Contagion Effect of Unethical Pro-Organizational Behavior among Members within Organization

Xiaocun Shu

School of Management, Zhejiang University, Hangzhou 310058, Zhejiang, China

Abstract

Given the nature of being to benefit or help the organization, unethical pro-organizational behavior (UPB) is usually acquiesced or even connived by manager, so UPB is prone to generate contagion effect among member within organization and cause negative impact to the society. Prior researches have provided insight into why employees may commit UPB at work from the perspectives of managers, but pay little empirical attention to the influence of co-workers. Employees do not work independently but are embedded in social networks, so their UPB have an interpersonal element rooted in the social environment. Therefore, the study of the effect of co-workers' UPB on employees' UPB and its influence mechanism as well as the boundary conditions has obvious theoretical significance. We examined how individuals' UPB at work are shaped by the UPB of their coworkers. Based on two-wave survey data obtained from 362 employees, we found a positive relationship between the level of UPB exhibited by an individual and that exhibited by his or her coworkers, and individual's moral justification partially mediates the positive relationship. Finally, we also found that individual's organizational identification moderates and strengthen the relationship between co-workers' UPB and individual's moral justification.

Key words: UNETHICAL PRO-ORGANIZATIONAL BEHAVIOR; MORAL JUSTIFICATION; ORGANIZATIONAL IDENTIFICATION; SOCIAL INFORMATION PROCESSING

1. Introduction

Nowadays commercial scandals have more and more exposure, and unethical behaviors in organizations have drew greater public attention gradually. Existing researches have discussed influences that personal features, organizational characteristics and ethical events have had on unethical behaviors. But they have mainly focused on "unethical behaviors which harm organizational interests", such as stealing company belongings, damaging machinery equipment, corruption and bribery [1-2], and have paid less attention to "behaviors which violated moral concepts, laws and regulations or social

Human resources

values for organizational interests", "unethical pro-organizational behavior" [3], such as fabricating financial statements, commercial bribery and producing or selling counterfeit items. These unethical pro-organizational behaviors which have violated moral standards are proorganizational and beneficial to organizations at the same time. So it is so hard to control these behaviors effectively, because in most cases, managers will acquiesce or even connive at them [4]. Enterprises in China are experiencing a tough time when transition and upgrading are needed. Most of them are under high operating pressure, thus situations of violating moral standard for economic interests are very common, and largely corrupt the social morals. It is in urgent need to analyze the inducing factors, in order to control the unethical pro-organizational behaviors.

Leadership styles of managers can influence unethical pro-organizational behaviors of staffs, and existing researches have discussed this matter. For example, Effelsberget et al found out that, transformational leadership increases staff's willingness of unethical pro-organizational behaviors [5]; Miao et al found out that there exists non-linear relationship between ethical leadership and unethical pro-organizational behaviors of staffs [6]. However, except for managers, colleagues also have strong influence on individual behaviors [7]. And by comparing with managers, colleagues contact with each other more frequently and intimately, and the gap between them is relatively small. consequence, colleagues' unethical organizational behaviors may induce individual unethical pro-organizational behaviors. That is to say, unethical pro-organizational behaviors may cause contagion effects between colleagues. But unfortunately, there lacks correlational researches at present.

Based on Social Information Processing, the paper analyzes the following three questions in depth: Firstly, is there contagion effect of unethical pro-organizational behaviors between organization members? Secondly, what's the inner mechanism of the contagion effect? Thirdly, which situational factors may influence the contagion process of unethical pro-organizational behaviors? Answers to these questions cannot only develop researches of unethical proorganizational behaviors within organizations, cognition of unethical deepen the organizational behaviors, but can also provide effective advices and measures to control unethical pro-organizational behaviors.

