# IMPACT OF DESPOTIC LEADERSHIP ON EMPLOYEE OUTCOMES: THE ROLE OF MORAL DISENGAGEMENT AND MORAL IDENTITY



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6584092 AKI

accession No 7/23513

Business ethics
Social responsibility of business
Social responsibility of business
Leadership-Moral and ethical aspects
Leadership-Moral and ethical aspects
Organizational change

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# IMPACT OF DESPOTIC LEADERSHIP ON EMPLOYEE OUTCOMES: THE ROLE OF MORAL DISENGAGEMENT AND MORAL IDENTITY

# Muhammad Waheed Akhtar

#### 52-FMS/PHDMGT/S16

A thesis submitted in partial fulfilment of the requirements for the Degree of Doctor of Philosophy Science in Management Sciences with specialization in Management/ Human Resource Management at the Faculty of Management Sciences International Islamic University, Islamabad.

Dr. Fauzia Syed

July, 2020



In the name of Allah, the most merciful and beneficent

# **DEDICATION**

I dedicate this thesis to my parents, sister, brother, beloved wife and my supervisor whose support has enabled me to complete this research study successfully.

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APPRECIATION AND GRATITUDE

No words of gratitude will ever be sufficient for the Allah Almighty who made me

capable of learning, blessed me with the knowledge & intellect and facilitated me with

the finest of the mentors all through my academic years.

Dr. Fauzia Syed, Assistant Professor and Head of Department of Marketing, IIU

Islamabad, who made me, realize that no matter how high you think of your work, there

is always a room for improvement. I present my deep gratitude to her, for being the

most marvelous and enduring supervisor.

I also appreciate my colleagues, for their consistent encouragement and continuous

support especially in increasing my knowledge.

And finally, to my parents, most wonderful parents of the world who grew me up to

never frantically fall upon a yearning other than.

Mr. Muhammad Waheed Akhtar

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# (Acceptance by the Viva Voce Committee)

Title of Thesis:

"Impact of Despotic Leadership on Employee Outcomes. The Role of

	Moral Disengagement and Moral Identity".
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FORWARDING SHEET

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of Moral Disengagement And Moral Identity" submitted by Mr. Muhammad Waheed

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#### Abstract

Based on the assumptions of moral disengagement theory, I unveil despotic leadership to study employee outcomes like moral disengagement, unethical work behaviour, negative workplace gossip, greed and retaliation. Specifically, we hypothesized that under despotic leadership employees tend to engage in moral disengagement it in turn fosters employee outcomes (unethical work behaviour, negative workplace gossip, greed and retaliation). Moreover, I hypothesized that moral identity affects the despotic leadership and moral disengagement relationship; I also hypothesized that moral identity affects the indirect effect of despotic leadership on employee outcomes (unethical work behaviour, negative workplace gossip, greed and retaliation) via moral disengagement. Employing a multi-wave and two-source sample, data was collected from employees and their peers (n=255) in the services sector of Pakistan. I tested the proposed framework using the moderated-mediation technique. Results supported the mediating effect between despotic leadership and employee outcomes (unethical work behaviour, negative workplace gossip, greed and retaliation) using moral disengagement. The results revealed that the impact of despotic leadership on moral disengagement was weaker under high moral identity and vice versa. Furthermore, it was revealed that moral identity moderates the mediated relationship. The study concludes with implications, limitations and directions for future research.

**Keywords:** Despotic Leadership, Moral disengagement, Moral Identity, Unethical Work Behaviour, Negative Workplace Gossip, Greed and Retaliation.

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# CHAPTER 1 INTRODUCTION

In the following section we were described the background of study, gap analysis related to study variables (despotic leadership, unethical work behaviors, negative workplace gossips, greed, retaliation, moral disengagement, moral identity), discuss the study objectives in the light of research questions. Further, we were discussed the significance of the study.

# 1.1 Background of the study

Leadership has critical implications for groups, organizations, and societies. When it succeeds, its constituents prosper and when it goes wrong, teams lose, armies are defeated, organizations falter, and societies suffer (Thoroughgood, Sawyer, Padilla, & Lunsford, 2018). Many researchers investigated the constructive or successful leadership (Wei, Wei, Lee, Lee, Kwan & Kwan, 2016) but few studies focused on dark side of leadership (Einarsen, Aasland & Skogstad, 2007; Naseer, Raja, Syed, Donia & Dar, 2016). Baumeister, Bratlavsky, Finkenauer, and Vohs (2001) also conjectured that during social interaction negative events have greater impact than positive events. Burke (2006) stated that for getting the accurate view of leadership organisations must investigated the negative leadership because it may affect the leader effectiveness and development.

Recently, past studies highlighted the importance of dark side of leadership (Mackey, McAllister, Maher, & Wang, 2019; Naseer et al., 2016; Neves & Schyns, 2018; Spain Harms & Wood, 2016; Thoroughgood et al.2018) called for further studies to investigate the consequences of dark side of leadership. Additionally, meta-analysis also reported that dark side of leadership have positive effect on organisational deviance (Mackey, McAllister, Maher, & Wang, 2019). Additionally past studies also

investigated the effect of dark side of leadership on followers satisfaction (Khan, Imran, & Anwar, 2019), well-being (De Clercq, Haq, Raja, Azeem, & Mahmud, 2018; Spain, Harms & Wood, 2016), mental health (Mullen, Fiset, & Rhéaume, 2018). Kaiser and Hogan (2011) conclude that "two thirds of existing managers are insufferable and at least half will eventually be fired" that is why 50% supervisor fail at workplace.

