Journal of Management*, *24*(5), 623-641. https://doi.org/10.1016/s0149-2063(99)80077-4

Hofmann, D. A., Griffin, M. A., & Gavin, M. B. (2000). The application of hierarchical linear modeling to organizational research. In K. J. Kline, & S. W. Kozlowski (Eds.), *Multilevel theory, research, and methods in organizations* (pp. 467-511). Jossey-Bass.

Hofstede, G. (2001). *Cultured consequences*. SAGE Publications Inc.

Ilies, R., Nahrgang, J. D., & Morgeson, F. P. (2007). Leader-member exchange and citizenship behaviors: A meta-analysis. *Journal of Applied Psychology*, *92*(1), 269-277. https://doi.org/10.1037/0021-9010.92.1.269

Jamali, D. R., El Dirani, A. M., & Harwood, I. A. (2015). Exploring human resource management roles in corporate social responsibility: The CSR-HRM co-creation model. *Business Ethics: A European Review*, *24*(2), 125-143. https://doi.org/10.1111/beer.12085

Kalshoven, K., van Dijk, H., & Boon, C. (2016). Why and when does ethical leadership evoke unethical follower behavior? *Journal of Managerial Psychology*, *31*(2), 500-515. https://doi.org/10.1108/jmp-10-2014-0314

Kish-Gephart, J. J., Harrison, D. A., & Treviño, L. K. (2010). Bad apples, bad cases, and bad barrels: Meta-analytic evidence about sources of unethical decisions at work. *Journal of Applied Psychology*, *95*(1), 1-31. https://doi.org/10.1037/a0017103

Lee, A., Schwarz, G., Newman, A., & Legood, A. (2019). Investigating when and why psychological entitlement predicts unethical pro-organizational behavior. *Journal of Business Ethics*, *154*(1), 109-126. https://doi.org/10.1007/s10551-017-3456-z

Lu, X. (1997). Business ethics in China. *Journal of Business Ethics*, *16*(14), 1509-1518. https://doi.org/10.1023/a:1005802812476

Mael, F., & Ashforth, B. E. (1992). Alumni and their alma mater: A partial test of the reformulated model of organizational identification. *Journal of Organizational Behavior*, *13*(2), 103-123. https://doi.org/10.1002/job.4030130202

Manroop, L., Singh, P., & Ezzedeen, S. (2014). Human resource systems and ethical climates: A resource-based perspective. *Human Resource Management*, *53*(5), 795-816. https://doi.org/10.1002/hrm.21593

Martin, G., & Woldring, K. (2001). Ready for the mantle? Australian human resource managers as stewards of ethics. *International Journal of Human Resource Management*, *12*(2), 243-255. https://doi.org/10.1080/713769609

Matherne, C. F., & Litchfield, S. R. (2012). Investigating the relationship between affective commitment and unethical pro-organizational behaviors: The role of moral identity. *Journal of Leadership, Accountability and Ethics*, *9*(5), 35-46. Retrieved http://openlink.library.unist.ac.kr/link.cgi?url=https://www.proquest.com/docview/1321675408?accountid=29989

Mayer, D. M., Kuenzi, M., Greenbaum, R., Bardes, M., & Salvador, R. (2009). How low does ethical leadership flow? Test of a trickle-down model. *Organizational Behavior and Human Decision Processes*, *108*(1), 1-13. https://doi.org/10.1016/j.obhdp.2008.04.002

McCrum, D. (2019, October 15). Wirecard's suspect accounting practices revealed. *Financial Times*. https://www.ft.com/content/19c6be2a-ee67-11e9-bfa4-b25f11f42901

Miao, Q., Newman, A., Yu, J., & Xu, L. (2013). The relationship between ethical leadership and unethical pro-organizational behavior: Linear or curvilinear effects? *Journal of Business Ethics*, *116*(3), 641-653. https://doi.org/10.1007/s10551-012-1504-2

Moore, C. (2015). Moral disengagement. *Current Opinion in Psychology*, *6*, 199-204. https://doi.org/10.1016/j.copsyc.2015.07.018

