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Role of moral judgment in peers' vicarious learning from employees' unethical pro-organizational behavior

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ABSTRACT

By integrating theories of social learning and moral judgment, we developed a theoretical model on whether and when peers imitate employees' unethical pro-organizational behavior (UPB) in the workplace. The study, which involved 256 employees in a large manufacturing company in China, revealed that employees' UPB positively predicted peers' vicarious learning of UPB, with the effect strengthened by employees' organizational tenure but weakened by peers' deontic injustice. Moreover, the positive effect of employees' UPB on their peers' vicarious learning was mitigated, and even turned negative when employees' organizational tenure was low, but peers' deontic injustice was high.

KEYWORDS

Unethical pro-organizational behavior; social learning; moral judgment; organizational tenure; deontic injustice

INTRODUCTION

Owing to its ubiquity as well as its costly impact on organizations, unethical pro-organizational behavior (UPB) has attracted considerable attention from both practitioners and researchers. UPB refers to behaviors that seek to help organizations, but violate standards of legal or moral conduct (Umphress & Bingham, 2011). Although employees engage in UPB with an intent to benefit their organization, members, or both, such unethical behaviors might ultimately cause irreparable damage to the organization (Cialdini et al., 2004). Accordingly, researchers have devoted substantial efforts to explore its antecedents from various perspectives, such as social identity (Umphress et al., 2010; Zhang et al., 2018), leadership (Cheng et al., 2019; Miao et al., 2013), and psychological entitlement (Lee et al., 2019). Although the UPB experience is widespread within organizations (Zhang et al., 2018), limited studies have explored how it disseminates in the workplace. Among the few studies in this stream, scholars have mainly focused on vertical contagion (i.e., how UPB propagates from leaders to followers; Fehr et al., 2019; Lian et al., 2016; Zhang et al., 2018;). However, these findings have failed to address the question of how UPB disseminates from employees to their peers (i.e., lateral contagion). Previous studies suggest that lateral contagion of unethical behavior exists among employees (Ruiz-Palomino et al., 2019). However, so far, little is known about whether and when peers would imitate employees' UPB in the workplace.

This research attempts to enrich the literature by taking the first step in investigating the lateral contagion process of UPB by integrating theories of social learning and moral judgment. *Specifically, we probe whether and when peers would learn vicariously from employees' UPBs*. In previous literature, social learning theory has served as an insightful perspective for understanding the imitation of individual behavior (Bandura, 1977; Davis & Luthans, 1980). It describes the phenomenon whereby peers learn acceptable behaviors vicariously by observing others (Gioia & Manz, 1985; Manz & Sims, 1981; Robinson & O'Leary-Kelly, 1998). Previous research has also utilized social learning theory to explain widespread unethical behaviors in the workplace. For example, Ruiz-Palomino et al. (2019)

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argued that the influence of employees' unethical behavior on their peers might function via direct mimicry elements, that is, "monkey see, monkey do." UPB, as unethical behaviors intended to benefit the organization (Umphress & Bingham, 2011; Umphress et al., 2010), can be considered acceptable by some organizations (Miao et al., 2013; Tian & Peterson, 2016). Therefore, based on the social learning theory, we argue that peers would imitate employees' UPB through vicarious learning; that is, employees' UPB is positively related to peers' vicarious learning of UPB.

Although social learning theory can be applied to explain the direct effect of employees' UPB on peers' vicarious learning, it is relatively deficient because it has omitted the fact that imitators would inevitably engage in moral judgment when they engage in unethical behaviors. Specifically, apart from social learning, peers' ultimate reaction to imitate behaviors is also a combined result of ethical decision-making. The critical step for ethical decision making in our study is peers' own moral judgment toward employees' UPB, and such moral judgment is considered to influence peers' vicarious learning of UPB. Accordingly, we further investigated when peers would imitate employees' UPB based on the dual-process theories of moral judgment (Kahneman, 2011; J. S. Evans, 2008). Theorists in moral judgment research asserted that two kinds of moral judgment processes affect peers' imitation of employees' UPB. One is deontology, the process of judging whether conduct is acceptable based on moral principles (Beugré, 2010). For example, harming customers or clients is unacceptable, regardless of its consequences. The other is utilitarianism, the process of deciding whether the conduct is acceptable based on potential consequences (Greene et al., 2008). For instance, harming customers or clients is acceptable if it benefits the organization. Deontological judgment is fast, intuitive, and emotionally driven, whereas utilitarian judgment is slow, reasoned, and deliberate (Conway & Gawronski, 2013; Greene et al., 2008, 2004).

In particular, we adopt peers' deontic injustice and employees' organizational tenure to better contextualize the dual-process moral judgment that peers are involved in when they imitate employees' UPB. The reasons for choosing these two variables are two-fold, that is, they not only can expound deontological and utilitarian judgments, but also separately link to UPBs' unethical and pro-organizational components. Essentially, deontic injustice refers to the psychological state that yields emotionally charged reactions to conduct, which is perceived as violating moral principle (Folger, 2001). This is an important construct in deontological judgment. Individuals with higher deontic injustice adhere to moral or deontological principles (Folger, 2001; Folger et al., 2005), leading to fierce resistance to unethical behaviors (Skarlicki & Kulik, 2005). Additionally, owing to the unethical component of UPB, which breaks the moral principle (Umphress et al., 2010), peers with higher deontic injustice are more likely to consider UPB as unacceptable behavior. Accordingly, from the perspective of deontological judgment, we argue that peers' deontic injustice will mitigate vicarious learning from employees' UPB. Conversely, organizational tenure is defined as the length of employment in an organization, which is closely related to the organizational context. In utilitarian judgment, the (potential) consequence of organizational interests is an important criterion for individuals to judge whether or not the conduct is acceptable. That is, peers would consciously associate employees' UPB with organizational interests when making utilitarian judgments. Prior studies have shown that an individual' s organizational tenure always reflects their identification, commitment, and embeddedness toward the organization (Bartel et al., 2012; Bermiss & Greenbaum, 2016; Meyer et al., 2002). Individuals with higher organizational tenure are more inclined to maintain or promote the interests of their organizations for mutual investment employment relationships (Tsui et al., 1997; D. Wang et al., 2003). Therefore, when employees with higher organizational tenure commit UPB, peers are more inclined to believe that employees' UPB will benefit the organization and are more likely to consider employees' UPB as an acceptable behavior. Accordingly, from the perspective of utilitarian judgment, we argue that employees' organizational tenure magnifies peers' vicarious learning from employees' UPB. Although deontological and utilitarian judgments have their own distinctive psychological mechanisms, they work simultaneously during individuals' moral judgment processes (Conway & Gawronski, 2013). Considering that UPB ultimately causes irreparable damage to organizations (Cialdini et al., 2004), we are interested in determining the situation most likely to reduce

