When Ethical Leader Behavior Breaks Bad: How Ethical Leader Behavior Can Turn Abusive via Ego Depletion and Moral Licensing

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The literature to date has predominantly focused on the benefits of ethical leader behaviors for recipients (e.g., employees and teams). Adopting an actor-centric perspective, in this study we examined whether exhibiting ethical leader behaviors may come at some cost to leaders. Drawing from ego depletion and moral licensing theories, we explored the potential challenges of ethical leader behavior for actors. Across 2 studies which employed multiwave designs that tracked behaviors over consecutive days, we found that leaders’ displays of ethical behavior were positively associated with increases in abusive behavior the following day. This association was mediated by increases in depletion and moral credits owing to their earlier displays of ethical behavior. These results suggest that attention is needed to balance the benefits of ethical leader behaviors for recipients against the challenges that such behaviors pose for actors, which include feelings of mental fatigue and psychological license and ultimately abusive interpersonal behaviors.

Keywords: ethical leader behavior, abusive leader behavior, ego depletion, moral licensing

Over the past two decades, disreputable deeds in organizations such as Enron and Worldcom (Forbes, 2013; Revell, 2003) have prompted scholars to pay greater attention to ethical leader behaviors. Included among these behaviors are openly discussing ethics, providing support and encouragement) activities of leaders, thereby placing additional demands on leaders’ finite time and effort. Given these demands, it is possible that exhibiting daily ethical leader behaviors may come at some cost for leaders, similar to what has been found for those who engage in citizenship (e.g., Bergeron, Shipp, Rosen, & Forst, 2013; Bolino, Klotz, Turnley, & Harvey, 2013) and fairness (Johnson, Lanaj, & Barnes, 2014) behaviors.

In this study we adopt an actor-centric perspective to examine possible costs of exhibiting ethical leader behaviors for leaders. To do so, we draw from theories of ego depletion (Baumeister, Bratslavsky, Muraven, & Tice, 1998) and moral licensing (Miller & Effron, 2010). One such cost may be feeling mentally fatigued from the added effort needed to display ethical leader behaviors over and above formal leader role requirements, leaving actors depleted and with insufficient willpower to control subsequent deviant acts. While there is empirical evidence verifying that depletion leads to abusive behavior (e.g., Christian & Ellis, 2011), there are alternative explanations as well. For example, employees who emphasize and model morally laudable behavior may subsequently feel it is permissible to “get away with” questionable behaviors because they have already demonstrated that they are ethical. Thus, another cost may be that exhibiting ethical leader behaviors is one way for leaders to corroborate that they have high moral standing, thus earning them moral credits and credentials. These credits and credentials, however, have the paradoxical effect of licensing actors to exhibit deviant acts without fear of discrediting their positive self-image (Klotz & Bolino, 2013; Miller & Effron, 2010). The detrimental effects of ethical leader behavior for actors may therefore stem from depletion, moral licensing, or possibly both. Knowledge of these potential costs is critical because it can be leveraged by organizations to encourage ethical leader behaviors while simultaneously taking steps to mitigate any negative consequences of doing so.
Despite the different mechanisms implicated by each theory, abusive interpersonal behavior is a common outcome of both depletion- and moral licensing-based effects (e.g., Barnes, Lucianetti, Bhave, & Christian, 2015; Byrne et al., 2014; Klotz & Bolino, 2013; Lin & Johnson, 2015). That is, when actors feel depleted or they have a surplus of moral credits or credentials, their likelihood of engaging in subsequent abusive acts is greater. Based on this logic then, abusive leader behaviors may paradoxically be more likely to occur following displays of ethical leader behavior. While this possibility appears counterintuitive, it is consistent with findings from prior actor-based and daily investigations of work behavior that reveal both good (e.g., citizenship) and bad (e.g., deviant) behaviors often emanate from the same employee (Dalal, Lam, Weiss, Welch, & Hulin, 2009). Thus, employees themselves are not “good” or “bad” (or in this case, “ethical” or “abusive”), but rather specific behaviors are good or bad.

We examined whether engaging in ethical leader behaviors can lead to subsequent abusive behaviors and, if so, what the mechanisms are. Our theoretical model is illustrated in Figure 1. Our study offers three contributions to the existing literature. First, we suggest that it is possible for managers to engage in both ethical and abusive leader behaviors. Although ethical leader behaviors and abusive leader behaviors have been each widely examined (Brown et al., 2005; Lian et al., 2014; Tepper, 2000), it is unclear whether and how these behaviors might co-occur within the same person. Past research has assumed that managers are consistent in their displays of leader behavior, but this assumption does not appear to be accurate (Johnson, Venus, Lanaj, Mao, & Chang, 2012; Lanaj, Johnson, & Lee, 2015). With this point in mind, we examine whether leaders switch between different leader behaviors, even ostensibly incompatible ones like ethical and abusive behaviors. In fact, as our model suggests, dynamic relations may exist between these behaviors, such that displays of ethical behavior on one day influence the likelihood of abusive behavior the next day. Our study also answers recent calls (e.g., Dinh & Lord, 2013) to examine associations that exist between leader behaviors (e.g., ethical and abusive behaviors) and self-structures (e.g., self-control, moral self-regard).

Second, our study contributes to the literature by shifting away from the predominant focus on recipients (i.e., subordinates and teams) to instead focus on the implications for actors (i.e., leaders). Doing so is important because, from a leadership development perspective, it is critical to understand the potential challenges that face managers who exhibit commendable behaviors. Among the most cited papers of ethical leader behaviors (Brown et al., 2005; Brown & Treviño, 2006; Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009; Treviño, Brown, & Hartman, 2003), none of them consider possible detrimental effects. Thus, our study contributes to this literature by shedding light on the possible challenges of ethical leader behavior for actors. By knowing what the negative consequences are and what causes them, steps can be taken to mitigate the drawbacks for actors while preserving the desirable effects for recipients. Given that multiple mechanisms may be responsible for the negative consequences (viz., depletion and moral credits and credentials), multiple interventions tailored to each mechanism may be required. Thus, our research has practical implications for leadership development and organizational interventions aimed at curbing abusive leader behaviors.

Third, we contribute to the abusive supervision literature (Tepper, 2000, 2007) by identifying additional antecedents of abusive leader behavior. The majority of the research on abusive supervision has focused on how leaders’ perceptions of the work context trigger abusive behavior, such as their perceptions of injustice (Aryee, Chen, Sun, & Debrah, 2007) and psychological contract violations (Tepper, 2007). We extend this line of inquiry by examining changes in internal factors as antecedents of abusive leader behavior. Considering dynamic internal factors such as depletion and moral licensing is important because they are affected by leaders’ own behavior, which means that leaders have greater control over them as opposed to the work context. Even when situations are favorable (e.g., work outcomes and procedures are fair, followers are motivated and high performers), managers may still exhibit abusive behaviors owing to internal factors. Thus, our research contributes to knowledge of abusive leader behavior by shining the spotlight on the leaders themselves and the consequences of their self-regulated activities. In the sections that fol-

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**Figure 1.** Theoretical model integrating ethical leader behavior, ego depletion, and moral licensing.
low, we review ethical leader behaviors, ego depletion, and moral licensing, and develop hypotheses regarding the connections among them as well as possible indirect effects of ethical leader behavior on abusive behavior.

