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Why and when does ethical leadership evoke unethical follower behavior?

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Abstract

Purpose – In examining whether social exchange or social identity mechanisms drive the relationship between ethical leadership and unethical pro-organizational behavior (UPB), the purpose of this paper is to argue that the mechanism linking ethical leadership and UPB varies for different levels of job autonomy.
Design/methodology/approach – Data were requested from 225 employees in several Dutch organizations, of which 156 questionnaires were returned. The authors used multilevel path analysis in MPlus to test the hypotheses, which allows for simultaneous estimation of different regression equations and for testing the significance of indirect effects.
Findings – In line with the hypotheses, results revealed a direct relationship between ethical leadership and UPB when followers have little job autonomy. For followers high on job autonomy, the authors found that ethical leadership relates to UPB via organizational identification.
Practical implications – It is advised to use ethical leadership with care when it focusses on reciprocity and identification. The results suggest that followers may be inclined to justify their unethical actions by appealing to the principle of higher loyalty – believing they are just doing what the organization wants them to do.
Originality/value – Previous research has used social learning theory to show that ethical leadership is likely to stimulate and transfer ethical norms and behaviors. The current study however demonstrates the reciprocal and dark side of ethical leadership, as the authors found that ethical leadership can encourage UPB for followers with low job autonomy.

Keywords Social identity theory, Ethical leadership, Social exchange theory, Job autonomy, Unethical pro-organizational behaviour
Paper type Research paper

Introduction

Employees often face situation in which they need ethical guidance from their leader. The literature suggests that employees receive such guidance from ethical leadership, which is defined as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships" (Brown *et al.*, 2005, p. 120). Based on social learning theory, ethical leaders are believed to promote ethical conduct to followers "through two-way communication, reinforcement, and decision making."

We use social exchange theory (SET) (Blau, 1964) and social identity theory (SIT) (Tajfel, 1981), to challenge this truism by arguing that ethical leadership evokes followers'

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engagement in unethical behavior when such behavior benefits the organization (unethical pro-organizational behavior (UPB)). UPB has been defined as "actions that are intended to promote the effective functioning of the organization or its members and violate core societal values, mores, laws, or standards of proper conduct" (Umphress and Bingham, 2011, p. 622). Umphress and Bingham (2011) were the first to show that such unethical behavior is a potential negative outcome of social relationships and identification with the organization. Building on their findings and social identity and SET, we argue that in situations where organizational norms collide with societal norms, ethical leadership may lead to behavior that goes against societal norms.

In examining whether social exchange or social identity mechanisms drive the relationship between ethical leadership and UPB, we argue that the mechanism linking ethical leadership and UPB varies for different levels of job autonomy. We expect that for followers with low levels of job autonomy, social exchange is important in the relationship between ethical leadership and UPB. Such followers rely more on their leader and therefore engage in a more direct reciprocal relationship with their leader. In contrast, when follower job autonomy is high we propose that the relationship between ethical leadership and UPB is mediated by organizational identification.

We contribute to the ethical leadership literature in two ways. First, we advance theory on the relationship between ethical leadership and follower (un)ethical behavior. This relationship has recently received more attention (e.g. Detert *et al.*, 2007; Mayer *et al.*, 2012; Miao *et al.*, 2012) and the idea that ethical leadership evokes unethical follower behavior represents a counter-intuitive argument that opposes common assumptions and findings in the field. Second, by arguing that job autonomy moderates the relationship between ethical leadership, organizational identification, and UPB, we contribute to theory and research that uses social exchange and SIT to account for follower outcomes of ethical leadership.

Ethical leadership and UPB

Ethical leadership reflects different leader behaviors including acting fairly, accepting voice, exhibiting consistency and integrity, demonstrating responsibility for one's behaviors, rewarding ethical conduct, and being apprehensive for others (Brown *et al.*, 2005; Kalshoven *et al.*, 2011). Based on social learning theory (Bandura, 1986), it has been argued that ethical leaders use different ways to influence followers, including transactional ones to influence ethics-related behaviors among followers, such as communication, rewards, and punishments (Brown *et al.*, 2005). Ethical leaders send clear messages about expected behaviors and use reward systems to promote ethical behavior (Treviño *et al.*, 2003). Furthermore, ethical leaders act as role models and become the target of imitation and identification for followers (Brown *et al.*, 2005). Based on social learning theory, followers thus are believed to engage less in socially disruptive behavior when they have an ethical leader.

