Leader’s integrity and interpersonal deviance

The mediating role of moral efficacy and the moderating role of moral identity

Hakan Erkutlu
Faculty of Economics and Administrative Sciences,
Nevsehir Haci Bektas Veli Universitesi, Nevsehir, Turkey, and
Jamel Chafra
School of Applied Technology & Management,
Bilkent Universitesi, Ankara, Turkey

Abstract

Purpose – The purpose of this paper is to posit that leader’s integrity decreases employee’s interpersonal deviance by increasing moral efficacy in the workplace. Specifically, the authors propose that perceptions of moral efficacy serve as a mechanism through which leader’s integrity affects workplace deviance. The authors further argue that the modeled relationships are moderated by moral identity.

Design/methodology/approach – Data were collected from ten universities in Turkey. The sample included 693 randomly chosen faculty members along with their department chairs.

Findings – The results of this study supported the negative effect of leader integrity on employee’s interpersonal deviance as well as the mediating effect of moral efficacy. Moreover, when the level of moral identity is high, the relationship between leader integrity and interpersonal deviance is strong, whereas the relationship is weak when the level of moral identity is low.

Practical implications – This study’s findings indicate that higher education administrators should be cautious in treating their subordinates, as this will lead to a favorable interpersonal relationship, which in turn will reduce the interpersonal deviance of the subordinate. In addition, the buffering role of the moral identity should be paid more attention, particularly to people with low moral efficacy and high interpersonal deviance.

Originality/value – This study contributes to workplace deviance literature by revealing the relation between leader integrity and interpersonal deviance. Furthermore, it offers practical assistance to higher education employees and their leaders concerned with building trust, increasing the relationship between leaders and employees and reducing the interpersonal deviation.

Keywords Moral identity, Interpersonal deviance, Leader’s integrity, Moral efficacy

Paper type Research paper

1. Introduction

Workplace deviance is a significant issue for researchers and organizations owing to its prevalence and potential effects (Henle et al., 2005). For example, it has been estimated that three-quarters of employees steal from their employer at least once (Coffin, 2003) and that 95 percent of all organizations experience theft of employees (Case, 2000). Particularly disturbing is the incidence of workplace deviance when considering costs for both affected organizations and individuals. For example, US employees “theft-related financial costs were estimated at $50 billion annually” (Coffin, 2003). In addition, employees targeting workplace deviance are more likely to increase turnover (Giacalone et al., 1997) with stress-related problems, decreased productivity, low morale, lost working hours (O’Leary-Kelly et al., 1996), damaged self-esteem, increased work-related fear and insecurity, and psychological and physical pain (Griffin et al., 1998). Even though more research tapped on the detrimental effects of workplace deviance, little research has investigated the causes of employees’ behaving deviantly (e.g. Bennett et al., 2018; Darrat et al., 2010; Swimberghe et al., 2014).
Workplace deviance has become the focus of an increasing number of research studies (e.g. Colbert et al., 2004; Sackett and DeVore, 2001). It is defined as “voluntary behavior that violates significant organizational norms and, in so doing, threatens the well-being of an organization, its members, or both” (Robinson and Bennett, 1995, p. 556). Examples of deviant behavior include withholding effort, stealing and acting rudely to coworkers.

Robinson and Bennett (1995) identified two main types of deviance in the workplace. Interpersonal deviance is aimed at organization members and involves behaviors such as stating something hurtful or acting rudely to a coworker. Organizational deviance is aimed at the organization and involves activities such as stealing and withholding effort.

The focus of this research is on interpersonal deviation as such behaviors have direct harm to members of an organization, ultimately affecting the entire organization (Ferguson and Barry, 2011). Theoretically and empirically, interpersonal differences are significant, as they are found to undermine efficiency of the business unit (Dunlop and Lee, 2004) and to decrease the efficiency of individuals and organizations (Bennett and Robinson, 2000; Wu et al., 2014). For instance, victims of interpersonal deviance were alleged to have experienced overall and mental stress (Vartia, 2001), which may adversely influence their work attitudes such as job satisfaction and engagement (Hershcovis and Barling, 2010), leading to a decrease in their work effort (Porath and Pearson, 2010). Ultimately, if not controlled, organizations may have severe issues keeping their workforce’s quality and productivity because interpersonal deviance is considerably linked with turnover intentions (Hershcovis and Barling, 2010).