Moore, C., Detert, J. R., Treviño, L. K., Baker, V. L., & Mayer, D. M. (2012). Why employees do bad things: Moral disengagement and unethical organizational behavior. *Personnel Psychology*, *65*(1), 1-48. https://doi.org/10.1111/j.1744-6570.2011.01237.x

Moore, C., & Gino, F. (2015). Approach, ability, aftermath: A psychological process framework of unethical behavior at work. *Academy of Management Annals*, *9*(1), 235-289. https://doi.org/10.1080/19416520.2015.1011522

Moore, C., Mayer, D. M., Chiang, F. F., Crossley, C., Karlesky, M. J., & Birtch, T. A. (2019). Leaders matter morally: The role of ethical leadership in shaping employee moral cognition

and misconduct. *Journal of Applied Psychology*, *104*(1), 123-145. https://doi.org/10.2139/ssrn.3289593

Muthén, L., & Muthén, K. B. O. (1998–2017). *Mplus user's guide* (8th ed.). Muthén & Muthén.

Phan, T. V., & Podruzsik, S. (2018). CSR In developing countries: Case study in Vietnam. *Management*, *13*(4), 287-300. https://doi.org/10.26493/1854-4231.13.287-300

Pierce, J. R., & Aguinis, H. (2013). The too-much-of-a-good-thing effect in management. *Journal of Management*, *39*(2), 313-338. https://doi.org/10.1177/0149206311410060

Podsakoff, P. M., MacKenzie, S. B., & Podsakoff, N. P. (2012). Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology*, *63*, 539-569. https://doi.org/10.1146/annurev-psych-120710-100452

Poór, J., Alas, R., Vanhala, S., Kollár, P., Slavic, A., Berber, N., & Barasic, A. (2015). Idealism and relativism in ethics: The results of empirical research in seven CEE countries and one North European country. *Journal of East European Management Studies*, *20*(4), 484-505. https://doi.org/10.5771/0949-6181-2015-4-484

Preacher, K. J., Curran, P. J., & Bauer, D. J. (2006). Computational tools for probing interactions in multiple linear regression, multilevel modeling, and latent curve analysis. *Journal of Educational and Behavioral Statistics*, *31*(4), 437-448. https://doi.org/10.3102/10769986031004437

Rice, D. B., Letwin, C., Taylor, R., & Wo, X. (2020). Extending the trickle-down model of abusive supervision. The role of moral disengagement. *Journal of Social Psychology*, *161*(1), 40-46. https://doi.org/10.1080/00224545.2020.1752133

Robinson, S. L., & O'Leary-Kelly, A. (1996). Monkey see, monkey do: The role of role models in predicting workplace aggression. *Academy of Management Proceedings*, *1996*(1), 288-292. https://doi.org/10.5465/ambpp.1996.4980717

Rockwood, N., & Hayes, J. A. F. (2017). MLmed: An SPSS macro for multilevel mediation and conditional process analysis. In *Poster presented at the annual meeting of the Association of Psychological Science (APS)*, 25–28 May, Boston, MA. https://njrockwood.com/mlmed

Rossouw, G. J. (1994). Business ethics in developing countries. *Business Ethics Quarterly*, *4*(1), 43-51. https://doi.org/10.2307/3857558

Scandura, T. A., & Graen, G. B. (1984). Moderating effects of initial leader-member exchange status on the effects of a leadership intervention. *Journal of Applied Psychology*, *69*(3), 428-436. https://doi.org/10.1037/0021-9010.69.3.428

Scandura, T. A., & Schriesheim, C. (1994). Leader–member exchange and supervisor career mentoring as complementary constructs in leadership research. *Academy of Management Journal*, *37*(6), 1588-1602. https://doi.org/10.2307/256800

Schminke, M., Wells, D., Peyrefitte, J., & Sebora, T. C. (2002). Leadership and ethics in work groups: A longitudinal assessment. *Group & Organization Management*, *27*(2), 272-293. https://doi.org/10.1177/10501102027002006

Schriesheim, C. A., Castro, S. L., & Cogliser, C. C. (1999). Leader–member exchange (LMX) research: A comprehensive review of theory, measurement, and data-analytic practices. *Leadership Quarterly*, *10*(1), 63-113. https://doi.org/10.1016/s1048-9843(99)80009-5