Several studies have shown that ethical leadership is indeed negatively related to follower unethical behavior, such as work place deviance or counterproductive work behaviors (Detert *et al.*, 2007; Kalshoven *et al.*, 2011; Mayer *et al.*, 2012), and positively related with several forms of pro-organizational behaviors, such as helping (Kalshoven *et al.*, 2013), which may be seen as ethical behavior (Effelsberg *et al.*, 2013). Such forms of unethical (ethical) follower behavior may however also harm (benefit) the organization. This raises the question how ethical leadership affects behaviors when those behaviors are unethical, but benefit the organization. If ethical leadership truly causes followers to

behave more ethically, it should decrease the extent to which followers engage in pro-organizational behavior when that same behavior is socially damaging.

UPB is a construct that aims to capture such behavior. Umphress *et al.* (2010, p. 770) argue that UPB includes two main definitional components: "First, UPB is unethical behavior, or acts that are either illegal or morally unacceptable to the larger community" (Jones, 1991, p. 367). UPB includes acts of commission (e.g. "cooking" numbers to boost analyst projections and stock values) and omission (e.g. withholding information about the hazards of a pharmaceutical product) that are considered unethical by society. Second, UPB is pro-organizational behavior that is neither specified in formal job descriptions nor ordered by superiors, yet is carried out to benefit or help the organization (Brief and Motowidlo, 1986). In other words, UPB involves morally questionable actions that are carried out with the goal to increase organizational success, but that harms the well-being of customers or other external stakeholders, and possibly even society (Umphress *et al.*, 2010).

To our knowledge, the relationship between ethical leadership and UPB has only been examined once: Miao *et al.* (2012) argued and found that high levels of ethical leadership are negatively related to UPB based on social learning theory (Bandura, 1986). Based on this theory, it is suggested that ethical leaders model ethical behaviors for followers to emulate and copy, and that followers also learn about ethical behavior by witnessing how other followers are rewarded by the ethical leader (Brown *et al.*, 2005; Treviño *et al.*, 2003). As such, social learning theory provides a perspective on ethical leadership that focusses on the transfer of ethical behavior from leader to follower: by displaying ethical behavior, leaders are believed to transform followers' attitudes and behaviors in making them more attentive toward moral issues.

However, even if ethical leadership increases moral awareness of followers through social learning, Tenbrunsel and Smith-Crowe (2008) note that such an increase in moral awareness does not necessarily lead to improved follower moral conduct. Indeed, Stouten *et al.* (2013) argue and show that followers may feel reproached by ethical leaders: when leaders display highly ethical behavior, employees may feel as if they are not (considered) sufficiently moral. Through the principle of behavioral confirmation (Snyder and Swann, 1978) such feelings are likely to manifest in congruent behavior. Consequently, we argue that social learning theory provides a solid explanation of why and how ethical leadership increases followers' moral awareness, but is limited in explaining why and how ethical leadership is related to the moral behavior of followers. In the following, we argue based on social exchange and social identity theories why and how ethical leadership affects followers' UPB.

Social exchange and SIT

SET describes how people form relationships and how power is dealt with in those relationships (Blau, 1964). Ethical leadership is thought to create a positive exchange relationship with followers (Mayer *et al.*, 2009). Ethical leaders share power, provide ethical guidance, treat others fairly, and consistently and express that they care about the welfare of followers (Kalshoven *et al.*, 2011), thereby forming exchanges based on improved interpersonal treatment. Based on the norm for reciprocity, followers reciprocate their ethical leader with an attitude or behavior that is favorable toward the organization (Cropanzano and Mitchell, 2005; Kalshoven *et al.*, 2013; Mayer *et al.*, 2009).

Interestingly, employees do not have to repay the original giver (i.e. the ethical leader) to reciprocate. Kalshoven *et al.* (2013), for example, argue and show that employees reciprocate an ethical leader by exhibiting pro-organizational behaviors. We therefore

expect that followers who perceive their leader as ethical are likely to consider behavior directed at the organization as appropriate reciprocal behavior (Kalshoven *et al.*, 2013). Umphress and Bingham (2011) argue that rather than focussing on the morality of the actual behavior, followers in a social exchange relationship with their leader may see their behavior in terms of: "I'm just doing my job," or "The organization needs this." Employees who have a positive social exchange relationship with their leader may focus more on their duty to engage in the act and the possible beneficial consequences to the organization than on the moral implications linked to the unethical act. Based on SET, we thus argue that ethical leadership is likely to be positively related to UPB.