Interpersonal deviance is affected by the leader’s attributes, behaviors and attitudes (Berry et al., 2007). As a leader attribute, leader integrity is the extent to which leader holds moral values and professes as well as enacts those values with an exceedingly high degree of consistency (Moorman et al., 2013). Leader integrity greatly affects organizational commitment, citizenship behaviors, performance and intent to quit (Dineen et al., 2006). In this study, we focus on the process by which leader integrity shapes significant follower outcomes such as interpersonal deviance and moral efficacy. Yet, despite leader integrity’s long-standing presence in the leadership literature, related research in the broad management and applied psychology literature is still in its infancy. To our knowledge, no research has contributed to an understanding of how leader integrity is related to the interpersonal deviance of employees, despite the fact that leadership is one of the most important predictors of interpersonal deviance (Berry et al., 2007); therefore, the first objective of this research is to tackle this very untapped concern.

Existing theories and studies suggest that individual difference variables of leadership behaviors and followers, such as locus of control, proactive personality, political ability and moral identity, have a significant impact on interpersonal deviance of employees (e.g. Berry et al., 2007). Prior researchers have emphasized that moral identity is an important preventive source of undesirable outcomes such as organizational cynicism, workplace silence and deviance (Mesdaghinia et al., 2018). Yet, the interactive impacts of leader integrity and moral identity on workplace deviance have not been studied by scholars; this refers to how leadership and organizational members can reduce interpersonal deviance among employees.

The aim of this research is to contribute in several ways to the existing literature. First, our research seeks to fill the knowledge gap pertaining to the link between leader integrity and interpersonal deviance. Previous research has demonstrated that leadership attributes, behaviors and attitudes are among the most influential factors affecting interpersonal deviance. Second, determining how moral efficacy lowers employees’ interpersonal deviance has received little empirical attention in workplace deviance-related literature (Lee et al., 2017). The present study uses social cognitive theory (Bandura, 1986), as the core theoretical focus, and takes a step further to identify the mediating effect of moral efficacy on the leader
integrity – interpersonal deviance link. The findings could advance our understanding of the processes by which leader integrity influences workplace deviance. Finally, this study contributes to the literature by investigating how leader integrity lowers employees’ interpersonal deviance via moral efficacy, which, in turn, accounts for the moderating effect of moral identity. Figure 1 summarizes the theoretical model that guided this study.

2. Literature review and hypotheses
2.1 Leader’s integrity and interpersonal deviance
According to Moorman et al. (2013, p. 19), “leader integrity is a multidimensional construct capturing both perceptions that the leader holds moral values and professes as well as enacts those values with an exceedingly high degree of consistency.” They asserted that leadership integrity involves three dimensions: moral behavior, cognitive integrity and consistency across circumstances. Moral conduct relates to ethical conduct that reflects morals. Behavioral integrity relates to the alignment between words/values implemented and spoused. Consistency across situations relates to context alignment, particularly when the values of the leader are questioned.

Subsequent research on leader integrity has been particularly interested in leader–follower relationships (Simons et al., 2015). Typical examples of leader integrity effects include trust creation (Simons et al., 2007; Palanski and Yammarino, 2011), follower well-being (Johnson and O’Leary-Kelly, 2003; Andrews et al., 2015) and health (Leroy et al., 2012). Leader integrity has been shown to reduce rates of absenteeism among followers (Johnson and O’Leary-Kelly, 2003), turnover (Simons et al., 2007) and performance enhancement (Johnson and O’Leary-Kelly, 2003; Leroy et al., 2012).

Leader integrity denotes a hallmark of a leader’s character (Gentry et al., 2013). Once followers perceive the leader to have high leader integrity, it improves their ability to predict future relationships with leaders. High leader integrity enables followers to deal better with work–environment uncertainty (Lind and Van den Bos, 2002) and enhances satisfaction (Neuliep and Grohskopf, 2000). In addition, high integrity leaders will develop a coherent and unambiguous atmosphere where employees can concentrate on their own intrinsic motivation and creative contribution without worrying about environmental issues (Leroy et al., 2012). As such, followers make a favorable attribution that their leader will not harm them in the future. In essence, leader integrity offers a foundation for followers to trust the leader. Empirically, Gatling et al. (2017), Palanski and Yammarino (2011) and Simons et al. (2015) given evidence that leader integrity is linked to followers’ trust in the leader.

Trust is a two-party relationship (Mayer et al., 1995). It influences the behaviors and attitudes of followers (Dirks and Ferrin, 2002). Trust in leaders reassures followers’ perception of the competence of leaders (Martinko and Gardner, 1987). As a consequence, followers are more likely to attribute internal (leader) factors to favorable outcomes. In addition, they regard the achievement of the leaders as internal, stable and controlled by the leader (Dasborough and Ashkanasy, 2002). When followers face favorable outcomes, they consider it to be the asset of leaders and, as a consequence, they may participate even...
lesser in damaging behavior like interpersonal deviance (Robinson and Bennett, 1995; Bennett and Robinson, 2000). Therefore, followers are more likely to engage in interpersonal deviance when they attribute trust violations to the stable and controllable actions of others (e.g. leaders and organizational members) (Spector and Fox, 2010) or as an emotional response to dissatisfaction in leader (Spector and Fox, 2005). Because leaders are the organization’s embodiment, followers attribute, to the organization, the cause of having a distrustful leader (Shoss et al., 2013). As such, they retaliate against the leader and organizational members in the form of interpersonal deviance when they consider the leader to be distrustful (having low leader integrity). Followers, who trust their leaders, not only create positive attributions to them but also offer them the benefit of doubt. Therefore, even in the presence of adverse events, they are less likely to participate in such deviant acts. The following hypothesis is therefore proposed:

\[ H1. \] The perception of leader’s integrity is negatively related to employee’s interpersonal deviance.