Ethical Leader Behaviors and Their Potential Challenges for Leaders

Ethical leader behaviors exemplify and reinforce normatively appropriate behaviors with the goal of enhancing followers’ ethical conduct (Brown et al., 2005). There are several behaviors that leaders enact to achieve this goal. First, leaders influence their followers by communicating ethics-related messages. For example, leaders discuss business ethics and values with their followers and prioritize ethics when making decisions (Treviño et al., 2003). Second, leaders influence their followers by role modeling ethical behaviors that their followers in turn learn and imitate (Mayer et al., 2012). As role models, leaders must purposefully and visibly engage in norm-consistent behaviors in public, even though many activities are not readily observable to others. For example, after making a decision in private, leaders must assure followers that the verdict is consistent with ethical standards and does not unfairly benefit anyone personally. Third, leaders signal the importance of ethics by being considerate of their followers, which includes paying attention to followers’ needs and seeking their input and giving them voice (Brown et al., 2005). Finally, leaders influence their followers by incentivizing normatively appropriate behaviors via rewards and punishment (Brown & Treviño, 2006). After establishing ethical rules and communicating these standards to followers, leaders then reward and punish followers accordingly. Although displaying these ethical leader behaviors are beneficial for followers’ well-being and performance (Mayer et al., 2009; Schaubroeck et al., 2012), there is still the question of whether and how they impact the leaders who exhibit them. We believe that ego depletion and moral licensing theories provide insight to this question.

Before continuing, it is important to note that we examine proximal consequences of exhibiting ethical leader behaviors for actors. Specifically, we examine whether the extent to which leaders engage in ethical leader behaviors today is associated with changes in depletion, moral licensing, and abusive behavior tomorrow. This behavioral perspective can be contrasted with an entity perspective in which a pattern of ethical leader behavior emerges over a longer period of time (months or years as opposed to days). According to an entity perspective, leaders who exhibit high average levels of ethical behaviors over time might be labeled ethical leaders. However, our focus is on daily ethical leader behaviors rather than average or entity levels of ethical leadership, in response to recent calls to pay greater attention to actual leader behaviors in situ (Johnson et al., 2012; van Knippenberg & Sitkin, 2013). Our daily perspective is also consistent with the theories we draw from because ego depletion and moral licensing reflect phenomena that fluctuate over time from one day to the next.

Ethical Leader Behavior and the Experience of Ego Depletion

According to ego depletion theory (Baumeister et al., 1998), people have a limited pool of regulatory resources to exert self-control. Over time, people may feel depleted as these resources become diminished owing to the performance of activities requiring self-control. According to Baumeister, Gailliot, DeWall, and Oaten (2006), activities such as controlling or suppressing thoughts, making complicated decisions, and concentrating one’s attention are especially depleting. In the workplace, for example, it has been found that acting consistent with rules and norms pertaining to procedural fairness (Johnson et al., 2014) and vigilantly monitoring for potential problems (Lin & Johnson, 2015) are especially depleting. Once depleted, people’s capacity to exert self-control on subsequent activities is severely limited, thereby increasing the likelihood that they will succumb to temptations and aggressive impulses (Barnes et al., 2015; Christian & Ellis, 2011).

We suspect that displays of ethical leader behavior consume regulatory resources, thus leaving actors feeling depleted and low in willpower. Two aspects of ethical leader behavior—performing normatively appropriate behaviors and incentivizing followers’ ethical behaviors (Brown et al., 2005)—may be especially depleting. First, performing normatively appropriate behavior requires that leaders adhere to organizational and societal norms for ethical conduct. A key finding in the ego depletion literature, however, is that abiding by norms is a depleting activity that consumes regulatory resources (Baumeister, Vohs, & Tice, 2007; Muraven, 2012). Ethical norms are not always aligned with people’s natural (and often self-interested) tendencies, thus self-control on the part of leaders is required to override these tendencies in favor of more egalitarian ones. For example, being consistent in one’s treatment of others by refraining from showing favoritism to a particular individual is a key tenet of ethical conduct in organizations (Brown & Treviño, 2006). However, doing so can be quite depleting because leaders often have a mix of high and low quality relationships with followers (Graen & Uhl-Bien, 1995), thus they must suppress both their preferential biases toward liked followers and their prejudicial biases toward disliked followers. Suppressing such biases with the end goal of being consistent and fair to everyone is depleting (Johnson et al., 2014).

Abiding by ethical norms is also depleting when it runs counter to self-interest, and there are situations where doing so may result in lower performance. For example, a CEO of a power company who invests in proper filtration equipment and disposal procedures for the toxins the company produces will result in higher expenses than if the company bypassed safety and environmental standards by releasing toxins directly into the air or water. These higher expenses translate into smaller returns for shareholders and a smaller performance bonus for the CEO. Leaders may therefore find themselves caught between doing “what’s right” versus “what’s profitable.” There is, of course, some degree of self-interest on the part of leaders to do what is profitable, as it reflects favorably on their own performance. Indeed, it has been found that leaders will sometimes overlook unethical activities when they result in higher performance (e.g., Bellizzi & Hasty, 2003; Hoogervorst, De Cremer, & van Dijke, 2010; Hoyt, Price, & Poatsy, 2013). These empirical findings parallel salient anecdotal examples, such as what occurred at Enron where a show of good company performance served to justify the use of accounting loopholes and poor financial reporting. Thus, abiding by ethical norms requires self-control in cases where overlooking these norms provides a shortcut to higher profits or productivity.
Incentivizing followers’ ethical behaviors via rewards and punishment (Brown & Treviño, 2006) may also contribute to leaders’ sense of depletion. Monitoring followers’ ethical behavior places further demands on leaders’ finite resources because they still need to attend to the basic managerial demands of their work role, such as setting performance goals, providing task feedback, coaching, and offering social support. Monitoring followers’ ethical behavior creates additional demands because leaders must not only keep track of performance outcomes (e.g., sales, widgets produced, etc.) but they must ensure that the means used to achieve those outcomes are consistent with ethical norms. For example, an ethical leader must verify that her or his sales team not only met its sales numbers but did not violate any ethical norms in the process (e.g., false advertising, approving financing for clients who do not qualify, etc.). Thus, exhibiting ethical leader behaviors requires that leaders invest additional attentional and self-regulatory resources to verify that work outputs and processes align with ethical standards.

Lastly, exhibiting ethical leader behavior can also be depleted owing to the complex decision making that is required. Performing ethical behaviors and making ethical decisions require leaders to consider all the relevant rules and regulations and all of the potential stakeholders who are affected by such behaviors and decisions. Acting ethical can be quite complex for leaders because the list of stakeholders may also include people outside the company (e.g., customers and clients, the local community and government; McWilliams & Siegel, 2001). The ramifications of ethical violations are also broader than incidents of poor performance or minor counterproductivity, as the former may include litigation, government sanctions, and irreparable reputation loss. These broader and more damaging consequences complicate matters further by eliciting intense emotional reactions that must be managed and by requiring damage control to prevent the situation from escalating. Managing these demands and complexities require resource-intensive information processing. Taken together, exhibiting ethical leader behavior requires nontrivial amounts of self-control on the part of leaders.