Past studies reported that derailed leader are common and too much costly for the organisations, normally organisation lost \$500,000 to \$3 million in the form of cost against one derailed leader million (Lombardo, Ruderman, & McCauley, 1988; Russell, 2001). Moreover recent corporate scandals such as Enron (McLean & Elkind 2004). Also embark the relevance and importance of dark leadership in bringing deleterious effects for individuals as well as organizations (Kottke & Pelletier, 2013; Maak, 2007).

Einarsen et al. (2007) proposed the trio typology of dark side leadership as: a) supportive-disloyal leadership, b) derailed leadership and c) tyrannical leadership. Schilling (2009) conducted the review of negative leadership and he stated eight different categories of such leadership as: despotic leadership; exploitative leadership; failed leadership; restrictive leadership; insincere leadership; avoiding leadership (active); laissez-faire leadership and avoiding leadership (passive).

Recently, past studies investigated the dark side of leadership, and these studies were proposed many terminologies such as tyrannical leadership (Glaso, Skogstad, Notelaers, & Einarsen, 2018), petty tyranny (Collins & Jackson, 2015), abusive supervision (Tepper, 2000), supervisor undermining (Frazier & Bowler, 2015), destructive style of leadership (Spain et al, 2016), exploitative style of leadership (Wang, 2019) and despotic leadership (Aronson, 2001). In the same line of reasoning, Zapf, Einarsen, Hoel, and Vartia, (2003) stated that 5%-10% of employees were the

subjects of supervisory mistreatment (bullying). Lombardo and McCall (1984) conducted the study among seventy three managers and discovered that seventy four percent managers experienced an intolerable boss. Dark side leadership negatively affects the subordinates and as well as organisations. Past studies reported that almost 10% to 16% subordinates in America experiences dark side of leadership (Namie & Namie, 2000; Tepper, Duffy, Hoobler, & Ensley, 2004), furthermore, these supervisory behaviours increases with the passage of time according to media reports (Workplace bullies, 2005). Schat, Frone, and Kelloway, (2006) stated that 13 percent United States employees become the targets of dark side leadership at workplace.

Despotic leadership refers to "leader behaviors that are focused on gaining supremacy and dominance, and are motivated by a leader's self-interests, they are arrogant, manipulative, bossy, and unforgiving" (Bass, 1990; House & Howell, 1992; Howell & Avolio, 1992; McClelland, 1975). Despotic leadership is most prominent among all others types (Schilling, 2009). Despotic leaders limit followers' participation in decision-making process and working for self-interest (De Hoogh & Den Hartog, 2008), morally corrupt (Naseer et al., 2016).

According to past studies with the help of moral disengagement, individuals justifies their immoral behaviours (Bandura, 1986, 1999, 2002). Moral disengagement comprises of eight different practices based on three groups (Bandura, 1999, 2002). Bandura categorised eight interlinked mechanisms of moral disengagement into three groups namely reprehensible conduct, detrimental conduct and victim (Bandura, 1999). Reprehensible conduct helps individual to restructure their unethical acts in such a way that they appear less harmful. Reprehensible conduct includes three mechanisms of moral disengagement i.e. moral justification (employees convince themselves that

unethical act is for the greater good), euphemistic labelling (use of morally-charged language to rebrand unethical act) and advantageous comparison (comparing the behavior under consideration with the worse to portray own behavior as less offensive). Second, detrimental conduct group masks the moral agency of the actor and it includes two mechanisms i.e. displacement of responsibility (to shift responsibility for one's actions onto supervisor who directed this behavior), diffusion of responsibility (sharing the responsibility for one's actions with other group members). Third group is victim related. It controls the perceived pain to be caused to a victim. This group includes distortion of consequences (mitigates the effect of ones actions for the victim), dehumanization (treats the victim as unworthy of moral regard), and the attribution of blame (responsibility is attributed to victim himself). These mechanisms of moral disengagement facilitate the individual's unethical behaviours (Bandura, 1986), as they help them to justify unethical actions. By using the process of moral disengagement individuals justify and convince others that their immoral/unethical behaviours are appropriate (Bandura, 1991, 1999).

Zheng, Qin, Liu, & Liao, (2019) stated that people with high level of moral identity are not easily engage in moral disengagement process, because as per their moral standards and self-view their moral identity adjust their moral disengagement process. Moral identity refers to "the degree to which being a moral person is important to an individual's identity" (Hardy & Carlo, 2011, p. 212). High moral identity individuals have the feelings that their personal identity defined by their moral values. Past studies argued that individual moral identity motivate his/her prosocial interaction at workplace (Winterich, Aquino, Mittal, & Swartz, 2013), hamper antisocial behavior with others (Hertz & Krettenauer, 2016). Despotic leader characterised as morally

corrupt and have unethical demands from supervisory side (Aronson, 2001; De Hoogh & Den Hartog, 2008; Naseer et al., 2016), require followers to be highly vigilant to fulfil the despotic leaders demands in order to protect their jobs. And this vigilance directly effect follower's cognitive resources, which leads to immoral attitude (moral disengagement ) and further leads to immoral behaviours (unethical behaviour, greed, negative workplace gossips and retaliation) outcomes (Bedi & Schat 2013). Therefore, present study investigating the effect of despotic leadership style on followers outcomes (unethical behavior, negative workplace gossips, greed and retaliation) through moral disengagement .