Next, (SIT; e.g. Ashforth and Mael, 1989; Tajfel, 1981) reflects on people's self-definition and the extent to which it is based on group membership. People tend to define themselves in terms of collective attributes of a group to which they belong (i.e. social identity). The more followers' self-conception is based on group membership, the more their behavior is modeled according to the norms of that specific group. Organizations have been found to be one of the groups that people tend to identify with and that thus tend to be part of people's social identity (Ashforth and Mael, 1989). Accordingly, organizational identification is defined as "a psychological linkage between the individual and the organization whereby the individual feels a deep, self-defining affective and cognitive bond with the organization as a social entity" (Edwards and Peccei, 2007, p. 30). It is this psychological linkage between an individual and an organization that shapes the extent to which the organization becomes part of the self-concept and that motivates an individual to exert effort on behalf of the organization (Tajfel and Turner, 1986; van Knippenberg, 2000). Because leaders represent the organization (Kalshoven and Den Hartog, 2009) and ethical leadership is likely to enhance followers' identification with the group or organization (Walumbwa *et al.*, 2011), ethical leadership is thought to stimulate followers' motivation to contribute to the collective.

Whereas such increased contributions to the collective due to higher levels of organizational identification are generally considered positive, there can also be some negative effects, such as blind obedience, group-think, and UPB (Ashforth and Anand, 2003; Umphress *et al.*, 2010). Indeed, organizational identification is likely to limit employees' regard for ethical behaviors that benefit the organization (Ashforth and Anand, 2003; van Knippenberg, 2000). Because such followers wish to protect the group's social identity, followers may put the interests of the organization above the interests of other groups (e.g. society) that might be harmed by the unethical behavior. The feeling of physical, social, or psychological nearness of the actor to the group that is potentially affected by the consequences of the immoral act is important for the level of ethical behavior (Jones, 1991). The more a follower identifies with the organization, the more the follower feels near to the organization (high-organizational identity) and the less near to the society. Accordingly, we assert that ethical leaders may increase organizational identification and, in turn, followers' tendency to behave for the benefit of the organizational at the expense of the loyalty to societal norms. Taken together, we thus argue that ethical leadership may increase follower UPB by evoking reciprocal and identification behavior aimed at benefiting the organization:

H1. Ethical leadership is positively related to follower UPB.

Note that we do not suggest that ethical leaders intentionally foster such unethical behavior of followers, nor that ethical leadership causes followers to intentionally violate societal norms. Instead, we consider UPB as an unintentional by-product of employees increased willingness to help the organization.

The moderating role of job autonomy

Because SET and SIT provide different explanations of why and how ethical leadership relates to UPB, we aim to understand the contingencies that determine whether the relationship between ethical leadership and UPB is more likely to be based on social exchange or on social identity. Specifically, we propose that whether SET or SIT-related processes account for the ethical leadership-UPB relationship depends on the level of follower job autonomy. Hackman and Oldman (1976, p. 258) describe job autonomy as "the degree to which the job provides substantial freedom, independence and discretion to the individual in scheduling the work and in determining the procedures to be used in carrying it out." In low job autonomy situations, work outcomes depend largely on good instructions from a leader, solid procedures and job manuals, rather than personal efforts. Jobs low on autonomy are described as structured, routine, and prescribed. The follower has little discretion in choosing tasks and methods. Following the prescribed procedures will typically lead to success in work outcomes. In contrast, work outcomes in highly autonomous jobs increasingly depend on an individual's own efforts, initiative and decisions (Hackman and Oldman, 1976). Followers have more discretion to perform tasks in distinctive manners, meaning that they are less reliant on their leaders to decide the order in which tasks are performed, to give input on tasks of others and to select working behaviors.

In case of high levels of job autonomy, followers are less likely to be affected by the norm of reciprocity because they have more freedom to follow and adhere to societal norms. Consequently, it is likely that the main reason why followers with high levels of job autonomy will engage in UPB is because they identify with the organization. Furthermore, in high-job autonomy situations, followers' self-concepts, values, and identities can be more readily appealed to (Shamir and Howell, 1999), which means that ethical leaders are more likely to affect the organizational identification of followers with high levels of job autonomy compared to followers with low levels of job autonomy. This then also suggests that for employees with high-job autonomy, the relationship between ethical leadership and UPB is likely to occur through enhancing followers' organizational identification.

