Perceptions of Leader Integrity:

A Psychological Climate Dimension with

Implications for Subordinate Job Satisfaction

by

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(ABSTRACT)

Although the issue of ethical integrity in leadership has received a great deal of attention in the business ethics literature, very little empirical research has explored the role of leader integrity in leadership effectiveness. Using both a student sample and an organizational field sample, this research examined the importance of subordinate perceptions of leader integrity with regard to the effectiveness criteria of subordinate job satisfaction and desire to turnover. Perceived leader integrity was found to be strongly related to subordinate satisfaction, which was, in turn, strongly related to subordinates' desire to quit. Subordinate sensitivity to ethical issues was identified as a possible moderator of the relation between perceived leader integrity and subordinate satisfaction. It was concluded that practicing managers should be aware that the impressions subordinates form of their ethical integrity carry consequences for job outcomes. Directions for future research are discussed.

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THE IMPORTANCE OF ETHICAL LEADERSHIP

Personal ethical integrity has long been taken for granted by laypersons as a component of effective leadership. Interestingly, a review of the relevant literature indicates that, although organizational psychologists seem to acknowledge the importance of integrity, little empirical research has attempted to identify variables which may be affected by this aspect of leadership.

The lack of attention to ethics as an aspect of leadership is surprising in light of the consistent finding that ethics is an issue of great concern to practicing managers. In a 1984 study, incumbent managers reported that they respect integrity above all other values and regard it as the most important characteristic of prospective managers, even above competence (Posner & Schmidt, 1984). In a later survey, practicing managers named ethical behavior as a moderately important to major component of managerial success (Mortensen, Smith, & Cavanagh, 1989). Further illustrating the concern with ethics, Bassiry (1990) has proposed that the ethical integrity displayed by American corporate leaders is inadequate and has called for the restructuring of business school curricula to provide students with better training in business ethics.

In a factor analytic investigation of leader behavior, Morgan (1989) collected responses to 220 items describing leader behavior from the subordinates, peers, and

superiors of 385 managers. Two of the 13 factors which emerged were related to ethical behavior. Morgan labeled these factors Integrity in Dealing with Others and Self-Serving Behavior. Multiple regression analyses demonstrated that Integrity in Dealing with Others was the single best predictor of ratings of trust in these leaders, accounting for 62.5% of variance.

Research on charismatic leadership has demonstrated that leaders described by their subordinates as charismatic inspire more trust, more respect, and heightened performance in their followers as compared with those described as non-charismatic (Hater & Bass, 1988). Atwater, Penn, and Rucker (1991) surveyed a sample of 85 naval officers, college students and professionals regarding the characteristics which distinguish charismatic leaders from non-charismatic leaders in similar situations. The traits, "ethical," "principled," and "wholesome" were ascribed to charismatic leaders significantly more frequently than to non-charismatic leaders.

Finally, recent research on implicit leadership theories has emphasized the importance of followers' leader schemas in leader emergence (Lord, Foti, & De Vader, 1984). In an effort to map the cognitive category structure used by individuals to classify leaders, Lord et al. found honesty to be the attribute most diagnostic of the category "leader" as opposed to the category "nonleader,"

according to subjects' implicit leadership theories. "Fair" and "believable" also emerged as characteristics of the leader category. In a subsequent study by the same authors, individuals with these traits were more likely to be described as leader-like than individuals without these traits.

Despite repeated findings which suggest that individuals' perceived ethical integrity plays an important role in their success as leaders, our current level of empirically based knowledge allows us to say little more. The issue of leader integrity has received somewhat more attention in the business ethics literature but its treatment there has largely been of a philosophical, rather than an empirical, nature.

For example, Enderle (1987) has enumerated several advantages of a hypothetical management style he calls "managerial ethical leadership." Maintaining that every decision a manager makes has an ethical dimension, he suggests that adopting managerial ethical leadership would provide leaders with a framework that would simplify decision making under complex conditions. Enderle also suggests that decision making within an ethical framework implies a long run perspective which is advantageous to the long term health of the organization. He further asserts that such a leadership style would increase role clarity for subordinates and would also increase leaders' power by increasing their credibility.

Importantly, Enderle also suggests that a leader's style must fit with followers' expectations for maximum effectiveness. This notion of a leader-follower match has clear implications for leadership ethics because subordinate ethical orientation can be expected to vary across individuals. More generally, the notion that leader effectiveness is a function of leader-situation match has, of course, received substantial empirical support (e.g., Fiedler, 1964). Although Enderle makes a strong logical case for ethical leadership, the issue of what happens when leadership is not ethical is not addressed, nor does he cite any empirical research in support of his views.

Examining the other side of the leader ethics coin, Kelly (1987) has conceptualized a category of individual he terms the "Destructive Achiever." Kelly, a private management consultant, has based his ideas on over 1,000 interviews with managers and their superiors, peers, and subordinates over a 25 year period. According to Kelly, Destructive Achievers are indistinguishable from charismatic leaders except that they lack an ethical framework for their behavior. In the quest to further their own careers, they exhibit a leadership style which is task-oriented to the exclusion of all other considerations. The result is an extreme form of short term management that disillusions subordinates and undermines long term organizational goals. Kelly believes the Destructive Achiever's most negative

impact to be on creative innovation. Destructive Achievers view the time and energy required for creativity and innovation as impediments to the attainment of their own personal (short term) goals. Such leaders would therefore act against the threat of innovating subordinates, perhaps by removing the creative subordinates from influential communication networks. Destructive Achievers are expected to be highly upwardly mobile due to their ability to show fast results. Their influence would thus be expected to increase with time, producing devastating effects on the organization's creative atmosphere. Unfortunately, no empirical research is available to support Kelly's ideas or to isolate the specific effects of Destructive Achievers on subordinates.

Along similar lines, Gustafson and Ritzer (1995) have empirically identified a personality profile they call "aberrant self-promotion," with the ultimate goal of developing an instrument to detect and screen out these individuals in organizational settings. Aberrant self-promoters (ASPs) would be expected to engage in a wide variety of undesirable behavior including, but not limited to, unethical conduct in leadership roles. Although no data are yet available on the specific impact of ASPs in management settings, ASPs have been demonstrated to engage in significantly more antisocial behavior than non-ASPs as students in a university environment.

ORGANIZATIONAL JUSTICE

Perhaps the closest that organizational psychology has come to investigating leader ethics in empirical field research has been with research on organizational justice. Organizational justice may be viewed as having at least two distinct components: distributive justice (e.g., Adams & Freedman, 1976) and procedural justice (e.g., Thibaut & Walker, 1975).

Distributive justice, sometimes called outcome fairness, is concerned with the extent to which individuals are satisfied with the outcome that they derive from an exchange relationship. Research in this area generally assumes that individuals evaluate the ratio of their outcomes to their inputs and compare that ratio to some standard, such as that of a comparison other (Adams, 1965).

More relevant to the issue of leader integrity is the notion of procedural justice. Procedural justice refers to individuals' satisfaction with the fairness of the procedures that generated their outcomes, regardless of the actual outcomes themselves (Thibaut & Walker, 1975). This component of organizational justice is more closely related to leader ethics because a leader's ethical orientation may be viewed as a procedure which generates outcomes in the form of leader behavior. This leader behavior leads to outcomes with which subordinates may or may not be satisfied. That is, leaders produce outcomes for their subordinates primarily

through the process of decision making. The decision making process employed by leaders is expected to be influenced by their value systems, of which ethical values are a component. Thus, the leader ethics issue can be considered to be a special case of procedural justice to the extent that leader decision making is a process with which subordinates may experience varying degrees of satisfaction. Perceptions of procedural justice have been found to be related to a number of outcome variables including job satisfaction, organizational commitment, turnover intentions, trust in management, and job performance (Konovsky & Cropanzano, 1991).