### 1.2 Gap Analysis

Schyns and Schilling's (2013) stated that despotic leadership is a new concept and demand further research. As the literature review, only few published studies investigated the role of despotic leaders on outcomes (De Hoogh & Den Hartog, 2008; De Clercq, et al., 2019; De Clercq, et al., 2018; Erkutlu, & Chafra, 2018; Nauman, & Fatima, 2018; Naseer, et al., 2016; Simoes, 2016; Rasool, Naseer, Syed, & Ahmed, 2018; Sattar & Malik, 2019).

De Hoogh and Den Hartog, (2008) investigated the effect of leader social responsibility on top management performance and followers optimism through despotic leadership. They called for more research to understand the functions and role of despotic leadership in shaping individual and organizational outcomes. Also, Naseer, et al., (2016) investigated the interplay between despotic leadership, leader-member exchange and perceived organizational politics to predict employee outcomes and concluded that despotic leadership is detrimental to employee behaviours. Moreover,

they urged for more elaborate models and research to expand the domain of despotic leadership in organizations.

In the same line of reasoning, Simoes (2016) investigated the impact of despotic leadership and ethical leadership on emotions (positive & negative emotions) which further leads to work engagement. They found that despotic leadership was linked to an increase of negative emotions. De Clercq, Haq, Raja, Azeem, and Mahmud (2018) stated that Islamic work ethics and helping behaviour relationship is stronger in case of despotic leaders because the individual's values encourage them to help their peers in the existence of leader despotic behvaiour. Erkutlu and Chafra, (2018) found that organisational identification mediates the relationship between despotic leader and employee's organizational deviance, and additionally, value congruence moderate the relationship between despotic leadership and employee's organizational deviance through organisational identification. Nauman and Fatima, (2018) found that despotic leadership enhance employee work-family conflict. They found that emotional exhaustion mediates the aforementioned relationship, additionally, followers anxiety moderate the aforementioned relationship. Rasool, Naseer, Syed, and Ahmed (2018) found that impression management has a significant indirect effect on despotic leader behaviour and followers outcomes relationship. De Clercq, Fatima & Jahanzeb (2019) stated that despotic leadership positively related with workplace behavior through ingratiation behaviour. Syed, Akhtar, Kashif, Asrar-ul-Haq, Husnain, and Aslam, (2020) stated that despotic leadership spur bullying behavior among nurses via moral emotions. All these past studies called for further examination on despotic leadership and its consequences (De Clercq, et al., 2019; Erkutlu & Chafra, 2018; Naseer, et al., 2016; Nauman & Fatima, 2018; Rasool, et al., 2018; Syed et al., 2020).

Sattar and Malik (2019) investigated the impact of despotic leader behaviours on nurses' emotional exhaustion. They found that despotic leader is a significantly and positively related emotional exhaustion among nurses and inferred that reciprocal relationship exists between leaders and followers in organisational settings. They further argued that future researchers should test more detailed models to detail the interplay of despotic leadership for individuals in organizations.

Over the past 10 years, scholars have modelled the mechanisms underlying the effects of dark sides of supervision with increasing frequency (Tepper, Simon & Park, 2017). This has been an important development because by testing mediated models, scholars have offered a direct examination of theoretical perspectives that explain how targets are affected by exposure to supervisory dark sides (Tepper, Simon & Park, 2017). Also, Tepper, et al., (2017) stated that these theoretical frameworks mostly included affective events, ego depletion, need satisfaction, social exchange and social learning. Literature is yet unable to describe the impact of the despotic leadership from the lens of moral disengagement theory. So therefore, current study investigated the impact of despotic leadership on individual outcomes (unethical behavior, negative workplace gossips, greed and retaliation) through moral disengagement and using moral disengagement theory as an overarching framework.

Unethical behaviour define as "any action that violates widely held moral principles" (Ruedy, Moore, Gino, & Schweitzer, 2013) such as breaking ethical norms or standards, dishonesty, cheating and stealing. Unethical behaviours occurred in various forms at the workplace that will be caused for employees, organisations and society as well (Ariely, 2012). Gresham, Ferrel and Mclaves (2013) stated that there are certain organizational and individual factors which serve as drivers of unethical

behaviour. According to past studies, unethical behaviours cannot be only explained through individuals' characteristics (Trevino, 1986), therefore, researchers should identify the organisational factors to explain unethical behaviours.

In organisational settings, leaders have a great impact on employee behaviours (Paterson, & Huang, 2018), including employees' unethical behaviours at workplace (Moore, Mayer, Chiang, Crossley, Karlesky, & Birtch, 2019). For instance, Trevino et al., (2014) argued that leader being a role model affect employee behaviours at the workplace. Recent studies highlighted the importance of unethical behaviour (Keem, Shalley, Kim, & Jeong, 2018), due to its importance (high cost) in organizations (Moore et al., 2019). Liu, Lin and Hu, (2013) investigated how followers' unethical behaviour is triggered by LMX. Also, past studies reported that ethical leadership negatively related with unethical and counterproductive behaviours (Paterson, & Huang, 2018: Moore et al., 2019). Based on past literature, current study builds that only few studies reported the effected of dark leadership on unethical behaviours i.e. abusive supervision (Valle et al., 2019), narcissism (Blair, Helland, & Walton, 2017), destructive leader (Neves, & Schyns, 2018). Past research (Trevino et al., 2014) reviewed on ethical and unethical behaviour in organizations using the lens of social cognitive theory (Bandura's, 1986) and suggested that further studies should be conducted to explain the unethical behaviour in organizations using other theories and frameworks. Thus, the researcher is analysing the impact of despotic leadership on unethical behaviour using moral disengagement theory.