2.2 The mediating effect of moral efficacy

Leader integrity and interpersonal deviance relationship can be explained more fully by examining the mediating role of moral efficacy. Specifically, to the extent that followers’ perceptions of a leader’s ethicality yield a difference in their follower’s moral efficacy, leader integrity will exercise a negative effect on interpersonal deviance. Efficacy belief is a task-specific motivational construct. It was suggested to influence the choice of action of individuals and the quantity and persistence of effort to carry out the action (Bandura, 1997). As a kind of efficacy belief specifically linked to moral behavior, moral efficacy is described as “the belief of an individual in his or her ability to organize and mobilize the motivation, cognitive resources, means, and course of action necessary to achieve moral achievement within a specified moral realm” (Hannah et al., 2011, p. 675). Moral efficacy is supposed to affect interpersonal deviance because one’s belief in being able to manage efficiently what is essential to achieve moral performance enables him/her to convey his/her worries about moral problems (Hannah et al., 2011) and to participate in less-damaging activities for the organization and its members (Aquino et al., 2006).

At the same time, moral efficacy can be a significant cognitive pathway, mediating the effect of leader integrity on followers’ interpersonal deviance. Leaders, with high integrity, may promote followers’ moral efficacy by acting as role models who represent ethicality and ethical awareness (Moorman et al., 2013). Bandura (1997, p. 93) suggests that when individuals learn about the rules and strategies their models employ, they are reinforced in their belief in being able to apply the rules and strategies to “create fresh behavioral instances that go beyond what they have seen or heard.” By observing their leader’s ethics and learning how to work ethically (Walumbwa et al., 2011), followers recognize that they not only have to be sensitive to moral problems at job but also have to speak out in observing activities against established moral norms. In addition, Brown et al. (2005) suggest that integrity is the basis of ethical leadership. If an individual is highly valued on integrity, he/she will demonstrate personal consistency in moral values-based conduct (Palanski and Yammarino, 2007). This integrity characteristic will be an important driver for the individual to participate in ethical leadership in influencing followers. In addition, high integrity leaders not only ask followers,” What is the right thing to do?” but also consider their views when making decisions (Moorman et al., 2013). This helps followers to develop ethical decision-making skills through learning what ethical standards are and how they should be applied systematically, thus building up “potential repertoires” for followers with such skills (Hannah and Avolio, 2010; Lee et al., 2017). Furthermore, realizing that their input is heard by their leader and reflected in decision making is likely to work as an
important compelling process that improves the moral efficacy of followers (Bandura, 1997). With higher moral efficacy, people are more likely to transform moral decisions and intentions into ethical behavior. Hannah and Avolio (2010) suggested that moral efficacy would be strengthened when followers are immersed in a framework that offers the “means” (e.g. leadership support and ethical behavior support policies) for ethical action. Studies by Brown et al. (2005), as well as other recent work, jointly show that when people perceive their leader as an advocate and example of ethical behavior, they report psychological states that contribute to more ethical behavior (Walumbwa et al., 2011; Walumbwa and Schaubroeck, 2009). Stronger ethical leadership is therefore perceived, followers are more likely to participate in prosocial behaviors and less likely to participate in deviant or counterproductive behaviors (Mayer et al., 2009). Based on the above arguments and empirical results, in the relationship between leader integrity and interpersonal deviance, we expect moral efficacy to function as a mediator:

**H2.** The negative relationship between leader’s integrity and employee’s interpersonal deviance is mediated by moral efficacy.

### 2.3 The moderating role of moral identity

Moral identity refers to the degree that the moral self is essential to one’s identity and self-concept (Aquino and Reed, 2002). If leader integrity positively impacts moral efficacy owing to the leader meeting his/her moral and behavioral obligations to employees, then we are most likely to observe a stronger relationship for employees with a high moral identity because they have a greater tendency toward attending to cues surrounding ethics. Hence, to be able to highlight the role of ethical obligations in moral efficacy, we will examine how employees’ moral identity affects the relationship between leader integrity and moral efficacy, as well as its own subsequent influence on interpersonal deviance. Although prior work has found that moral identity functions as an antecedent of ethical behavior (e.g. Mayer et al., 2012), we propose that employees’ moral identity moderates the relationship between leader integrity and interpersonal deviance, as mediated by moral efficacy. Individuals differ in the level to which their moral identity is central to their overall self-definition, which impacts the likelihood of moral considerations being activated if they are confronted with moral situations (Aquino et al., 2011).