The primary distinction between procedural justice and leadership ethics lies in the assumed attributions of subordinates. Procedural justice research has traditionally assumed that individuals interact with, and attribute responsibility to, organizational procedures. In contrast, leader integrity deals with those situations where individuals attribute responsibility to a *person*, namely their supervisor. These person attributions are then assumed to contribute to a more global impression of that leader. A further distinction from procedural justice is implied by the fact that subordinates' perceptions of their supervisors' integrity can be affected by information which does not involve any direct exchange between a particular subordinate and a particular leader. For example, negative rumors or gossip about the supervisor might contribute to a subordinate's perception of his or

her supervisor's ethical integrity, without that subordinate's ever actually experiencing the outcomes described in the rumors.

One aspect of procedural justice concerns fairness judgments made about interpersonal communication. This domain of procedural justice has been referred to as interactional justice (Bies & Moag, 1986). Procedural outcomes are communicated to outcome recipients through an interpersonal communication process. Outcome recipients may then make judgments about the fairness of that communication process which are independent of their judgments about the fairness of the underlying procedure.

It is possible that these interactional justice perceptions may contribute to subordinates' perceptions of their leaders' integrity. It has been suggested that at least some individuals may regard a socially appropriate communication style as a moral requirement (Bies & Moag, 1986). When the requirement of appropriate communication is not met, outcome recipients may be more likely to attribute responsibility to the communicator (i.e., the leader) than in the typical procedural justice scenario. Therefore, subordinate perceptions of leader integrity may reflect, at least in part, subordinates' judgments about the interactional justice demonstrated by their leaders.

Despite the conceptual distinction from leader ethics, a significant contribution made by the organizational justice literature to the present research involves measurement. Measurement of leader ethical integrity is potentially controversial because of the ambiguity surrounding what constitutes ethical behavior. Any stand one takes on the morality of a given behavior is subject to charges of idiosyncrasy or cultural absolutism. Organizational justice research has typically avoided this problem by focusing on respondents' subjective perceptions of whether outcomes or procedures are fair. In this manner, each respondent is free to apply his or her own value system when responding. The present research applies this approach to the investigation of leader integrity.

PSYCHOLOGICAL CLIMATE

Given the subjective, perceptual nature of the leader integrity variable, it would seem to be best viewed as a dimension of psychological climate. Use of the term "psychological climate" represents acknowledgment of the fact that "organizational climate" exists only in the perceptions of organization members (James & Jones, 1974), and that the term "organizational climate" may be applied only when organization members display agreement in their climate perceptions (James, Hater, Gent, & Bruni, 1978).

Psychological climate has been described as "a summary perception or intervening variable based on the interaction between the individual and the environment" (James & Jones, 1974, p. 1106). The first component of that description refers to psychological climate's status as a summary perception. At least two implications of the summary nature of psychological climate are important here. The first is that, as a summary variable, psychological climate is multidimensional. Previous research has identified a wide variety of variables as dimensions of psychological climate. These have included group member behaviors such as disengagement, hindrance, esprit, and intimacy, as well as leader behaviors such as aloofness, production emphasis, and consideration (Halpin & Croft, 1963). Perceived leader integrity would seem, logically, to fit among these and other such variables as a dimension of climate.

The second implication of the summary nature of psychological climate is its relation to specific behaviors. Within each climate dimension, summary evaluations are formed from perceptions of specific events (Schneider, 1972). For instance, Schneider (1973) found that bank customers' summary perceptions of the bank's atmosphere were based on their perceptions of specific, service-related events. Further, customers' intentions to change banks were more closely related to

their summary perceptions than to their perceptions of specific events, suggesting a mediating role for summary perceptions.

Thus we come to the second component of the description of psychological climate: its role as an intervening variable. As a summary perception, psychological climate would be expected to mediate between environmental events and outcomes for the individual (Schneider, 1972). That is, for any individual, specific environmental events (such as leader behaviors) lead to summary evaluations for each of several climate dimensions (such as leader integrity). These summary evaluations (climate perceptions) are then related to individual level outcomes, such as job satisfaction. Although these climate dimensions, taken together, reflect a global or composite psychological climate for that individual, research has shown that individual climate dimensions are differentially related to various member outcomes (Friedlander & Margulis, 1969), thus justifying their conceptualization as distinct variables.

ETHICAL LEADERSHIP AND JOB SATISFACTION

Although psychological climate was not mentioned explicitly, one other empirical investigation has used a variant of the approach used here to examine the relation between job satisfaction and the perception of ethical behavior (Vitell & Davis, 1990). This study involved the responses of 114 management information

systems (MIS) professionals to a self-administered questionnaire. The questionnaire included the *Managerial Job Satisfaction Questionnaire* (Cellucci & DeVries, 1978, cited in Vitell & Davis) and 12 items relating to ethics. Two of these items concerned perceptions of others' ethical behavior: "MIS managers in my *company* [italics added] often engage in behavior that I consider to be unethical" and "MIS managers in my *industry* [italics added] often engage in behavior that I consider to be unethical." Three items formed a subscale assessing the general ethical stance of top management. The remaining items addressed such issues as the respondent's view of the relation between ethical behavior and success and were not specifically related to leader behavior. Items were scored on a seven point scale ranging from strong agreement to strong disagreement. The researchers reported coefficient alphas in excess of .70 for every subscale except, of course, for the two single-item measures for which internal consistency data were not available. Table 1 summarizes Vitell and Davis' findings with regard to correlations among those three variables.

Table 1

Vitell & Davis (1990)

Job Satisfaction Subscale	Company Ethics	Industry Ethics	Top Mgmt Ethics
Promotion Satisfaction	*-.18	-.45	.54
Co-Worker Satisfaction	-.40	-.58	.55
Supervisor Satisfaction	-.37	-.44	.36
Work Itself Satisfaction	-.26	-.45	.48
Pay Satisfaction	*-.16	*.07	*.07

*nonsignificant

Except as indicated, correlations were significant at the .05 level. As noted, the single-item measures of company ethics and industry ethics were worded such that higher scores meant lower integrity ratings, although the reverse was true for the top management subscale. Clearly then, these results support the hypothesis that perceptions of ethical integrity are positively related to job satisfaction.

This research represents an important early step in a largely unexplored area. As such, the relations discovered are of a very general nature. That is, respondents were asked about their perceptions of the ethics of top management in their companies, management (in general) in their companies, and management (in general) in their industries, but exactly who they were evaluating as they completed the questionnaires is not known. Moreover, it is not known whether respondents

were evaluating their experience with their own supervisors and coworkers or responding on the basis of rumors, etc. Also problematic is the global nature of Vitell and Davis' (1990) ethical items. Because the items simply ask respondents to state the degree to which they believe various persons' behavior to be "ethical," there is no way to know *which* behaviors they were assessing or even if subjects were even responding to the same *types* of behavior.

THE PRESENT RESEARCH

In the present research, two studies using independent samples are conducted to expand upon the work of Vitell and Davis (1990) and others in several ways. First, these studies assess discrete unethical actions in which a supervisor might engage. These unethical leader behaviors are then related to two leader effectiveness criteria: subordinate job satisfaction and desire to quit. Using a new instrument developed for this project and refined in Study 1, subordinate attention is drawn exclusively to leader behaviors that are either against company policy, illegal, or devised to humiliate, denigrate or otherwise inflict psychological harm on subordinates. This approach is similar to the method employed by Kumar and Beyerlein (1991) in the development of their *Measure of Ingratiatory Behaviors in Organizational Settings* (MIBOS). Specifically, items are worded such that respondents must consider what they perceive as the *reason* for a behavior when

making their responses. For example, one such item is "[my supervisor] avoids coaching me because he or she wants me to fail." Such wording is intended to distinguish the vindictive supervisor from one who, for example, is remiss in his or her coaching duties because of a busy schedule.