2. Theories and hypotheses

2.1. How colleagues' unethical proorganizational behaviors influence individual unethical pro-organizational behaviors?

According to social information processing theory, as important social information resource of individuals, colleagues influence individuals' cognition and attitude toward social environment and can further influence the behavior reactions [8]. While most organization members are implementing unethical behaviors, individuals may think the behaviors are in line with the organization criterions [9], thus become more willing to implement such behaviors. In particular. when some colleagues managers' rewards by implementing unethical pro-organizational behaviors [4], individuals may become more motivated to implement the behaviors. And empirical researches found out that, the positive correlation relationship does not exist between colleagues' anti-social behaviors and individual anti-social behaviors [10], but also exist between colleagues' proorganizational behaviors and individual proorganizational behaviors [11]. On account of analyses above, we raised the following hypotheses:

Hypothesis 1: Colleagues' unethical proorganizational behaviors have positive influence on individual ones.

2.2 Mediating effect of moral justification

Human's behaviors are usually in accord with their moral standards, if they feel guilty and self-accusation when they implement unethical behaviors, then this kind of negative emotions may help restrain unethical behaviors. However, moral justification can help people get rid of constraints of moral codes, thus they can implement unethical behaviors without guilt [12]. Moral justification is a restructuring procedure of cognition towards unethical behaviors, and people may find "reasonable" excuses and reasons for these unethical behaviors by restructuring cognition, therefore, individuals who have higher moral justification abilities are easier to implement unethical behaviors [13-14].

Individual behaviors do not only depend on information that social environments have provided, and more importantly, also depend on individuals' cognitive processing on social information [8]. Individuals usually consider it a "legitimate" or "reasonable" behavior when colleagues' unethical pro-organizational behaviors bring benefits to the organization [15-16]; it is just the moral justification mechanism that has improved individual possibility on implementing unethical pro-organizational behaviors. On

account of analyses above, we raised the following hypotheses:

Hypothesis 2: The relationship between colleagues' unethical pro-organizational behaviors and individual ones, moral justification performs a mediating effect.

2.3. Regulating effect of organizational identification

Different social identities can influence people's explanation on certain incidents [13, 17]. People usually tent to be more tolerant toward organization members' unethical behaviors, while tend to be more harsh on behaviors of members of other organizations [18]. Individuals who have greater group identity are more willing to perform reasonable justification towards colleague's unethical behaviors, for example, they may consider these behaviors as what they have to do, or just attribute the faults to victims, because they want to maintain positive image of the organization [19]. On the contrary, individuals who have lower group identity attach more importance to harmonious relationship between organizations, thus they are more willing to apologize to victims or compensate for the economic loss [20].

Organizational identification is specific form of social identity and a perception that individuals define themselves as organization members, thus attribute them to the organization [21]. Because of organizational identification, individuals may attach far more importance to organizational benefits than moral codes, thus they can perform reasonable justification toward unethical pro-organizational behaviors and further implement the behavior [3]. While as to individuals who have lower organizational identification, they are unlikely to give up moral codes due to organizational benefits, and they are more likely to realize that the behavior has betrayed moral codes. On account of analyses above, we raised the following hypotheses:

Hypothesis 3: As to the relationship between unethical pro-organizational behaviors and individual moral justification, organizational identification can adjust it positively. That is to say, by comparing with individuals who have low organizational identification, those who have higher organizational identification are more likely to perform moral justification for colleagues' unethical pro-organizational behaviors.

3. Research methods

3.1 Research object and procedure

Samples of this research are 527 grass-roots staffs from 4 enterprises. In order to reduce common method variance, this research use time-

interval method to conduct questionnaire survey. In this regard, we have mainly investigated background information, colleagues' unethical pro-organizational behaviors and organizational identification in the first time point (T1), and have received 439 valid questionnaires, with a recovery rate of 83.3%. One month later (T2), we have performed a second-round questionnaire survey towards these 439 staffs, and have mainly investigated on individual moral justification and unethical pro-organizational behaviors, in this round we have received 362 valid questionnaires, with a recovery rate of 82.4%. The general information of the samples is: 51.7% of them are male, the average age of them is 34.87 (standard deviation=9.73), the average organized age is 10.85 (standard deviation=10.03), 60.2% of them have got technical secondary degree and below, 20.4% of them have got associate degree, 19.4% of them have got bachelor degree and above.

3.2. Variable measurement

Unethical pro-organizational behaviors of individuals and colleagues: it has applied scale of 5 items which Effelsberg et al [5] have used, for example: "for the sake of corporate benefits, I/ my colleague will hold quality problem of company products back from customers".