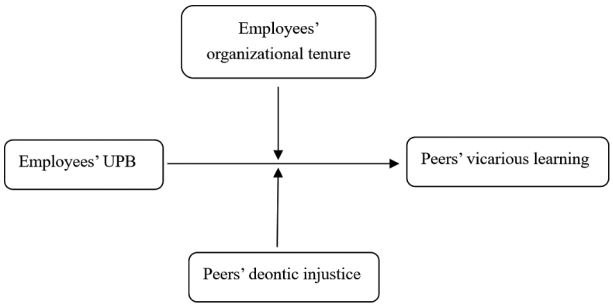

Figure 1. Theoretical model.

peers' vicarious learning from employees' UPB. Accordingly, we further probe the joint moderating effects of these two variables. Figure 1 summarizes the overall theoretical model.

Accordingly, this study primarily expands on research regarding UPB contagion by unfolding the lateral contagion process of UPB extending from employees to their peers, which is important but has been largely overlooked in previous literature. Specifically, we develop a theoretical model to elaborate whether and when peers would imitate employees' UPB. We also contribute to the literature on behavior imitation, which is mainly explained by social learning theory. Previous research adopting social learning theory has neglected the fact that imitators will experience a moral judgment process before they imitate behaviors, especially in terms of (un)ethical behaviors. Integrating social learning theory with theories of moral judgments, this study offers a complete picture depicting the boundary conditions of peers' imitation decisions from the perspective of morality. Furthermore, we enrich the knowledge on unethical behavior by focusing on unethical behaviors that purposefully benefit organizations. Although prior studies have provided valuable insights into unethical behaviors driven by self-interest (Kish-Gephart et al., 2010), limited knowledge exists regarding UPB, which is simultaneously characterized by unethical but pro-organizational components. Lastly, this research can also offer useful insights for managers to intervene in peer imitation from employees' UPB, which helps reduce the irreparable damage caused by widespread UPB within organizations.

Theory and hypotheses

Employees' UPB and peers' vicarious learning

The UPB comprises two key components. First, UPB is considered an unethical behavior that violates widely accepted moral or social norms (Kish-Gephart et al., 2010; Treviño et al., 2006). Research suggests that exposure to an individual's unethical behavior can trigger a similar behavior among their peers (Bauman et al., 2016; Lieke et al., 2016; O'Fallon & Butterfield, 2011, 2012; Wilkerson et al., 2008), which has been characterized as a vivid metaphor, "monkey see, monkey do" (Robinson & O'Leary-Kelly, 1998). Scholars have applied social learning theory to understand this phenomenon. For instance, Ruiz-Palomino et al. (2019) argue that the influence of employees' unethical behavior exposure on their peers can be explained by direct mimicry elements such as vicarious learning. Second, UPB is a pro-organizational behavior intended to benefit organizations. Although motivations underlying individuals' unethical behaviors are always complex (Feldman et al., 2015), as for UPB, we should not neglect the pro-organizational nature of the act (Umphress et al., 2010). According to social learning theory, peers acquire useful information by observing the behavior of individuals around them to ensure that their actions are acceptable by their organizations (Gioia & Manz, 1985; Manz & Sims, 1981; Robinson & O'Leary-Kelly, 1998). They tend to imitate acceptable behaviors through vicarious learning because these behaviors are considered to meet the expectations of their organizations. When peers observe employees committing UPB, the learning process will gradually help peers form their perceptions or understanding of organizational expectations that the organization accepts

or connives with employees to engage in UPB (Dahling et al., 2012). Research also suggests that peers find it easier to accept employees' UPB when it appears gradually (Gino & Bazerman, 2009). Consequently, peers are very likely to imitate employees' UPB through vicarious learning. Overall, based on social learning theory, we argue that peers would vicariously learn employees' UPB if they are aware of workers engaging in UPB within the organization.

Hypothesis 1: Employees' UPB is positively related to their peers' vicarious learning of UPBs.

Moderating role of peers' deontic injustice

Deontic injustice is defined as the psychological state that yields emotionally charged reactions to events perceived as violating moral norms about social conduct (Folger, 2001). Moral judgment based on deontic injustice (i.e., deontological judgment) is constantly characterized by intuition (Haidt, 2001; O'Reilly & Aquino, 2011; O'Reilly et al., 2016). Specifically, an individual swiftly judges moral right or wrong without logically analyzing the cost-benefit outcome. Accordingly, when individuals witness a conduct violating moral standards or deontological principles, they would immediately recognize that something wrong or immoral has occurred even if they are not victims (Gan et al., 2020). From the perspective of deontological judgment, an intrinsic desire exists in an individual to make judgments on justice and react to unethical perpetrators (Beugré, 2012; Folger et al., 2005). Previous research has shown that behaviors violating the deontological principle will directly trigger an individual's deontic injustice against violators and their behaviors (Reich & Hershcovis, 2015; Skarlicki & Kulik, 2005; Skarlicki & Rupp, 2010).

Research has shown that when individual deontic injustice is high, they adhere to the deontological principle (Folger, 2001; Folger et al., 2005) and fiercely fight back unethical behaviors (Skarlicki & Kulik, 2005). For example, Beugré (2010) found that individuals with higher deontic injustice, who adhered to the deontological principle, were less likely to follow corrupt practices within their organizations and were more likely to take action to resist socialization into corruption. Although UPB is intended to benefit the interests of organizations, it breaks the moral principle of its unethical components (Umphress et al., 2010). Therefore, peers with higher deontic injustice, who adhere to the deontological principle, are more likely to consider UPB that violates the deontological principle as unacceptable and resist such behaviors. Additionally, Skarlicki and Kulik (2005) suggest that the extent of individuals' reactions to unethical behavior intensifies when individual deontic injustice is high. Individuals usually oppose unethical behaviors after considering costs and benefits. However, individuals with higher deontic injustice fight back directly without considering the costs and benefits. Overall, we argue that peers with high levels of deontic injustice strongly resist employees' UPBs. Therefore, high levels of deontic injustice mitigate the relationship between employees' UPB and peers' vicarious learning.

Hypothesis 2: Peers' deontic injustice moderates the relationship between employees' UPB and peers' vicarious learning, such that the relationship is weaker for peers with higher deontic injustice.