In contrast, followers with lower levels of job autonomy tend to have a more proximal and direct relationship with their leader than followers with higher levels of job autonomy. This means that followers with low levels of job autonomy are more affected by the behavior of their ethical leaders compared to followers with high levels of job autonomy, and that leaders of followers with low levels of job autonomy have more discretion over followers' behavior (Kalshoven *et al.*, 2013; Mayer *et al.*, 2009). Followers with low levels of job autonomy thus are more likely to engage in a social exchange relationship with their ethical leader and therefore may see their behavior in response to their ethical leader in terms of: "I'm just doing my job," or "The organization needs this," which is indicative of UPB (Umphress and Bingham, 2011).

Taken together, we propose:

H2. Job autonomy moderates the relationship between ethical leadership and UPB, such that the relationship is stronger for low job autonomy than for high job autonomy.

H3. Organizational identification mediates the relationship between ethical leadership and UPB when job autonomy is high.

Method

Participants and procedures

Graduate students from a Dutch university voluntarily provided contact details of employees working in a wide range of organizations in the Netherlands. Data were requested from 225 followers of which 156 questionnaires were returned (response rate is 69.33 percent). These participants were working in 42 different profit organizations and one non-profit organization in the Netherlands. The number of respondents per organization varied between 1 (19 organizations) and 20 (one organization) (mean = 3.71). The average age of followers was 37 years (SD = 12); 45 percent were women. Average tenure with the organization was nine years (SD = 11).

Measurement

Unless otherwise stated, a five-point Likert scale was used ranging from 1 (strongly disagree) to 5 (strongly agree). Except for the UPB scale, the other scales were used before in Dutch. For UPB, we used the translation-back-translation method (Brislin, 1980) to translate the items to Dutch.

Ethical leadership. We measured ethical leadership using the ten-item Ethical Leadership Scale (Brown *et al.*, 2005). A sample item is: "Listens to what followers have to say." One item was deleted as it had a low (< 0.40) factor loading in the confirmatory factor analysis (CFA). Cronbach's α was 0.86.

Job autonomy. Job autonomy was measured by using the five-item scale derived from a validated Dutch instrument to measure psychosocial job conditions (VBBA; van Veldhoven and Meijman, 1994). This scale is based conceptually on the Job Content Questionnaire (Karasek, 1979, 1998). An example item is: "Can you decide yourself how to go about getting your job done?" Answering scale ranges from 1 (never) to 5 (always)." One item was deleted as it had a low (< 0.40) factor loading in the CFA. Cronbach's α was 0.73.

Organizational identification. Followers' organizational identification was measured with the six-item scale of Edwards and Peccei (2007). A sample item is: "My employment in this organization is a big part of who I am." Cronbach's α was 0.85.

UPB. UPB was assessed with a six-item measure developed by Umphress *et al.* (2010). Items assessed respondents' agreement to perform UPB. Sample item: "If it would help my organization, I would misrepresent the truth to make my organization look good." Cronbach's α was 0.80.

Control variables. We controlled for gender (1 = male, 2 = female), age, and tenure with the organization in years.

Measurement model. We performed a CFA. The proposed four-factor structure (i.e. ethical leadership, job autonomy, identification, and UPB) revealed acceptable fit according to RMSEA and SRMR values (both 0.07), but unsatisfactory fit according to CFI and TLI. We introduced correlations between error terms according to item content. By allowing correlations between error terms of four items of UPB and a correlation between the remaining two items of UPB, and three correlations between items of the organizational identification construct, we achieved acceptable model fit: $\chi^2(259) = 399.767$, $p < 0.01$; CFI = 0.904; TLI = 0.889; RMSEA = 0.059; SRMR = 0.069. Conceivable alternative models with fewer factors did not fit our data. For example, a model with identification and UPB as one factor showed a significantly lower fit to the data ($\Delta\chi^2 = 38.098$ (df = 3), $p < 0.01$). To check whether common method variance was a problem in our model, we used Harman's one-factor test (see Podsakoff *et al.*, 2003).

We performed CFA's to compare the fit of a single (common method) factor model with the proposed measurement model. The one-factor model did not fit the data ($\chi^2(265) = 729.794$, $p < 0.01$; CFI = 0.683; TLI = 0.641; RMSEA = 0.105; SRMR = 0.110), and the proposed four-factor model provided a significantly better fit ($\Delta\chi^2 = 330.027$ (df = 6), $p < 0.01$). Thus, common method variance was not considered a problem in our data.