Second, the assessment is limited to subordinates' perceptions of their *immediate supervisors*' ethical integrity, that is, the integrity of the individual who exercises the most managerial control over their daily activities. Thus, the present research isolates subordinates' perceptions of their immediate supervisors from their perceptions of management at more than one level above them in the organization's hierarchy.

Third, Study 1 seeks to detect subordinate perceptions of differential leader behavior with respect to the leader's treatment of the *respondent* versus the leader's treatment of *others* in the respondent's work group. It is expected that subordinates' responses across these two dimensions might interact with subordinates' ethical values to influence job satisfaction.

Fourth, the present research attempts to identify at least one moderator of the relation between perceived leader integrity and leader effectiveness. Logically, one such moderator might be subordinates' own sensitivity to ethical concerns. Subordinates therefore completed a scale designed to assess their own ethical

sensitivity, that is, the extent to which they perceive work-related decisions to represent ethical dilemmas.

The fifth issue concerns impression management. To the extent that being satisfied with one's job is a socially desirable condition, ratings of supervisors' ethics could be influenced by socially desirable responding. That is, subordinate respondents wishing to present themselves in a favorable light might be reluctant to disclose that they voluntarily remain in an unpleasant work situation, under an unethical leader. To assess this issue, both studies incorporate a measure of impression management.

To explicate the rationale for the formal hypotheses which follow, it is necessary to invoke the concept of "goodness of fit." The notion of implicit leadership theories implies that individuals have a cognitive prototype for the person category "leader." Further, it has been demonstrated that these leader schemas include, to varying degrees, characteristics such as honesty, fairness, and credibility (Lord, Foti, & De Vader, 1984). The extent to which these traits are perceived to be present in a supervisor will therefore, at least partially, determine the degree of match between that supervisor's perceived characteristics and followers' prior expectations regarding those characteristics. Lord et al. have suggested, for example, that future research will demonstrate such goodness of fit to

be related to leader emergence in leaderless groups. Extending this idea, it is expected that, in the present research, the "goodness of fit" between perceived leader integrity and subordinate ethical values will be a determinant of subordinate job satisfaction.

This expectation is based on the assumption that subordinate ethical values are related to the behavioral standards to which the subordinate holds individuals in general. Specifically, the construct of *ethical sensitivity* (Kass & Arceri, 1994) is measured in this research. The degree of ethical sensitivity demonstrated by an individual reflects the individual's tendency to view issues as containing moral or ethical components. Thus, individuals high in ethical sensitivity should be more likely to construe situations in terms of the ethical dilemmas they pose than are individuals low in ethical sensitivity.

Given this rationale, it seems logical that subordinates who are more sensitive to ethical issues will have higher expectations for others than will subordinates who are less ethically sensitive. Thus, it is expected that as subordinate ethical sensitivity increases, the level of perceived leader integrity necessary to "satisfy" the subordinate will also increase.

In Study 1, perceived leader integrity was measured across two dimensions: integrity demonstrated toward respondent and integrity demonstrated toward

coworkers. A leader would be perceived as having higher ethical integrity if he or she exhibited ethical behavior toward both respondent and coworkers (a high-high pattern) than if he or she only exhibited ethical behavior toward *either* the respondent *or* the respondent's coworkers (a high-low or low-high pattern). Assuming that virtually *no* subordinates experience high satisfaction with leaders who treat them unethically, Study 1 focuses on the high-low pattern that would characterize subordinates whose supervisor treats *them*, but not their coworkers, ethically.

It is thus reasoned that when subordinate ethical sensitivity is low, subordinate job satisfaction will be strongly related to subordinates' perceptions of leaders' integrity toward *them* but less strongly related to leaders' integrity toward their coworkers. However, when subordinate ethical sensitivity is high, the subordinate is more likely to require that the leader demonstrate integrity toward *all* employees, not just toward the respondent. Thus, job satisfaction should be strongly related both to leader ethics toward respondent and to leader ethics toward coworkers when respondent ethical sensitivity is high.

In summary, subordinate ethical sensitivity is expected to moderate the relation between perceived leader integrity and subordinate job satisfaction. The interaction between subordinate ethical sensitivity and perceived leader integrity is

expected to be such that the relation between perceived leader integrity and subordinate job satisfaction becomes more strongly positive as subordinate ethical sensitivity increases.

Also, because the measure of ethical sensitivity employed here, the *Ethical Awareness Inventory* (EAI) (Kass & Arceri, 1994), is a relatively new instrument, the present research attempts to provide data that may support its construct validity as a measure of ethical sensitivity. Specifically, the relation between the EAI as a measure of ethical sensitivity and a traditional measure of conscientiousness is examined, with the expectation that the two measures will be positively correlated. Conscientiousness has been named as one of the "Big Five" dimensions of personality (e.g., McCrae & Costa, 1987). As a broad class of personality variables, conscientiousness includes such traits as self-discipline, deliberation, and dutifulness (Costa & McCrae, 1992), all of which might be conceptually construed as aspects of ethical sensitivity. Further, significant, positive correlations between conscientiousness and integrity have been reported by researchers using several different conscientiousness measures and integrity tests (Murphy & Lee, 1994).

Hypotheses

Based on the findings of previous research and on the reasoning presented above, it is hypothesized that:

1. Global perceptions of leader ethical integrity will be a function of perceptions of discrete leader behaviors.
2. Composite perceived leader integrity (toward both respondent and coworkers) will be positively related to subordinate job satisfaction.
3. The relation between composite perceived leader integrity and subordinate job satisfaction will be significantly moderated by subordinate ethical sensitivity.
4. As subordinate ethical sensitivity increases, the strength of the relation between perceived leader integrity toward coworkers and subordinate job satisfaction will increase.

   a) When subordinate ethical sensitivity is low (below the median) and perceived leader integrity toward respondent is high (above the median), subordinate job satisfaction will be high, without regard for perceived leader integrity toward coworkers.

   b) When subordinate ethical sensitivity is high (above the median), perceived leader integrity toward respondent is high (above the median), and perceived leader integrity toward coworkers is high (above the median), subordinate job satisfaction will be high.

   c) When subordinate ethical sensitivity is high (above the median), perceived leader integrity toward respondent is high (above the median), and perceived

leader integrity toward coworkers is low (below the median), subordinate job satisfaction will be low.

Table 2 serves to further illustrate the hypothesized relations between perceived leader integrity and subordinate job satisfaction, based on the possible patterns of responses.

Table 2
Job Satisfaction Predictions

	Supervisor Integrity toward Respondent			
	High		Low	
	Supervisor Integrity toward Others		Supervisor Integrity toward Others	
Subordinate Integrity	High	Low	High	Low
High	H	L	L	L
Low	H	H	L	L

H = high job satisfaction L = low job satisfaction

5. Ethical sensitivity will be positively related to conscientiousness.

Study 1

Method

Sample and Procedure

Seventy-eight (78) undergraduate students from Virginia Tech participated in Study 1. Participants received extra credit in psychology courses for their participation. Participants were required to be currently employed for at least 20

hours per week, or to have been so employed for at least three consecutive months at some time during the last two years. Subjects who were not employed at the time of participation were instructed to respond from the perspective of the most recent job which they held for at least three consecutive months. In groups ranging in size from two to eight, subjects anonymously completed survey packets which contained the following instruments:

1. a 14 item measure of job satisfaction (Landy, 1989);
2. the *Ethical Awareness Inventory* (Kass & Arceri, 1994);
3. the impression management subscale of the *Balanced Inventory of Desirable Responding* (BIDR) (Paulhus, 1984);
4. the *Perceived Leader Integrity Scale* (PLIS) (Craig & Gustafson, 1995), a measure of perceived leadership ethics developed specifically for this study;
5. the conscientiousness subscale from the *Revised NEO Personality Inventory* (NEO-PI-R) (Costa & McCrae, 1992).