Moderating role of employees' organizational tenure

Organizational tenure refers to the length of employment in an organization. We focus on organizational tenure rather than other types of tenure, since organizational tenure is closely related to employees' knowledge of their organizations, such as organizational routines, climate, and norms (Gavin & Greenhaus, 1976; Ng & Feldman, 2011). It has been considered a quantitative indicator of the overall comprehension of organizational stakeholders (Ng & Feldman, 2011). Prior studies have shown that individuals' organizational tenure always reflects their organizational identification (Bartel et al., 2012; Kraus et al., 2012; Mael & Ashforth, 1992; Ng & Feldman, 2008), organizational commitment (Kline & Peters, 1991; Meyer et al., 2002), and organizational embeddedness (Bermiss & Greenbaum, 2016; Emmerik & Sanders, 2004).

From the perspective of utilitarian judgment, individuals' moral judgment toward whether behaviors are acceptable depends on the (potential) consequences (Greene et al., 2008). In our research context, it would depend on organizational interests, that is, whether the behavior will hurt or benefit organizational interests. Accordingly, in terms of utilitarian judgment, peers would consciously associate employees' UPB with organizational interests when they make their judgment on whether UPB is acceptable. Research on employee – organization relationship suggests that employees with higher organizational tenure are more inclined to maintain or promote the interests of their organizations because the popular mutual investment employment relationship in the workplace has strongly tied the interests of employees with their organization (Tsui et al., 1997; D. Wang et al., 2003). This rationale influences peers' utilitarian moral judgment processes. From the perspective of peers, the perception that high-tenured employees are inclined to promote the interests of their organizations will make peers believe that those employees are enacting UPB with the intention of doing good for the organization. Peers will consider employees' UPB more acceptable and are more likely to learn UPB vicariously from employees' UPB when employees have higher tenure. Moreover, theorists in social influence contend that individuals who retain a longer membership in the organization have stronger abilities to enhance the extent of social influence on peers' beliefs, attitudes, and behaviors (Salancik & Pfeffer, 1978). For example, Robinson and O'Leary-Kelly (1998) determined that individuals with a relatively long tenure strengthen these same individuals' anti-social behaviors in the group. Overall, we argue that peers are likely to imitate employees' UPB when they have high levels of tenure.

Hypothesis 3: Employees' organizational tenure moderates the relationship between employees' UPB and peers' vicarious learning, such that the relationship is stronger for employees with higher organizational tenure.

Joint moderating effect of deontic injustice and organizational tenure

To determine the joint influence of deontic injustice and organizational tenure on peers' vicarious learning from employees' UPB, we adopt dual-process theories of moral judgment, which integrate the two modes of processing (e.g., deontological and utilitarian judgments) into a comprehensive framework. Theorists advocating dual-process theories of moral judgment assert that deontological and utilitarian judgments are simultaneously active during individual ethical decision-making (Conway & Gawronski, 2013). Deontological judgment is driven by an emotional process that is assumed to be fast, affective, and resource-independent, whereas utilitarian judgment is determined by cognitive processes that are assumed to be slow, cognitive, and laborious (Greene, 2007; Greene et al., 2008, 2004). Advancing the development of dual-process theories of moral judgment, Zollo et al. (2017) adopted the concept of synderesis to blend the intuitionist perspective with the rationalist perspective into an integrated framework, and theorize that deontological and utilitarian judgments can not only work simultaneously, but also interact with each other, jointly influencing individual ethical decision-making.

In this research, as illustrated in previous sections, peers' vicarious learning from employees' UPB is moderated by peers' deontic injustice through deontological judgment processing and employees' organizational tenure via utilitarian judgment processing. Based on dual-process theories of moral judgment (Conway & Gawronski, 2013), we argue that an interplay can be anticipated between deontological and utilitarian judgments during peers' vicarious learning from employees' UPB. That is, peers' deontic injustice and employees' organizational tenure jointly influence the relationship between employees' UPB and their peers' vicarious learning. In line with previous inferences that the relationship between employees' UPB and peers' vicarious learning is negatively moderated by peers' deontic injustice and positively moderated by employees' organizational tenure, we make the following argument. In terms of the interplay, peers are least likely to learn vicariously from employees' UPB under the situation of both employees with lower organizational tenure and peers with higher deontic injustice.

Hypothesis 4: There is a three-way interaction between employees' UPB, employees' organizational tenure, and peers' deontic injustice in predicting peers' vicarious learning. The positive relationship between employees' UPB and peers' vicarious learning will be weakest, with lower employees' organizational tenure and higher deontic injustice.

MATERIALS AND METHODS

Sample and procedure

Data were collected from a large manufacturing company in Zhejiang Province, China. Manufacturing industries are widely used as samples in conducting (un)ethical research (Greenberg, 1990; Suar & Khuntia, 2010). We selected this particular manufacturing company because its frontline employees require frequent and close contact with each other during work, which provides a suitable context for us to investigate the lateral contagion process of UPB. The respondents in this study were all frontline operators. Before data collection, an invitation letter was first sent to the human resources (HR) department of the company, setting forth the nature of the research and the research procedures. We also provided assurance that the responses provided by the employees would remain confidential and anonymous. As part of the data collection process, questionnaires were distributed to the respondents in sealed envelopes through the HR manager, and the researchers collected them once they were completed. Participation was voluntary, and written informed consent was obtained through the completion of the survey. To reduce common method bias (CMB), we conducted a two-wave survey with a one-month gap (Umphress et al., 2010). In order to encourage participation, the employees received a small monetary incentive for each wave of completed questionnaires. In addition, to facilitate matching, all participants were coded with the help of staff members in the HR department.

In the Time 1 survey, the participants were asked to report their own UPB, organizational tenure, and other demographic information. Information on peers' deontic injustice and vicarious learning was collected from the participants in the Time 2 survey. Overall, 450 questionnaires were distributed, with 337 valid surveys returned in T1, with a response rate of 74.89%. In T2, we distributed 337 questionnaires to those who responded effectively in T1 and finally obtained 256 effective matching samples.

The sample comprised 104 males (40.63%) and 152 females (59.37%). Regarding educational background, the majority of them (53.52%) had junior high school education or below, 35.94% had high school education (technical school), 8.20% had a college degree, only a few of them (2.34%) had a bachelor's degree, and no one held a master's degree or above.