Analytic strategy

We had nested data with employees nested in organizations, and significant between-group variance was found for our two dependent variables, organizational identification (ICC = 0.17) and UPB (ICC = 0.10). Therefore, we performed multilevel analysis, controlling for potential group (i.e. organizational) effects in our analysis. All variables in our model were grand-mean centered. We used multilevel path analysis in MPlus to test our hypotheses. In MPlus we could test the different regression equations simultaneously, and it allowed us to test the significance of indirect effects. As all variables were at the individual level we only specified within-level (individual level) equations. Maximum-likelihood estimation was used. χ^2 significance is strongly affected by sample size and the size of the correlations between different variables (Nye and Drasgow, 2011). Therefore, we also used the CFI, TLI, RMSEA, and SRMR to assess model fit (Hu and Bentler, 1999). We used cutoff values of 0.90 for the CFI, less than 0.06 for the RMSEA, and less than 0.08 for SRMR (Hu and Bentler, 1999). We checked all variables for outliers and normality, before performing the analyses. The missing data accounted for less than 0.5 percent of the data. For most items, only one missing data point was found. We used maximum-likelihood estimation to deal with missing data. This method is recommended as it uses all available data in the analysis (Kline, 2005).

Results

Table I presents the means, standard deviations, and correlations among the variables.

We tested *H1* using two-level regression analysis in MPlus. The hypothesized model fits the data well (χ^2 (0) = 0.000, ns; CFI = 1.000; TLI = 1.000; RMSEA = 0.000; SRMR(within) = 0.000; SRMR(between) = 0.000). Table II shows a non-significant relationship between ethical leadership and UPB. Thus, *H1* is rejected.

H1 and *H2* are combined in one model and tested simultaneously using multilevel path analysis, as this enables us to calculate the strength of the different direct and indirect

Variable	*M*	SD	1	2	3	4	5	6	7
1. Gender (1 = male, 2 = female)									
2. Age	37.05	12.13	−0.07						
3. Tenure with organization	9.08	11.01	−0.02	0.70**					
4. Ethical leadership	3.83	0.58	−0.08	0.13	0.06	(0.86)			
5. Job autonomy	4.12	0.53	0.06	0.26**	0.18*	0.26**	(0.73)		
6. Organizational identification	3.77	0.62	−0.06	0.14	0.12	0.40**	0.29**	(0.85)	
7. UPB	2.52	0.72	−0.19*	−0.17*	−0.33**	0.19*	−0.04	0.26**	(0.80)

Table I.
Means, standard deviations and correlations

Notes: Correlations represent within-level correlations. *n* varies between 156 and 158. α's are in parentheses. *$p < 0.05$; **$p < 0.01$ (two-tailed)

relationships for different levels of job autonomy. First, organizational identification was regressed on the control variables, ethical leadership, job autonomy, and the interaction of ethical leadership and job autonomy. Second, UPB was regressed on the control variables, ethical leadership, job autonomy, the interaction of ethical leadership and job autonomy, and organizational identification. We mean centered the independent and moderator variables and created the interaction term using these mean centered variables (Aiken and West, 1991). We estimated both equations in MPlus. The proposed model showed a good fit on the within-group (i.e. individual) level, but did not fit on the between-group (i.e. organizational) level. Adding a relationship between organizational identification and UPB on the between-group level led to good model fit on the between-group level: χ^2 (0) = 0.000, ns; CFI = 1.000; TLI = 1.000; RMSEA = 0.000; SRMR (within) = 0.001; SRMR(between) = 0.011. Table III presents the results.

Table III shows that job autonomy acts as a moderator in the relationship between ethical leadership and UPB ($\beta = -0.17$, $p < 0.05$). This interaction effect was plotted for one standard deviation below and above the mean of job autonomy in Figure 1, which shows a significant positive relationship for low autonomy, and a nonsignificant relationship for high autonomy (see also Table IV), which is in line with *H2*.

In addition, results show that identification is significantly related to UPB, both at the within-group level ($\beta = 0.22$, $p < 0.01$), and the between-group level ($\beta = 0.85$, $p < 0.01$). We estimated simple effects for the first stage (path from ethical leadership to identification), second stage (path from identification to UPB), direct (path from ethical leadership to UPB), indirect, and total effects across levels of autonomy

	UPB
Gender (1 = male, 2 = female)	−0.17*
Age	0.07
Tenure with organization	−0.39**
Ethical leadership	0.19***
R^2	$R^2 = 0.19$**

Notes: $n = 156$. Standardized coefficients are presented. *$p < 0.05$; **$p < 0.01$; ***$p < 0.10$