Organizational identification: it has applied scale of 6 items which Mael et al [22] have compiled, for example: "when someone criticizes the company, I feel like I have been criticized too", "the company's success is also my success".

Moral justification: it has applied scale of 4 items which Barsky [23] has compiled, for example, "it is understandable to tell a lie in order to help the company out of the mess".

The above variables have all been evaluated by staffs by using Likert-5 points scoring method. Previous researches indicate that, demographic characteristics variables of individuals, such as age, gender, educational background and organized age have influence on unethical behaviors [1]. Therefore, this research regards these variables as control variables.

4. Data analysis and results

4.1. Confirmatory factor analysis

The research applied AMOS 17 Software to conduct confirmatory factor analysis, with the result shown in Table1. Degree of fitting of quartet model have all reached the standard (χ 2(164) = 485.68, p< 0.01; and RMSEA = 0.07, CFI = 0.92, TLI = 0.91), and they are superior to substitution model. Therefore, four variables of this research have favorable discrimination validities, and represent four different constructs.

 Table 1. Variable Confirmatory Factor Analysis Results

Model	χ2	df	χ2/df	CFI	TLI	RMSEA
Four Factors Model	485.68	164	2.96	0.92	0.91	0.07
UPB-P, OI, MJ, UPB-I						
Three Factors Model 1	1496.81	167	8.96	0.68	0.64	0.15
UPB-P+OI, MJ, UPB-I						
Three Factors Model 2	969.54	167	5.81	0.81	0.78	0.12
UPB-P+MJ, OI, $UPB-I$						
Two Factors Model	2139.26	169	12.66	0.53	0.47	0.18
UPB-P+OI+MJ, UPB-I						
One Factor Model	2829.36	170	16.64	0.36	0.29	0.21
UPB-P+OI+MJ+UPB-I						

Note. UPB-P: Unethical pro-organizational behaviors between colleagues; OI: Organizational identification; MJ: Moral justification; UPB-I: Unethical pro-organizational behaviors between individuals.

4.2. Results of descriptive statistical analysis

The research applied SPSS20 to conduct descriptive statistical analysis, with the result shown in table 2.

Table 2. Means, Standard Deviations, Correlations, and Internal Consistency Statistics

Variables	M	SD	1	2	3	4	5	6	7	8
1. Gender	0.52	0.50								
2. Age	34.8 7	9.73	-0.02							
3.Educatio n	2.15	1.20	0.09	- 0.20* *						
4. Year	10.8 5	10.0	0.03	0.76*	- 0.14* *					
5. UPB-P	2.23	0.99	0.16* *	-0.00	0.13*	0.0	(0.88			
6. MJ	2.15	0.91	-0.09	-0.01	0.10*	- 0.0 1	0.31**	(0.83		
7. OI	4.10	0.78	0.04	-0.08	0.15*	- 0.0 2	-0.09	0.03	(0.90	
8. UPB-I	2.31	0.96	0.03	0.03	-0.12*	0.0	0.33**	0.39**	-0.14**	(0.89

Note. (1) UPB-P: Unethical pro-organizational behaviors between colleagues; OI: Organizational identification; MJ: Moral justification; UPB-I: Unethical pro-organizational behaviors between individuals. (2)N=362. Symble * on behalf of p<0.05, Symble ** on behalf of p<0.01; Cronbach's alphas are displayed on the diagonal.

4.3. Hypothesis verification

Firstly, the research applied hierarchical regression method to conduct hypothesis verification, with the result shown in Table 3. It can be seen from Model 6 that, colleagues' unethical pro-organizational behaviors have remarkable positive influence on individual ones (β =0.35, p< 0.01), this result has supported the first hypothesis. We can further find out from Model 2 that, colleagues' unethical pro-

organizational behaviors have remarkable positive influence on moral justification (β = 0.30, p< 0.01); It can be seen from Model 7 that, moral justification has remarkable positive influence on individual unethical pro-organizational behaviors(β = 0.41, p< 0.01); It can be seen from Model 8 that, after mediated variables been added in, the influence coefficients that colleagues' unethical pro-organizational behaviors have on individual ones (β = 0.25, p< 0.01) decreased

remarkably, while moral justification still has remarkable positive influence on individual unethical pro-organizational behaviors (β = 0.34, p< 0.01). Therefore the second hypothesis has been verified.