Measures

All the measurements adopted in this study were published in prominent international journals and were translated into Chinese using a double-blind back-translation procedure. A 5-point Likert scale, with 1 = "strongly disagree" and 5 = "strongly agree," was used. According to the existing literature, UPB and other variables were self-reported by the participants (Umphress et al., 2010).

Employees' UPB (Time 1)

We used a 6-item self-report scale developed by Umphress et al. (2010). The employees were asked to rate the extent to which they engaged in the UPB. Sample items were "If it would help my organization, I would misrepresent the truth to make my organization look good" and "If needed, I would conceal information from the public that could be damaging to my organization." Cronbach's alpha for this scale was 0.92.

Organizational tenure (Time 1)

In this study, we define organizational tenure as the length of employment in an organization (Ng & Feldman, 2011), and it was assessed with one open-ended question that asked the respondents how many years they had worked in the organization.

Peers' deontic injustice (Time 2)

The perceptual measure of peers' deontic injustice was used to capture participants' perceptions of their close peers' deontic injustice. In line with previous research, we utilized an averaged approach by treating all close peers similarly (see M. Wang et al., 2010). Therefore, when we ask the participants to rate their peers' deontic injustice, a typical item refers to "close peers" as a uniform group. As peer moral outrage is relatively easily observed and perceived by the participants through their daily interactions, we adopted the 4-item scale of moral outrage, the core dimension of Beugré's (2012) Deontic Justice Scale, to measure peers' deontic injustice. Moral outrage is not a mere psychological feeling, but necessarily results in some form of expression and action (Lindebaum & Geddes, 2016). Given the close relationships and frequent interactions between employees and their peers in our sample company, we argue that what peers think, feel, and do in the workplace will be easily exposed to them (Kraus et al., 2012). Therefore, raters can be reasonably believed to possess an understanding of their peers' deontic injustice based on frequent daily interactions. The sample items were, "When my close peers see others being unfairly treated, they will be sad" and "When my close peers see others are not fairly treated, they will feel bothered." Cronbach's alpha for this scale was 0.85.

Peers' vicarious learning (Time 2)

The perceptual measures of peers' vicarious learning were used to capture participants' perceptions of their close peers' vicarious learning of the UPB. Likewise, given the close relationships and frequent interactions between employees and their peers, we argue that raters can judge whether their close peers learn unethical pro-organizational behavior from them on the basis of frequent daily interactions. Similar to the measurement of peers' deontic injustice, a typical item refers to "close peers" as a uniform group. O'Fallon and Butterfield (2012) 5-item scale was adopted to measure peers' vicarious learning. To guarantee content validity, we ensure that elements of the assessment instrument are relevant to and representative of our targeted construct via an appropriate adaptation approach (Farh et al., 2006; Haynes et al., 1995). Specifically, we retained all elements of the vicarious learning process, such as learning and modeling, developed by O'Fallon and Butterfield (2012), without deleting or adding any items. Modifications were made only on the wording of items to change the evaluation object from raters to peers, and a preface was presented in front of the vicarious learning scale to specify the content of vicarious learning (i.e., UPB). A sample item was "My close peers learned these behaviors from me." Cronbach's alpha for this scale was 0.92.

Control variables

In line with previous research on unethical behaviors, we incorporated demographic variables as control variables to better estimate the effect sizes of the hypothesized variables. In particular, we measured and controlled for age, gender, and educational background, as it is commonly included as a control variable in UPB research (May et al., 2015; Tian & Peterson, 2016).

Data analysis

The analysis method used in the present study involved multiple regressions. In accordance with the recommendations of Preacher and Hayes (2008), bootstrap methods (PROCESS) were also used to examine the moderating hypotheses.

RESULTS

Measurement model

All scales were assessed for convergent validity and reliability. Convergent validity suggests that the measure serves as a measurement tool for the underlying theoretical construct. It can be assessed with the following standards: the average variance extracted (AVE) should be greater than 0.5 (Fornell & Larcker, 1981), and the factor loading coefficient should also be significantly greater than 0.5 (Wixom & Watson, 2001). The AVE values of the constructs were: UPB (AVE = 0.66), peers' deontic injustice (AVE = 0.61), and peers' vicarious learning (AVE = 0.68), which showed that all AVE values were greater than 0.5. Furthermore, all items exhibited path coefficients greater than 0.50 on their respective constructs. Therefore, convergent validity is satisfied, wherein the variable measurements can act as a suitable measurement tool for the underlying theoretical constructs. In terms of internal consistency reliability, constructs with Cronbach's α values greater than 0.8 (Nunnally & Bernstein, 1994) and composite reliability (CR) values greater than 0.7 (Bagozzi & Yi, 1988) indicate good internal consistency of the survey instrument. In this research, the CR of the constructs were: UPB (CR = 0.92), peers' deontic injustice (CR = 0.86), and peers' vicarious learning (CR = 0.91), and Cronbach's α ranged from 0.85 to 0.92, suggesting good internal consistency of all the constructs. We further examined the discriminant validity of the variables by conducting a confirmatory factor analysis before hypothesis testing. We first checked the fit of a three-factor model including employees' UPB, peers' deontic injustice, and peers' vicarious learning. The hypothesized three-factor model fit the data well ($\chi 2$ (87) = 129.54, $\chi 2/df$ = 1.49, RMSEA = 0.04, RMR = 0.06, CFI = 0.98, GFI = 0.94, TLI = 0.98, NFI = 0.95]. We also compared this full model with other alternatives to justify discriminant validity (Table 1), which showed that the proposed model was superior to any alternative model. Accordingly, the discriminant validity of the three variables was supported.

Descriptive statistics

Table 2 presents the mean, standard deviation, correlation, and reliability coefficients of the variables. As demonstrated in Table 2, employees' UPB was positively associated with peers' vicarious learning (r = 0.23, $p < .001$), which provided a preliminary verification of our theoretical hypotheses.

Table 1. Results of confirmatory factor analysis.

Model	χ^2	*df*	χ^2/df	RMSEA	RMR	CFI	GFI	TLI	NFI
Three-factor model	129.54	87	1.49	0.04	0.06	0.98	0.94	0.98	0.95
Two-factor model [a]	568.68	89	6.39	0.15	0.13	0.80	0.74	0.77	0.78
Two-factor model [b]	592.09	89	6.65	0.15	0.15	0.79	0.73	0.76	0.77
Two-factor model [c]	930.56	89	10.46	0.19	0.19	0.66	0.60	0.59	0.64
One-factor model	1360.62	90	15.12	0.24	0.22	0.48	0.51	0.39	0.47

UPB = unethical pro-organizational behavior; PDI = peers' deontic injustice; PVL = peers' vicarious learning. [a] *combining UPB with PDI into one latent factor;* [b] *combining PDI with PVL into one latent factor;* [c] *combining UPB with PVL into one latent factor.*

Table 2. Means, standard deviations, and correlations.