**Hypothesis 1:** Engaging in ethical leader behavior will be positively related to an increase in depletion.

A core tenet of ego depletion theory is that depletion caused by initial exertions of self-control undermines people’s self-control on subsequent tasks. Empirical findings indicate that employees who feel depleted lack sufficient self-control to suppress abusive and unethical behaviors (e.g., Christian & Ellis, 2011; Gino, Schweitzer, Mead, & Ariely, 2011; Yam, Chen, & Reynolds, 2014) and to exhibit productive and prosocial behaviors (e.g., Jordan, Mullen, & Murnighan, 2011; Lanaj, Johnson, & Barnes, 2014; Lin & Johnson, 2015). If ethical leader behavior is depleting, as we predict above, then the depletion that leaders experience may lessen their ability to curtail hostile verbal and nonverbal displays during subsequent interactions with subordinates. Indeed, abusive leader behaviors are believed to stem, in part, from leaders’ weakened self-control (Barnes et al., 2015; Byrne et al., 2014; Wang, Sinclair, & Deese, 2010). Although seemingly paradoxical, theoretical evidence suggests it is plausible that displays of ethical leader behavior may precipitate abusive behavior via the mediating effect of depletion.

**Hypothesis 2:** Engaging in ethical leader behavior will have a positive indirect effect on subsequent abusive leader behavior via increases in depletion.

**Ethical Leader Behavior and the Experience of Moral Licensing**

According to moral licensing theory (Miller & Effron, 2010), engaging in morally laudable and socially desirable acts can “license” people to subsequently engage in questionable or unethical acts (Miller & Effron, 2010). Psychological license exists when people perceive they can legitimately engage in questionable acts, such as abusive behavior, without fear of discrediting themselves or detracting from their positive self-image (Miller & Effron, 2010). There are two explanations as to why such licensing effects occur. First, displaying morally laudable behavior is a way for people to accumulate moral credits. When there is a surplus of these credits in their moral ledger, this excess can be used to “purchase” the right to deviate from social and ethical norms (Jordan, Mullen, & Murnighan, 2011; Zhong, Ku, Lount, & Murnighan, 2010). Although these deviations (e.g., yelling or swearing at a subordinate) are acknowledged by actors as being questionable or unethical, actors can nevertheless “afford” to exhibit these behaviors so long as they have a positive balance of moral credits.

Second, displaying morally laudable behavior can also bestow on actors the credentials of having a commendable moral self-regard. Moral self-regard, which is a part of people’s working self-concept (Markus & Wurf, 1987), is an assessment of how moral people believe themselves to currently be, which can fluctuate from one moment to the next (Miller & Effron, 2010). People’s current moral self-regard also provides a context for judging their subsequent actions in the short term. Specifically, when moral self-regard is favorable, actions that would otherwise be perceived as questionable or even immoral (e.g., yelling or swearing at a subordinate) may appear to be legitimate or at least less negative in the eyes of actors (Bradley-Geist, King, Skorinko, Hebl, & McKenna, 2010; Monin & Miller, 2001). In other words, the moral credential perspective posits that actors’ current moral self-regard can alter whether they view their behavior as ethical or not. Regardless of whether ethical acts bolster moral credits or credentials, in both instances they provide moral license to subsequently engage in deviant acts.

There are a few theoretical and empirical examples that have applied moral licensing theory to organizational behavior. In their conceptual review, Klotz and Bolino (2013) suggested that engaging in citizenship behavior can earn moral credits for employees. With a surplus of credits, it can then license them to engage in counterproductive work behavior. Licensing effects have also been observed in staffing contexts. For example, selecting a minority candidate (Monin & Miller, 2001) and recalling positive experiences with minorities (Bradley-Geist et al., 2010) bestow on people a favorable moral self-regard, thus licensing them to be more prejudicial during future hiring decisions. In accordance with these examples, we suspect that engaging in ethical leader behavior can similarly license people to exhibit subsequent abusive behavior because they have the moral credits or credentials to justify or “afford” such action. We suspect this because ethical leader behaviors (e.g., openly talking about ethics, eschewing selfish and norm-inconsistent acts) are inherently intertwined with morality.
creating the possibility that they may bolster leaders’ moral credits and credentials. We therefore hypothesize,

**Hypothesis 3:** Engaging in ethical leader behavior will be positively related to an increase in moral credits.

**Hypothesis 4:** Engaging in ethical leader behavior will be positively related to an increase in moral credentials.

A surplus of moral credits and favorable moral self-regard enable leaders to engage in questionable and deviant behaviors (Miller & Effron, 2010), such as counterproductive behavior (Klotz & Bolino, 2013) and prejudicial hiring decisions (Monin & Miller, 2001). If we extend these ideas to leadership in organizational settings, the primary duties of leaders involve managing and interacting with followers. Thus, one of the most accessible outlets for them to engage in deviant behaviors is via displays of abusive verbal and nonverbal behaviors toward their followers. Additionally, leaders have greater power and status relative to followers by nature of their position, and low power and status individuals tend to be the targets of abuse (Aquino, Tripp, & Bies, 2001). We therefore examine whether the moral credits and credentials accrued from displays of ethical leader behavior paradoxically result in an increase in subsequent abusive leader behavior.

One noteworthy aspect of this research is that we measured both moral credits and credentials concurrently, which are typically examined separately. In fact, these two licensing mechanisms are usually invoked as theoretical mechanisms to explain licensing effects without actually assessing them empirically. Thus, it is unclear whether credits or credentials (or both) are primarily responsible for licensing effects. On the one hand, licensing effects may owe to moral credits because abusive behavior is an obvious and blatant transgression. Such behavior is hard to reconstrue, so the licensing effect may occur via moral credits rather than credentials (Miller & Effron, 2010; Monin & Jordan, 2009). When leaders license their abusive behavior via moral credits, they are aware of the transgression and perceive that they have earned sufficient credits to do so (Miller & Effron, 2010). On the other hand, licensing effects may mostly owe to moral credentials because ethical and abusive leader behaviors occur in the same domain (i.e., the workplace). Previous research suggests that moral credentials license behaviors that exist in the same domain, whereas moral credits license behaviors across different domains (Miller & Effron, 2010; Merritt, Effron, & Monin, 2010). Thus, it is unclear what the exact licensing mechanism may be that underlies ethical leader behavior, a limitation that we resolve in the current study by directly measuring both moral credits and credentials.

**Hypothesis 5:** Engaging in ethical leader behavior will have a positive indirect effect on subsequent abusive leader behavior via increases in (a) moral credits, and (b) moral credentials.