Measures

Job satisfaction. The job satisfaction scale (Landy, 1989) contained 14 items designed to assess respondents' satisfaction with pay/benefits, supervision, coworkers, promotion, and the work itself. Respondents' mean responses were used

as an index of overall job satisfaction. Cronbach's coefficient alpha for this sample was .74.

Ethical sensitivity. The EAI (Kass & Arceri, 1994) is a 27-item instrument designed to assess the construct of ethical sensitivity. Subjects respond to the EAI by indicating the degree of ethical reservation they would have about performing various managerial behaviors described in the items. The EAI contains items which sample four domains: organization-community relations, organization-customer relations, personal/family relations, and organization-employee relations. Cronbach's coefficient alpha for this sample was .83. A separate sample of undergraduates ($N = 50$) completed the EAI twice, seven weeks apart. This sample demonstrated a test-retest reliability of .62.

Impression management. The impression management subscale of the BIDR (Paulhus, 1984) consists of 10 items designed to assess respondents' tendencies to deliberately present themselves in a favorable light. The BIDR was specifically designed to distinguish between the impression management and self-deception components of social desirability. Cronbach's coefficient alpha for this sample was .64.

Perceived leader integrity. The PLIS (Craig & Gustafson, 1995) was designed to assess subordinates' perceptions of their supervisors' ethical integrity,

and was developed specifically for this study. An initial item pool of approximately 100 items was generated by the instrument's authors. Approximately half the items measured respondents' perceptions of their supervisor's behavior toward them and the other half measured respondents' perceptions of the supervisor's behavior toward the respondent's coworkers. Items were designed to assess subordinates' perceptions of their supervisors' ethical integrity in seven behavioral domains: training and development, resource/workload allocation, truth telling, unjustified discrimination, compliance with policies and procedures, maliciousness, and self-protection. Six items measuring global perceptions of leader integrity were also included in the expectation that perceptions of discrete unethical behavior would be consistent with a global perception of the leader as unethical, as would be implied by the conceptualization of this construct as a psychological climate dimension.

The item pool was subsequently reduced to 77 items for its initial administration in Study 1. Items that described situations not common to most or all organizations were eliminated. Items that addressed issues which were not clearly ethical or moral in nature were also eliminated. Specifically, items were eliminated if they described behaviors that were representative of poor management,

without necessarily describing unethical or morally wrong behavior. Cronbach's coefficient alpha for this sample was .97.

Conscientiousness. The conscientiousness subscale of the NEO-PI-R (Costa & McCrae, 1992) consists of 48 items designed to assess the personality dimensions of competence, order, dutifulness, achievement striving, self-discipline, and deliberation. The NEO-PI-R is a widely used personality assessment instrument designed for use with nonclinical populations. Cronbach's coefficient alpha for the 48-item scale in this sample was .91.

Results

Table 3 summarizes the means, standard deviations, internal consistency estimates, and intercorrelations for the instruments used in Study 1. An alpha level of .05 was used to determine statistical significance in all analyses.

Table 3
Correlations Among Variables in Study 1 ($N = 78$)

					NEO PI-R					
	PLIS	Job Satisfaction	EAI	BIDR-IM	Ach-Striving	Com-petence	Delib-eration	Dutiful-ness	Order	Self-discipline
PLIS	*.974	**.661	**.311	**.284	.037	.132	.082	.084	**.224	.133
Job Satisfaction		*.738	.204	**.362	.135	.180	.137	**.263	.209	**.272
EAI			*.831	.085	-.027	-.087	-.079	-.051	.189	-.039
BIDR-IM				*.639	.109	.207	**.230	**.446	.179	**.293
NEO PI-R										
Ach-Striving					*.762	**.664	**.534	**.529	**.437	**.712
Competence						*.514	**.438	**.607	**.373	**.565
Deliberation							*.688	**.418	**.497	**.540
Dutifulness								*.598	**.294	**.592
Order									*.680	**.449
Self-discipline										*.798
Mean	2.56	2.29	1.55	2.43	2.44	2.75	2.16	2.69	2.24	2.58
SD	.415	.482	.345	.612	.544	.378	.488	.490	.521	.572

* Cronbach's alpha
** $p < .05$

Hypothesis 1

Hypothesis 1 was tested using simple linear regression. The six global perception items of the PLIS (Craig & Gustafson, 1995) were averaged to form an index of subordinates' overall perceptions of their supervisors' integrity ($M = 2.44$, $SD = .66$). Overall perception was then regressed on the mean of the remaining 71 behavioral items ($M = 2.57$, $SD = .40$). The behavioral index was a significant predictor of global perceptions of leader integrity ($p < .01$), accounting for 80.8% of the variance in global perceptions. Thus, Hypothesis 1 was supported, indicating that global perceptions of supervisor integrity are a function of discrete supervisor behaviors; this result is also consistent with the conceptualization of perceived leader integrity as a dimension of psychological climate.

Hypothesis 2

Hypothesis 2 was tested using Pearson's product moment correlation coefficient. Scores on the PLIS (Craig & Gustafson, 1995) were found to be significantly correlated with scores on the job satisfaction scale (Landy, 1989). The observed correlation was .66 ($p < .01$), indicating a strong tendency for subordinates to be more satisfied with their jobs when they perceived their immediate supervisor to display higher levels of ethical integrity. Therefore, Hypothesis 2 was also supported.

Hypothesis 3

Hypothesis 3 was tested in two ways. First, moderated regression analysis was conducted to test the significance of the interaction between ethical sensitivity and perceived leader integrity. The interaction term did not reach significance (p = .30), suggesting that the relation between perceived leader integrity and subordinate satisfaction was constant at all levels of subordinate ethical sensitivity.

Next, subgroup correlation analyses were conducted by dividing the sample into two parts on the basis of median ethical sensitivity (*median* = 1.52). Correlations between perceived leader integrity and job satisfaction were then calculated separately for each group. For subjects below the median on ethical sensitivity (N = 42), perceived leader integrity and job satisfaction were correlated at .72 ($p < .01$). For subjects scoring above the median on ethical sensitivity (N = 36), the correlation between the two variables was .57 ($p < .01$). This difference was tested using Fisher's r to z transformation (Cohen & Cohen, 1983) and found to be significant ($p < .01$). Thus, the results of the subgroup correlation analyses supported Hypothesis 3, contrary to the results of the moderated regression analysis.

The question of how to properly test for moderator effects has been the subject of much debate (Arnold, 1982; Stone & Hollenbeck, 1989). It has been

argued that *both* subgroup correlation and moderated regression analyses are necessary to capture the form and degree aspects of moderated relations (Arnold, 1982). That is, Arnold has argued that these two tests for moderation should not be expected to always produce identical results. At first glance, the findings presented here would seem to be consistent with this contention. However, others have argued that when subgroup correlation and moderated regression analyses reach divergent conclusions regarding the existence of a moderator effect, a likely cause is violation of one or more of the assumptions implicit in regression analysis (Stone & Hollenbeck, 1989).

