Ethicality neutralization and amplification: a multilevel study of ethical leadership and unethical pro-organizational behavior

Yujie Tang
Zhengzhou University of Light Industry, Zhengzhou, China, and
Yang Li
Henan University of Technology, Zhengzhou, China

Received 6 July 2020
Revised 10 November 2020
30 January 2021
5 April 2021
29 June 2021
Accepted 15 July 2021

Abstract

Purpose – This study examines how ethical leadership (EL) influences followers' willingness to conduct unethical pro-organizational behavior (UPB) via reciprocity beliefs at the individual level and political climate at the group level.

Design/methodology/approach – Two-point survey data were collected from 423 Chinese followers from 81 groups, and multilevel structural equation modeling was conducted to test the hypotheses.

Findings – Individual-level EL unintentionally increases follower UPB willingness by fostering reciprocity beliefs, while group-level EL intentionally reduces follower UPB willingness by controlling the political climate. The political climate plays both a cross-level moderated mediation role and a mediated moderation role between EL and UPB.

Practical implications – When seeking to decrease followers' intention to conduct UPB, managers are advised to use individual-level EL with care when the focus is on reciprocity, and they should consider using group-level EL more when the focus is on controlling political climate.

Originality/value – The study supports two distinct mediating mechanisms by examining individual-level EL (as a moral person) vs group-level EL (as a moral manager) on UPB, thereby revealing the reason for the mixed effects of EL on UPB.

Keywords Ethical leadership, Unethical pro-organizational behavior, Reciprocity beliefs, Political climate, Multilevel analysis

Paper type Research paper

Introduction

Ethical leadership (EL), as normatively appropriate leadership, has received increased attention in the past decade. Recent studies have suggested that EL can not only stimulate followers' ethical behaviors in the workplace but also regulate unethical behaviors, even if such behaviors are intended to benefit organizations (unethical pro-organizational behavior, UPB) (e.g. Hsieh *et al.*, 2020; Kuenzi *et al.*, 2020; Miao *et al.*, 2020; Moore *et al.*, 2019). However, some research has reported a counterintuitive finding that EL does not necessarily improve followers' moral conduct and may even evoke UPB (e.g. Kalshoven *et al.*, 2016; Miao *et al.*, 2013). These studies imply that although an ethical leader is supposed to reduce followers'

The authors would like to thank the editor(s) and the anonymous reviewer(s) for their comments on earlier versions of the paper. The authors also would like to thank Philosophy and Social Science Fund of Henan Province [Grant Number 2019CJJ093], and Humanities and Social Science Fund of The Education Department of Henan Province [Grant Number 2021-ZZJH-077] for providing funding for this research.

Conflict of interest: The authors declare that they have no conflict of interest.

Funding: This study was jointly funded by Philosophy and Social Science Fund of Henan Province (Grant Number, 2019CJJ093), and Humanities and Social Science Fund of The Education Department of Henan Province (Grant Number, 2021-ZZJH-077).

Journal of Managerial Psychology
Vol. 37 No. 2, 2022
pp. 111-124

0268-3946
DOI 10.1108/JMP-06-2020-0342

unethical behavior by being perceived as both a moral person and a moral manager (Brown *et al.*, 2005; Treviño *et al.*, 2000), EL may sometimes make followers commit unethical behavior. This does not mean that EL will intentionally foster UPB; instead, UPB may be a byproduct of EL influencing followers' attitudes and behaviors. This appears to be a paradox of EL, in which ethical leaders may, as expected, decrease UPB while at the same time unexpectedly increasing UPB. However, this paradox has received little attention in the EL literature, and a rational explanation for the puzzle of this paradox could help us better understand the complex mechanisms linking EL to the UPB.

To unpack this paradox, we propose a multilevel model to conceptualize EL at both the individual and group levels and examine how EL influences follower UPB willingness by delineating two separate mediating mechanisms. At the individual level, ethical leaders may be closely tied to the "moral person" dimension of EL and unintentionally increase follower UPB willingness by fostering their cognition concerning interpersonal reciprocity; at the group level, ethical leaders may be closely tied to the "moral manager" dimension of EL and intentionally reduce follower UPB willingness by transforming the group climate concerning organizational politics. Thus, a multilevel approach may provide both theoretical and practical insight into how leaders develop and use EL when they seek to control followers' unethical behavior.

Using this multilevel approach, our study attempts to make at least two contributions. First, by theoretically specifying that EL can consist of both a "moral person" dimension at the individual level and a "moral manager" dimension at the group level, we enrich the "moral person" and "moral manager" theoretical framework of EL. Second, by testing two mechanisms that may explain the differing impacts of individual-level vs group-level EL on UPB, this study provides insight into the possible reasons behind the mixed results regarding the impact of EL on UPB. Figure 1 presents our multilevel conceptual model.

Theoretical background and hypotheses

Theoretical bases of ethicality neutralization and amplification

Previous research has suggested that EL functions at both the individual and group levels (Tu and Lu, 2013; Bai *et al.*, 2019). They imply that individual-level EL refers to the traits and leadership behavior an individual follower experiences and observes, and it may vary among different followers depending on their perceptions. Group-level EL refers to the overall pattern ethical leaders display to the entire group, and it is likely to be shared among members. Moreover, EL is defined to consist of a "*moral person*" and a "*moral manager*" dimension (Brown *et al.*, 2005; Brown and Treviño, 2006). The former is expected to function at the individual level, while the latter is expected to function at the group level (Bai *et al.*,

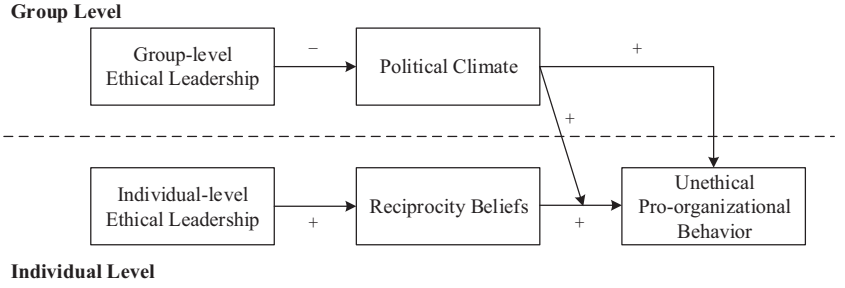

Figure 1.
Theoretical multilevel model

2019). Hence, scholars call for more research to understand multilevel EL by elaborating on the two dimensions (Bush *et al.*, 2021).