Variables	M	SD	1	2	3	4	5	6	7
1. Gender	1.59	0.49							
2. Age	35.09	9.30	0.05						
3. Educational level	1.59	0.74	−0.20**	−0.22***					
4. Organizational tenure	6.49	4.81	0.11	0.60***	−0.07				
5. UPB	2.93	1.06	0.02	0.04	−0.14*	−0.04	***(0.92)***		
6. Peer's deontic injustice	3.23	0.81	−0.00	0.19**	−0.03	0.12*	−0.28***	***(0.85)***	
7. Peers' vicarious learning	3.54	0.85	0.08	0.03	−0.08	0.04	0.23***	−0.22***	***(0.92)***

*N = 256. M = mean, SD = standard deviation. *** p < .001; **p < .01, *p < .05. Cronbach's alpha in italics. Gender: 1 = male, 2 = female. Education: 1 = junior high school education or below, 2 = high school educational level, 3 = college degree, 4 = bachelor degree; UPB = unethical pro-organizational behavior.*

Hypothesis testing

We conducted a multiple regression analysis to examine Hypotheses 1 to 4. The control variables were entered prior to the other variables. The moderating effects (Hypotheses 2, 3, and 4) were further tested using bootstrap methods.

Main effects

As illustrated in Table 3, a positive relationship existed between employees' UPB and peers' vicarious learning (β = 0.22, $p < .001$, M2), thereby supporting Hypothesis 1.

Moderating effect testing

We began by examining the moderating effect of our three-way interaction. According to Dawson and Richter (2006), the conditional slope for Hypothesis 4 (i.e. joint moderating effect) must satisfy the following conditions: (a) the three-way interaction term is significant; (b) the conditional effect of UPB on peers' vicarious learning under "high peers' deontic injustice and low organizational tenure" is significant; and (c) the differences between the slope with "high peers' deontic injustice and low organizational tenure" and other three simple slopes are significant.

To confirm condition (a), we first standardized all the independent variables (i.e., employees' UPB, deontic injustice, and organizational tenure) as recommended by Dawson and Richter (2006), and then ran a regression analysis containing all three independent variables, all three pairs of two-way interaction terms and the three-way interaction term. Table 3 shows that the three-way interaction between UPB, organizational tenure, and peers' deontic injustice was significant (β = 0.14, $p < .05$, M9). To confirm condition (b), we conducted bootstrapping using PROCESS MODEL 3 (Preacher & Hayes, 2008). The results demonstrated that when peers' deontic injustice is high and organizational tenure is low, UPB has a negative relationship with peers' vicarious learning (β = −0.24, $p < .05$, CI [−0.46, −0.02]) (see Table 4). To confirm condition (c), we further tested the significance of the differences between slopes following the procedure and tool developed by Dawson (2014). Detailed instructions for tool use can be found at http://www.jeremydawson.co.uk/slopes.htm. The results showed that the hypothesized slope was statistically different from the others (see Table 5). Since all three conditions were satisfied, a three-way interaction of employees' UPB, employees' organizational tenure, and peers' deontic injustice exists in predicting peers' vicarious learning. In addition to

Table 3. Results of regression.

	Peers' vicarious learning								
	M_1	M_2	M_3	M_4	M_5	M_6	M_7	M_8	M_9
Control variables									
Gender	0.06	0.06	0.06	0.06	0.07	0.06	0.07	0.07	0.07
Age	0.01	0.01	−0.03	0.01	0.02	0.03	0.04	0.04	0.02
Educational level	−0.06	−0.03	−0.04	−0.04	−0.04	−0.05	−0.05	−0.05	−0.05
Independent variable									
UPB		0.22***	0.23***	0.17**	0.18**	0.15*	0.15*	0.15*	0.13*
Moderators									
Organizational tenure			0.05	0.05	0.06	0.05	0.05	0.05	0.10
Peers' deontic injustice				−0.18**	−0.19**	−0.19**	−0.20**	−0.20**	−0.19**
Interaction									
UPB × OT					0.13*		0.15*	0.15*	0.16*
UPB × PDI						−0.13*	−0.16*	−0.16*	−0.16*
OT × PDI								−0.00	0.02
UPB × OT × PDI									0.14*
R^2	0.01	0.06	0.06	0.09	0.11	0.11	0.13	0.13	0.14
Adjusted R^2	−0.00	0.04	0.04	0.07	0.08	0.08	0.10	0.10	0.11
ΔR^2	0.01	0.05	0.00	0.03	0.02	0.02	0.02	0.00	0.02
ΔF	0.82	12.83***	0.49	8.09**	4.30*	4.34*	6.37*	0.00	4.89*

*N = 256. *** p < .001; ** p < .01; *p < .05. UPB = unethical pro-organizational behavior; OT = organizational tenure; PDI = peers' deontic injustice.*

Table 4. Joint moderated effect of the moderators.

Organizational tenure	Deontic injustice	β	*SE*	*t*	*p*	*CI*
High	High	0.23	0.10	2.33	0.02	[0.03, 0.42]
High	Low	0.25	0.10	2.47	0.01	[0.05, 0.45]
Low	High	−0.24	0.11	−2.18	0.03	[−0.46, −0.02]
Low	Low	0.18	0.09	2.09	0.04	[0.01, 0.35]

Table 5. Significance test of differences between pairs of slopes.

Pair of slopes	t-value for slope difference	p-value for slope difference
(1) and (2)	−0.244	0.807
(1) and (3)	3.196	0.002
(1) and (4)	0.293	0.770
(2) and (3)	3.225	0.001
(2) and (4)	0.501	0.617
(3) and (4)	−3.358	0.001

(1) present high tenure and high PDI; (2) present high tenure and low PDI; (3) present low tenure and high PDI; (4) present low tenure and low PDI. PDI = peers' deontic injustice.

supporting Hypothesis 4, the results above also suggest that the positive relationship between employees' UPB and peers' vicarious learning would not only be weak, but also significantly negative when employees' organizational tenure is low and peers' deontic injustice is high, which is beyond our expectation. We will discuss this finding further in the next section.

Using the procedure outlined by Aiken et al. (1991), we plotted the moderating patterns for Hypothesis 4. As demonstrated in Figure 2, a positive main effect of employees' UPB occurs on peers' vicarious learning (i.e., with three positive slopes). However, the slope turned negative, while organizational tenure was low and peers' deontic injustice was high. These findings largely confirm our predictions, offering support for Hypothesis 4.