Building on this study, we suggest employees with a strong moral identity may have higher affective reactions to leader integrity for several reasons. Because these employees have readily activated moral self-schemes, they maintain higher expectations of their leaders acting in ways that fulfill moral obligations, and pay particular attention to their leaders’ ethical behavior. As such, leader integrity is likely to have a stronger positive impact on moral efficacy, as they are extremely aligned with ethical behavior of their leaders. Leader integrity may signify to employees, with a high moral identity, that their leader is meeting his/her ethical obligations and improving moral efficacy. This makes employees want to reciprocate these positive actions by reducing their interpersonal deviance.

In contrast, while employees with a lower moral identity are less inclined to perceive the benefits of leader integrity as being ethical is less central with their self-concept, these employees ought to be influenced by leaders with high integrity to make sure that they perceive higher levels of moral efficacy. In other words, employees low in moral identity are still affected by leaders with high integrity because they encounter higher levels of moral efficacy than, if certainly, they did not possess a leader with high integrity. In turn, employees low on moral identity, and having a leader with high integrity should experience a feeling of moral efficacy that motivates them to reciprocate the activities of the leader by developing positive attitudes and behaviors (i.e. by increasing commitment, citizenship behaviors and lowering interpersonal deviance). Therefore, we argue that leader integrity
has stronger moral and behavioral reactions on employees low on moral identity by developing these employees’ moral efficacy, they are more likely to give back to the leader and organization in ways that they otherwise would not normally. We, therefore, propose the following:

\[ H3. \] Leader’s integrity influences employee interpersonal deviance through its relationship with moral efficacy, and the indirect effect will be stronger when the moral identity is weak rather than when it is strong.

Combining \( H1 \)–\( H3 \), we propose a moderated-mediation model, shown in Figure 1, to test the relationship between leader’s integrity and interpersonal deviance; the model incorporates moral efficacy as a mediator and moral identity as a moderator.

3. Methods

3.1 Participants

The population of this study consisted of faculty members at Turkish Universities. The study’s sample included 693 faculty members along with their superiors (department chairs) from ten universities in Turkey. These universities were chosen randomly from a list of 193 universities across the country (The Council of Turkish Higher Education, 2018).

Higher education in Turkey was thoroughly reorganized in 1981, with the enactment of the Basic Law on Higher Education. The system has thus acquired a centralized framework, with all institutions of higher education linked to the Council of Higher Education (CHE). All higher education institutions were designated as universities through this reorganization movement. The country-wide expansion of higher education has been consolidated, access to greater education has been centralized and a central entrance examination has been launched. Since then, there has been control and supervision of both state and private universities, with the CHE frequently monitoring their programs. Therefore, the environment, culture and practices are more or less the same across the ten universities selected for the sampling purpose.

This study was completed in January–March 2018. The purposive sampling method was used to select the sample. It is a non-probability sampling method in which the researcher relies on personal judgment when sampling from the population. Only faculty members with the ranks of professor, associate professor and assistant professor were included in this study. First, all universities in Turkey have been stratified into seven strata depending on their geographic areas in the sampling method. Later, universities in each stratum were proportionally selected by a cluster random sampling; faculty members working at the selected universities comprised the study sample. A research team consisting of three doctorate students visited the universities in this study and received approvals from the deans of economics and administrative sciences, fine arts, science and literature, engineering and education faculties to distribute the questionnaires. Participants were told that the study was intended to gather data on interpersonal deviance levels and perceptions of the integrity of their department chairs in the higher education workforce. They were provided confidential assurances and said there was voluntary participation. The questionnaires were immediately collected.

The faculty members who participated in this study completed the leader integrity, interpersonal deviance, moral efficacy and moral identity scales (69–100 faculty members per university, totaling 693 out of 1,000 participants). Of the 693 participants, 59 percent were male and 41 percent were female. The age of participants ranged from 29 to 63 years, with a mean of 33.63 years. The response rate turned out to be 69.30 percent.

3.2 Measures

Leader integrity. We used Moorman et al.’s (2013) 16-item scale to assess perceived integrity of the leader because it can “represent the way followers define integrity and evaluate their
presence in leaders” (p. 428). This scale comprises three aspects: moral conduct, the integrity of the leader and consistency. The sample items for moral conduct, the integrity of the leader and consistency are “Treat individuals with care and regard,” “Will do what he/she tells” and “Do right even if unpopular,” respectively. As our hypotheses did not specifically tap each item separately, we combined the three dimensions (moral behavior, leader integrity, and consistency) into a single, higher-order factor. The second-order confirmatory factor analysis (CFA) for leader integrity ($\chi^2[99]= 418.29, p<0.01; \text{CFI} = 0.97; \text{TLI} = 0.97; \text{RMSEA} = 0.07; \text{SRMR} = 0.03$) showed that the higher-order factor fitted the data well. All items are measured on a five-point scale ranging from (1) “strongly disagree” to (5) “strongly agree.” The Cronbach’s $\alpha$ for this measure turned out to be 0.91.