Shaw, K. H., Tang, N., & Liao, H. Y. (2020). Authoritarian-benevolent leadership, moral disengagement, and follower unethical pro-organizational behavior: An investigation of the effects of ambidextrous leadership. *Frontiers in Psychology*, *11*, 1-11. https://doi.org/10.3389/fpsyg.2020.00590

Singhapakdi, A. (2004). Important factors underlying ethical intentions of students: Implications for marketing education. *Journal of Marketing Education*, *26*(3), 261-270. https://doi.org/10.1177/0273475304268781

Sparrowe, R. T., Soetjipto, B. W., & Kraimer, M. L. (2006). Do leaders' influence tactics relate to members' helping behavior? It depends on the quality of the relationship. *Academy of Management Journal*, *49*(6), 1194-1208. https://doi.org/10.5465/amj.2006.23478645

Tenbrunsel, A. E., & Smith-Crowe, K. (2008). Ethical decision making: Where we've been and where we're going. *Academy of Management Annals*, *2*(1), 545-607. https://doi.org/10.1080/19416520802211677

Treviño, L. K., Weaver, G. R., & Reynolds, S. J. (2006). Behavioral ethics in organizations: A review. *Journal of Management*, *32*(6), 951-990. https://doi.org/10.1177/0149206306294258

Uhl-Bien, M., & Maslyn, J. M. (2003). Reciprocity in manager-subordinate relationships: Components, configurations, and outcomes. *Journal of Management*, *29*(4), 511-532. https://doi.org/10.1016/s0149-2063_03_00023-0

Umphress, E. E., & Bingham, J. B. (2011). When employees do bad things for good reasons: Examining unethical pro-organizational behaviors. *Organization Science*, *22*(3), 621-640. https://doi.org/10.1287/orsc.1100.0559

Umphress, E. E., Bingham, J. B., & Mitchell, M. S. (2010). Unethical behavior in the name of the company: The moderating effect of organizational identification and positive reciprocity beliefs on unethical pro-organizational behavior. *Journal of Applied Psychology*, *95*(4), 769-780. https://doi.org/10.1037/a0019214

Valle, M., Kacmar, K. M., Zivnuska, S., & Harting, T. (2019). Abusive supervision, leader-member exchange, and moral disengagement: A moderated-mediation model of organizational deviance. *Journal of Social Psychology*, *159*(3), 299-312. https://doi.org/10.1080/00224545.2018.1466776

Wang, Y., & Li, H. (2019). Moral leadership and unethical pro-organizational behavior: A moderated mediation model. *Frontiers in Psychology*, *10*, 1-19. https://doi.org/10.3389/fpsyg.2019.02640

Weiner, B. (1985). An attributional theory of achievement motivation and emotion. *Psychological Review*, *92*(4), 548-573. https://doi.org/10.1037/0033-295x.92.4.548

Winter, S. J., Stylianou, A. C., & Giacalone, R. A. (2004). Individual differences in the acceptability of unethical information technology practices: The case of machiavellianism and ethical ideology. *Journal of Business Ethics*, *54*(3), 279-301. https://doi.org/10.1007/s10551-004-1772-6

Zhang, Y., He, B., & Sun, X. (2018). The contagion of unethical pro-organizational behavior: From leaders to followers. *Frontiers in Psychology*, *9*, 1-9. https://doi.org/10.3389/fpsyg.2018.01102

Author Biographies

Canh M. Nguyen is currently a PhD candidate in the School of Business Administration at the Ulsan National Institute of Science and Technology (UNIST) and a lecturer in the College of Economics at the Can Tho University. His research interests mainly focus on leadership, behavioral ethics, and moral balancing effect.

Lu Zhang is an associate professor of Management in the School of Business Administration at the Ulsan National Institute of Science and Technology (UNIST). Her current research interests include diversity, leadership, helping behavior, and psychology of entrepreneurship.

David Morand is a full professor of Management in the School of Business Administration at the Pennsylvania State University, Harrisburg. His current research interests include power and politeness in organizational communication, cross-cultural communication, organizational culture, employee empowerment, and leadership development.