For completeness, we next report the two-way coefficients for the interaction between UPB and peers' deontic injustice (Hypothesis 2) as well as the interaction between UPB and organizational tenure (Hypothesis 3). To test the moderating effects of peers' deontic injustice and employees' organizational tenure, we executed the procedure suggested by Cohen (2013) and standardized the variables that would be formed into interaction. Table 3 shows the results of multiple regressions. The interaction between UPB and peers' deontic injustice was negatively related to peers' vicarious

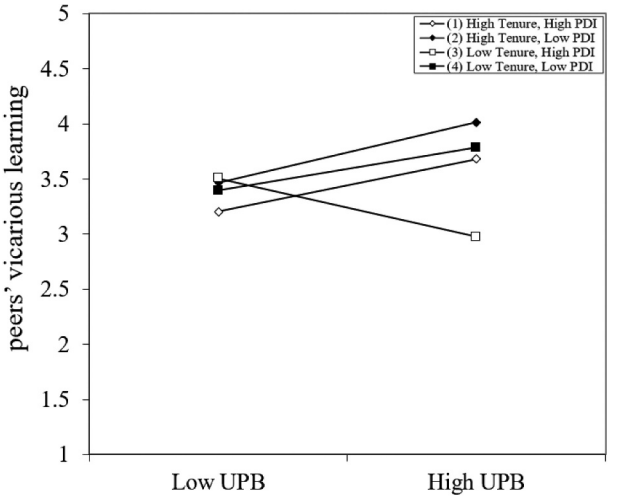

Figure 2. Three-way interaction between UPB, organizational tenure, and peers' deontic injustice.

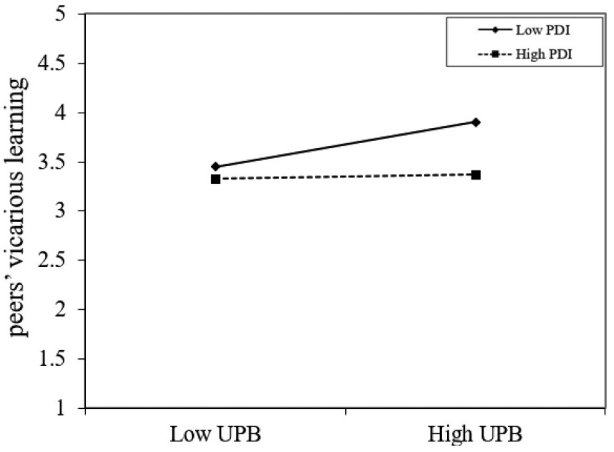

Figure 3. Two-way interaction between UPB and peers' deontic injustice.

learning (β = −0.13, $p < .05$, M6). To further describe the pattern of such a moderating effect, we drew the lines by using one standard deviation above and below the mean of the moderator (Figure 3). We further used bootstrap methods to test this moderated effect using PROCESS MODEL 1 (Preacher & Hayes, 2008). The results in Table 6 indicate that when peers' deontic injustice was low, UPB had a strong and positive effect on peers' vicarious learning (β = 0.21, $p < .001$, CI [0.09, 0.33]). However, it turned insignificant (β = 0.02, n.s., CI [−0.13, 0.17]) when peers' deontic injustice was high. This pattern was consistent with our expectations, thereby supporting Hypothesis 2.

The interaction between UPB and organizational tenure was positively related to peers' vicarious learning (β = 0.13, $p < .05$, M5). Figure 4 illustrates the moderating effect pattern. We further utilized bootstrap methods to test this moderated effect using PROCESS MODEL 1 (Preacher & Hayes, 2008). The results in Table 6 indicate that when employees' organizational tenure was high, employees' UPB had a significantly positive effect on peers' vicarious learning (β = 0.29, $p < .001$, CI [0.14, 0.43]). However, it turned insignificant (β = 0.09, n.s., CI [−0.05, 0.23]) when organizational tenure was low. This pattern is consistent with our assumption. Therefore, Hypothesis 3 is supported.

DISCUSSION

In this study, we investigated the lateral contagion process of the UPB. We specifically explored whether and when peers would learn vicariously from employees' UPBs. Our results revealed that employees' UPB was positively related to their peers' vicarious learning of UPBs. Exposure of employees' UPB will increase their close peers' imitation of UPB, which identifies with scholars' argument that the influence of employees' unethical behavior on their peers can function via "monkey see, monkey do" (Ruiz-Palomino et al., 2019). Furthermore, by integrating the dual-process theory of moral judgment with social learning theory, we found that peers' deontic injustice and employees' organizational tenure moderated the vicarious learning effect above through moral judgment. Peers with high

Table 6. Moderated effect of deontic injustice and organizational tenure.

Moderators	*β*	*SE*	*t*	*p*	*CI*
Levels of deontic injustice					
Low	0.21	0.06	3.37	0.0009	[0.09, 0.33]
High	0.02	0.07	0.28	0.78	[−0.13, 0.17]
Levels of organizational tenure					
Low	0.09	0.07	1.24	0.22	[−0.05, 0.23]
High	0.29	0.07	3.83	0.0002	[0.14, 0.43]

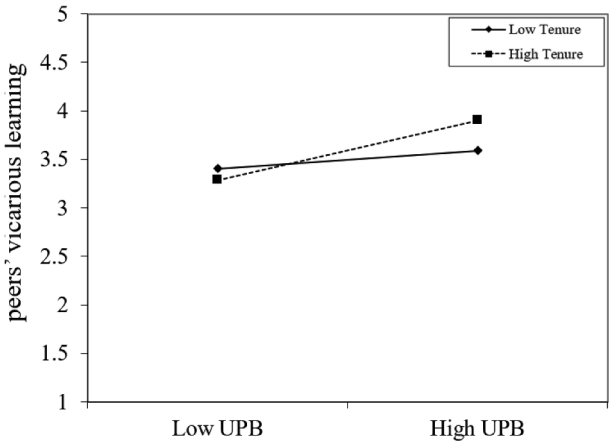

Figure 4. Two-way interaction between UPB and organizational tenure.

deontic injustice are less likely to imitate UPB from employees, which is in line with the views of deontological judgment. Peers are more likely to mimic UPB from employees when employees' organizational tenure is high, which is in accordance with the perspectives of utilitarian judgment. Importantly, we found a three-way interaction of employees' UPB, organizational tenure, and peers' deontic injustice in predicting peers' vicarious learning, helping identify the situation most likely to reduce peers' vicarious learning from employees' UPB. That is, the positive relationship of employees' UPB on peers' vicarious learning is weakest when employees' organizational tenure is low and their deontic injustice is high.