Individual do gossiping formally at workplace (Grosser, Lopez-Kidwell & Labianca, 2010). Past studies reported that 70% of employees and management discussion on a daily basis comes in the domain of gossip (Emler, 1994; Dunbar, 2004).

Workplace gossip, refer as "exchanges of personal information and judgmental opinions about other people while not in their presence" (DiFonzo & Bordia, 2007, p. 19), gossiping behaviour normally observed in organisational settings (Noon & Delbridge, 1993). Workplace gossips help employees to escape from work by social interaction (social immobility). Informal communication in an organisation can be enhanced by the nature of gossiping behaviours.

Dysfunctional nature gossips behaviour leads to negative attributes (Burke & Wise, 2003). Workplace negative gossip refer as "the discussion of a coworker's personal information or the spreading of rumours behind his or her back (e.g., discussing a colleague's poor performance)" (Chandra & Robinson, 2009). Negative workplace gossips caused a hostile work environment (Naseer, Bouckenooghe, Syed, Khan, & Qazi, 2019). Past studies described the gossiping phenomena in general (Dunbar, 2004), particularly in organizational context (Babalola, Ren. Kobinah, Ou. Garba, & Guo, 2019; Tian, Song, Kwan, & Li, 2019). Agba et al., (2017) explored the effect of organisational gossips on the performance of services oriented firms. Ellwardt et al., (2012) concluded that the tendency of negative workplace gossips increased when followers have a non-friendly relationship and distrust with immediate supervisor. Wu et al., (2016) described the framework of workplace gossips in the lens of selfconsistency theory, and mentioned in future research should examine why and under what conditions employees engage in gossiping. So, the present going to fulfil this gap and going to explore the relationship between despotic leadership on negative workplace gossip.

Anderson (2014, p.15) defined greed as a "selfish motivation to acquire an unfairly excessive amount of a resource, at the expense of others". Greed perception is

importance to investigate in organisational settings. Greed with the synonym of selfishness and it is a unidimensional construct. Recently, studies investigated the antecedents and consequences of perception of greed in organisational setting (Anderson, 2014; Friedman, & Hertz, 2019; Lambie, & Haugen, 2019). Anderson, (2014) reported the antecedents of perception of greed such as relative deprivation, selfish motive to acquire and distributive injustice. Crossley's (2009) found perceived greed to an important reaction from victims of social undermining and feelings of exploitation. So, the researcher going to explore the antecedent's (despotic leadership) of greed.

Bies and Moag, (1986) inferred that during interpersonal relations normally expect that their leaders treat them with dignity. But when employee does not receive the expected treatment (dignity) form the supervisors then they indulge in the process of retaliation. Employee retaliation is a response against the supervisor mistreatment on a continuous basis, that is why employee targets their supervisor for the sake of fairness by showing the aggression at the workplace. Past studies stated that according to employees perspective their retaliatory behaviours are fair and justified because these behaviours were performed in the responses of perceived mistreatment (Bies & Tripp, 2005; Tripp & Bies, 1997). Hutchinson (2015) abusive supervision is positively related to employee retaliation. According to past studies, employees normally behave in a retaliatory way in the response of mistreatment and they believe that their behaviour is fair and justifiable (Riquelme, Román, Cuestas, & Iacobucci, 2019). Past studies suggested in the future direction that how individual difference and supervisory behaviours may lead employee's retaliation should investigate in future studies (Hutchinson, 2015; Park et al., 2017; Riquelme, et al., 2019).

The current study builds on the contentions of Moral disengagement Theory (Bandura, 1986, 1989). Unethical leadership is undesirable for many reasons, followers behaviour and ethics are directly influenced by leader ethically conduct (Bonner Greenbaum, & Mayer, 2016). Despotic leadership also involves unethical demands from the supervisory side (Naseer et al., 2016). Unethical behaviour can trigger moral disengagement in individuals, as "bad behaviour motivates moral leniency and leads to the strategic forgetting of moral rules" (Bandura 1986, 1999 p.344; Shu et al. 2011). The researcher aims to strengthen the explanatory power of moral disengagement theory, by utilizing and explaining the mechanism of moral disengagement in the relationship between despotic leadership and followers outcomes. Moreover, it will further added that moral identity work as moderator in despotic leadership and moral disengagement relationship.

Kim and Mauborgne (2017) described that leaders have the customer (his followers), with leader guidance and support these followers achieved the organisational targets. Normally, customers (followers) act with full commitment when they buy and value the leader's leadership style, but when they don't buy leaders leadership style then they tilled towards disengagement and don't want to become your customers (followers) (Kim & Mauborgne, 2017). This helps the author extend existing literature and propose that under despotic leader individuals will likely to become more morally disengaged and ultimately affecting the outcomes. Also, Kim and Mauborgne (2017) called for more research to develop and test this contention in the context of leadership constructs. Moreover, they urged future researchers to examine when and why individual's moral disengagement becomes the underlying mechanism in explaining the organizational phenomenon.