Table II. Results of multilevel regression analysis

	Organizational identification	UPB
Within level		
Gender (1 = male, 2 = female)	−0.07	−0.14*
Age	−0.04	0.06
Tenure with organization	0.15***	−0.37**
Ethical leadership	0.41**	0.15
Job autonomy	0.24**	−0.08
Ethical leadership × Job autonomy	0.11***	−0.17*
Organizational identification		0.22**
Between level		
Organizational identification		0.85**
R^2 within	$R^2 = 0.30$**	$R^2 = 0.24$**
R^2 between		$R^2 = 0.72$

Notes: $n = 156$. Standardized coefficients are presented. *$p < 0.05$; **$p < 0.01$; ***$p < 0.10$

Table III. Results of multilevel path analysis testing mediated moderation

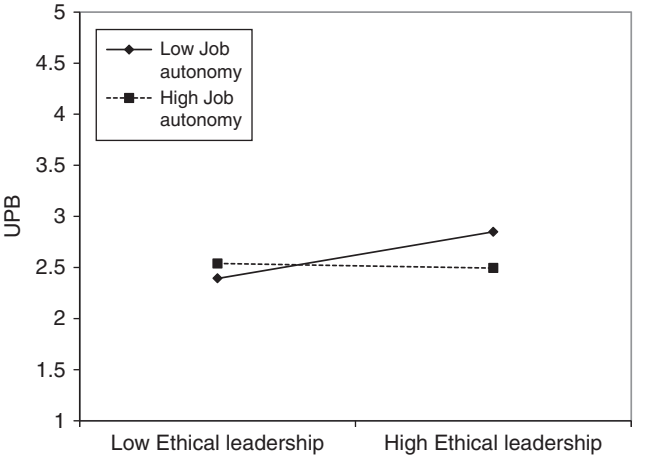


Figure 1.
The moderating role of job autonomy in the relationship between ethical leadership and UPB

		Stage		Effect		
Moderator	Value	First: EL→identification	Second: identification→UPB	Direct: EL→UPB	Indirect: EL→identification→UPB	Total
Job autonomy	1	0.02 (0.13)	0.24** (0.08)	0.49* (0.20)	0.01 (0.03)	0.49* (0.22)
	2	0.09 (0.09)	0.24** (0.08)	0.36* (0.15)	0.02 (0.02)	0.39* (0.17)
	3	0.16** (0.05)	0.24** (0.08)	0.24* (0.10)	0.04* (0.02)	0.28* (0.11)
	4	0.24** (0.04)	0.24** (0.08)	0.11 (0.07)	0.06** (0.02)	0.17* (0.07)
	5	0.31** (0.06)	0.24** (0.08)	−0.01 (0.09)	0.08** (0.03)	0.06 (0.07)

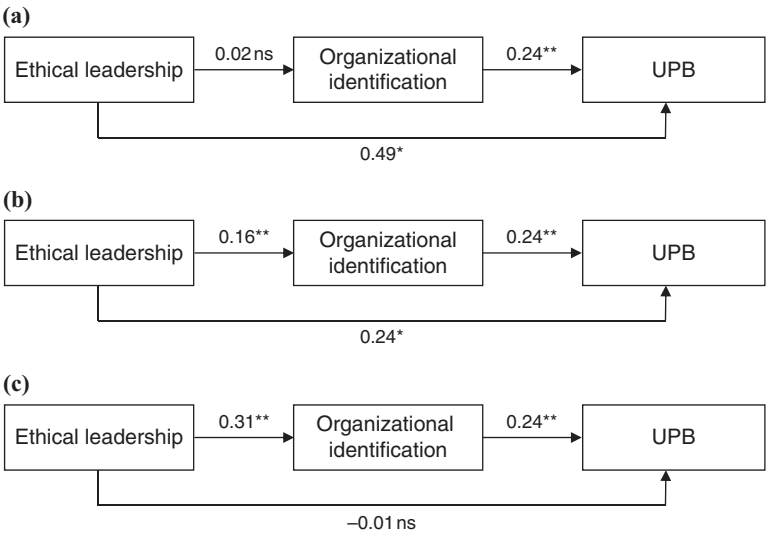
Notes: $n = 156$. Unstandardized coefficients are presented, standard errors in parentheses. *$p < 0.05$; **$p < 0.01$