In response to these calls, we follow similar trends and distinguish the theoretical rationales for the effects of EL on UPB at the two levels. On the one hand, the "moral person" dimension is characterized in terms of personal traits, appropriate behaviors, and decisions based on ethical principles (Brown and Treviño, 2006). By observing and perceiving ethical traits and conduct from the "moral person," the follower may understand what the leader is likely to do. As a result, an expectation of reciprocal exchange with the moral leader may be formulated in each follower's mind. Thus, we contend that the "moral person" of EL is more of an individual-level reciprocal exchange process in nature. Following this logic, we further propose that individual-level EL may unintendedly promote follower UPB through reciprocity beliefs. We call this the *ethicality neutralization* mechanism, a process by which individual-level EL, as a moral person, may trigger an individual follower's reciprocity duty that "masks" the ethical imperatives associated with his/her reciprocal act, thereby causing the follower to view UPB as an appropriate way to fulfill the reciprocity duty (Umphress and Bingham, 2011).

On the other hand, the "moral manager" dimension involves whether the leader proactively places ethics at the forefront of the leadership agenda, including role modeling, establishing the reward system, and communicating about ethics (Brown and Treviño, 2006). These visible actions could uniformly and consistently transmit strong ethics messages to followers and "tell" all followers what they should do, thereby fostering an ethics-oriented climate that is shared within a group. Thus, we argue that the "moral manager" of EL is more of a group-level climate perception process in nature. Following this logic, we propose that group-level EL may reduce follower UPB willingness by changing the political climate. We call this the *ethicality amplification* mechanism, a process by which group-level EL, as a moral manager, may create a weak political climate that discourages political manipulation and rather makes the ethical imperatives "stand out" in the group, thereby inhibiting follower unethical acts, even on behalf of the organization (i.e. UPB). Below, we describe these mechanisms in detail as we develop our hypotheses.

Ethicality neutralization: individual-level EL, reciprocity beliefs and UPB

Reciprocity beliefs concern the efficiency of following a reciprocity rule and imply the cognitive side of the reciprocity process (Perugini *et al.*, 2003). Whether an individual follows the reciprocity rule is generally determined by the other party's actual treatment and the expectations of whether the other party will reciprocate in turn (Cropanzano and Mitchell, 2005). If an individual receives favorable treatment from the other partner and holds the optimistic expectation that the partner will reciprocate in turn, he/she will develop a higher propensity to follow the reciprocity rule and thus be motivated to pay the other back in turn.

As we described earlier, individual-level EL can be considered individual followers' unique perceptions of the "moral person" for leaders, and we further argue that individual-level EL may enhance followers' reciprocity beliefs. Being viewed as "moral persons" means that followers think of their leaders as having ethical traits (e.g. fairness, honesty and trustworthiness), displaying ethical behaviors (e.g. doing the right things, showing concern for followers and being open), and holding a solid set of ethical principles (e.g. being objective and relying upon ethical decision rules) (Treviño *et al.*, 2000). Leaders' ethical traits, behaviors and decisions are not only beneficial to developing higher levels of trust in superior-subordinate relations (Xu *et al.*, 2016; Chughtai *et al.*, 2015) but also make followers perceive favorable treatment from their leaders (Walumbwa *et al.*, 2011) and signal to followers what their leaders are likely to do in the future (Treviño *et al.*, 2000). Thus, followers tend to hold a positive expectation that they will continue to receive beneficial treatment from their ethical

leaders. With such a positive expectation, followers may feel that they have to pay back their leaders in an amount that is either equivalent or appropriate to the leaders' efforts if they want to maintain the same or better treatment from these leaders (Perugini *et al.*, 2003). Overall, both the actual favorable treatment from EL and positive expectations for EL make followers more willing to comply with the reciprocity rule, thus enhancing follower reciprocity beliefs.

H1. Individual-level EL is positively related to follower reciprocity beliefs.

We further assert that reciprocity beliefs are a mediating mechanism through which individual-level EL may unintendedly increase follower UPB willingness. This is what we call the ethicality neutralization mechanism. Followers who have high levels of reciprocity beliefs focus on their reciprocity obligation or contribution to their leaders/organizations rather than on the ethical implication of their actual reciprocity conduct (Umphress and Bingham, 2011). This implies that high levels of reciprocity beliefs may cause followers to be less likely to question the ethicality of their methods for carrying out work rather than focusing on whether the methods help carry out their reciprocity duty (Umphress *et al.*, 2010). If unethical deeds can benefit their leaders/organizations, then followers may justify and choose such deeds when seeking to reciprocate favorable treatment from their leaders/organizations. In contrast, those with lower levels of reciprocity beliefs may not even engage in payback (let alone morally consider their conduct) because they feel little, if any, obligation or pressure to reciprocate, regardless of others' actions. As we hypothesized above, followers of ethical leaders tend to show higher levels of reciprocity beliefs, which may further promote followers to justify unethical acts that are beneficial to the organization (UPB) as a legitimate way of fulfilling their reciprocity obligation to their ethical leaders.