Secondly, the research applied Bootstraping method to conduct hypothesis verification for the second time [24]. We set Bootstraping resampling as 1000 times macros which have been verified by mediating effects. The data results are: indirect effect is 0.09, p<0.05, 95% of the confidence space are [0.05, 0.15], and no zero is included. Therefore, the second hypothesis has been further verified. From Model 4 in Table 3 we can find out that, the interaction item of colleagues' unethical proorganizational behaviors and organizational

identification has remarkable positive influence moral justification (β =0.14, p< 0.05). Therefore, the third hypothesis has been further verified. According to the procedure which Cohen et al [25] have recommended, on the basis of variable mean value, we drew a regulating effect graph (Graph 1) by plus or minus the standard deviation. Result of further simple slope test shows that: as to individuals who have high organizational identity, colleagues' unethical proorganizational behaviors have stronger influence on moral justification (β = 0.38, p< 0.01), while as to individuals who have low organizational identity, colleagues' unethical pro-organizational behaviors have obvious weaker influence on moral justification (β = 0.14 p< 0.05).

Table 3. Results of Hypothesis Test

	MJ			UPB-I				
	M1	M2	M3	M4	M5	M6	M7	M8
Control Variable								
Gender	0.09	0.04	0.04	0.05	0.04	-0.01	0.01	-0.02
Age	0.02	0.02	0.03	0.01	0.04	0.04	0.03	0.03
Education	0.09	0.06	0.05	0.05	-0.12*	-0.16**	-0.16**	-0.18**
Year	-0.02	-0.02	-0.03	-0.03	-0.05	-0.05	-0.04	-0.05
Major Variable								
UPB-P (T1)		0.30**	0.30**	0.28**		0.35**		0.25**
OI (T1)			0.05	0.04				
UPB-P×OI				0.14*				
MJ (T2)							0.41**	0.34**
R^2	0.02	0.10	0.11	0.12	0.02	0.14	0.18	0.24
F	1.61	8.12**	6.91**	7.10**	1.55	11.16**	15.94**	18.51**
ΔR^2	0.02	0.08	0.00	0.02	0.02	0.12	0.17	0.10
ΔF	1.61	33.33**	0.90	7.49**	1.55	48.77**	72.26**	47.90**

Note. (1) UPB-P: Unethical pro-organizational behaviors between colleagues; OI: Organizational identification; MJ: Moral justification; UPB-I: Unethical pro-organizational behaviors between individuals. (2) N=362. Symble * on behalf of p<0.05, Symble ** on behalf of p<0.01.

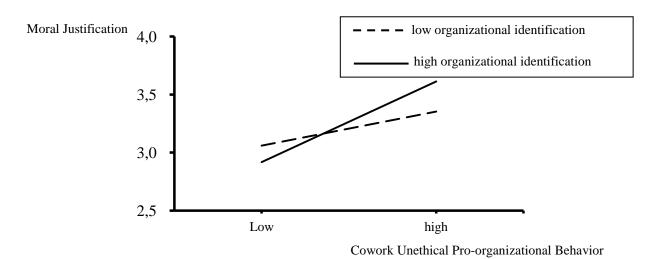


Figure 2. Interaction graph of Organizational identification

5. Discussion

5.1. Theoretical significance

Firstly, unethical pro-organizational behavior is distinguished from unethical behavior which harms organizational benefits, thus we have to further discuss the influencing factors of it. Leadership style can influence subordinate staffs' unethical pro-organizational behaviors, existing researches have analyzed this matter, but have ignored to analysis the inducing factors form colleague perspective relatively. On the basis of social information processing perspective, this research has discussed the positive influence that colleagues' unethical pro-organizational behaviors have on individual ones, namely the contagion effect of unethical pro-organizational behaviors. It is the theoretical extension of existing researches. Secondly, this research has analyzed the inner mechanism of unethical pro-organizational behaviors' contagion effect, and has revealed mediated black box in the contagious process. The research found out that, in the relationship between colleagues' unethical pro-organizational behaviors and individual ones, moral justification plays a mediating role.