Moreover, past literature stated that leaders significantly effect on followers ethical & unethical behaviours (Babalola, Stouten, Camps, & Euwema, 2019; Paterson, & Huang, 2018; Sanders, Wisse, Van Yperen, & Rus, 2018). Also, many researchers stated that moral disengagement boosts the unethical work behaviour (Bandura et al. 1996; Dang, Umphress & Mitchell, 2017; Moore 2008; Moore et al. 2012, 2019; Moore, 2016; Shu et al. 2011). All these researches called for more research in the domain of moral disengagement, particularly its various antecedents and outcomes. Thus, the current study answers these calls for research and proposes that the despotic leadership effect on employee outcomes (unethical behaviour, negative workplace gossips, greed and retaliation) through moral disengagement.

Moral identity not only predict moral outcomes directly, but it can also predict moral outcomes by interacting with other variables. Past studies investigated the moderating role of moral identity in the relationship between self-control and cheating behaviours (Gino, Schweitzer, Mead, & Ariely, 2011). He and Harris (2014) stated that moral awareness interacted with moral identity to predict moral disengagement. Zhang, Li, Liu, Han and Muhammad, (2018) stated that the relationship between perceived narcissistic supervision and moral disengagement were moderated by moral identity. Moore, Mayer, Chiang, Crossley, Karlesky, and Birtch, (2019) found that the relationship between ethical leadership and moral disengagement is moderated at the different levels of moral identity. Moreover, all these studies suggested future researches to explore how moral identity might interact with other variables to predict other diverse employee outcomes (He & Harris, 2014; Mayer et al., 2019; Zhang, et al., 2018). Specifically, moral identity could interact with situational variables to predict outcomes (Aquino et al., 2009).

In the same vein, Wang et al., (2017) investigated the moderating role of moral identity in the relationship between trait anger and moral disengagement; whereas, Teng, Nie, Guo and Liu (2017) investigated that the relationship between video game exposure and moral disengagement is moderated by moral identity. These researchers also emphasized for more detailed models by exploring the interaction effects of moral identity on diverse outcomes. Thus, the present will extend the understanding that how moral identity moderate the relationship between despotic leadership and moral disengagement.

Above all, a current theoretical model has been built on extensive calls for research emerging from the domain of despotic leadership, moral identity and moral disengagement; thus, will contribute to the nascent domain of despotic leadership (Naseer at al., 2016)

#### 1.3 Problem Statement

Leadership style at workplace played pertinent role on subordinates' behaviours. Despotic leadership is seen in the literature with many factors like perceived politics, negative emotions, perception of teamwork engagement and leader-member exchange relationship (Naseer et al., 2016; Simoes, 2016). The current study is developed on unanswered questions picked from literature which refer the limited availability of literature in the domain of despotic leadership and employee attitude (moral disengagement ) and behaviours (Naseer et al., 2016) such as unethical behaviour, negative workplace gossip, greed, and retaliation. Moreover, limited support available form literature which studied the aforementioned consequences of despotic leadership, thus the present study going to fulfil this gap in the context of service sector organisations.

According to moral disengagement theory (Bandura, 1991), despotic leadership style violate the moral standards of employees in the organisation like moral disengagement. Moral disengagement will further lead to certain follower's outcomes such as unethical behaviour, negative workplace gossip, greed, retaliation. Thus, on the basis of moral disengagement theory (Bandura, 1991, 1999) present study aims to investigate the effect of despotic leadership on employee outcomes (unethical behaviour, negative workplace gossip, greed, retaliation) through moral disengagement, furthermore the moral identity buffer the relationship between despotic leadership and moral disengagement in such way if the moral identity of employee is high then the relationship between despotic leadership and moral disengagement will be weaker or vice versa.

# 1.4 Research questions

On the basis of extensive literature review the present study have following research questions:

- 1. Does despotic leadership affect moral disengagement s?
- 2. Does despotic leadership affect employee outcomes (unethical behaviour, negative workplace gossip, greed, retaliation)?
- 3. Does moral disengagement affect employee outcomes (unethical behaviour, negative workplace gossip, greed, retaliation)?
- 4. Does moral disengagement mediate the relationship between despotic leadership and employee outcomes (unethical behaviour, negative workplace gossip, greed, retaliation)?
- 5. How does moral identity acts as a moderate the relationship between despotic leadership and moral disengagement s?

6. Does moral identity moderate the indirect effect of despotic leadership and employee outcomes (unethical behaviour, negative workplace gossip, greed, retaliation) via moral disengagement?

# 1.5 Research Objectives

Following are the research objectives of the present study

- To investigate the effect of despotic leadership on follower outcomes (unethical behaviour, negative workplace gossip, greed, retaliation)
- 2. To analyse the effect of despotic leadership on moral disengagement.
- 3. To investigate the influence of moral disengagement and employee outcomes (unethical behaviour, negative workplace gossip, greed, retaliation).
- To analyse the mediating role of moral disengagement between despotic leadership and follower outcomes (unethical behaviour, negative workplace gossip greed, retaliation)
- To study moral identity as a moderator in the relationship between despotic leadership and moral disengagement.
- 6. To investigate the moderating role of moral identity in the indirect effect of despotic leadership and employee outcomes (unethical behaviour, negative workplace gossip, greed, retaliation) via moral disengagement.