Moreover, when unethical conduct can benefit organizations (e.g. destroying potentially incriminating documents to protect the organization; Umphress and Bingham, 2011), even if performing such unethical conduct conflicts with ethical leaders' moral requirements, followers may also choose UPB. Because ethical leaders are often considered good listeners and to encourage openness, followers believe that leaders will carefully and wisely attempt to find a balance between organizational objectives and social morality rather than punishing for no reason (Eisenbeiss, 2012; Treviño *et al.*, 2000). However, if followers decide not to conduct UPB because of ethical concerns, they may experience guilt and shame resulting from their failure to carry out their reciprocity duty and help the organization (Perugini *et al.*, 2003). Therefore, we assert that reciprocity beliefs may serve as an intermediate mechanism linking individual-level EL and UPB.

H2. Individual-level EL has a positive indirect effect on UPB through follower reciprocity beliefs.

Ethicality amplification: group-level EL, political climate, and UPB

Political climate represents the shared perceptions of a group seen as political that the group's members tend to pursue self-interest without regard for the well-being of other members and their organizations (Darr and Johns, 2016). A strong political climate implies that engaging in political behavior in selfish, convert, and crafty ways is common and acceptable by all group members. It appears that political behavior is distinct from ethics; however, in a group with a strong political climate, members are likely to engage in political behavior that is inimical to ethics (e.g. manipulative persuasion, oppressive mentoring, and exploitive networking, Gotsis and Kortezi, 2010).

Considering that group-level EL can be viewed as shared perception of a "moral manager" for group leaders among members, we further posit that group-level EL may help control the political climate. The moral manager of a group tends to display public and consistent behavioral patterns toward all members in terms of emphasizing ethics by behavior, such as

serving as a role model for ethical conduct, communicating regularly about ethical standards and values, and reinforcing ethics through a reward system (Treviño *et al.*, 2000). Such public and consistent behavior patterns (i.e. EL) serve as a critical filter that provides the basis of ethics, justice and fairness for members' climate perceptions (Kozlowski and Doherty, 1989). That is, EL members tend to perceive higher levels of justice and fairness, which implies that political behaviors, such as intimidation, manipulation or withholding information, are uncommon in the group (Kacmar *et al.*, 2013; Walumbwa *et al.*, 2017), thus creating a weak political climate. Moreover, as group-level EL holds all members accountable for their ethical standards, EL may also reduce the occurrence of immoral political behavior throughout the whole group, thereby decreasing shared political perceptions. As a result, group-level EL reduces members' shared political climate perceptions.

H3. Group-level EL is negatively related to political climate.

A strong political climate implies that political behavior is acceptable and shared among group members, whereas a weak political climate suggests that political behavior is unencouraged and uncommon (Bai *et al.*, 2016). As UPB is seen as unethical behavior that benefits an organization at the expense of others' interests, such as withholding information about a fatal flaw in the company's product and destroying potentially incriminating documents to protect the company (Umphress and Bingham, 2011), UPB can be considered a form of pro-organizational political behavior (Valle *et al.*, 2019). As a result, in groups with a strong political climate, members may conduct UPB due to its legitimacy in such groups, while in groups with a weak political climate, members may not conduct UPB because such behavior is discouraged in these groups.

Furthermore, we propose that political climate is a mechanism through which group-level EL may reduce follower UPB willingness through what we call the ethicality amplification mechanism. Group-level EL not only transmits and reinforces ethical standards to gain members' attention regarding ethics (Treviño *et al.*, 2000) but also reduces the climate of politics by increasing the perceived levels of justice and fairness (Kacmar *et al.*, 2013). Therefore, from group-level EL, all members generally receive clear behavioral signals that political manipulation is inappropriate and that they should act in an ethical manner. That is, EL may make ethics and values stand out and salient to all members by reducing the political climate. Therefore, members of EL tend to hold a collective view that they should engage in appropriate acts based on ethical standards when accomplishing their goals. If one member engages in political behaviors that are inimical to ethics, such as UPB, then he/she would feel normative pressure from other members and a fear of being punished for breaking the collective stance on ethical matters. Therefore, group-level EL can control the political climate, which, in turn, reduces the possibility of UPB.

H4. Group-level EL has a negative indirect effect on UPB through the political climate.

Cross-level moderating and mediating effects of political climate

We further position political climate as a moderator that strengthens the indirect effect of individual-level EL on UPB, as well as a mediator that transmits the moderating effect of group-level EL on the link between reciprocity beliefs and UPB. Specifically, acting as a moderator, political climate sends behavioral signals to followers about the legitimacy and appropriateness of UPB (as a pro-organizational political behavior) (Darr and Johns, 2016). At the individual level, a follower of an ethical leader may tend to commit UPB to fulfill reciprocity obligations without regard for the ethicality of his/her conduct. Therefore, in a group with a strong political climate, this follower may be more motivated to choose UPB to reciprocate the leader/organization because UPB is considered legitimate and common in such a group. Conversely, in a group with a weak political climate, when this follower seeks to

reciprocate, he/she is less likely to choose UPB because conducting UPB violates the whole group's collective view that political behaviors are unacceptable. Consequently, the indirect effect of individual-level EL on UPB via reciprocity beliefs is strengthened by the political climate.

Additionally, acting as a mediator, the political climate transfers the influence of group-level EL to followers' thoughts and behaviors. Group-level EL publicly and consistently promotes ethical standards and policies that value and reward ethical conduct toward the entire group, thereby sending a clear message that things should be done according to ethical principles (Treviño *et al.*, 2000). Then, in a group with EL, each member may feel that others will act based upon ethical principles rather than be manipulated by politics (Kacmar *et al.*, 2013), thus reducing the group's political climate. As a result, when a member who holds high reciprocity beliefs seeks ways to "repay" the leader, he/she may be less inclined to perform UPB because, as a form of political behavior, UPB is illegal and discouraged in this group. Thus, we propose that group-level EL weakens the association between reciprocity beliefs and UPB by reducing the political climate.