*Interpersonal deviance.* It was measured with the seven-item “Interpersonal Deviance scale” developed by Bennett and Robinson (2000). Each item was rated on a five-point Likert scale (ranging from 1 (strongly disagree) to 5 (strongly agree). Sample items include “Made fun of someone at work,” “Said something hurtful to someone at work” and “Acted rudely toward someone at work.” In our study, the Cronbach’s $\alpha$ of this measure was 0.90.

*Moral efficacy.* Five items developed by Hannah and Avolio (2010) were used to measure moral efficacy. A sample item is “I am confident I can determine what needs to be done when facing a moral/ethical choice.” The items used a response scale of 1–5 (“not at all confident” to “completely confident”). Cronbach’s $\alpha$ turned out to be 0.92.

*Moral identity.* It was measured with the five items associated with the internalization dimension of the self-importance of moral identity scale (Aquino and Reed, 2002). Participants were shown nine traits: caring, compassionate, fair, friendly, generous, helpful, hardworking, honest and kind. They were told to imagine a person with these characteristics and then answer several questions. They rated their agreement with items such as “being someone who has these characteristics is an important part of who I am” (1 = strongly disagree to 5 = strongly agree). Cronbach’s $\alpha$ was 0.93.

*Control variables.* Controlled demographic factors: age, gender and organizational tenure were shown to be significantly related to interpersonal deviance (Thau et al., 2009). Age and tenure have been measured in years while gender has been measured as a dichotomous variable coded for 1 male and 0 female.

In two steps, we tested our hypotheses. First, we carried out a hierarchical regression analysis to use Baron and Kenny’s (1986) simple mediation model ($H1$ and $H2$). As several methodologists (Hayes and Preacher, 2010; Preacher and Hayes, 2004) recently proposed a bootstrap approach to obtain confidence intervals (CIs), we also used a bootstrap test and the Sobel test to evaluate the mediation hypothesis. Second, to empirically test the overall moderated-mediation hypothesis, we used a SPSS macro developed by Preacher et al. (2007). Through these procedures, we demonstrated that the strength of the hypothesized mediating (indirect) effect of moral efficacy on the relationship between leader integrity and interpersonal deviance is conditional on the value of the moderator (i.e. moral identity) (Tables II and III).

The results of testing the assumptions of the regression analysis showed that all the following conditions were met: The Durbin Watson index was 1.83, showing no remaining autocorrelation; the minimum tolerance threshold value for the factors was 0.63 or higher than 0.10; and the maximum variance inflation factor value was 1.73, suggesting that multicollinearity was not an issue. Furthermore, the residual analysis findings verified the model’s linearity, normality and homoscedasticity. The linearity with the dependent variable of leader integrity was checked for plot regression standardized residuals and regression standardized expected values. A randomized distribution of negative and positive values with no apparent pattern in the plot presents linearity. Homoscedasticity
was investigated using the Breusch–Pagan test. If the p-value is below 0.05, there is no homoscedasticity. The Anderson–Darling test evaluated the normality of the whole distribution. If the p-value is below 0.05, there is no normality.

4. Results
Before considering the hypothesized relations, the proposed model was initially analyzed using the AMOS software package for CFAs to ensure that the study’s variables were distinct. Results showed that the hypothesized four-factor model of leader’s integrity, interpersonal deviance, moral efficacy and moral identity, $\chi^2 = 1,633.39$, df = 623; RMSEA = 0.05; CFI = 0.94 and IFI = 0.94, yielded a better fit to the data than any other models including a one-factor model (i.e. combining all four study variables), $\chi^2 = 5,813.80$. df = 628; RMSEA = 0.017; CFI = 0.56 and TLI = 0.56. These CFA results also support the distinctiveness of the four study variables for subsequent analyzes. The measurement model’s poor fit, with a single underlying latent variable, suggests that common method bias, or single-source bias, is not a significant problem for our data. In addition, an exploratory factor analysis, which allows us to explore whether or not a single-factor accounts for the majority of variance in variables, demonstrates that the first unrotated factor accounts for 15 percent of the variance. Thus, while the Harman single-factor test does not explain the majority of the variance, it also indicates that common method bias is not a significant problem (Podsakoff and Organ, 1986).