Table IV.
Analysis of simple effects

(Edwards and Lambert, 2007; Preacher *et al.*, 2007). Table IV shows that ethical leadership is positively related to identification for scores 3, 4, or 5 on autonomy (autonomy = 3: $B = 0.16$, $p < 0.01$; 4: $B = 0.24$, $p < 0.01$; 5: $B = 0.31$, $p < 0.01$), and nonsignificant for low autonomy. In contrast, ethical leadership is positively related to UPB for scores of 1, 2, and 3 on autonomy (autonomy = 1: $B = 0.49$, $p < 0.05$; 2: $B = 0.36$, $p < 0.05$; 3: $B = 0.24$, $p < 0.05$), and nonsignificant for high autonomy (scores 4 and 5). Furthermore, results show a significant indirect effect from ethical leadership to UPB via identification for mean and high scores on autonomy (autonomy = 3: $B = 0.04$, $p < 0.05$; 4: $B = 0.06$, $p < 0.01$; 5: $B = 0.08$, $p < 0.01$), whereas no significant indirect effect is found for low-job autonomy. Overall, these results show that ethical leadership is directly related to UPB for low autonomy, and that identification mediates the relationship between ethical leadership and follower UPB for high autonomy, thus providing support for *H2* and *H3*. Figure 2 gives an overview of the results for scores of 1, 3, and 5 on job autonomy.

Discussion

We used social exchange and SIT to examine how and when ethical leadership is related to follower UPB by examining organizational identification as a mediator and job autonomy as a moderator in this relationship. In line with expectations, results showed that



Notes: (a) Job autonomy=1; (b) Job autonomy=3; (c) Job autonomy=5.
**$p < 0.01$

Figure 2.
Model results for three levels of job autonomy

ethical leadership relates to organizational identification, which in turn affects UPB when followers experience high-job autonomy. In cases of low-job autonomy, a direct positive relationship between ethical leadership and UPB was found.

Theoretical implications

Our study contributes to the ethical leadership literature by examining the process through which, and the conditions under which ethical leadership relates to followers' UPB. Although the mechanisms differ for different levels of job autonomy, our results suggest a counter-intuitive relationship between ethical leadership and UPB. Although previous studies have found that ethical leadership decreases followers' unethical behavior (Mayer *et al.*, 2011, 2012; Stouten *et al.*, 2010), our study does not show a significant relationship between ethical leadership and followers' UPB. Whereas one of the main train of thoughts of ethical leadership theory is that ethical leadership benefits the organization because it enhances the moral conduct of followers, our findings thus do not support this. Our results suggest that under conditions of low-job autonomy, ethical leadership may even make followers more susceptible to (specific forms of) unethical conduct.

An important implication for ethical leadership theory concerns construct validity (Eisenbeiss, 2012). Brown *et al.* (2005, p. 120) stressed that they deliberately preferred the vague wording in their definition of ethical leadership, because what constitutes as normatively appropriate behavior varies across organizational and societal cultures. True as that may be, this conceptual ambiguity raises the question what happens when organizational norms insist on behavior that is not in line with societal norms. Would ethical leadership in such instances stimulate conduct of followers according to organizational norms, or according to societal norms? The current financial crisis offers various examples of conflicting organizational and societal norms. Think, for example, about financial institutes in which the explicit or implicit norm was short-term

generation of profit at the expense of sustainability concerns or fair treatment of customers (Eisenbeiss, 2012).

In a qualitative study, Frisch and Huppenbauer (2014) showed that ethical leaders' behavior usually affects a broader range of stakeholders, such as customers, suppliers, owners of companies, the natural environment, and society. Ethical leaders also care about such stakeholders, because they do not only want to foster the well-being of their organization, but of society. Theoretically, ethical leaders can therefore be expected to stimulate followers not to "hurt" those stakeholders. Our results raise questions about the content and construct validity of "ethical leadership" and justify wider theoretical analysis in future ethical leadership research. For instance, the current assessment of ethical leadership leaves what constitutes ethical behavior up to the individual respondent. By letting them use their own ethical frame of reference, responses may be more driven by whether respondents perceive a leader to engage in ethical conduct toward them than that leaders are truly ethical. Indeed, a leader who mainly serves the interests of his or her department and not the interests of the organization may be seen by his or her followers as very ethical, but on a company or societal level such behavior may be better qualified as unethical.

It should be noted that a recent study found a curvilinear relationship between ethical leadership and UPB: Miao *et al.* (2012) found that followers' UPB is high for moderate levels of ethical leadership and low for high and low levels of ethical leadership. We tested this model but did not find support for a curvilinear relationship in our data, which may be explained by the larger disparity of (un)ethical leadership in their sample than in ours (the SD of ethical leadership in their sample was 0.94, whereas it was 0.58 in our sample). Another reason may be that culture matters. Miao *et al.* (2012) found that the relationship between ethical leadership and UPB was primarily evident among followers who displayed high levels of identification with their supervisor. Given that the Netherlands represents a much more individualistic country than China (Hofstede, 1980), it may be that Dutch followers are less inclined to identify strongly with their supervisor. Either way, Miao *et al.*'s findings thus suggest too that, at least under certain conditions, ethical leadership evokes UPB and thus strengthen our call for reconsidering the current understanding of ethical leadership in the field.