H5. Political climate (a) moderates the indirect effect of individual-level EL on UPB via reciprocity beliefs and (b) mediates the moderating effect of group-level EL on the relationship between reciprocity beliefs and UPB.

Methodology

Sample and procedure

We implemented a time-lagged design with a two-point online survey to collect data from full-time working followers in China. Specifically, we measured EL at Time 1 (T1) and reciprocity beliefs, political climate and UPB at Time 2 (T2), which was three months later. Using the personal networks of the two authors, we asked 30 group managers to invite at least three of their friends who were also group managers to participate in our survey. This snowball sampling method allowed us to reduce the potential error caused by single-source bias and increase the generalizability of the findings. Before the survey administration, we asked these managers to provide the names and contact details of their group members. As respondents may be reluctant to report accurately due to the potential sensitivity of the topic (e.g. leader ethics), the researchers personally sent each respondent an online survey link and assured them of the confidentiality and anonymity of the study.

At T1, 600 respondents from 104 groups were asked to assess their perceptions of EL, and 501 valid questionnaires from 93 groups were received (83.5% response rate). At T2, those 501 valid respondents were contacted again to gather their responses regarding reciprocity beliefs, political climate, and UPB. A total of 423 valid questionnaires from 81 groups were returned (84.4% response rate), and the final response rate was 70.5%. Of the final 423 respondents, 65.01% were male, and 90.31% of them had a junior college degree or above. The age range was mainly 26–35 years, and half had more than three years of tenure at their current job.

Measurement

According to Brislin (1980), the original measurement scales were translated into Chinese by the researchers, and the Chinese version was then back-translated into English by two professional translators. Additionally, we invited four Chinese working adults to examine the meaning of the Chinese measurement scales. All the variables were measured on a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree.

UPB. We used six items from Umphress *et al.* (2010) to assess followers' willingness to conduct UPB. Sample item: "If it would help my organization, I would exaggerate the truth about my company's products or services to customers and clients."

Individual-level EL. We adopted eight items from Brown *et al.*'s (2005) original ten-item scale after deleting two items due to factor loadings scoring below 0.45. Sample item: "My supervisor listens to what followers have to say."

Group-level EL. To assess the overall pattern of the EL displayed to the group, we averaged across the followers' evaluations of the same supervisor's EL to form a group-level EL score.

Reciprocity beliefs. We adapted the eight-item scale from Perugini *et al.* (2003) to rate reciprocity beliefs. The item "If I do not leave a good tip in a restaurant, I expect that in the future, I will not get good service" was dropped because it had a low correlation coefficient with the total score ($r = 0.21$), and tipping is not common in China. Sample item: "If I work hard, I expect it will be repaid."

Political climate. To measure the extent to which followers viewed the group environment as political, we adapted six items of the Perceptions of Organizational Politics Scale that Kacmar and Carlson (1997) refined. Sample item: "Sometimes it is easier to remain quiet than to fight the system." We aggregated individual followers' perceptions at the group level to form the measure of political climate.

Control variables. The group supervisors' and followers' gender (0 = female, 1 = male), age (in years), education level (0 = high school or below, 1 = junior college or above), tenure (in years) and group size (in numbers) were included as controls because prior studies implied that these variables are related to followers' unethical behavior (Werhane *et al.*, 2013; Kalshoven *et al.*, 2016) and their perceptions of group climate (Konrad *et al.*, 2010).

Analytic strategy

Using Mplus to test H1–H4, we conducted multilevel structural equation modeling (MSEM) using the full maximum likelihood estimation method found in Preacher *et al.*'s (2010) 1-1-1 and 2-2-1 models. MSEM permits us to simultaneously investigate mediation by multiple mediators at both the individual and group levels (Preacher *et al.*, 2010, 2011). Additionally, to test H5, we first followed Preacher *et al.*'s (2016) recommendation and investigated cross-level moderations in a $2 \times (1 \rightarrow 1)$ design by random coefficient prediction. Then, in reference to Preacher *et al.* (2010, 2016), we developed $2 \times (1 \rightarrow 1 \rightarrow 1)$ and $(2 \rightarrow 2) \times (1 \rightarrow 1)$ designs to test the effects of moderated mediation and mediated moderation.

Data aggregate

We first conducted one-way ANOVA and found significant between-group variance among variables. We then calculated r_{wg} and obtained mean values of 0.91 for group-level EL and 0.76 for political climate, suggesting that the within-group agreement was strong. Furthermore, for group-level EL (ICC1 = 0.21, ICC2 = 0.58) and political climate (ICC1 = 0.12, ICC2 = 0.41), although the ICC1 values suggested significant grouping effects, the low ICC2 values indicated a limited ability to detect relationships between group-level variables. One reason for the relatively low ICC2 values might be that the average group size in our sample ($N = 5.22$) was not sufficiently large to produce large ICC2 values (Bliese, 2000); low ICC2 values are not unusual in research with similar group sizes (e.g. Hale *et al.*, 2016; Yang *et al.*, 2015). Additionally, low ICC2 values resulting from small group sizes are not a problem by themselves in MSEM, as MSEM can explicitly control both sampling error and measurement error (e.g. Arens *et al.*, 2015; Khajavy *et al.*, 2018). Because the ANOVA, ICC1, and r_{wg} are all above the acceptable cutoffs, the low ICC2 values should not prevent aggregation.