We tested our hypotheses via two multivariate studies. In both studies, baseline assessments of leader behavior and the mediating mechanisms were first measured, followed by ethical leader behavior and then the mediating mechanisms (depletion, moral credits and credentials) at later points in time. Abusive leader behavior was later assessed at the final time point. Measuring the variables across time and controlling for baseline levels help mitigate concerns owing to common method bias and it provides more stringent evidence for the presumed causal order among the predictor, mediator, and outcome variables (Johnson, Rosen, & Djurjdevic, 2011; Podsakoff, MacKenzie, & Podsakoff, 2012). To further strengthen our empirical contribution, we controlled for three established personality antecedents of abusive behaviors: agreeableness, negative affectivity, and individual identity. Previous research has shown that agreeableness is negatively related to abusive leader behaviors because leaders high on this trait display concern and kindness toward others (Berry, Ones, & Sackett, 2007; Tepper, 2007). In contrast, negative affectivity is positively related to abusive leader behaviors because leaders who are prone to experience emotions like anger and frustration are more likely to verbally abuse others (Kaplan, Bradley, Luchman, & Haynes, 2009; Zellars, Tepper, & Duffy, 2002). Individual identity is also positive related to abusive leader behavior because leaders with a strong individual identity are heavily focused on their own (vs. subordinates’) well-being and are motivated to exhibit their power and authority over others, which can be achieved through abusive behavior (Johnson et al., 2012; Johnson & Saboe, 2011). These personality variables may also have ties to ethical leader behavior (e.g., social and ethical norms may be less salient for leaders with a strong individual identity), thus they represent potential confounds when examining relations between ethical and abusive leader behaviors.

A key difference between the two studies is that leader behavior was reported by supervisors in Study 1 and by subordinates in Study 2. We did this because there are strengths and weaknesses associated with collecting data from each source. For example, one strength of having supervisors report their own behavior is that not all instances of ethical and abusive leader behaviors will be necessarily observed by one subordinate. Self-reports may therefore provide a more complete picture of the total leader behaviors exhibited during the day than could be captured by the report of a subordinate. However, a drawback of self-reports is that they may be biased if leaders not only report their actual behaviors but also any intentions to be ethical and/or abusive that did not come to fruition. Self-reports may similarly be biased by social desirability concerns (e.g., supervisors may overreport their ethical behavior and underreport their abusive behavior). The use of subordinate reports in Study 2 helps mitigate these concerns, and provides an opportunity to verify that the Study 1 findings replicate in a separate sample.

### Study 1

**Method**

**Participants and procedures.** We recruited 250 participants employed in managerial roles through Mechanical Turk (MTurk; Amazon, 2014). All participants reported working full-time and had at least two subordinates. Data obtained via MTurk, an online crowdsourcing market, have similar psychometric properties as data obtained using traditional convenient sampling methods (Buhrmester, Kwang, & Gosling, 2011; Paolacci, Chandler, & Ipeirotis, 2010; Steelman, Hammer, & Limayem, 2014), and observed findings are comparable to those based on Master of Business Administration samples (e.g., Lanaj et al., 2014; Mor, Morris, & Joh, 2013). Participants were administered four surveys across
three consecutive days (they were compensated $1 USD for each survey). Survey 1 (Sunday afternoon) assessed baseline levels of depletion, moral credits, moral credentials, and abusive behavior, as well as personality. Survey 2 (Monday afternoon) assessed ethical leader behavior for that day. Survey 3 (Tuesday morning) assessed current depletion, moral credits, and moral credentials. Finally, survey 4 (Tuesday afternoon) assessed abusive behavior for that day. The effects of depletion (e.g., Lanaj et al., 2014; Lin & Johnson, 2015) and moral licensing (e.g., Hofmann, Wisneski, Brandt, & Skitka, 2014) have been shown in field studies to carry over from the morning to the afternoon and from one day to the next. Thus, our multiwave design over consecutive days is suitable for testing our depletion- and licensing-based hypotheses.

Of the 250 participants, we received complete data across all four times from 172 (a 68% response rate). Following the recommendations of Goodman and Blum (1996), results from multiple logistic regression revealed that whether or not participants completed all surveys versus just Survey 1 was not significantly predicted by demographics (gender, age, and tenure) or the focal baseline measures (p > .10 for all). Thus, the data appear to be missing at random with respect to the focal variables and the results are unlikely to be biased by participant attrition. On the surveys in which daily leader behaviors were assessed (Surveys 2 and 4), we also asked participants how long they interacted with their subordinates on that day (from 1 = Not at all to 8 = More than 6 hours). Participants who did not interact with their subordinates on one or both days (i.e., those who reported a 1) were removed from the dataset, resulting in a final sample of 151. Those in the final sample reported interacting with their subordinates an average of 4 hours each day. The demographics of the final sample were as follows: 51% were male, the majority were Caucasian (88%), average age was 35.5 years old (SD = 10.7), average tenure in their current supervisory role was 6.3 years (SD = 4.7), and average number of subordinates was 6.5 (SD = 7.9). Participants were primarily employed in retail (19%), education (18%), manufacturing (15%), and health care (14%) industries.

Measures. Unless otherwise stated, all ratings were made on a 5-point Likert scale (from 1 = Strongly disagree to 5 = Strongly agree).

Ethical leader behaviors. We measured ethical leader behavior using eight items (α = .76) from Brown et al. (2005; e.g., “Discussed business ethics or values with an employee”). Although the original scale has 10 items, we did not include two items because they do not reference a specific behavior (e.g., “Can be trusted”). Supervisors were instructed to report how often they engaged in each behavior that day (from 1 = Never to 6 = Five or more times).

Mediating mechanisms. Depletion was measured with five items that were developed by Twenge, Muraven, and Tice (2004) and validated by Johnson et al. (2014) and Lanaj et al. (2014). The same items were used to measure baseline depletion on Survey 1 (α = .94; e.g., “Generally speaking, I feel like my willpower is gone”) and current depletion on Survey 3 (α = .94; e.g., “Right now, I feel like my willpower is gone”). Similar wording modifications were applied to the baseline and current measures of moral credits and credentials.

Moral credits was measured using five items (baseline α = .94; current α = .97) developed for this study. Based on theory (e.g., Hollander, 1958; Miller & Effron, 2010), we wrote items that capture change in moral currency as a function of past behavior. After generating a set of 10 items, we revised and whittled the items down based on feedback from four subject matter experts who held doctorates in organizational behavior and are familiar with the moral licensing literature. The items are “I earned credit for performing a morally laudable behavior,” “My previous good deeds earned me credit as a moral person,” “Acting good built up my account of moral credits,” “Each good deed I performed added to my moral credit,” and “Acting in an ethical manner gave me a surplus of credit.” An exploratory factor analysis of these five items using a pilot sample of undergraduate and Master of Business Administration students (N = 170) verified a single-factor solution based on an eigenanalysis and an inspection of the scree plot (see Fabrigar, Wegener, MacCallum, & Strahan, 1999). The eigenvalue for the first factor was 4.03 and it accounted for more than 80% of the variance in the set of items. We also conducted a confirmatory factor analysis of the moral credit items using a separate pilot sample of full-time employees (N = 156). The single factor model had good fit: χ²(5) = 11.18; CFI = .99; RMSEA = .06; and SRMR = .02, and all loadings were significant.

Lastly, moral credentials was measured using Aquino and Reed’s (2002) five-item internalization scale of moral self-regard (baseline α = .87; current α = .87). Participants reported the extent to which they embody a set of ethical characteristics (e.g., fair, generous, honest, etc.).

Abusive supervision. We adopted Tepper’s (2000) scale to measure abusive supervision. After removing two items that were not expected to vary daily, we were left with eight items that tap abusive supervision (baseline α = .85; current α = .88). The items are “I ridiculed an employee,” “I gave an employee the silent treatment,” “I put an employee down in front of others,” “I reminded an employee of his/her past mistakes and failures,” “I expressed anger at an employee when I was mad for another reason,” “I made negative comments about an employee to others,” “I was rude to an employee,” and “I told an employee that he/she is incompetent.” For baseline abuse, supervisors reported how often they engaged in each behavior during the past 4 weeks (from 1 = Never to 5 = Every day). For current abuse, supervisors reported how often they engaged in each behavior on that day (from 1 = Never to 6 = Five or more times).