A second contribution of our study to the ethical leadership literature is that our results demonstrate that for high-job autonomy, organizational identification fully mediated the relationship between ethical leadership and UPB, whereas for low-job autonomy, ethical leadership was directly related to UPB. By using social identity and SET to explain the effects of ethical leadership on unethical follower behavior, we open up the possibility for future research to examine how ethical leadership affects followers' behavior due to social identification and social exchange processes. Given that our study was limited to examining how ethical leadership is related to unethical follower behavior, it would, for example, be interesting to examine how ethical leadership evokes other forms of "socially disruptive" pro-organizational behavior (see Vadera and Pratt, 2013, p. 175 for a list of these behaviors). It should however be mentioned that we did not explicitly measure social exchange mechanisms, so we believe it could be an important contribution to the literature if future research can show empirically the relative dominance of a social exchange mechanism at lower levels of job autonomy.

We recommend future research to incorporate situational and individual-level factors as moderators. Our findings suggest that the extent to which ethical leadership

relates to UPB differs across organizations. The culture or a climate of an organization thus may be an important tool for reducing the extent to which ethical leadership affects UPB. Further, the relationship between ethical leadership and UPB may depend on followers' personal disposition toward ethical and unethical behavior (Effelsberg *et al.*, 2013). It is known that individuals differ in their level of moral development (Kish-Gephart *et al.*, 2010), which means that some individuals are more considerate toward societal norms than others. As a consequence, compared to followers with higher levels of moral development, it may be more likely that followers with lower levels of moral development engage in UPB after a positive exchange with an ethical leader or when experiencing increased organizational identification due to an ethical leader (cf. Umphress and Bingham, 2011).

Limitations

The cross-sectional nature of our data limits us to test causal relationships. To test the likelihood of reversed causality, we tested a competing mediated moderation model in which we examined UPB as a mediator and organizational identification as the dependent variable. This analysis showed that none of the indirect effects between ethical leadership, UPB, and organizational identification) for the different levels of autonomy were significant, which decreases the likelihood of reversed causality. Second, the data may be subject to common source and common method bias. To minimize the common method variance, we followed a protocol outlined in Podsakoff *et al.* (2003): using reliable and valid constructs and performing confirmatory factor analyses. Also, the CFA and Harman's one factor test both showed that the variables were distinct, which indicates that common method variance was not a big concern in our data. In addition, common method variance is hard to avoid when assessing attitudinal variables. So far, published studies on UPB test relationships in this manner (e.g. Miao *et al.*, 2012; Umphress *et al.*, 2010). Third, our sample size was relatively small and the research has a localized focus. Future research could replicate our findings in a larger sample and different locations.

Practical implications

Because followers showing UPB have the potential to cause damage to the organization and its stakeholders as well as to society, it seems important for organizations to focus on decreasing follower UPB. To illustrate what kind of damage UPB can cause, Umphress *et al.* (2010) state that: "UPB includes both acts of omission (i.e. conceal information from the public that could be damaging to my organization) and commission (i.e. misrepresent the truth to make my organization look good)." Our results show that "ethical leadership" may also lead to UPB for employees low on job autonomy, because such followers may be inclined to justify their unethical actions by appealing to the principle of higher loyalty – believing they are just doing what the organization wants them to do. Therefore, it is advised to use ethical leadership with care when it focusses on reciprocity and identification. Organizations are therefore invited to put more emphasis on training of leaders on ethical behavior to signal followers' UPB. In such a training, leaders should learn to distinguish reciprocal and transforming ethical leader behavior, as well as how both types of behaviors affect followers with high- and low-job autonomy. It could be helpful to use real business case studies in order to illustrate how tensions between ethical leadership and ethical and pro-organizational behaviors develop.

Conclusion

The present study aimed to add to the counter-intuitive relationship between ethical leadership and UPB. Demonstrating the reciprocal and dark side of ethical leadership, we found that ethical leadership can encourage UPB when followers have a job low on autonomy. For followers high on job autonomy, we found that ethical leadership encourages UPB via organizational identification. In doing so, we demonstrate that ethical leadership also has potential unethical consequences.

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