Following Stone and Hollenbeck (1989), the data from Study 1 were examined for possible violations of homogeneity of variance, homoscedasticity, and multivariate normality. Visual inspection of a graphical plot of scores on the PLIS (Craig & Gustafson, 1995) revealed a strong, negative skew to that distribution. Such negative skewness would be expected in this instrument, given a low base rate for extremely unethical leaders, but could also represent an assumption violation sufficient to render an F test in multiple regression analysis unreliable. Consistent with Stone and Hollenbeck (1989), scores on the PLIS were subjected to a normalizing transformation which involved converting raw scores to the natural

logs of the raw scores (see Stone & Hollenbeck, 1989 for a detailed discussion of this issue).

When the moderated regression analysis described above was repeated using the transformed PLIS (Craig & Gustafson, 1995) scores, the interaction term containing ethical sensitivity and perceived leader integrity was found to be statistically significant ($p < .01$). Therefore, the discrepancy between the subgroup correlation and moderated regression analyses appears to be attributable (in these data) to nonnormality in one independent variable. Using the transformed PLIS scores in the subgroup correlation analysis described above did *not* alter the initial conclusion (although the magnitudes of the correlations in question was slightly attenuated). Thus, both moderated regression and subgroup correlation analyses detected a significant moderating effect of subordinate ethical sensitivity on the relation between perceived leader integrity and subordinate job satisfaction, supporting Hypothesis 3.

Hypothesis 4

Hypothesis 4 predicted that the relation between perceived leader integrity *toward coworkers* and subordinate job satisfaction would be more strongly positive at higher levels of subordinate ethical sensitivity. Among subjects scoring below the median on ethical sensitivity ($N = 42$), perceived leader integrity toward

coworkers and subordinate job satisfaction were correlated at .68 ($p < .01$). For subjects who scored above the median on ethical sensitivity ($N = 36$), those variables were correlated at .47 ($p < .01$). Thus, the trend was in the direction opposite to that predicted, and Hypothesis 4 was not supported. Subjects scoring lower on the EAI (Kass & Arceri, 1994) exhibited a *stronger* relation between perceived leader integrity toward coworkers and job satisfaction than did subjects scoring higher on ethical sensitivity. The potential implications of this unexpected finding are discussed in more detail later.

Hypothesis 4a. Hypothesis 4a was tested by examining the mean level of job satisfaction among those subjects ($N = 14$) who scored below the median on ethical sensitivity (*median* = 1.52) and above the median on perceived leader integrity toward respondent (*median* = 4.85). Mean job satisfaction in this group was found to be 2.55 ($SD = .45$), which was above the sample median for job satisfaction (*median* = 2.29), and significantly higher ($p < .05$) than the mean job satisfaction of subjects not in this group ($N = 64$, $M = 2.23$, $SD = .47$). To test the prediction that perceived leader integrity toward coworkers will be unrelated to subordinate job satisfaction when ethical sensitivity is low and perceived leader integrity toward respondent is high, the correlation between perceived leader integrity toward coworkers and respondent job satisfaction was calculated for this group. Pearson's

correlation coefficient for this relation was nonsignificant ($r = .11, p = .71$). Thus, Hypothesis 4a was supported.

Hypothesis 4b. Support for Hypothesis 4b was evaluated by examining mean job satisfaction for those individuals who scored above the median on ethical sensitivity, perceived leader integrity toward respondent, and perceived leader integrity toward coworkers ($N = 18$). Mean job satisfaction in this group was 2.52 ($SD = .40$), which was above the sample median of 2.29, and significantly higher ($p < .05$) than the mean job satisfaction of subjects not in this group ($N = 60$, $M = 2.22$, $SD = .49$). Therefore, Hypothesis 4b was also supported.

Hypothesis 4c. Hypothesis 4c concerned mean job satisfaction in the group of individuals demonstrating high ethical sensitivity and perceived leader integrity toward respondent (both above the median), but low perceived leader integrity toward coworkers (below the median). Unfortunately, these data do not allow for a meaningful test of Hypothesis 4c, because only one individual demonstrated this pattern of scores. That individual's job satisfaction score was 3.00, which was above the sample median of 2.29, contrary to the prediction made by Hypothesis 4c.

Hypothesis 5

Hypothesis 5 predicted that scores on the EAI (Kass & Arceri, 1994) would be positively related to conscientiousness. As Table 3 shows, the EAI was not

correlated with any of the six conscientiousness subscales of the NEO-PI-R (Costa & McCrae, 1992). Additionally, it was uncorrelated with the 48-item composite of the conscientiousness scale ($r = -.02, p = .90$). Thus, Hypothesis 5 was not supported.

Refinement of the Perceived Leader Integrity Scale

The PLIS (Craig & Gustafson, 1995) was refined on the basis of the results of Study 1. First, the 71 behavioral PLIS items were subjected to principal factor analysis using a Harris-Kaiser oblique rotation. Visual inspection of a scree plot of eigenvalues initially suggested that a three factor solution would be most appropriate (eigenvalues for the first three factors were 25.5, 7.18, and 4.15). Upon attempting to interpret the factors, however, it was determined that they actually represented dimensions of leader behavior which differed from each other only in degree of *severity*, rather than in qualitative meaning. For example, the highest loading Factor 1 item dealt with embezzlement, the highest loading Factor 2 item described a manager's ridicule of subordinates' mistakes, and the highest loading Factor 3 item dealt with the leader's obstinance in allowing subordinates' time off when appropriate. For this reason, and because of the magnitude of the eigenvalue for Factor 1, it was concluded that the PLIS is best viewed as a unidimensional instrument.

Next, multiple regression analysis was used to evaluate the relative importance of the two PLIS (Craig & Gustafson, 1995) dimensions, perceived leader integrity toward respondent and perceived leader integrity toward coworkers, which did not emerge as distinct factors in the exploratory factor analysis. When the global perception index was regressed simultaneously on the two variables representing perceived leader integrity toward respondent and perceived leader integrity toward coworkers, the regression coefficient for the coworkers dimension was not significant ($p = .58$). Because the perceptions of leader behavior toward coworkers did not contribute to global perceptions of leader integrity, it was decided that the coworker-specific items would be eliminated from future versions of the PLIS.

Item analysis was then conducted on the remaining items to assess each item's correlation with the total score. Several more items (including two global perception items) were eliminated on the basis of low item-total correlations, low factor loadings, or conceptual overlap with other items. This procedure left the PLIS (Craig & Gustafson, 1995) with 43 items. The 43 item version was found to correlate with the original 77 item version at .98 ($p < .01$). Several of the remaining items were also reworded slightly on the basis of respondent feedback. Specifically, items which required subordinates to have unlikely knowledge of actual events,

such as of actual theft by supervisors, were altered to ask subordinates to speculate as to whether their supervisor would engage in such behavior if given the opportunity.

Study 2

Although convenience samples of college students can be very useful in psychological investigation, the present research sought to demonstrate that the hypothesized relations exist in real-world organizations. Therefore, Study 2 examined the same relations as investigated in Study 1, but used an organizational field sample.

Method

Sample and Procedure

Eight hundred twenty six (826) survey packets were distributed to the full-time and part-time employees of the College of Arts and Sciences at Virginia Tech, including both faculty and staff. Two hundred ninety nine (299) usable surveys were returned, for a response rate of 36.2%. Surveys were distributed and returned via the university's campus mail system. All responses were anonymous, although certain demographic information was requested. Of those responding, 57% were male and 43% were female. Females were slightly overrepresented in this sample relative to their presence in the population (37%). Faculty members

comprised 70% of the sample (80% of the population), with the remaining 30% of the sample classified as staff employees. The mean age range was 40-49 years.