#### 1.6 Significance of the study

#### 1.6.1 Theoretical significance

Moral disengagement theory (Bandura, 1986, 1991) to justify the aforementioned relationships of current study. All the individuals have their own moral standards, they feel self-condemnation and discomfort when these moral standards are violated (Bandura 1986, 1991, 1999). But when individuals disassociate their self from

the negative behaviours they may avoid the feelings of discomfort. Under the mechanism of moral disengagement theory employee easily rationalize their immoral and unethical behaviours. In general, to avoid the feeling of discomfort, individual avoid to violate their moral standards (Bandura et al. 1996). Festinger (1957) stated that when there is a difference/clash between employees moral standards and their behaviours, they may experience cognitive dissonance. Elliot and Devine (1994) claimed that people used dissonance-reduction strategies due to cognitive dissonance. Individual used moral disengagement as dissonance-reduction strategy in order to rationalise their unethical or immoral behaviours.

Moral disengagement theory (Bandura, 1986, 1991, 1999) has taken the interest of researchers for many years in organisational behaviour research due to its significance (Alnuaimi, Robert & Maruping, 2010; Bonner, Greenbaum & Mayer, 2016; Huang, Wellman, Ashford, Lee & Wang, 2017; Wang, Yang, Yang, Wang & Lei, 2017). Past studies explored the antecedents, consequences of moral disengagement and also described moral disengagement role as mediator and moderator, but as the current literature of moral disengagement still lacks the despotic leadership as an antecedent and employee outcomes (unethical behaviour, negative workplace gossip, greed, retaliation) as consequences. Thus, the current study proposed the comprehensive moderated mediated model to analyse the effect of despotic leadership on individual attitude and behaviours. Present research added the value in current literature in three ways: moral disengagement

The present study examined the indirect effect of moral disengagement in the relationship between despotic leadership on Employee outcomes (unethical behaviour, negative workplace gossip, greed, retaliation). Moral disengagement theory (Bandura

1986, 1991, 1999) stated that individuals have set personal moral standards and when these are violated then individual will engaged in immoral behaviours. So that if employee perceived that their supervisor adopted the despotic leadership style then their moral standard will violate so that they will be engaged in moral disengagement and furthermore, moral disengagement leads to further followers' outcomes such as unethical behaviour, negative workplace gossip, greed, retaliation. Thus, we offer an application of Bandura (1986, 1991,1999) moral disengagement theory to despotic leadership style within the organisations.

Present research would explain the employee's moral disengagement due to despotic leadership. The mediating role of moral disengagement between despotic leadership and individual outcomes will explain how and why despotic leadership make differences in employee's behaviours. Thus the mediating role of moral disengagement added the value in the current body of literature.

Present study explained the moderating role of moral identity between despotic leadership and moral disengagement. Thus moral identity also adding value in literature as a moderator between despotic leadership and moral disengagement.

In past researches despotic leadership studied with few outcomes like perceived organisational politics, organisational citizenship behaviour, creativity, personality traits, emotional exhaustion, emotions, ingratiation behaviour, job performance, workplace status, employee deviance and impression management (De clerq et al., 2019; Erkutlu & Chafra, 2018; Naseer et al., 2016; Rasool et al., 2019; Simoes, 2016). Therefore, the current research will signify the despotic leadership literature by studying the outcomes i.e. unethical behaviour, negative workplace gossip, greed and retaliation in the context of moral disengagement theory.

Present study have multiple contribution in the literature of despotic leadership and moral disengagement theory. First, it explains how despotic leadership contributes to employees immoral behaviour through moral disengagement. As to the author's best knowledge, no study has investigated aforementioned relationship drawing on moral disengagement theory, which is the most relevant for testing the aforementioned relationships (Bonner et al. 2016). Therefore, it tests unique mediating role of moral disengagement in the relationship between despotic leadership and immoral outcomes as it will add to the explanatory power of moral disengagement theory. Theoretical framework and results of the study will advance individual's understanding despotic leadership. Secondly, this study contributes by investigating the potential moderating role of moral identity between despotic leadership and moral disengagement. Further, this study will also investigate moderating role of moral identity in the aforementioned mediated relationships.

#### 1.6.2 Managerial Significance

The findings of present study aim to inform service sector managers about harmful consequences of despotic leadership on individual outcomes such as unethical behaviour, greed, negative workplace gossips and retaliation. Findings of the study aim to inform the service sector managers about the impact of despotic leadership on individual moral disengagement. And also this study intends to inform the managers about the impact of moral disengagement on individual outcomes such as negative workplace gossips, unethical behaviour, greed and retaliation. It intend to inform that how under despotic leader followers self-sectioning is deactivated and they are morally disengage and tilled towards immoral behaviour without having the feeling to guilt.

Furthermore, it helps the managers to understand the buffering role of moral identity within the organisations.

#### 1.6.3 Contextual Significance

Moral disengagement theory is widely acceptable and extensively studied to understand & justify employee immoral behaviours in western culture but it is needed to study moral disengagement theory in eastern culture (Alnuaimi, Robert & Maruping, 2010; Bonner, Greenbaum & Mayer, 2016; Huang, Wellman, Ashford, Lee & Wang, 2017). Also, despotic leadership literature scarce with limited evidence from Pakistan (De Clercq et al., 2018; De Clercq et al., 2019; Jahanzaib & Fatima, 2018; Naseer et al., 2016; Rasool et al., 2019). According to Hofstede (1984), Pakistan ranked high in power distance, so it means high distance and difference of powers between leader & followers. Which leads to yes boss culture where followers have no right to disobey the leaders demands. So that is why it is important to study despotic leadership (demand unquestioning obedience) which will strengthen the impact of despotic leadership on employee attitude and behaviours. Moreover, the present study will also be helpful to validate measurement of moral disengagement, greed, unethical behaviour, and moral identity in south Asian context.