Results

Multilevel CFA was conducted to test the convergent and discriminant validities. The hypothesized five-factor model exhibited a better fit to the data ($\chi^2(208) = 285.95$;

RMSEA = 0.03; CFI = 0.98; TLI = 0.98; $SRMR_{Within}$ = 0.05; $SRMR_{Between}$ = 0.09) than did the five competing models. All the factor loadings in the hypothesized five-factor model were significant and above 0.45 (0.47–0.91). Table 1 shows the descriptive statistics and correlations of the study variables.

In Table 2, we tested H1 and H2 in the 1-1-1 model, and the model fit well. According to Preacher *et al.* (2010), the individual-level effects were predicted by the within-model in the 1-1-1 model. In the within-model of the 1-1-1 model, individual-level EL significantly influenced reciprocity beliefs ($\beta_{Within} = 0.29$, $p < 0.01$), thereby supporting H1. Furthermore, the indirect effect from individual-level EL to UPB through reciprocity beliefs in the within-model of the 1-1-1 model was significant ($\beta_{Within} = 0.12$, $p < 0.01$), supporting H2.

In Table 2, we tested H3 and H4 in the 2-2-1 model, and the model fit well. According to Preacher *et al.* (2010), the group-level effects were predicted by the between-model in the 2-2-1 model. In the between-model of the 2-2-1 model, group-level EL significantly influenced political climate ($\beta_{Between} = -0.41$, $p < 0.01$), thus supporting H3. Furthermore, the indirect effect of group-level EL on followers' average willingness to perform UPB through political climate supported H4 ($\beta_{Between} = -0.22$, $p < 0.01$).

For H5, Table 2 shows that political climate significantly moderated the relationship of reciprocity beliefs and UPB (difference effect = 0.28, $p < 0.01$). Figure 2 shows that the average within-group slope between reciprocity beliefs and UPB was stronger for higher levels of political climate and weaker for lower levels of political climate. Furthermore, in Table 2, political climate significantly moderated the indirect effect of individual-level EL and UPB (difference effect = 0.07, $p < 0.1$), thus supporting H5a; through political climate, group-level EL indirectly moderated the effect of reciprocity beliefs on UPB (difference effect = −0.14, $p < 0.1$), thus supporting H5b.

Discussion

Based on the perspective that the effects of EL on followers may depend upon the "moral person" vs the "moral manager" dimension, this study seeks to explain why EL at different

Variable	Mean	SD	1	2	3	4	5	6
Individual level								
UPB	2.80	1.01	(0.92)					
Individual-level EL	4.28	0.76	−0.01	(0.94)				
Reciprocity beliefs	3.57	0.81	0.38*	0.14*	(0.90)			
Follower gender	0.65	0.48	0.11*	0.06	0.07	–		
Follower age	29.85	5.92	−0.03	−0.11*	−0.08	0.11*	–	
Follower education	0.90	0.30	−0.09	0.04	0.02	−0.07	−0.25*	–
Follower tenure	4.78	3.45	0.03	−0.15*	0.03	0.09	0.31*	−0.02
Group level								
Group-level EL	4.16	0.48	–					
Political climate	2.80	0.49	−0.29*	(0.89)				
Leader gender	0.73	0.44	−0.05	−0.19*	–			
Leader age	33.57	6.44	0.03	−0.09	−0.19*	–		
Leader education	0.93	0.25	−0.09	−0.12*	0.05	−0.10*	–	
Leader tenure	6.80	3.24	−0.04	0.08	0.02	0.41*	0.02	–
Group size	9.30	7.59	0.24*	0.22*	−0.24*	−0.20*	0.07	−0.04

Note(s): *$p < 0.05$; No. of individual = 423, No. of group = 81; Internal consistency reliabilities appear in parentheses along the diagonal; EL = ethical leadership; UPB = unethical pro-organizational behavior; SD = standard deviation

Table 1. Descriptive and correlations for study variables

Path	*B*	SE	*t*	*p*
1-1-1 Model: Individual-level EL → reciprocity beliefs → UPB (H1 and H2)				
Model fit: $\chi^2(341) = 673.59$; RMSEA = 0.05; CFI = 0.95; TLI = 0.95; $SRMR_{Within} = 0.06$; $SRMR_{Between} = 0.28$				
Within-model				
Individual-level EL → reciprocity beliefs	0.29***	0.09	3.18	0.001
Reciprocity beliefs → UPB	0.41***	0.08	4.95	0.001
Individual-level EL → UPB	−0.14	0.09	−1.49	0.137
Individual-level EL → reciprocity beliefs → UPB	0.12***	0.04	2.96	0.003
Between-model				
Individual-level EL → reciprocity beliefs	−0.13	0.11	−1.18	0.239
Reciprocity beliefs → UPB	0.08**	0.03	2.46	0.014
Individual-level EL → UPB	0.01	0.01	0.89	0.372
Individual-level EL → reciprocity beliefs → UPB	−0.01	0.01	−1.00	0.319
2-2-1 Model: Group-level EL → Political climate → UPB (H3 and H4)				
Model fit: $\chi^2(150) = 264.31$; RMSEA = 0.04; CFI = 0.96; TLI = 0.94; $SRMR_{Within} = 0.02$; $SRMR_{Between} = 0.09$				
Within-model				
No hypothesized path	–	–	–	–
Between-model				
Group-level EL → Political climate	−0.41***	0.14	−2.85	0.004
Political climate → UPB	0.52***	0.10	5.34	0.001
Group-level EL → UPB	0.19**	0.08	2.29	0.022
Group-level EL → Political climate → UPB	−0.22***	0.08	−2.80	0.005
Cross-level moderating and mediating effects of political climate				
Moderating effect of political climate on (reciprocity beliefs → UPB)				
−1 SD below the mean (political climate)	0.20**	0.09	2.20	0.028
+1 SD above the mean (political climate)	0.48***	0.10	4.81	0.001
Difference	0.28***	0.11	2.61	0.009
Moderated mediation of political climate (H5a)				
−1 SD below the mean (political climate)	0.05**	0.02	2.23	0.026
+1 SD above the mean (political climate)	0.11***	0.04	2.99	0.003
Difference	0.07*	0.03	1.91	0.056
Mediated moderation of political climate (H5b)				
−1 SD below the mean (group-level EL)	0.34***	0.11	3.54	0.001
+1 SD above the mean (group-level EL)	0.20**	0.08	2.63	0.009
Difference	−0.14*	0.08	−1.74	0.082