Thirdly, this research has discussed the conditions of unethical iustification organizational behaviors' contagion effect. The research found out that, by comparing with individuals who have low organizational identification. have those who higher organizational identification are more likely to conduct moral justification for colleagues' unethical pro-organizational behaviors; and with the develop of the ability of moral justification, they are more likely to implement unethical proorganizational behaviors themselves. The result reminds us to recognize that, as a positive factor,

organizational identification can also probably bring about unexpected negative consequences.

5.2. Practical implications

Firstly, under improper control, unethical pro-organizational behaviors may contaminate and spread with organization members. Therefore, managers should take measures to stop it in time. Only by this, can they repress unethical pro-organizational behaviors at the source. Furthermore, managers should adhere to moral codes themselves and use the influence of moral models, in order to create favorable ethical atmosphere within the organization, and reduce the occurrence of unethical pro-organizational behaviors.

Secondly, this research found out that moral justification is a more direct factor which influences unethical pro-organizational behaviors. Therefore, managers should strengthen moral education within the organization, cultivate moral values of the staffs, reduce the level of moral justification, and advocate moral self-discipline other that heteronomy of the staffs, in order to enable them to resist unethical pro-organizational behaviors themselves.

Thirdly, unethical pro-organizational may bring short-term economic benefit, but it harms company's long-term development. Therefore, managers should emphasis the importance of moral codes within the company, advocate staffs who have high organizational identification to treat the conflicts between corporate interests and moral codes correctly, make them recognize that even the unethical behaviors which are beneficial to organizational interests are not in accordance with organizational expectation, in order to avoid negative effects of organizational identification.

5.3. Research limitations and expectations

Firstly, all the data of the research are come from staffs' self-evaluation, so common variances may exist to some degree. Although we have applied time-interval method, with the interval time of one month to conduct data collection, and the confirmatory factor analysis found out that there are favorable discrimination validity between the four variables; future researches can apply paired data of leaders and staffs to avoid common variance.

Secondly, unethical behavior is a relatively sensitive topic, and apply questionnaire method to conduct data collection of it may bring out social desirability bias, thus may influence the research conclusions to some degree. Although we have provide each respondents an envelope with double sided adhesive tape on the sealing part and ask for them to complete the questionnaire anonymously, future researches may apply experimental research methods to better discuss the causal relationship between variables.

Thirdly, this research found out that, in the contagious process of unethical pro-organizational behaviors, moral justification plays a mediating role. It indicated us that other mediated variables may also exist. In recent years, researchers have increasingly recognized the influence that moral emotions have on unethical behaviors. When colleagues get rewards by implementing unethical behaviors, it may induce some negative emotions of the individuals, such as jealousy and the sense of unfairness, and then these individuals may implement unethical behaviors to eliminate negative emotions [10]. Therefore, future researches can further discuss the mediating effect of moral emotions in the contagious process of unethical pro-organizational behaviors.

References

- 1. Kish-Gephart, J. J., Harrison, D. A., & Trevino, L. K. (2010) Bad apples, bad cases, and bad barrels: Meta-analytic evidence about source of unethical decisions at work. *Journal of Applied Psychology*, 95(1), p.p.1-31.
- 2. Trevino, L. K., Weaver, G. R. & Reynolds, S. J. (2006) Behavioral ethics in organizations: A review. *Journal of Management*, 32(6), p.p.951-990.
- 3. Umphress, E. E., & Bingham, J. B. (2011) When employees do bad things for good reasons: Examining unethical proorganizational behaviors. *Organization Science*, 122(3), p.p.621-640.
- 4. Moore, C. (2008) Moral disengagement in processes of organizational corruption. *Journal of Business Ethics*, 80(1), p.p.129-139.