#### 1.7 Proposed Research Model

Present study investigating the effect of despotic leadership on employee immoral behaviour (unethical behaviour, greed, negative workplace gossips and retaliation), effect of despotic leadership on moral disengagement, effect of moral disengagement on employee immoral behaviour (unethical behaviour, greed, negative workplace gossips and retaliation), indirect effect of moral disengagement in the relationship between despotic leadership and employee immoral behaviour (unethical

behaviour, greed, negative workplace gossips and retaliation), the relationship between despotic leadership and moral disengagement is moderated by moral identity and moderating role of moral identity in the relationship between despotic leadership and employee immoral behaviour (unethical behaviour, greed, negative workplace gossips and retaliation) through moral disengagement.

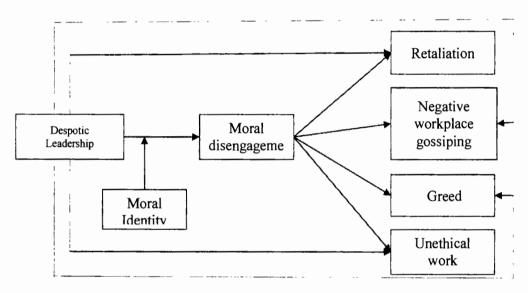


Figure 1.1 Proposed Research Model

#### 1.8 The organisation of the Study

The present study constituted it into five chapters. Chapter one is an introduction in which researcher discussed the background of the study in the first section, discuss research gap analysis in second section, discuss the problem statement in third section, described research questions in fourth section, described the research objectives in fifth section, discuss significance of the study in in sixth section, and also depicts the proposed model in seven section. Chapter two described the detail literature review, the first section discussed the despotic leadership in detail, the second section discussed the

effect of despotic leadership (independent variable) on employee outcomes (unethical behaviour, negative workplace gossip greed, retaliation) (dependent variable), the third section discus that how despotic leadership effect on moral disengagement, the fourth section discussed the mediating role of moral disengagement between despotic leadership and employee outcomes (unethical behaviour, negative workplace gossip greed, retaliation), the fifth section discuss that how moral identity moderate the relationship between despotic leadership and moral disengagement. Chapter three described the research method, research design discussed in the first section, population discussed in the second section, discussed the population, sampling techniques and sample size in section third, discussed the measurement tools section four and discussed the data analysis techniques in section five. Chapter four described the data analysis of the study, the first section discussed the data coding, respondents demographic explained in section two, data screening performed in section three, section four discussed the normality test, section five consisting of the control variables identification, correlation analysis performed in section six, section seven described the regression analysis for mediation and moderation, section eight discussed the results of moderated mediation, and section nine described the summary of results. Chapter five described the findings and discussion, section one explain the overview, major finding explained in section two, section three described the general discussion, limitation and future direction described in section four, section five explained the theoretical implications, section six discussed the managerial implication, section seven described the contextual implication, and section eight described the conclusion of the study.

#### 1.9 Definitions of the concepts

**Despotic Leadership:** Despotic leadership, "a leadership which is based on personal dominance and authoritarian behaviour that serves the self-interest of the leader, is self-aggrandizing and exploitative of others" (Aronson, 2001)

Moral disengagement: "An individual's propensity to evoke cognitions which restructure one's actions to appear less harmful, minimise one's understanding of responsibility for one's action, or attenuate the perception of the distress one causes others" (Bandura 1990, 1999, 2002).

**Moral Identity:** "The cognitive schema of a person of his or her moral character" (Aquino & Reed, 2002).

Unethical Behaviour: "A behaviour either illegal or morally unacceptable to the larger community" (Jones 1991).

**Greed**: "Selfish effort and implies that this selfish effort benefits one individual at the expense of another, as expressed by social undermining" (Crossley, 2009).

Employees Retaliation: "Negative behaviours used to punish the organization and its representatives in response to perceived unfairness" (Skarlicki & Folger, 1997).

**Negative workplace gossips:** "Informal and evaluative talk in an organization about another member of that organization who is not present" (Kurland & Pelled, 2000).

# CHAPTER 2 LITERATURE REVIEW AND THEORETICAL FRAMEWORK

The current section mainly focuses the key literature regarding the core constructs discussed in this research and the relationship among these construct. Furthermore this chapter discussed about the theory and logics behind the relationships of study variables. The evidence from literature is given below.

#### 2.1 Theory

#### 2.1.1 Moral disengagement Theory

Albert Bandura introduced the theory of moral disengagement as an extension of his more general social cognitive theory (Bandura, 1986). Under social cognitive theory mechanism employees/individuals, self-regulation abilities are working properly because through self-condemnation employees transgressive behaviours deterred, individuals engaged in these type of behaviours in situations when they faced the conflicts with their internalized moral standards. But the latest development of Albert Bandura (i.e. moral disengagement theory) described that by using the moral disengagement mechanisms individuals justified their transgressive behaviours and explain how the self-regulatory process of individual can leads to failure under certain situations (Bandura, 1986, 1990a, 1990b, 1999, 2002). Moral disengagement mechanism explained that how individuals engaged in immoral/unethical actions i.e. Aggression (Wang, Lei, Yang, Gao, & Zhao, 2017; Wang, Yang, Yang, Gao, Zhao, Xie, & Lei, 2018), cyber bulling (Wang, Yang, Yang, Wang, & Lei, 2017), deviance (Huang, Wellman, Ashford, Lee, & Wang, 2017),