Measures

The survey packet measured the same variables as in Study 1, with the following exceptions:

1. Three items were generated to assess respondents' desire to leave their current positions. Items were carefully worded to focus on respondents' *desire* to quit, rather than on their *intention* to quit, because intention to quit may be contaminated by other factors, such as the availability of a new job (Mobley, Horner, & Hollingsworth, 1978). Subjects responded on a five point scale (1-5).
2. The job satisfaction measure was taken from the *Organizational Climate Questionnaire* (Jones & James, 1979). This instrument is essentially the 20 item short form of the *Minnesota Satisfaction Questionnaire* (MSQ) (Weiss, Dawis, England, & Lofquist, 1967), which had been modified for the target sample (U.S. Navy). Further modifications changed the naval wording to reflect a university setting. Responses ranged from 1 to 5, on a Likert-type scale.
3. Conscientiousness was not measured in Study 2. In the interest of improving the response rate, it was desirable to reduce the length of the survey packet, and thus respondents' time commitment, as much as possible.

4. The refined, 43-item version of the PLIS (Craig & Gustafson, 1995), which did not assess leaders' behavior toward respondents' coworkers, was used.
5. Due to the change in the medium of presentation, all response scales were shifted to begin at "1" instead of "0."

As a result of changes 3 and 4 above, Hypotheses 4, 4a, 4b, 4c, and 5 were not tested in Study 2.

Results

Means, standard deviations, internal consistency estimates, and intercorrelations for the variables measured in Study 2 are shown in Table 4. All significance tests used an alpha level of .05.

Table 4
Correlations Among Variables in Study 2 ($N = 299$)

	PLIS	Job Satisfaction	Desire to Quit	EAI	BIDR-IM
PLIS	*.970	**.537	**-.420	.047	.029
Job Satisfaction		*.897	**-.673	.029	-.020
Desire to Quit			*.884	-.025	-.025
EAI				*.824	**.385
BIDR-IM					*.675
Mean	3.63	3.47	2.79	2.70	3.41
SD	.519	.659	1.16	.349	.531

* Cronbach's alpha
** $p < .05$

Hypothesis 1

Study 2 replicated the findings from Study 1 with regard to Hypothesis 1. The behavioral index of perceived leader integrity ($M = 3.63$, $SD = .51$) was once again a significant predictor of the global perception index ($M = 3.63$, $SD = .67$). Simple linear regression showed that discrete behaviors accounted for 83.9% of the variance in global perceptions ($p < .01$), further supporting the conceptualization of perceived leader integrity as a dimension of psychological climate.

Hypothesis 2

As Table 4 indicates, Hypothesis 2 was also supported again in Study 2. Perceived leader integrity was significantly and positively correlated with subordinate job satisfaction ($r = .54, p < .01$).

Hypothesis 3

Hypothesis 3 was again tested using both moderated regression and subgroup correlation analyses. Regression analysis showed that the interaction term containing perceived leader integrity and ethical sensitivity failed to reach significance ($p = .10$). In the group scoring below the median on ethical sensitivity ($N = 151$), perceived leader integrity and job satisfaction were correlated at .51 ($p < .01$). For subjects scoring above the median on ethical sensitivity ($N = 146$), those variables were correlated at .56 ($p < .01$). The difference between those two

correlations was tested using Fisher's r to z transformation (Cohen & Cohen, 1983) and found to be nonsignificant ($p = .12$). Application of the log transformation utilized in Study 1 (Stone & Hollenbeck, 1989) to PLIS (Craig & Gustafson, 1995) scores did not alter the conclusion reached by either of the two tests for moderation. Thus, in Study 2, both moderated regression analysis and subgroup correlation analysis suggest the same conclusion, and fail to support Hypothesis 3.

Additional Analyses

Although Hypotheses 4, 4a, 4b, 4c, and 5 were not examined in Study 2, additional analyses were conducted to address some of the same questions those hypotheses addressed in Study 1. First, mean job satisfaction was examined in the subset of the sample who scored above the median on ethical sensitivity (*median* = 2.72) and above the median on perceived leader integrity (*median* = 3.86; $N = 81$). The logic applied in Hypotheses 4a, 4b, and 4c would predict that job satisfaction in this group would be above the sample median of 3.50, which it was, at 3.77. This level of job satisfaction was also significantly higher ($p < .01$) than the mean job satisfaction of individuals not in this group ($N = 218$, $M = 3.36$, $SD = .66$).

Similarly, individuals scoring above the median on ethical sensitivity and below the median on perceived leader integrity ($N = 66$) would be expected to be below the median on job satisfaction, which was found to be the case. Mean job

satisfaction in this group was 3.15 ($SD = .68$), which was below the sample median of 3.50, and significantly lower ($p < .01$) than mean job satisfaction among subjects not in this group ($N = 233$, $M = 3.56$, $SD = .63$).

Further analyses addressed the relation of desire to quit to job satisfaction and perceived leader integrity. Previous research has demonstrated a significant, negative relation between employee job satisfaction and desire to quit (e.g., Mobley et al., 1978; Muchinsky & Tuttle, 1979). As Table 4 indicates, desire to quit was significantly related to both satisfaction and perceived leader integrity. When desire to quit was regressed simultaneously on job satisfaction and perceived leader integrity, however, perceived leader integrity was no longer a significant predictor of desire to quit ($p = .16$). This finding suggests that job satisfaction acts as a *complete* mediator for the relation between perceived leader integrity and desire to quit.

Discussion

This research used both a student sample and an organizational field sample to explore the role of subordinate perceptions of leader integrity in leadership effectiveness. Using the *Perceived Leader Integrity Scale* (Craig & Gustafson, 1995), a new instrument developed for this research, it was shown that subordinates' global perceptions of their leaders' ethical integrity can be assessed by measuring

subordinates' perceptions of discrete leader behaviors ($R^2 = .81$ for Study 1; $R^2 = .84$ for Study 2). Further, perceptions of leader integrity are strongly related to subordinates' job satisfaction ($r = .66$ for Study 1; $r = .54$ for Study 2). Consistent with previous research (e.g., Mobley et al., 1978; Muchinsky & Tuttle, 1979), it was also shown that job satisfaction is strongly related to the desire to quit ($r = -.67$ for Study 2). Additionally, Study 2 demonstrated that job satisfaction completely mediated the relation between perceived leader integrity and desire to quit.

An interesting issue concerned the attempt to demonstrate that subordinate ethical sensitivity moderates the relation between perceived leader integrity and subordinate job satisfaction. This effect was tested with moderated regression analysis *and* with subgroup correlation analysis, in both samples. In Study 1, both tests detected a significant moderator effect (after the application of a normalizing transformation), but the effect was in the opposite direction to that predicted. In Study 2, where statistical power was even greater, neither test identified a significant moderator effect (although the effect approached significance in both tests: $p = .10$ for the moderated regression analysis, $p = .12$ for the subgroup correlation analysis).

Logically, subordinate ethical sensitivity *should* moderate this relation. The equivocal results obtained may suggest that the measure of ethical sensitivity

employed here, the *Ethical Awareness Inventory* (Kass & Arceri, 1994), is in need of further validation. Specifically, a reexamination of the EAI's items suggested that the scale may actually be assessing some form of role prioritization. That is, respondents receive lower scores on the EAI when they endorse behaviors which are ethically questionable; however, these behaviors frequently *also* represent placing high priority on one's job, relative to other aspects of one's life. Additionally, principal factor analysis of the EAI produces at least one factor which can be interpreted as assessing the extent to which respondents place work before family and community. This factor emerges in both samples. Therefore, subjects may be scoring low on the EAI because they place their jobs at the forefront of their lives.