Note(s): *$p < 0.1$; **$p < 0.05$; ***$p < 0.01$; *B* = unstandardized estimates; SE = standard error; SD = standard deviation; EL = ethical leadership; UPB = unethical pro-organizational behavior
We controlled supervisor's and follower's gender, age, education level, tenure and group size in all models

Table 2. Results of the MSEM analyses

levels motivates followers to either conduct UPB or not. We posit that the "moral person" functions in the reciprocal exchange process and investigate whether individual-level EL may unintentionally increase follower UPB willingness by examining the ethicality neutralization mechanism – reciprocity beliefs. Additionally, we posit that the "moral manager" functions in the group climate process and investigate how group-level EL may reduce followers' average willingness to engage in UPB by examining the ethicality amplification mechanism – political climate. Overall, the findings support our theoretical

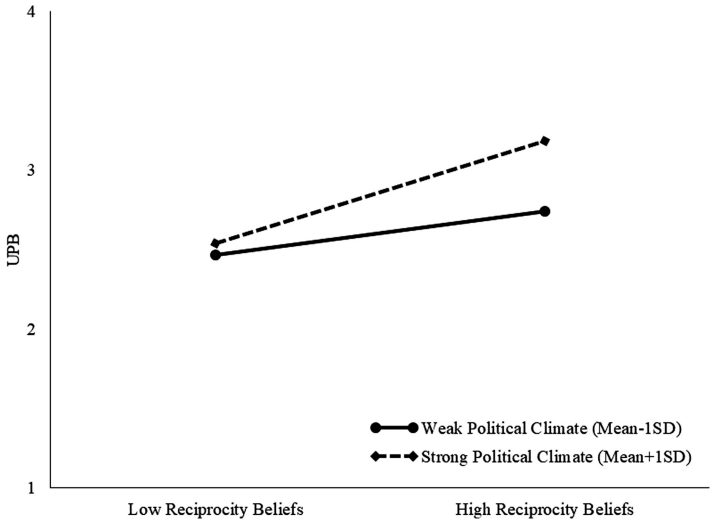

Figure 2.
Cross-level interaction of political climate and reciprocity beliefs on UPB

propositions. Moreover, we support the cross-level moderated mediation and mediated moderation of political climate in relations between EL and UPB.

Theoretical implications

First, by theorizing EL at the individual and group level from the "moral person" and the "moral manager" dimensions, we answer the call to understand how EL influences followers in a multilevel fashion (Bai *et al.*, 2019; Bush *et al.*, 2021; Tu and Lu, 2013). Our multilevel model of EL suggests that individual- and group-level EL serve a unique function in explaining follower UPB willingness and that group-level EL plays an important role in preventing UPB. Previous research has reached a consensus that EL will yield similar ethical conduct from followers (Bai *et al.*, 2019; Tu and Lu, 2013). Our results challenge this consensus and suggest UPB as an unethical outcome that EL unintendedly produces. Moreover, our findings expand the category of undesirable consequences of EL research (e.g. counterproductive work behavior, Bush *et al.*, 2021) by including UPB.

Second, this study contributes to the research of reciprocity beliefs by specifying the critical intervening role of reciprocity beliefs between EL and UPB. We suggest that EL, as a moral antecedent, shapes followers' reciprocity beliefs, which in turn can predict their immoral behavior intentions. We also identify UPB as an unintentional negative consequence of reciprocal exchange by uncovering the lesser-known effect of reciprocity beliefs on unethical behavior. Thus, this research not only responds to Umphress *et al.*'s (2010) call to dissect the nature of reciprocity beliefs in terms of UPB but also enriches the currently limited research on the "dark side" of reciprocity beliefs.

Third, our findings that political climate plays a cross-level moderated mediation role and mediated moderation role between EL and UPB contribute to the EL, UPB and organizational politics literature. These findings identify political climate not only as an essential political condition for the indirect (mediating) effect of individual-level EL on UPB but also as an essential political-cognitive mediator for the indirect (moderating) effect of group-level EL on UPB. Thus, our study responds to the call of Kalshoven *et al.* (2016) to investigate how the extent to which EL relates to the UPB differs across group climates and implies new avenues

for future research exploring EL from an organizational politics perspective (e.g. Kacmar *et al.*, 2013).

Practical implications

Although EL consists of the "moral person" and the "moral manager" dimensions, our study reveals that individual-level EL (i.e. moral person) enhances followers' reciprocity beliefs, which in turn unintentionally increase their UPB willingness, while group-level EL (i.e. moral manager) controls a group's political climate, which in turn expectedly decreases follower UPB willingness. Thus, when managers exhibit EL to prevent followers' unethical actions, they should be aware of the potential "dark side" of EL in interpersonal reciprocity; thus, they are advised to use individual-level EL with care because followers may justify UPB as a viable way to reciprocate managers/organizations. Moreover, managers may need additional training to understand the vital role of EL in shaping the group climate that may reduce followers' willingness to engage in unethical acts. We therefore advise managers to display EL to the whole group by behaviors such as ethically conducting visible executive actions, regularly explaining ethics and values that are important to organizations, and disciplining (rewarding) followers at all levels when they break (obey) ethical rules. Our study also implies that political climate is a breeding ground for UPB; thus, organizations should try to diminish organizational politics if they want to decrease UPB by practices such as focusing on transparency in decision-making processes and supporting an ethical atmosphere (Umphress and Bingham, 2011; Kacmar *et al.*, 2013).