Control variables. Agreeableness was measured with the eight-item minormarker scale (α = .91; e.g., “kind” and “warm”) developed by Saucier (1994). Negative affectivity was measured with eight items (α = .93; e.g., “afraid” and “nervous”) adapted from Watson, Clark, and Tellegen (1988). Individual identity was measured using the five-item comparative identity scale (α = .87; e.g., “I feel best about myself when I perform better than others”) developed by Johnson, Selenta, and Lord (2006).

Results

Reported in Table 1 are the descriptive statistics and correlations among the focal variables. Prior to hypothesis testing, we first assessed the fit of the measurement model that included the focal predictor (Time 2 ethical leader behavior), mediators (Time 3 depletion, moral credits, and moral credentials), and outcome (Time 4 abusive leader behavior). All model fit tests and comparisons were based on the final sample of N = 151. The fit of the five-factor model was acceptable: χ²(424) = 790.34; CFI = .94; RMSEA = .06; and
SRMR = .06, and all loadings were significant. We compared the fit of this model to two alternative models using chi-square difference tests, and results indicated that fit was significantly worse in every case. Specifically, a four-factor model in which moral credits and credentials were combined had poor fit:

\[
\chi^2(428) = 1,026.93; \quad CFI = .84; \quad RMSEA = .10; \quad SRMR = .13,
\]

and fit worse than the five-factor model:

\[
\chi^2(236.59(4), p < .01). \quad A \text{ four-factor model in which ethical and abusive leader behaviors were combined also had poor fit: } \chi^2(428) = 1,043.40; \quad CFI = .82; \quad RMSEA = .10; \quad SRMR = .11, \quad \text{and fit worse than the five-factor model: } \Delta \chi^2 = 253.06(4), p < .01. \quad \text{These results provide support for the construct validity of our set of focal variables.}
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We tested the full model via path analysis using Mplus 7.11 (Muthén, & Muthén, 2012). In addition to the hypothesized relations shown in Figure 1, we controlled for the baseline variables by including paths from each baseline variable to its counterpart in the model (e.g., a path from baseline moral credits to Time 3 moral credits). Because the personality traits were significant predictors of abusive behavior incremental to the focal predictors, we controlled for them by including paths from agreeableness, negative affectivity, and individual identity to leader behavior. The hypothesized path model, which is illustrated in Figure 2, had acceptable fit:

\[
\chi^2(29) = 69.37; \quad CFI = .93; \quad RMSEA = .07; \quad SRMR = .06,
\]

and all paths were significant. Following procedures recommended

![Figure 2. Standardized path analysis results from Study 1. Standardized path estimates are reported in the figure (standard errors in parentheses). *Controlling for Time 1 agreeableness, negative affectivity, and individual identity. **Controlling for baseline (Time 1) level of the same variable. *p < .05. **p < .01.](image-url)
by Preacher and Hayes (2008), we tested the indirect effects of ethical leader behavior on abusive leader behavior through the three mediators. The indirect effects through depletion (estimate = .09; 95% confidence interval [CI] [.02, .16]) and moral credits (estimate = .03; 95% CI [.01, .05]) were significant, but not the indirect effect through moral credentials (estimate = .02; 95% CI [-.01, .04]). We further examined whether ethical leader behavior had a direct relation with abusive leader behavior, but it did not (γ = .02, p = .84). Overall, these results are consistent with Hypotheses 1 through 4 and 5a.1

Study 2

Although the Study 1 results are encouraging with respect to our predictions, this study is potentially limited in two regards. First, all data were provided from a single source, which raises concerns of common method variance (Podsakoff et al., 2012). Although supervisors are in the best position to report on psychological phenomena like depletion and moral licensing, leader behaviors are visible to others. We therefore collected subordinate reports of leader behaviors in Study 2. Second, our reasoning about ethical leader behavior assumes it is especially demanding in terms of leaders’ self-control and regulatory resources, more so than basic types of leader behaviors like initiating structure (i.e., task-focused behaviors that structure subordinates’ task roles and goals) and consideration (i.e., person-focused behaviors that cultivate supportive and trusting relations; Yukl, 2012). We therefore assessed these basic leader behaviors in Study 2 to verify that ethical leader behaviors have incremental relations with depletion and moral licensing over and above initiating structure and consideration.

Method

Participants and procedures. Participants were identified using a snowball sampling technique whereby students enrolled in graduate and undergraduate courses at a large university in the United States provided contact information of full-time employees who were willing to participate in this study. Additionally, these full-time employees provided contact information for their direct supervisors, who were also recruited to participate. Our initial sample consisted of 216 unique employee–supervisor dyads who agreed to participate. Data were collected via five surveys administered across 3 consecutive days. Survey 1 (Monday morning) assessed supervisors’ personality. Survey 2 (Tuesday morning) assessed supervisors’ current depletion, moral credits, and moral credentials. Survey 3 (Tuesday afternoon) assessed employees’ ratings of their supervisors’ behaviors (ethical, abusive, initiating structure, and consideration) for that day. Survey 4 (Wednesday morning) assessed supervisors’ current depletion, moral credits, and moral credentials. Survey 5 (Wednesday afternoon) assessed employees’ ratings of their supervisors’ abusive leader behavior for that day.

Of the 216 dyads, we received complete data across all five times from 127 (a 59% response rate). Same as in Study 1, results based on multiple logistic regression indicated that none of the demographics or focal baseline measures predicted whether or not participants completed all surveys versus just the initial survey (p > .10 for all; separate regressions were run for supervisors and subordinates). Thus, the results are unlikely to be biased by participant attrition (see Goodman & Blum, 1996). The demographics of the supervisor sample were as follows: 53% were male, the majority were Caucasian (66%), average age was 49.3 years old (SD = 18.4), and average tenure in their current supervisory role was 9.4 years (SD = 8.1). The demographics of the employee sample were as follows: 62% were female, the majority were Caucasian (71%), average age was 41.1 years old (SD = 14.0), and they interacted with their supervisors an average of 3.1 hours each workday. The supervisor–employee dyads primarily worked in education (18%), manufacturing (14%), health care (12%), retail (10%), government (9%), and banking (6%) industries.

Measures. We used the same items as in Study 1 to measure ethical leader behavior (α = .90), abusive leader behavior (α = .95 at both Times 3 and 5), depletion (α = .91 and .93 at Times 2 and 4), moral credits (α = .91 and .94 at Times 2 and 4), moral credentials (α = .93 at both Times 2 and 4), agreeableness (α = .84), negative affectivity (α = .79), and individual identity (α = .85). In addition, we also measured initiating structure (α = .93; e.g., “Deciding what shall be done and how it shall be done”) and depletion (α = .96; e.g., “Acting friendly and approachable to an employee”) behaviors via five items each from the Leader Behavior Description Questionnaire (Stogdill, Goode, & Day, 1962). Employees reported how often their supervisors engaged in the leader behaviors on that day (from 1 = Never to 6 = Five or more times), and supervisors reported their current levels of depletion, moral credits, and moral credentials at that moment (from 1 = Strongly disagree to 5 = Strongly agree). Supervisor personality (from Time 1), baseline depletion, moral credits, and moral credentials (from Time 2), and baseline abusive leader behavior (from Time 3) were included as control variables in all analyses.