Table I demonstrates the load factor for each item of the scale that can be used to evaluate the model of measurement. The matrix indicates that all coefficients exceed 6. The factor coefficients given in Table I show in-scale homogeneity. Table I, which demonstrates the average variance extracted (AVE), or average square loading, for each latent variable, also provides evidence of acceptable validity. Each construct should have an AVE higher than 0.5 in order to verify acceptable validity (Chin, 1998).

Table II presents the means, standard deviations and inter-correlations of all variables. Most of the variables had correlations in the expected direction. In addition, all the measures demonstrated a high level of internal reliability.

Consistent with $H1$, leader’s integrity showed a negative relationship with interpersonal deviance ($\beta = -0.34$, $p < 0.001$). $H2$ posited that moral efficacy mediates the relationship between leader’s integrity and interpersonal deviance. We adopted the approach proposed by Baron and Kenny (1986) to test our hypothesis about the mediating role of moral efficacy. There are several significant features of this mediation test. First, there should be a significant relationship between the independent variable and the mediator. Second, there should be a significant relationship between the independent variable and the mediator. Finally, with the independent variables included in the equation, the mediator should be significantly related to the dependent variables. If the first three terms hold, there will be at least partial mediation. If in the third step the independent variables have non-significant beta weights, full mediation will be present.

$H1$ test result met the first mediation condition. Next, the test result for the significant relationship between the integrity of the leader and the moral efficacy met the second criterion for mediating effect ($\beta = 0.26$, $p < 0.01$). We have regressed the dependent variable on the mediating variable to check the third criterion, controlling for the integrity of the leader. As stated, there was significant moral efficacy ($\beta = -0.30$, $p < 0.001$), decreasing the effect of leader integrity coefficient on interpersonal deviance ($\beta = 0.04$, ns). Therefore, the result of the mediation analysis suggests that the effect of leader’s integrity on employee interpersonal deviance is fully mediated by employees’ moral efficacy.

We then evaluated the significance of the indirect effects using the Sobel test and bootstrapping following the method used by Hayes and Preacher (2010). The formal two-tailed significance test (assuming normal distribution) showed that the indirect effect (Sobel $z = 2.63$, $p = 0.01$) was significant. The findings of the bootstrapping confirmed the
In particular, by bootstrapping 10,000 samples, we estimated 95% bias-corrected CIs for indirect effects. Shrout and Bolger (2002) proposed that the researcher may be confident that the indirect effect differs from zero if zero is not in the CI. The CI is from $-0.09$ to $-0.01$ in this research, excluding zero in the CI, implying that the indirect effect in our model is statistically significant. Therefore, support was given to $H2$.

<table>
<thead>
<tr>
<th>Variable</th>
<th>$M$</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Age (year)</td>
<td>33.63</td>
<td>1.66</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Gender</td>
<td>0.59</td>
<td>0.41</td>
<td>0.02</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Leader integrity</td>
<td>3.73</td>
<td>0.75</td>
<td>0.03</td>
<td>0.03</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Moral efficacy</td>
<td>3.19</td>
<td>0.83</td>
<td>0.04</td>
<td>0.04</td>
<td>0.30***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Moral identity</td>
<td>3.36</td>
<td>0.89</td>
<td>0.06</td>
<td>0.06</td>
<td>0.15*</td>
<td>0.23**</td>
<td></td>
</tr>
<tr>
<td>6. Interpersonal deviance</td>
<td>3.15</td>
<td>0.91</td>
<td>-0.06</td>
<td>0.03</td>
<td>-0.35***</td>
<td>-0.33***</td>
<td>-0.36***</td>
</tr>
</tbody>
</table>

Notes: $n = 693$. *$p < 0.05$; **$p < 0.01$; ***$p < 0.001$
H3 predicted that the indirect effect of moral efficacy between leader’s integrity and interpersonal deviance would be weakened by high moral identity. The results indicate that the interaction term between leader’s integrity and moral identity on moral efficacy is significant ($\beta = -0.18, p < 0.01$). To confirm the direction of this interaction effect, we applied conventional procedures for plotting simple slopes (see Figure 2) at one standard deviation above and below the mean of the moral identity measure. As expected, the slope of the relationship between leader’s integrity and moral efficacy was strong for employees who assessed moral identity as high (simple slope = 0.31, $t = 3.93, p < 0.001$), whereas the slope was weak for employees who assessed moral identity as low (simple slope = $-0.02$, $t = -0.09, p = \text{ns}$).