Unexpectedly, our results reveal that the joint moderating effect of organizational tenure and deontic injustice can turn the positive relationship of employees' UPB on peers' vicarious learning as negative. Organizational tenure and peers' deontic injustice are suggested to work not merely as a buffer but also as a boundary condition for the vicarious learning effect of UPB. Under the condition of higher peers' deontic injustice and lower employees' organizational tenure, peers would not imitate employees' UPB, which helps prevent the lateral contagion of UPB in the workplace. We believe that the characteristics and interplay of moral judgments might help explain this unexpected finding. Utilitarian judgment is rational and deliberate (Conway & Gawronski, 2013; Greene et al., 2008, 2004), and deontological judgment is intuitive and emotionally driven (Dane & Pratt, 2007; Haidt, 2001). The rational one (i.e., utilitarian judgment) might offer an extra impetus for emotionally driven reactions resulting from deontological judgment. That is, utilitarian judgment on the basis of low levels of employees' organizational tenure, which indicates little evidence that employees tend to promote organizational interests by committing UPB, would further intensify peers' emotionally driven reactions caused by deontological judgment, leading to extremely negative attitudes and fierce resistance toward employees' UPB. Therefore, in the presence of both lower employees' organizational tenure and higher peers' deontic injustice, the relationship between employees' UPB and peers' vicarious learning of UPB would turn negative.

Theoretical contributions

Our study contributes to the literature in several ways. First, this study extends the research on UPB contagion by shifting its attention from the vertical to the lateral direction. Although prior studies have provided valuable insights into UPB contagion vertically extending from leaders to followers (Lian et al., 2016; Zhang et al., 2018), research to date has overlooked the possibility of lateral contagion of UPB diffusing from employees to their close peers. Given the irreparable damage resulting from UPB (Cialdini et al., 2004), management must pursue a complete understanding of how UPB might

propagate in the workplace. We seek to make theoretical contributions to fill this gap by investigating whether and when peers would imitate employees' UPB. To the best of our knowledge, this study is among the first to examine the lateral contagion process of UPBs. Based on social learning theory, which clearly sheds light on the phenomenon of behavior contagion, we argued and empirically examined that exposure of employees' UPB to their close peers was positively related to peers' vicarious learning of UPB. Thereby, we help confirm a new channel of UPB contagion neglected in previous research – UPB can laterally spread from employees to their close peers, and such contagion is enacted through social learning. This finding parallels with scholars' opinion that "monkey see, monkey do" works in the diffusion of unethical behavior (Robinson & O'Leary-Kelly, 1998; Ruiz-Palomino et al., 2019). Accordingly, our research highlights the importance of focusing on the lateral contagion of UPBs in the workplace.

Second, we advance social learning theory by considering moral judgments when social learning is applied to explain behavior imitation. social learning theory has missed the fact that imitators will experience a moral judgment process before imitating behaviors, especially in terms of (un)ethical behaviors. Integrating theories of social learning and dual-process moral judgment, we offer a relatively complete picture of the boundary conditions of peers' imitation decisions from the perspective of morality. Although previous research has suggested determining different individual-level moderators, including cognitive factors (self-improvement motives; O'Fallon & Butterfield, 2012), expectancy of interpersonal distancing (e.g., need for affiliation; O'Fallon & Butterfield, 2011), and personality traits (Machiavellianism; Ruiz-Palomino et al., 2019), the moderating effect concerning morality or moral judgment remains under-explored. Basically, when individuals face unethical behaviors, their social learning process inevitably engages in moral judgment. Consequently, in this study, applying the dual-process theories of moral judgment (i.e., deontology and utilitarianism) can enrich our knowledge of the moderating effects related to moral judgments. We argue that peers' deontic injustice negatively moderates peers' social learning effects from the perspective of deontological judgment, whereas employees' organizational tenure positively moderates peers' social learning effects from the perspective of utilitarian judgment. Moreover, we discover the critical boundaries that turn the positive main effect of employees' UPB on peers' vicarious learning as negative, that is, the joint moderating effect of deontic injustice and organizational tenure. Specifically, peers would not imitate employees' UPB under the condition of high peers' deontic injustice and low employees' organizational tenure.

Third, we also contribute to the literature on unethical behavior by focusing on behaviors that are unethical but altruistic. Previous studies have primarily investigated unethical behaviors driven by self-interest (Kish-Gephart et al., 2010; Ruiz-Palomino et al., 2019) and pay little attention to unethical behaviors that purposefully benefit the organization. However, emerging research on UPB reveals that employees commit unethical acts with the intent of helping their organizations (Umphress et al., 2010). In addition, by focusing on UPB, we reconcile the inconsistent findings on unethical behavior imitation in prior research. Although scholars have claimed that peers imitate individuals' unethical behaviors (Bauman et al., 2016; O'Fallon & Butterfield, 2011, 2012), some empirical evidence shows that it is not universally true (Beugré, 2010; Gino et al., 2009a, 2009b; Jagannathan & Rai, 2016; Liden et al., 2004). We believe that this inconsistency stems from the lack of distinction between different motivations in unethical behaviors. In fact, the motivations for committing unethical behaviors are extremely complex (Feldman et al., 2015). Given the motivation to benefit the organization (Umphress & Bingham, 2011; Umphress et al., 2010), we argue that individuals' UPB satisfies the basic assumption of social learning and thus leads to peers' imitation of UPB, whereas other types of unethical behaviors do not satisfy the basic assumption of social learning, thus impeding peers' imitation. Specifically, we offer new empirical evidence that UPB is the very sub-type of unethical behavior that can lead to peers' vicarious learning.