If one accepts that it is unethical to place one's job before one's family, community, etc., then the EAI (Kass & Arceri, 1994) does indeed measure ethical sensitivity. But, to the extent that participants in the present research do not endorse that notion, the EAI may not have adequately measured ethical sensitivity in these samples. The potentially significant conceptual overlap between role prioritization and ethical sensitivity may explain why mean job satisfaction for the various subgroups was high, or low, as predicted on the basis of the hypothesized moderator effect (see Table 2). This interpretation is also consistent with the fact that the significant moderator effect identified in Study 1 was in the opposite direction to

that expected. If low ethical sensitivity represents the placing of greater emphasis on one's job relative to other aspects of life, then it is reasonable that subjects lower on ethical sensitivity would show a stronger relation between perceived leader integrity and satisfaction, as was found. This interpretation of the EAI may also explain why it was uncorrelated with conscientiousness.

Several limitations of the present research should be mentioned. First, because the research design employed here was correlational and no causal model was tested, it would be inappropriate to draw causal inferences from these data. Second, correlates of job satisfaction other than perceived leader integrity were not measured here. It is therefore not possible to identify the unique contribution of perceived leader integrity to subordinate satisfaction. Also, the short-form measures of job satisfaction employed here do not allow for reliable differentiation among the various facets of job satisfaction.

Future research should seek to expand upon this work by relating subordinates' perceptions to objective measures of leader behavior. Additionally, leader effectiveness criteria other than satisfaction, such as subordinate motivation and performance, should be investigated. Future research should also, where possible, utilize methodology which will allow for the drawing of causal inferences. Lastly, the validation of any psychological instrument is an ongoing process, and

the PLIS (Craig & Gustafson, 1995) is no exception. Evidence for the validity of inferences drawn from the PLIS should continue to be collected.

Ethical integrity is an important aspect of leadership. To be optimally effective, leaders must be perceived by followers as displaying a level of integrity consistent with followers' expectations and implicit theories about leaders. It is hoped that, through this and other research in the area of leader integrity, practicing managers can eventually learn how to enhance their effectiveness by improving subordinates' impressions of their ethical integrity. It is my view that integrity in leadership is not just a moral requirement, but a business necessity.

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APPENDIX A

LANDY (1989) JOB SATISFACTION ITEMS

Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
0	1	2	3	4

1. My pay is pretty good.
2. On the whole, my supervisor is pretty fair.
3. I wish my supervisor paid more attention to me.
4. I do not get along with my coworkers particularly well.
5. I make about the amount of money that I am worth.
6. I like to pal around with my coworkers off the job.
7. I would like to make more money.
8. My job is quite interesting.
9. The promotional policy at this organization leaves a lot to be desired.
10. There is little challenge in my work.
11. My supervisor is thought of as a fair individual.
12. I prefer to work alone rather than with others.
13. I have no freedom in my work.
14. I can't seem to get the help I need from my supervisor.

APPENDIX B

ORGANIZATIONAL CLIMATE QUESTIONNAIRE

JOB SATISFACTION SCALE

(Jones & James, 1979)

Very Dissatisfied	Dissatisfied	Undecided	Satisfied	Very Satisfied
1	2	3	4	5

1. The amount of time I am kept busy on my job
2. The amount of time I work *alone* on the job
3. The opportunity to do different things on my job from time to time
4. The prestige my job has outside Virginia Tech
5. The way my supervisor treats his/her people
6. The competence of my supervisor in making decisions
7. Being able to do things to which I do not personally object
8. The stability a Virginia Tech career offers
9. The chance to do things for other people
10. The opportunity to supervise others
11. The chance to do something that makes use of my abilities
12. The way Virginia Tech policies are put into practice
13. My pay for the amount of work I do
14. The chances for advancement
15. The freedom to use my own judgment
16. The chance to try my own methods of doing the job

17. The working conditions
18. The way my co-workers get along with each other
19. The recognition I get for doing a good job
20. The feeling of accomplishment I get from the job

APPENDIX C

PERCEIVED LEADER INTEGRITY SCALE

(Craig & Gustafson, 1995)

Using the format below, indicate the extent to which each of the following statements describes your immediate supervisor:

1	2	3	4
Not at all	Somewhat	Very much	Exactly

1. Would use my mistakes to attack me personally
2. Would assign me tasks which (s)he knows I can't possibly complete in the time available
3. Always gets even
4. Gives special favors to certain "pet" employees, but not to me
5. Lies to me
6. Would risk me to protect himself/herself in work matters
7. Would "pad" his/her expense account if given the opportunity
8. Deliberately fuels conflict among employees
9. Is evil
10. Would use my performance appraisal to criticize me as a person
11. Would deliberately give me tasks without allowing me access to the resources necessary to complete them
12. Has it in for me
13. Could be trusted with information that I want kept confidential
14. Would allow me to be blamed for his/her mistake

15. Would falsify records if it would help his/her work situation
16. Helps smooth relations among employees
17. Lacks high morals
18. Makes fun of my mistakes instead of coaching me as to how to do my job better
19. Doesn't recommend me for pay raises, even when policy says (s)he should
20. Discriminates against me because of my gender
21. Would deliberately exaggerate my mistakes to make me look bad when describing my performance to his/her superiors
22. Is vindictive
23. Would blame me for his/her own mistake
24. Would make personal use of company property, even if it violated policy
25. Avoids coaching me because he/she wants me to fail
26. Denies me time off without good reason
27. Would treat me better if I belonged to a different ethnic group
28. Would deliberately distort what I say
29. Would embezzle money from the organization if the opportunity arose
30. Deliberately makes employees angry at each other
31. Is a hypocrite
32. Would limit my training opportunities to prevent me from advancing
33. Deliberately makes it difficult for me to schedule time off, even when I am due it
34. Discriminates against me because of my age
35. Would blackmail an employee if (s)he thought (s)he could get away with it
36. Enjoys turning down my requests
37. Would make trouble for me if I got on his/her bad side
38. Would take credit for my ideas

39. Would steal from the organization
40. Would risk me to get back at someone else
41. Would engage in sabotage against the organization
42. Would fire people just because (s)he doesn't like them if (s)he could get away with it
43. Would do things which violate organizational policy and then expect his/her subordinates to cover for him/her

APPENDIX D

DESIRE TO QUIT ITEMS

Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
1	2	3	4	5

1. I have no desire to change jobs.
2. If I could, I'd leave this job.
3. I am looking for another job.

APPENDIX E

REVISED NEO PERSONALITY INVENTORY

CONSCIENTIOUSNESS SCALE

(Costa & McCrae, 1992)

0	1	2	3	4
Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree

1. I'm known for my prudence and common sense.
2. I would rather keep my options open than plan everything in advance.
3. I try to perform all the tasks assigned to me conscientiously.
4. I am easy-going and lackadaisical.
5. I'm pretty good about pacing myself so as to get things done on time.
6. Over the years I've done some pretty stupid things.
7. I don't take civic duties like voting very seriously.
8. I keep my belongings neat and clean.
9. Sometimes I'm not as dependable or reliable as I should be.
10. I have a clear set of goals and work toward them in an orderly fashion.
11. I waste a lot of time before settling down to work.
12. I think things through before coming to a decision.
13. I keep myself informed and usually make intelligent decisions.
14. I am not a very methodical person.
15. I pay my debts promptly and in full.
16. When I start a self-improvement program, I usually let it slide after a few days.