Next, to examine the conditional indirect effect of leader’s integrity on interpersonal deviance (through moral efficacy) at two values of moral identity, we used an SPSS macro developed by Preacher et al. (2007). Following their recommendation, we set high and low levels of moral identity at one standard deviation above and below the mean score of moral identity. As expected, the indirect effect of leader’s integrity on interpersonal deviance via moral efficacy was conditional upon the level of moral identity. The indirect effect was stronger ($-0.06$) and significant at a high level of moral identity (CI ranging from $-0.09$ to $-0.01$ and zero does not fall between the confidence intervals (LCI and UCI)) but was weaker ($-0.00$) and insignificant at a low level of moral identity (CI ranging from $-0.03$ to $0.02$, crossing zero). Thus, H3 was supported (Tables III–V).

![Figure 2. Interaction of leader integrity and moral identity on moral efficacy](image-url)

Table III. Regression analysis for testing mediation

<table>
<thead>
<tr>
<th>Variables</th>
<th>Moral efficacy</th>
<th>Interpersonal deviance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
<td>Model 2</td>
</tr>
<tr>
<td>Age</td>
<td>0.04</td>
<td>0.03</td>
</tr>
<tr>
<td>Gender</td>
<td>0.04</td>
<td>0.02</td>
</tr>
<tr>
<td>Leader integrity</td>
<td>0.26**</td>
<td></td>
</tr>
<tr>
<td>Moral efficacy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall $F$</td>
<td>0.91</td>
<td>3.25***</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.06</td>
<td>0.14</td>
</tr>
<tr>
<td>$\Delta F$</td>
<td>12.91***</td>
<td></td>
</tr>
<tr>
<td>$\Delta R^2$</td>
<td>0.04</td>
<td></td>
</tr>
</tbody>
</table>

Notes: **$p < 0.01$; ***$p < 0.001$
<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>0.04</td>
<td>0.03</td>
<td>0.02</td>
<td>-0.04</td>
<td>-0.04</td>
<td>-0.04</td>
<td>-0.05</td>
<td>-0.07</td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>0.04</td>
<td>0.02</td>
<td>0.02</td>
<td>0.01</td>
<td>0.03</td>
<td>0.02</td>
<td>0.01</td>
<td>0.01</td>
<td></td>
</tr>
<tr>
<td>Leader integrity (LI)</td>
<td>0.23**</td>
<td>0.21**</td>
<td>0.14*</td>
<td>-0.33***</td>
<td>-0.31***</td>
<td>-0.25**</td>
<td>0.06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moral identity (MI)</td>
<td>0.22**</td>
<td>0.22**</td>
<td>0.20**</td>
<td>-0.34***</td>
<td>-0.33***</td>
<td>-0.18**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LI*MI</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-0.20**</td>
<td>-0.18**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moral efficacy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-0.28**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall F</td>
<td>0.91</td>
<td>3.25***</td>
<td>4.63***</td>
<td>5.18***</td>
<td>0.39</td>
<td>1.12</td>
<td>1.69</td>
<td>1.89</td>
<td>2.66**</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.06</td>
<td>0.14</td>
<td>0.15</td>
<td>0.17</td>
<td>0.02</td>
<td>0.03</td>
<td>0.03</td>
<td>0.06</td>
<td>0.07</td>
</tr>
<tr>
<td>$\Delta F$</td>
<td>12.91***</td>
<td>3.09*</td>
<td>2.19</td>
<td>0.19</td>
<td>0.19</td>
<td>0.69</td>
<td>1.13</td>
<td>3.99**</td>
<td></td>
</tr>
<tr>
<td>$\Delta R^2$</td>
<td>0.04</td>
<td>0.03</td>
<td>0.01</td>
<td>0.03</td>
<td>0.02</td>
<td>0.02</td>
<td>0.02</td>
<td>0.01</td>
<td></td>
</tr>
</tbody>
</table>

Notes: *$p < 0.05$; **$p < 0.01$; ***$p < 0.001$
5. Discussion

Interpersonal deviant behavior of employees is an overt but largely unexplored phenomenon in emerging markets (Sutter et al., 2013). We explored and tested the negative relationship between follower’s (faculty member) leader’s integrity (department chair) and follower’s interpersonal deviance in Turkey as an emerging market. Data from our samples supported our initial hypotheses. Results showed that leader’s integrity is negatively associated with follower’s interpersonal deviance and positively associated with follower’s moral efficacy. Furthermore, moral efficacy provided an explanation of the relationship between leader’s integrity and interpersonal deviance. In addition, moral identity effectively buffered the positive relationship between leader’s integrity and moral efficacy.

5.1 Managerial implication and conclusion

The findings of this study are consistent with previous research results (Gatling et al., 2017; Palanski and Yammarino, 2011; Simons et al., 2015) that leader’s integrity has positive employee outcomes such as low levels of employee interpersonal deviance and high moral efficacy. This study has essential implications for higher education management. The results highlight the need for leader’s integrity, as it is negatively related to employee workplace deviance. In terms of managerial implications, organizations should make an effort to foster leader integrity throughout the hierarchy. For instance, by incorporating this very attribute as a criterion in the appraisal system, organizations can try to select, hire and encourage managers who are high in integrity. In addition, organizations must also attempt to enhance the integrity of the leader through training programs. To promote this behavior, it is especially essential for managers to develop a culture of integrity and sincerity within their organizations. Instead of a compliance-oriented organizational culture, this very culture promotes employees not only to take risks and give opinions (Verhezen, 2010) but also to become more prepared to put forward fresh and helpful suggestions and prevent deviant behaviors in the workplace.