Managerial implications

Although UPB, as a form of prosocial behavior in the workplace for its pro-organizational components, may be beneficial in the short term, it will ultimately undermine organizational interests in the long run (Umphress et al., 2010). Therefore, it is critical to prevent employees from committing UPBs. Our research also offers practical implications for managers in understanding and managing UPB contagion in the workplace. First, our research reveals a new channel for UPB diffusion. Apart from recognizing that UPB is vertically transmitted from leaders to followers, which has been discovered in previous research, managers should be aware that UPB can also disseminate laterally from employees to their peers. Exposure of employees' UPB to their close peers increases their vicarious learning of UPBs in the workplace. Once UPB occurs within an organization, it may run rampant through peers' vicarious learning. Therefore, additional attention should be paid to both UPB actors and their peers. According to our findings, employees' organizational tenure positively moderates, whereas peers' deontic injustice negatively moderates peers' social learning effects. Essentially, managers should put extra effort into UPB actors with high tenure. Although employees with high tenure may commit UPB for the benefit of their organizations, they fail to recognize the consequences of their behaviors. Therefore, managers must take appropriate actions to help those employees understand that their UPB can actually harm their organization in the long term. For example, managers can deliver this message through ethical training, role modeling by top management, and case analysis of UPB occurring in other companies. High deontic injustice plays an important role in stopping UPB contagion. Deontic injustice-based judgments stem from internalized moral norms. Managers who strategically cultivate an ethical organizational culture might help enhance employees' morality and improve their deontic injustice.

Limitations and future research

This study makes several contributions, but our findings should be viewed in light of their limitations. First, similar to the majority of studies in the area of organizational psychology, all the variables in this study were self-reported by the same source, leading to the possibility of common method variance (CMV), which may have inflated the correlations. Debates on the magnitude of such inflating effects still have no final conclusion (Podsakoff et al., 2003). However, some scholars hold that CMV is much less of a problem than previously believed (Spector, 2006), and most researchers agree that the potential effects can be minimized via multiple procedural remedies, as suggested by Podsakoff et al. (2003). For example, in this research, the anonymity and confidentiality of responses were assured to the respondents to limit concerns such as respondents' evaluation, apprehension, and social desirability. Data were collected twice within a gap of one month, as done in previous studies (Umphress et al., 2010). To reduce the respondents' perception of any direct connection between variables, a psychological separation in the survey was constructed using different sets of instructions and randomizing the order of presentation of the survey items. Moreover, for moderating effect testing, scholars have suggested that CMV tends to attenuate rather than strengthen the significance of interaction effects (De Cuyper et al., 2011; M. G. Evans, 1985). The presence of CMV would, thus, not change our findings on the moderating role of organizational tenure and deontic injustice in interaction effect testing. However, this would imply that the moderating effect in our research is adequately significant as data analysis continues to present a significant result, although CMV would attenuate the significance of interaction effects.

The second limitation is the issue of social desirability. The contents of items and self-reported methods may result in social desirability bias when it relates to morality. To reduce this bias, taking social desirability as a control variable will be a promising way (Umphress et al., 2010), or it may work by submitting the questionnaires directly through e-mail or using an online survey. In terms of measurements of peers' vicarious learning of UPB and deontic injustice, we acknowledge that although both self-report and non-self-report methods are feasible in measuring these constructs,

the former will be more accurate. Therefore, asking peers to rate their own vicarious learning of UPB and deontic injustice, which can also satisfy the need to collect data from different sources, is desirable for future research. Besides, although we argued that the influence of employees' organizational tenure on peers' vicarious learning can be explained by peers' utilitarian judgment with support from previous literature (Tsui et al., 1997; D. Wang et al., 2003), we acknowledge that it would be better if we had measured the variables more closely related to utilitarian judgments like peers' utilitarianism (Beekun et al., 2010), which could help to further enhance our claims. Accordingly, it is desirable for future studies to measure both utilitarian and deontological judgment in a more direct way when researchers utilize the dual-process moral judgment theory in their theoretical model. Moreover, although the single organization of our data might limit generalizability (Yalabik et al., 2017), they do not invalidate our findings (Kline et al., 2000). Nonetheless, testing our model in different organizations is certainly a promising avenue for future research.

Another limitation of this study is the potential mediators in our theoretical framework. Although we adopt the dual-process theory of moral judgment to explain the boundaries in peers' imitation of employees' UPB, this study still has insufficient insights to elaborate the underlying mechanism of the aforementioned relationship. Prior studies show that an individual's organizational identification plays a dominant role in predicting UPB. In line with this logic, organizational identification might be a promising mediator in interpreting the relationship between employees' UPB and peers' vicarious learning of UPB, and this mediation effect can be effectively explained by the framework of individuals' organizational identification diffusion in organizations (Kraus et al., 2012). Kraus et al. (2012) asserted that organizational identification can be transmitted laterally from employees to their close peers, leading to similar levels of organizational identification. Employees engage in UPB with the purpose of doing good for their organizations because they highly identify with their organization. Employees' UPB may result in peers' perceptions of employees' high organizational identification, which further improves their own organizational identification. Correspondingly, peers may commit UPB with the intention of benefiting their organizations, as is done by employees.

Conclusion

Based on the social learning and dual-process theories of moral judgment, this study evaluates the relationship between employees' UPB and peers' vicarious learning of UPB with the moderating roles of employees' organizational tenure and peers' deontic injustice. The results reveal that employees' UPB positively affects their vicarious learning of UPBs. Moreover, this relationship is positively moderated by employees' organizational tenure and negatively by peers' deontic injustice. Significantly, the joint moderating effect of the two moderators is confirmed in that the positive vicarious learning effect will be mitigated and even turn negative when employees' organizational tenure is low, but peers' deontic injustice is high.

Disclosure Statement

The authors declare that they have no conflict of interest.

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Data Availability Statement:

The data that support the findings of this study are available from the corresponding author Huang W., upon reasonable request.

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Appendix

Unethical Pro-organizational Behavior

1. If it would help my organization, I would misrepresent the truth to make my organization look good.
2. If needed, I would conceal information from the public that could be damaging to my organization.
3. If it would help my organization, I would exaggerate the truth about my company's products or services to customers and clients.
4. If it would benefit my organization, I would withhold negative information about my company or its products from customers and clients.
5. If my organization needed me to, I would give a good recommendation on the behalf of an incompetent employee in the hope that the person will become another organization's problem instead of my own.
6. If my organization needed me to, I would withhold issuing a refund to a customer or client accidentally overcharged.

Peer's Deontic Injustice

1. When my close peers see others being unfairly treated, they will be sad.
2. When my close peers see others are not fairly treated, they will feel bothered.
3. My close peers feel saddened by injustices done to others.
4. My close peers are concerned by unfairness done to others.

Peers' Vicarious Learning of UPB with a preface "Please rate the extent to which your close peers learn UPB from you"

1. My close peers learned these behaviors from me.
2. I served as role models for my close peers' behavior.
3. My close peers learned from the example provided by me.
4. My close peers have learned a great deal about how they should behave from me.
5. My close peers learned these behaviors by observing me.