17. I am a productive person who always gets the job done.
18. Occasionally I act first and think later.
19. I often come into situations without being fully prepared.
20. I like to keep everything in its place so I know just where it is.
21. Sometimes I cheat when I play solitaire.
22. I work hard to accomplish my goals.
23. I have trouble making myself do what I should.
24. I always consider the consequences before I take action.
25. I pride myself on my sound judgment.
26. I never seem to be able to get organized.
27. When I make a commitment, I can always be counted on to follow through.
28. I don't feel like I'm driven to get ahead.
29. Once I start a project, I almost always finish it.
30. I often do things on the spur of the moment.
31. I don't seem to be completely successful at anything.
32. I tend to be somewhat fastidious or exacting.
33. I adhere strictly to my ethical principles.
34. I strive to achieve all I can.
35. When a project gets too difficult, I'm inclined to start a new one.
36. I rarely make hasty decisions.
37. I'm a very competent person.
38. I'm not compulsive about cleaning.
39. I try to do jobs carefully, so they won't have to be done again.
40. I strive for excellence in everything I do.
41. There are so many little jobs that need to be done that I sometimes just ignore them all.
42. I plan ahead carefully when I go on a trip.

43. I am efficient and effective at my work.

44. I spend a lot of time looking for things I've misplaced.

45. I'd have to be sick before I'd miss a day of work.

46. I'm something of a "workaholic."

47. I have a lot of self-discipline.

48. I think twice before I answer a question.

APPENDIX F

ETHICAL AWARENESS INVENTORY

(Kass & Arceri, 1994)

Due to an agreement with the authors of the *Ethical Awareness Inventory*, this instrument is not presented here. For further information about the *Ethical Awareness Inventory* please contact the authors directly, at:

Praxis Consulting Group

659 Edmands Road

Framingham, MA 01701

APPENDIX G

BALANCED INVENTORY OF DESIRABLE RESPONDING

IMPRESSION MANAGEMENT SUBSCALE

(Paulhus, 1984)

Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
1	2	3	4	5

1. I always tell the truth.
2. Once in a while I laugh at a dirty joke.
3. When I take sick leave from work or school, I am always as sick as I say I am.
4. I am sometimes irritated by people who ask favors of me.
5. I always apologize to others for my mistakes.
6. I sometimes try to get even, rather than forgive and forget.
7. I would declare everything at customs, even if I knew that I could never be found out.
8. Sometimes at elections I vote for candidates I know little about.
9. I never watch a sexy show if I can avoid it.
10. I am always courteous, even to people who are disagreeable.

STEPHEN BARTHOLOMEW CRAIG

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Education

Master of Science in Psychology, Expected December 1995
Concentration: Industrial/Organizational Psychology
Virginia Polytechnic Institute and State University (Virginia Tech)
Blacksburg, Virginia

Bachelor of Arts in Psychology, August 1992
University of North Carolina at Greensboro
Graduated *Summa Cum Laude* with a 3.95 grade average on a 4.00 scale

Honors and Affiliations

Student Affiliate of the American Psychological Association
Student Affiliate of the Society for Industrial/Organizational Psychology
Phi Kappa Phi National Honor Society
Psi Chi National Honor Society
Phi Beta Kappa Sophomore Book Award
Reviewer for *Inquiry*, journal of the University of NC Honors Program
University Marshall, University of NC at Greensboro

Research Experience

Independent Study, Roseanne J. Foti, Ph.D. (Advisor), Virginia Tech.
Along with Jeffrey A. Smith, M.S., designed and implemented a study to examine the role of subordinate perceptions of leader selection method in group performance (currently in progress).

Thesis Research, Sigrid B. Gustafson, Ph.D. (Chair), Virginia Tech. Designed and implemented a study to examine the role of subordinate perceptions of leader ethical integrity in leader effectiveness. (January, 1994 - October, 1995)

Internship, Ruth Arnegard, Ph.D. (Director), American Telephone and Telegraph (AT&T) Human Resources Information Systems Organization Human Performance Laboratory, Greensboro, North Carolina.
Collected, analyzed, and interpreted data on the role of computer software interface design in human-computer interactions. Co-authored two proprietary software usability reports. (May, 1992 - September, 1992).

Professional History

Statistical Consultant, Joseph Arceri, M.A. (President), Praxis Consulting Group, Framingham, Massachusetts.
Assisting with development of new ethical sensitivity instrument. Responsible for input, analysis, and interpretation of psychometric data. Also responsible for making recommendations to developers for improvement of the new scale's psychometric properties. (February, 1994 to present).

Graduate Teaching Assistant
Virginia Tech Department of Psychology, Blacksburg, Virginia.

Director, Undergraduate Information Center
Responsible for all daily operations of Psychology Department's undergraduate advising office, including providing academic and career advising to undergraduate psychology majors, desktop publishing of informational materials, planning and conducting commencement ceremonies, planning and conducting Freshman Summer Orientation, representing the Psychology Department at the Virginia Tech Expo recruiting conference, and providing computer technical support to Psychology Department staff. (August, 1994 to present).

Instructor, Introductory Psychology Recitation
Planned and conducted supplementary lectures and discussions for Introductory Psychology course. Constructed and graded tests, graded student essays. (August, 1993 - May, 1994).

Collections Associate
Sears Regional Credit Card Operations Center, Greensboro, North Carolina
Responsible for telephone collection of past due accounts, including skip-tracing. (March, 1992 - May, 1993).

TransAmerica Commercial Finance, Dallas, Texas
(trading as Magic Rent-to-Own, Kel-Way Rent-to-Own, Metro TV & Appliance Rental). (August, 1985 - January, 1992).

Account Manager, Greensboro, North Carolina
Responsible for overseeing all phases of operation for 270 rental accounts, especially collection of past due accounts. Repeatedly cited for lowest closing past due percentage at Randleman Road location.

Field Auditor, Dallas, Texas
Assisted with nation-wide conversion to new STAR software system. Responsible for installation and setup of personal computer systems, subsequent manual data entry, and audit of rental store records.

Store Manager, Savannah, Georgia
Special temporary assignment to new rental store acquisition to assist with ownership transition.

Store Manager, Winston-Salem, North Carolina
Supervised all phases of rental store operation including hiring, training, collections, sales, merchandising and local area marketing.

District Manager, Roanoke, Virginia
Responsible for all phases of operation for three rental store locations in Roanoke. Involved in marketing, collections, and personnel motivation strategies at the corporate level.

Store Manager, Roanoke, Virginia
Served Melrose Ave. location in trouble-shooting capacity. Increased gross sales by 30%, reduced past due accounts from 21% of total to 9%, hired and trained new manager and staff.

Store Manager, Roanoke, Virginia
Served Franklin Road location in trouble-shooting capacity. Increased gross sales by 50%, reduced past due accounts from 19% of total to 8%, supervised merger with Vinton, VA location.

Store Manager, Charlottesville, Virginia
Responsible for opening new rental store location from ground up and overseeing all operations, including interior design of new store. Hired and trained new store manager.

Store Manager, Staunton, Virginia
Supervised all phases of rental store operation including hiring, training, collections, sales, merchandising and local area marketing.

Account Manager, Harrisonburg, Virginia
Responsible for all delivery, service, and collection activities for 250 rental accounts. Fastest promotion to store manager in company history.

Sales Representative, Great North Mountain Resorts, Basye, Virginia
Sold resort condominium time shares. (May, 1985 - September, 1985).

Relevant Coursework

Advanced Statistics for Education
Advanced Topics in Applied Psychology: Job Analysis and Classification
Industrial Psychology I and II
Organizational Psychology I and II
Quantitative Topics in Applied Psychology
Psychological Measurement
Personality Processes
Psychological Perspectives in Social Psychology
Research Methods
Statistics for Social Science Research I and II

Stephen Bartholomew Craig