The findings of the study recommend that moral efficacy acts as a link between leader’s integrity and employee’s interpersonal deviance. By demonstrating that moral efficacy acts as an essential cognitive mechanism in interpersonal deviance, this study will be able to pinpoint a more proximal focus on the antecedent of workplace deviant behaviors that leader integrity training can promote. When making such training programs, primary attempts shall focus on ways to raise employees’ rely upon ethical behaviors rather than more distal behavioral outcomes with regard to efficiency. For instance, leaders may be trained to improve moral efficacy through effective social persuasion and enactive or vicarious moral encounters using case research and scenarios (Lee et al., 2017). Consequently, better-equipped leaders with high integrity can be even more skillful at instilling a “can do” belief in the morally courageous behaviors (such as low workplace deviance) of their subordinates.

Our research showed that low moral identity decreases the positive effect of leader integrity about moral efficacy, which, in turn, increases employee interpersonal deviance. In this regard, managers should pay more focus on the buffering role of moral identity.

<table>
<thead>
<tr>
<th>Moderator</th>
<th>Level</th>
<th>Interpersonal deviance (Conditional indirect effect)</th>
<th>SE</th>
<th>LL 95% CI</th>
<th>UL 95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moral identity</td>
<td>High (-0.91)</td>
<td>-0.06</td>
<td>0.03</td>
<td>-0.09</td>
<td>-0.01</td>
</tr>
<tr>
<td></td>
<td>Low (0.91)</td>
<td>-0.00</td>
<td>0.02</td>
<td>-0.03</td>
<td>0.02</td>
</tr>
</tbody>
</table>

Notes: LL, lower limit; CI, confidence interval; UL, upper limit
specifically for those employees with low moral efficacy and showing interpersonal deviance. Moreover, organizations, attempting to reduce interpersonal deviance, should design a workplace where employees and their managers have a chance to function toward establishing common moral values. The existence of moral identity offers a fertile ground to create a more engaged workforce, which, subsequently, reduces the chance that employees choose activities that contradict the interests of their organization. A culture that embraces supportive leadership such as transformational, servant or authentic leadership could be instrumental in this regard because supportive leaders tend to align the interests of followers with those of the organization in an efficient manner (Stone et al., 2004). On the other hand, organizations need to be conscious that whenever the moral values of employees and managers are unique, the resulting uncertainty and inadequate control could prompt employees to undertake activities that only satisfy their personal interests, even if these actions could harm their employing organization. Overall, top management should boost their employee base across hierarchical ranks to avoid looking through a self-interested lens at their personal goal-setting techniques. Instead, employees should be motivated to follow themselves and managers as “partners” who share a set of common moral values and interests with the ultimate goal of helping the organization meet its objectives.

5.2 Limitations and future research
One limitation of our research is that our sample was only taken from Turkey’s universities, so external validity is a problem. Another limitation stems from cross-sectional data, as no causal relationships can be developed without longitudinal research.

Future research can be carried out to tackle the limitations of this study. We call for ongoing empirical research into the relationship between the integrity of the leader and interpersonal deviance based on university samples operating in other economies. As consensus can only be achieved by gathering evidence from a more representative combination of samples, we offer the current results as a basis for further studies. Longitudinal studies would be even more important to examine how changes in the integrity of the leader influence interpersonal deviance. Moreover, the future leader’s integrity research might benefit from focusing on the role of context in reducing or exacerbating the impact of the relationship between leader and follower on work outcomes. In line with Johns (2006) caution about the significance of recognizing and incorporating context in research, we claim that situational variables such as perceived organizational politics or organizational culture can have a significant impact on employee behavior.

References


Further reading


About the authors

Hakan Erkutlu is Associate Professor at the Faculty of Economics and Administrative Sciences, Nevsehir University, Turkey. He received a PhD Degree from Gazi University, Turkey. His research interests include leadership, organizational conflicts, innovation and change. Hakan Erkutlu is the corresponding author and can be contacted at: erkutlu@nevsehir.edu.tr

Jamel Chafra is Senior Lecturer at the School of Applied Technology and Management, Bilkent University, Turkey. His research interests include empowerment, group dynamics and organizational conflicts.

For instructions on how to order reprints of this article, please visit our website: www.emeraldgrouppublishing.com/licensing/reprints.htm Or contact us for further details: permissions@emeraldinsight.com