Limitations and future research

First, although this longitudinal design helps minimize the possibility of common method bias, future research could collect data from a broader sample of various organizations and industries or different sociocultural contexts, which would increase our ability to generalize our findings to different settings and populations. Second, despite our intention to distinguish between the two EL dimensions, we acknowledge that we do not directly measure them. However, this is not a limitation that is unique to our study. Future research is encouraged to develop an agreed-upon measure of these two dimensions. Finally, we investigate the multilevel mechanisms of EL on the UPB by examining reciprocity beliefs and political climate. Future research could further investigate their possible different mechanisms in a multilevel fashion.

In conclusion, this study integrates and extends the theories of EL and UPB and provides a comprehensive picture of how EL influences UPB both intentionally and unintentionally. The results suggest that EL may play an essential role in influencing the UPB by ethicality neutralization and amplification mechanisms. We hope this paper inspires future endeavors to gain a deeper understanding of EL and UPB.

References

Arens, A.K., Morin, A.J.S. and Watermann, R. (2015), "Relations between classroom disciplinary problems and student motivation: achievement as a potential mediator?", *Learning and Instruction*, Vol. 39, pp. 184-193.

Bai, Y., Han, G.H. and Harms, P.D. (2016), "Team conflict mediates the effects of organizational politics on employee performance: a cross-level analysis in China", *Journal of Business Ethics*, Vol. 139 No. 1, pp. 95-109.

Bai, Y., Lin, L. and Liu, J.T. (2019), "Leveraging the employee voice: a multi-level social learning perspective of ethical leadership", *International Journal of Human Resource Management*, Vol. 30 No. 12, pp. 1869-1901.

Bliese, P.D. (2000), "Within-group agreement, non-independence, and reliability: implications for data aggregation and analysis", in Klein, K.J. and Kozlowski, S.W.J. (Eds), *Multilevel Theory, Research, and Methods in Organizations: Foundations, Extensions, and New Directions*, Jossey-Bass, San Francisco, pp. 349-381.

Brislin, R.W. (1980), "Translation and content analysis of oral and written materials", in Triandis, H.C. and Berry, J.W. (Eds), *Handbook of Cross-Cultural Psychology*, Allyn and Bacon, Boston, pp. 389-444.

Brown, M.E. and Treviño, L.K. (2006), "Ethical leadership: a review and future directions", *The Leadership Quarterly*, Vol. 17 No. 6, pp. 595-616.

Brown, M.E., Treviño, L.K. and Harrison, D.A. (2005), "Ethical leadership: a social learning perspective for construct development and testing", *Organizational Behavior and Human Decision Processes*, Vol. 97 No. 2, pp. 117-134.

Bush, J.T., Welsh, D.T., Baer, M.D. and Waldman, D. (2021), "Discouraging unethicality versus encouraging ethicality: unraveling the differential effects of prevention- and promotion-focused ethical leadership", *Personnel Psychology*, Vol. 74 No. 1, pp. 29-54.

Chughtai, A., Byrne, M. and Flood, B. (2015), "Linking ethical leadership to employee well-being: the role of trust in supervisor", *Journal of Business Ethics*, Vol. 128 No. 3, pp. 653-663.

Cropanzano, R. and Mitchell, M.S. (2005), "Social exchange theory: an interdisciplinary review", *Journal of Management*, Vol. 31 No. 6, pp. 874-900.

Darr, W. and Johns, G. (2016), "Political decision-making climates: theoretical processes and multilevel antecedents", *Human Relations*, Vol. 57 No. 2, pp. 169-200.

Eisenbeiss, S.A. (2012), "Re-thinking ethical leadership: an interdisciplinary integrative approach", *The Leadership Quarterly*, Vol. 23 No. 5, pp. 791-808.

Gotsis, G.N. and Kortezi, Z. (2010), "Ethical considerations in organizational politics: expanding the perspective", *Journal of Business Ethics*, Vol. 93 No. 4, pp. 497-517.

Hale, D., Ployhart, R.E. and Shepherd, W. (2016), "A two-phase longitudinal model of a turnover event: disruption, recovery rates, and moderators of collective performance", *Academy of Management Journal*, Vol. 59 No. 3, pp. 906-929.

Hsieh, H., Hsu, H., Kao, K. and Wang, C. (2020), "Ethical leadership and employee unethical pro-organizational behavior: a moderated mediation model of moral disengagement and coworker ethical behavior", *Leadership and Organization Development Journal*, Vol. 41 No. 6, pp. 799-812.

Kacmar, K.M., Andrews, M.C., Harris, K.J. and Tepper, B.J. (2013), "Ethical leadership and subordinate outcomes: the mediating role of organizational politics and the moderating role of political skill", *Journal of Business Ethics*, Vol. 115 No. 1, pp. 33-44.

Kacmar, K.M. and Carlson, D.S. (1997), "Further validation of the perceptions of politics scale (POPS): a multiple sample investigation", *Journal of Management*, Vol. 23 No. 5, pp. 627-658.

Kalshoven, K., van Dijk, H. and Boon, C. (2016), "Why and when does ethical leadership evoke unethical follower behavior?", *Journal of Managerial Psychology*, Vol. 31 No. 2, pp. 500-515.