Results

Reported in Table 2 are the descriptive statistics and correlations among the focal variables. Prior to hypothesis testing, we first assessed the fit of the measurement model that included the leader behaviors (Time 3 ethical, initiating structure, and consideration behaviors, and Time 5 abusive behavior) and mediators (Time 4 depletion, moral credits, and moral credentials). All model fit tests and comparisons were based on the final sample of n = 127. The fit of the seven-factor model was acceptable: χ²(758) = 1,245.12; CFI = .92; RMSEA = .07; and SRMR = .05, and all loadings were significant. We compared the fit of this model to three alternative models using chi-square difference tests, and results indicated that fit was significantly worse in every case. Specifically, the change in chi-square was significant for (a) a six-factor model in which moral credits and credentials were combined: Δχ² = 400.08(6), p < .01; (b) a six-factor model in which ethical and abusive leader behavior were combined: Δχ² = 885.83(6), p < .01; and (c) a five-factor model in which ethical, initiating structure, and consideration behavior were combined: Δχ² = 292.52(11), p < .01. These model comparison results provide support for the construct validity of our set of focal variables.

We tested the entire model via path analysis. In addition to the hypothesized relations shown in Figure 1, we controlled for the

1The pattern of results in Studies 1 and 2 did not differ when we controlled for supervisor age, gender, work experience, and managerial experience.
baseline mediator and outcome variables by including paths from each baseline variable to its counterpart. We also controlled for negative affectivity because it was a significant predictor of abusive behavior incremental to the focal predictors. The path model shown in Figure 3 had acceptable fit:

\[ \chi^2(19) = 33.62; \text{CFI} = .93; \text{RMSEA} = .06; \text{and SRMR} = .06. \] All paths except those to and from moral credentials were significant. The indirect effects through depletion (estimate = .07; 95% CI [.03, .11]) and moral credits (estimate = .05; 95% CI [.001, .09]) were significant, but not the indirect effect through moral credentials (estimate = .01; 95% CI [−.01, .03]). We added a direct path from ethical behavior to abusive behavior in the path model, but it was not significant (γ = .03, p = .63). Overall, these results are consistent with Hypotheses 1 through 3 and 5a.

**Discussion**

Ethical leader behavior is undoubtedly beneficial for followers and work groups (e.g., Brown & Treviño, 2006; Mayer et al., 2012; Schaubroeck et al., 2012). However, nearly all research to

### Table 2

Descriptive Statistics and Correlations Among the Focal Variables in Study 2

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<th>Variable</th>
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<td>Control variables</td>
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<td>1. Agreeableness (Time 1)</td>
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<td>2. Negative affectivity (Time 1)</td>
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<td>3. Individual identity (Time 1)</td>
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<td>4. Depletion (Time 2)</td>
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<td>6. Moral credentials (Time 2)</td>
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<td>7. Abusive leader behavior (Time 3)</td>
<td>−.15 .17* .18* .15 .07 .09 (.95)</td>
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<td>8. Ethical leader behavior</td>
<td>.05 .09 −.13 .15 −.10 −.03 −.01 (.90)</td>
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<td>9. Initiating structure behavior</td>
<td>−.04 .04 .14 .01 −.06 .03 .04 .42* (.93)</td>
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<td>10. Consideration behavior</td>
<td>.10 −.01 −.06 −.08 −.09 −.07 −.11 .44* .37* (.96)</td>
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<td>11. Depletion</td>
<td>.01 .26* .14 .46* −.05 .01 −.09 .18* .01 −.06 (.93)</td>
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<td>12. Moral credits</td>
<td>.02 .07 .13 .13 .28* .11 −.16* .15 −.08 .08 .11 (.94)</td>
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<td>13. Moral credentials</td>
<td>.14 −.07 .09 .09 .12 .29* −.01 .11 .06 .03 .16* (.93)</td>
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<td>14. Abusive leader behavior</td>
<td>−.08 .19* .20* .14 .09 −.03 .45* .15 .03 −.02 .36* .30* .14 (.95)</td>
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<td>SD</td>
<td>.60 .57 1.00 .88 .76 .70 .62 1.26 1.15 1.57 .89 .99 .71 .82</td>
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* p < .05.

Note. N = 127. Coefficient alphas are reported along the diagonal in parentheses.
date has focused on the effects that such behaviors have on recipients while ignoring actors (i.e., the leaders who exhibit ethical behavior). This is problematic from a leadership development perspective because training leaders to be more ethical requires an understanding of the potential challenges that may accompany such behavior, much like there are challenges for those who perform other desirable work behaviors like citizenship behavior (Bergeron et al., 2013), procedural fairness (Johnson et al., 2014), and transformational leader behavior (Eisenbeiß & Boemer, 2013). Indeed, our results indicate that displays of ethical behavior (but not initiating structure and consideration behaviors) have a downside in that they paradoxically increase the likelihood that leaders will subsequently be abusive toward their followers. These abusive behaviors are more likely because exhibiting ethical behavior increases leaders’ mental fatigue and moral credits, which we consistently observed across two studies regardless of whether leader behaviors were reported by supervisors or subordinates. We discuss the implications of our findings for theory and practice.

Theoretical and Practical Contributions

This research advances knowledge about ethical leader behaviors and offers several important contributions. A primary contribution is our finding that dynamic relations exist between the two seemingly opposite leader behaviors: ethical, and abusive, leader behavior. Previous research has often concluded that these two types of leader behaviors are negatively related (e.g., Brown & Mitchell, 2010; Brown et al., 2005; Detert, Treviño, Burris, & Andiappan, 2007), holding an implicit assumption that some leaders are “good” (i.e., those who engage in ethical and prosocial leader behaviors) whereas others are “bad” (i.e., those who exhibit abusive and despotic leader behaviors). Our findings suggest that the interplay between ethical and abusive leader behaviors is more nuanced when a short-term, day-to-day perspective is adopted. In fact, consistent with ego depletion and moral licensing perspectives, displays of ethical leader behavior can actually lead to abusive behavior. Thus, these behaviors do not occur in a vacuum independent from one another, but may in fact be causally linked. This finding suggests that it may not be accurate to categorize individual leaders as ethical or abusive. Instead, a given leader displays a variety of behaviors, including ones that correspond to different (and even seemingly opposite) types of leadership styles. Thus, more attention ought to be paid to specific leader behaviors (vs. styles; van Knippenberg & Sitkin, 2013) using a behavioral (vs. entity) perspective.

Our findings also make a contribution by identifying the mechanisms through which ethical leader behavior can transform into abusive behavior, namely depletion and moral credits. Although they both emerged as significant, two potential differences between them warrant mention. First, our findings hint at the possibility that the indirect effect via depletion may be larger than that of moral credits (e.g., the indirect effect of depletion was greater than the upper limit of the confidence interval for moral credits in Study 1, though the difference in magnitude was smaller in Study 2). Thus, while both are detrimental, it may be the case that depletion is more pervasive. There is a need, however, to further explore this possibility because any observed differences across the mediating mechanisms may owe in part to a measurement artifact. That is, depletion was measured using an established scale, whereas moral credentials and moral credits were measured using an adapted and an ad hoc scale, respectively. This procedure may have resulted in an unfair comparison (Cooper & Richardson, 1986). Nonetheless, one practical implication is that in situations where time and resources are limited, it would be more efficient for organizations to focus their attention on minimizing the mechanism that is the primary driver of abusive behavior. Future research that explores differences in the relative indirect effects of these and other mechanisms is therefore warranted.