- 5. Effelsberg, D., Solga, M., & Gurt, J. (2014) Transformational leadership and follower's unethical behavior for the benefit of the company: A two-study investigation. *Journal of Business Ethics*, 120(1), p.p.81-93.
- 6. Miao, Q., Newman, A., Yu, J., & Xu, L. (2013) The relationship between ethical leadership and unethical proorganizational behavior: Linear or curvilinear effects?. *Journal of Business Ethics*, 116(3), p.p.641-653.
- 7. Chiaburu, D. S., & Harrison, D. A. (2008) Do peers make the place? Conceptual synthesis and meta-analysis of coworker effects on perceptions, attitudes, OCBs, and performance. *Journal of Applied Psychology*, 93(5), p.p.1082-1103.
- 8. Salancik, G. J., & Pfeffer, J. (1978) A social information processing approach to job attitudes and task design. *Administrative Science Quarterly*, 23, p.p.224-253.
- 9. Gino, F., & Galinsky, A. D. (2012) Vicarious dishonesty: When psychological closeness creates distance from one's moral compass. *Organizational Behavior and Human Decision Processes*, 119(1), p.p.15-26.
- 10. Robinson, S. L., & O'leary-kelly (1998) Monkey see, monkey do: The influence of work groups on the antisocial behavior of employees. *Academy of Management Journal*, 41(6), p.p.658-672.
- 11. Bommer, W. H., Miles E. W., & Grover, S. L (2003) Does one good turn deserve another? Coworker influences on employee citizenship. *Journal of Organizational Behavior*, 24(2), p.p.181-196.
- 12. Bandura, A. (1999) Moral disengagenment in the perpetration of inhumanities. *Personality and Social Psychology Review*, 3(3), p.p.193-209.
- 13. Detert, T. R., Trevino, L. K., & Sweitzer, V. L. (2008) Moral disengagement in ethical decision making: A study of antecedents and outcomes. *Journal of Applied Psychology*, 93(2), p.p.374-391.
- 14. Yang, J., & Wang, X. (2012) Moral disengagement and employees' ethical decision making: The moderating effects of ethical leadership. *Journal of Psychological Science*, 35(3), p.p.706-710.
- 15. Gino, F., Shu, L. L., & Bazerman, M. H. (2010) Nameless+Harmless=Blameless:

Human resources

- When seemingly irrelevant factors influence judgment of (un)ethical behavior. *Organizational Behavior and Human Decision Processes*, 111(2), p.p.102-115.
- 16. Felps, W., Mitchell, T. R., & Byington, E. (2006) How, when, and why bad apples spoil the barrel: Negative groupmembers and dysfunctional groups. *Research in Organizational Behavior*, 27, p.p.181-230.
- 17. O'Reilly, J., & Aquino, K. (2011) A model of third parties' morally motivated responses to mistreatment in organizations. *Academy of Management Review*, 36(3), p.p.526-543.
- 18. Valdesolo, P., & Desteno, D. A. (2008) The duality of virtue: Deconstructing the moral hypocrite. *Journal of Experimental Social psychology*, Vol. 44, p.p.1334-1338.
- 19. Doosje, B., & Branscombe, N. R. (2003) Attributions for the negative historical actions of a group. *European Journal of Social Psychology*, 33, p.p.235-248.
- 20. Zebel, S., Doosje, B., & Spears, R. (2009) The threat of those who "Understand": Ways in which out-groups induce guilt.

- European Journal of Social Psychology, Vol.39, p.p.154-162.
- 21. Asforth, B. E., & Mael, F. (1989) Social identity theory and the organization. *Academy of Management Review*, 14(1), p.p.20-39.
- 22. Mael, F., Blake E., & Shforth, A. (1992) Alumni and their alma mater: A partial test of the reformulated model of organizational identification. *Journal of Organizational Behavior*, 13(2), p.p.103-123.
- 23. Barsky, A. (2011) Investigating the effects of moral disengagement and participation on unethical work behavior. *Journal of Business Ethics*, 104(1), p.p.59-75.
- 24. Preacher, K. J., Rucker, D. D., & Hayes, A. F. (2008) Addressing moderated mediation hypotheses: Theory, methods, and prescriptions. *Multivariate Behavioral Research*, 42(1), p.p.185-227.
- 25. Cohen, J., Cohen, P., West, S. G., & Aiken, L. S. (2003) Applied multiple regression/correlation analysis for the behavioral sciences (3nd Ed.). Mahwah, NJ: Lawrence Erlbaum Associates.