Khajavy, G.H., Macintyre, P.D. and Barabadi, E. (2018), "Role of the emotions and classroom environment in willingness to communicate", *Studies in Second Language Acquisition*, Vol. 40 No. 3, pp. 605-624.

Konrad, A.M., Cannings, K. and Goldberg, C.B. (2010), "Asymmetrical demography effects on psychological climate for gender diversity: differential effects of leader gender and work unit gender composition among Swedish doctors", *Human Relations*, Vol. 63 No. 11, pp. 1661-1685.

Kozlowski, S.W. and Doherty, M.L. (1989), "Integration of climate and leadership: examination of a neglected issue", *Journal of Applied Psychology*, Vol. 74 No. 4, pp. 546-553.

Kuenzi, M., Mayer, D.M. and Greenbaum, R.L. (2020), "Creating an ethical organizational environment: the relationship between ethical leadership, ethical organizational climate, and unethical behavior", *Personnel Psychology*, Vol. 73 No. 1, pp. 43-71.

Miao, Q., Eva, N., Newman, A., Nielsen, I. and Herbert, K. (2020), "Ethical leadership and unethical pro-organisational behaviour: the mediating mechanism of reflective moral attentiveness", *Applied Psychology*, Vol. 69 No. 3, pp. 834-853.

Miao, Q., Newman, A., Yu, J. and Xu, L. (2013), "The relationship between ethical leadership and unethical pro-organizational behavior: linear or curvilinear effects?", *Journal of Business Ethics*, Vol. 116 No. 3, pp. 641-653.

Moore, C., Mayer, D.M., Chiang, F.F.T., Crossley, C., Karlesky, M.J. and Birtch, T.A. (2019), "Leaders matter morally: the role of ethical leadership in shaping employee moral cognition and misconduct", *Journal of Applied Psychology*, Vol. 104 No. 1, pp. 123-145.

Perugini, M., Gallucci, M., Presaghi, F. and Ercolani, A.P. (2003), "The personal norm of reciprocity", *European Journal of Personality*, Vol. 17 No. 4, pp. 251-283.

Preacher, K.J., Zhang, Z. and Zyphur, M.J. (2011), "Alternative methods for assessing mediation in multilevel data: the advantages of multilevel SEM", *Structural Equation Modeling*, Vol. 18 No. 2, pp. 161-182.

Preacher, K.J., Zhang, Z. and Zyphur, M.J. (2016), "Multilevel structural equation models for assessing moderation within and across levels of analysis", *Psychological Methods*, Vol. 21 No. 2, pp. 189-205.

Preacher, K.J., Zyphur, M.J. and Zhang, Z. (2010), "A general multilevel SEM framework for assessing multilevel mediation", *Psychological Methods*, Vol. 15 No. 3, pp. 209-233.

Treviño, L.K., Hartman, L.P. and Brown, M. (2000), "Moral person and moral manager: how executives develop a reputation for ethical leadership", *California Management Review*, Vol. 42 No. 4, pp. 128-142.

Tu, Y. and Lu, X. (2013), "How ethical leadership influence employees' innovative work behavior: a perspective of intrinsic motivation", *Journal of Business Ethics*, Vol. 116 No. 2, pp. 441-455.

Umphress, E.E. and Bingham, J.B. (2011), "When employees do bad things for good reasons: examining unethical pro-organizational behaviors", *Organization Science*, Vol. 22 No. 3, pp. 621-640.

Umphress, E.E., Bingham, J.B. and Mitchell, M.S. (2010), "Unethical behavior in the name of the company: the moderating effect of organizational identification and positive reciprocity beliefs on unethical pro-organizational behavior", *Journal of Applied Psychology*, Vol. 95 No. 4, pp. 769-780.

Valle, M., Kacmar, K.M. and Zivnuska, S. (2019), "Understanding the effects of political environments on unethical behavior in organizations", *Journal of Business Ethics*, Vol. 156 No. 1, pp. 173-188.

Walumbwa, F.O., Hartnell, C.A. and Misati, E. (2017), "Does ethical leadership enhance group learning behavior? Examining the mediating influence of group ethical conduct, justice climate, and peer justice", *Journal of Business Research*, Vol. 72, pp. 14-23.

Walumbwa, F.O., Mayer, D.M., Wang, P., Wang, H., Workman, K. and Christensen, A.L. (2011), "Linking ethical leadership to employee performance: the roles of leader-member exchange, self-efficacy, and organizational identification", *Organizational Behavior and Human Decision Processes*, Vol. 115 No. 2, pp. 204-213.

Werhane, P.H., Pincus Hartman, L., Archer, C., Englehardt, E.E. and Pritchard, M.S. (2013), *Obstacles to Ethical Decision-Making: Mental Models, Milgram and the Problem of Obedience*, Cambridge University Press, New York.

Xu, A.J., Loi, R. and Ngo, H. (2016), "Ethical leadership behavior and employee justice perceptions: the mediating role of trust in organization", *Journal of Business Ethics*, Vol. 134 No. 3, pp. 493-504.

Yang, C., Ding, C.G. and Lo, K.W. (2015), "Ethical leadership and multidimensional organizational citizenship behaviors", *Group and Organization Management*, Vol. 41 No. 3, pp. 343-374.

About the authors

Yujie Tang is a lecturer of the Department of Business Administration at the School of Economics and Management, Zhengzhou University of Light Industry. She received her PhD in business administration from Xi'an Jiaotong University. Her research interests include ethical leadership, organizational politics, and leadership effectiveness.

Yang Li is a lecturer of the Department of Business Administration at the School of Management, Henan University of Technology. He received his PhD in business administration from Xi'an Jiaotong University. His research interests include innovation, leader-member exchange and strategic alliance. Yang Li is the corresponding author and can be contacted at: liyanghero@gmail.com