Second, while both depletion and moral credits were significant mediating mechanisms, they operate independently from one another (as signified by the nonsignificant correlations between them; see Tables 1 and 2). Despite their orthogonal nature, they both contributed to abusive behavior, likely through different channels. One possibility is that depletion and moral credits operate through automatic and deliberative processing channels, respectively. By automatic, we mean outside of leaders’ control, versus deliberative processing that occurs within awareness and is more calculated (see Uhlmann et al., 2012). Supervisors have little control over the depletion that ensues from engaging in acts of self-control—resources are consumed irrespective of whether supervisors want them to or not (Hagger, Wood, Stiff, & Chatzisarantis, 2010). Once depleted, people’s resultant behaviors are also automatic because they primarily reflect impulsive motives that are difficult (and perhaps impossible) to regulate (Baumeister et al., 1998; Hofmann, Rauch, & Gawronski, 2007). According to this view, depletion and subsequent failures in willpower occur outside of awareness and control.

Moral credits, on the other hand, operate within more deliberative processing channels. In fact, awareness and control are required as the moral credit process unfolds. First, in order for behavior to give people license, it must be volitional and discretionary on the behalf of actors (Miller & Effron, 2010). When behavior is compulsory or owes to a strong situation (e.g., linked to highly attractive incentives), licensing effects are weaker because the action is attributable to the situation (vs. the self). Second, deliberative processing is required to judge the degree to which behaviors are ethical and to perform the mental arithmetic needed to track surpluses and deficits in one’s moral ledger. Third, people make conscious choices in regards to the behaviors they enact in order to restore balance to their moral ledger (Merritt et al., 2010). For example, when a surplus of moral credits is perceived, supervisors can choose how to spend the excess credits (e.g., by being abusive, or mentally disengaging from work, or pillaging company resources). For these reasons, moral credits may rely on conscious and controlled processing.

This automatic versus deliberative distinction might also explain any possible differences in the magnitude of the indirect effects. That is, abuse that is caused by depletion automatically follows from reduced regulatory resources and willpower. However, the link between ethical conduct and abuse may be less robust in the case of moral credits because it is possible for supervisors to consciously frame their ethical behavior in a way that lessens its licensing potential (e.g., they can attribute the behavior to company norms regarding ethics or view it as being more in-role as opposed to discretionary). Moreover, supervisors have more control over how and when moral credits are spent (e.g., banking them to use at a later time) whereas the effects of depletion are imme-
diate and occur whenever self-control is needed. To wit, when an opportunity to abuse arises shortly after a supervisor displays unethical behavior, the licensed supervisor may choose to save her or his accrued moral credits by not being abusive, whereas the depleted supervisor will be abusive because s/he lacks the willpower to control aggressive impulses.

Given that the indirect effect of ethical behavior on abusive behavior via depletion was significant, practitioners and companies ought to take steps to curb depletion. One way to buffer leaders from depletion is to offer opportunities for them to periodically disengage psychologically during the work day in order to replenish their regulatory resources. An example of such opportunities is holding periodic social activities for employees during work, which can provide social support (Sonnenstag, 2001) and satisfy their needs for relatedness (Deci & Ryan, 1985), thereby replenishing their regulatory resources (Lilius, 2012). Besides offering opportunities for employees to disengage psychologically from work, other interventions are helpful for mitigating depletion. Such interventions include incentivizing leaders to enact ethical leader behaviors through bonuses and higher performance evaluations (Molden et al., 2012; Muraven & Slessareva, 2003), convincing leaders that willpower is not a limited resource (Job, Dweck, & Walton, 2010), and helping leaders practice ethical leader behavior so that it becomes habitual (Converse & DeShon, 2009). Keep in mind that if depletion indeed operates through an automatic channel as discussed above, it may be especially difficult (perhaps impossible) to eliminate the abusive consequences of depletion. Instead, successful interventions may have to be proactive so as to mitigate the initial onset of depletion. Future research that evaluates the efficacy of interventions aimed at reducing depletion is needed.

Given that the indirect effect through moral credits was also significant, it would also be worthwhile to consider ways to reduce the detrimental effects of moral credits. One possible way is to establish ethical leader behaviors as an in-role job requirement. If such behaviors are no longer discretionary and leaders feel obligated to perform them because they are formally rewarded, perhaps displays of such behaviors will result in fewer moral credits being accrued. As others have noted (e.g., Klotz & Bolino, 2013; Miller & Effron, 2010), moral credits are gained primarily through prosocial behaviors that are performed voluntarily. Another way to buffer the detrimental effects of moral credits may be via training. If the moral credit process unfolds in a deliberative manner, then it is possible that educating leaders on the detrimental effects of moral licensing might reduce their likelihood of allocating moral credits to themselves and using surpluses to excuse transgressions.

A final implication pertains specifically to the moral licensing literature. To date, research has invoked moral credits (e.g., Jordan et al., 2011) and moral credentials (e.g., Monin & Miller, 2001) as explanations for observed licensing effects, yet these mediating mechanisms have not been directly measured. Thus, it is unclear whether one or both mechanisms are responsible for licensing effects. Recent reviews of moral licensing (e.g., Merritt et al., 2010; Miller & Effron, 2010) have identified this issue as a glaring omission in the literature. Our study takes a needed first step toward answering this question by measuring and modeling both moral credits and credentials simultaneously. Although the indirect effect for moral credentials was not significant, there are a few explanations as to why this may have occurred. First, it may be that moral credits are the sole driver of licensing effects, albeit this reason is unlikely (Merritt et al., 2010; Miller & Effron, 2010). Second, it may be the case that moral credentials are not sufficient to license blatant abusive behaviors that are obvious transgressions. According to Miller and Effron (2010), psychological licensing through moral credentials may only occur for behaviors that are somewhat ambiguous and therefore open to reconstrual (e.g., avoiding a colleague or leaving work early). A third reason may be that workplaces are inherently transactive in nature. In such settings, people provide effort in exchange for pay, which is likely to invoke concepts of economic and quid pro quo exchanges. Such a transactive outlook fits with a moral credits perspective, which similarly proposes that credits are earned and spent through ethical and deviant acts, respectively. Thus, the workplace may prime employees to adopt a transactive view of their situation, and therefore view their actions through the lens of credits rather than credentials. It is possible that identity concerns may overshadow credits in nonwork contexts where exchange relationships are less salient (e.g., at home or in volunteer organizations). Future research that differentiates moral credits from moral credentials would be beneficial.

Limitations

We discuss two potential limitations with the present research. First, the focus of this research was on internal, actor-based factors that potentially connect ethical and abusive leader behaviors. However, whether or not ego depletion and moral licensing effects emerge may also depend on external factors, such as organizational ones (e.g., ethical and fairness climates) and subordinate ones (e.g., motivation and competence). While we controlled for basic leader behaviors in Study 2 and demonstrated that ego depletion and moral licensing effects are unique to ethical behaviors, we did not control for external factors. It is therefore unclear to what extent the significant indirect effects we observed may change in a more comprehensive model that also includes organizational and subordinate factors. A needed direction for future research is to test such a model, with an eye toward identifying possible external factors that companies can leverage to counteract the likelihood that ethical behaviors lead to abusive behaviors.

A second potential limitation pertains to the timing of our measures. That is, we examined depletion and moral licensing the following day after leaders exhibited ethical behavior. It is possible that other factors may influence leaders’ depletion and moral credits between days. For example, activities at night may influence leaders’ depletion and moral credits on the following day. If leaders reported their ethical behavior during work, but they disengage themselves from work at night, they might be less likely to feel depleted in the next morning (Sonnenstag, Binnewies, & Mojza, 2010). Alternatively, if leaders participated in a charity event at night, they may perceive themselves as having a surplus of moral credits the next morning. These possibilities could contaminate the effects of ethical leader behavior on depletion and moral credits. However, given that most research concerning depletion and moral licensing has been conducted in laboratory settings using experimental designs in which the onset and consequences of depletion and moral licensing are captured within a matter of minutes (e.g., Baumeister et al., 1998; Monin & Miller, 2001) as opposed to hours or days, and that there is an insufficient number
of field studies to reliably demarcate the temporal bounds of depletion and moral licensing effects, it is unclear to what extent our findings would generalize to longer or shorter time spans. In defense of our decision to examine depletion and licensing across consecutive days, empirical evidence suggests that the effects of depletion carry over to the next day (e.g., Christian & Ellis, 2011; DeHart, Longua Peterson, Richeson, & Hamilton, 2014; Lanaj et al., 2014; Lin & Johnson, 2015). Nevertheless, more research examining the temporal bounds of depletion and moral credits that provides insight into their “half life” is needed.

Directions for Future Research and Conclusion

One direction for future research is to build upon the dynamic relationship between ethical and abusive leader behavior observed in the current study by ascertaining whether the relationship is reciprocal. Although we found that ethical behavior can lead to abusive behavior, might abusive behavior precipitate ethical behavior? The answer appears to be “yes” according to the moral licensing perspective because leaders must take restorative action that earns credits in order to reduce the deficit created by abusive behavior, which can be achieved by exhibiting ethical behavior. Similarly, the ego depletion perspective posits that willpower replenishes over time following breakdowns in self-control, thus leaders will eventually be able to resume behaving ethically following instances of abuse. This depletion-based effect is more passive than the licensing-based one though, thus the indirect effects of abusive behavior on ethical behavior may be stronger for moral credits than depletion. In addition, guilt may also explain why abusive leader behaviors lead to ethical leader behaviors. Upon realizing the harm their actions caused, leaders may feel guilty, thus motivating them to engage in reparative actions by being more prosocial and by minimizing inequities (Baumeister, Stillwell, & Heatherton, 1994). Future research can examine this possibility by extending the causal chain to examine the depletion-, licensing-, and guilt-based consequences of abusive leader behavior. While we demonstrated that ethical behavior was associated with increases in next-day abusive behavior, future research might consider trends in these behaviors on the days that follow. Doing so would further contribute to our understanding of the dynamic relations between leader behaviors over time.

Future research can also use the lens of ego depletion and moral licensing to examine other leader behaviors. It is possible that other seemingly beneficial leader behaviors might also present challenges for actors, much like ethical leader behavior. For example, servant leader behaviors, which include showing humility and authenticity, empowering and developing followers, and acting for service rather than self-interest (van Dierendonck, 2011), have beneficial effects on followers’ performance (Liden, Wayne, Liao, & Meuser, 2014). According to ego depletion theory though, engaging in servant leader behavior may be depleting because it, too, requires that leaders go above and beyond basic leader responsibilities. For example, leaders need to suppress their self-interest when serving others and to control their emotions in order to display humility and express sympathy. Servant behaviors may also have implications for leaders’ moral credits. A key tenet of servant leader behavior is to serve the interests of the work unit even to the point of self-sacrifice, which can be construed as a morally laudable act (van Dierendonck, 2011). Therefore, exhibiting servant behavior may bolster moral credits and credentials, giving leaders license to engage in subsequent questionable acts. Such depletion- and licensing-based effects may also extend to transformational and charismatic leader behaviors.

Although moral credentials did not emerge as a significant mediating mechanism, there may be instances where credentials are more relevant than credits. For example, credentials may play a larger role in less transactive and exchange-based contexts (e.g., at home) and companies (e.g., nonprofits). There may also be individual differences that moderate their relative importance. Moral credentials are closely tied to people’s high-level values and self-concept, whereas moral credits concern specific concrete actions that earn or spend credits (Miller & Efron, 2010). Construal level is an important individual difference variable that influences whether people view their actions as abstract, superordinate, and central (a high construal), or as concrete, subordinate, and incidental (low construal; Trope & Liberman, 2010). Leaders with a high construal level are more likely to think about the self-concept-based implications of their actions, which is consistent with the moral credentials perspective. In contrast, leaders with a low construal are more likely to focus on the subordinate meaning of their concrete behaviors, including their short-term consequences. Doing so may prime them to perceive momentary shifts in the balance of their moral credits. Moral credentials may also be more relevant when people feel psychologically connected to others as part of enduring relationships that exemplify trust and support. People with strong relational self-concepts incorporate relationship partners into their self-definitions and derive meaning and self-worth from high-quality relationships (Johnson et al., 2006). Thus, a self-referenced concept like moral credentials may be more impactful when leaders have a salient relational identity. In short, future research is needed that examines person and situation moderators of the relative importance of moral credits and credentials.

In conclusion, although ethical leader behavior has beneficial effects for followers and work groups (Brown & Treviño, 2006), our findings suggest that it may come at a cost to the leaders who exhibit such behavior. In line with ego depletion and moral licensing theories, displays of ethical behavior on one day were paradoxically associated with increases in abusive leader behavior the following day, owing to increases in depletion and moral credits. While we believe that ethical behavior is vital and leaders ought to exhibit such behavior, at the same time organizations need to be aware of its potential costs. In order to leverage the benefits of ethical leader behaviors and minimize the costs, steps must be taken to counteract the depletion and moral licensing that leaders experience in the wake of performing ethical behaviors.

References


Hoogervorst, N., De Cremer, D., & van Dijke, M. (2010). Why leaders not always disapprove of unethical follower behavior: It depends on the


(Appendix follows)
Appendix

Ethical Leader Behavior Items

Ethical leader behavior was measured using items developed by Brown et al. (2005). In Study 1, supervisors rated how often they engaged in each behavior on the current day. In Study 2, subordinates rated how often their supervisor engaged in each behavior on the current day. We excluded two items (e.g., “Can be trusted”) from the original 10-item scale because they do not reference a specific behavior.

1. Listened to what an employee had to say
2. Disciplined an employee who violated ethical standards
3. Had the best interests of an employee in mind
4. Made a fair and balanced decision
5. Discussed business ethics or values with an employee
6. Defined success not just by results but also the way that they are obtained
7. Set an example of how to do things the right way in terms of ethics
8. Asked “what is the right thing to do” what making a decision

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