Bandura proposed that moral disengagement is set of three groups with eight distinct practices which are "moral justification, euphemistic labelling, advantageous comparison, displacement, diffusion of responsibility, distortion of consequences,

dehumanization, and the attribution of blame" (Bandura, 1999, p 194). The first group of moral disengagement theory served for the restricting of unethical behaviours by convincing himself/herself that actions appear to be less harmful. Aguino et al., (2007) described that under the mechanism of moral justification mechanism employees convince themselves that the unethical behaviour actually serves as a means to a moral end. Such as "It is alright to fly off the handle to protect your friends". Moore, (2008) inferred that when customer sales representative in order to protect the organisational image, intentionally withhold the negative information about the organisation's products/services. The second mechanism of the first group is euphemistic labelling, in which individuals tried to make the act less harmful by communicating in unbiased language as compare to language which is morally charged. In this mechanism boss and subordinates feel ease, because boss used neutral language rather than morally charged language i.e. supervisor may ask their followers to "just sign my name" on a document rather than "just forge my name" and "Slapping and shoving someone is just a way of joking". The third mechanism of the first group is an advantageous comparison, under this mechanism individual compared their an unethical action/behaviour with other's actions which are more harmful, individuals convinced themselves that they choose less harmful act in response i.e. "Damaging some property is no big deal when you consider that others are beating people up". These mechanisms of moral disengagement hamper the moral implications of an individual's unethical behaviours (Bandura 1986), thus under moral disengagement mechanism, individuals feel more comfortable for their unethical behaviours.

Under the mechanism of moral disengagement second group, people intentionally keep the distance from the unjust or unethical work behaviour and distort

the harmful consequences of unethical behaviours. According to Bandura (1986, 1999) under the mechanism displacement of responsibility individuals believe that others (peers, supervisor, organisations or someone else) are responsible for the unethical or unjust consequences. Such as "If youth are living under bad conditions in their neighbourhood they cannot be blamed for behaving aggressively". Past studies provide the evidence for obedience to authority by conducting the study in which participants were willing to perform unethical or unjust behaviour with others simply based on a supervisor or organisational leader instruction (Milgram & van Gasteren, 1974). Means the participants were performed unethical or unjust behaviour only based on a supervisor or organisational leader instructions or request rather than their own behaviour. Trevino et al. (1999) stated that unquestioning obedience positively leads to unethical behaviours. Under diffusion of responsibility, individual believe that the unethical or unjust act is attributed to many individuals and no one is personally responsible for the unjust or unethical act. Such as "A member of a group should not he blamed for trouble the group causes" Past studies stated that "Where everyone is responsible no one is really responsible" (Bandura, 1999, p, 198). The third principle of the second group is a distortion of consequences, according to Bandura (1986) under this mechanism individuals focused on the benefits of unethical or unjust behaviour and they just the ignore the harms of unethical work behaviours. Such as "it is not serious to tell small lies because they don't hurt anybody". Generally, the second group of moral disengagement theory minimize the individuals' roles regarding their unethical or unjust act.

The third group of moral disengagement comprises of dehumanization and attribution of blame. Moore et al., (2012) stated that under dehumanisation mechanism

individuals treat the victims unworthy and just ignore the victims at the workplace. Such as "Some people deserve to be treated like animals". Bandura et al. (1975) stated that individuals more probably penalise dehumanized victims rather than humanized victims. The second part of this group is attribution of blame, according to this individuals directly blame the victims for unjust or unethical treatment by saying that victims deserved that type of treatment. Such as "If people fight and misbehave in school or at work it is their teacher' s/superior's fault" Trevino and Nelson (2011) stated that individuals blame the victims for unethical treatment by "saying deserve what they get" or "it's their own fault". Hence, the overall eight mechanisms of moral disengagement help perpetrator's in reducing discomfort for unethical behaviours/treatment to manage by stating that victims deserve and responsible for the unethical treatment.

The first category of moral disengagement (moral justification, euphemistic labelling and advantageous comparison) increase the acceptability of perpetrator's unethical or unjust treatment with the help of moral cognition. The second category of moral disengagement (displacement of responsibility, diffusion of responsibility and distortion of consequences) used by perpetrators to distort the consequences of his or her unethical or unjust treatment. The third category of moral disengagement (dehumanization and attribution of blame) will be activated when individuals get rid of self-sanctions by decreasing their cognitions to the victim (Bandura, 1999).

#### 2.2 Despotic Leadership

According to Aronson, (2001), despotic leader based on personal dominance have authoritarian style and serves for self-interest, self-aggrandizing and exploitative

the followers (Aronson, 2001). Despotic leaders have explicit leadership style by being demanding, controlling and behaving callously and selfishly towards their subordinates, also require unquestioning obedience from subordinates (Schilling, 2009). Despotic leaders have low ethical standards and morally corrupt (De Hoogh & Den Hartog, 2008). Naseer et al., (2016) stated that despotic leaders develop high power distance with their subordinates and solidifying their power over subordinates.

Past literature conjectured that despotic leaders are different from the other dark leadership constructs for example; petty tyranny, because petty tyrants work for the achievements of organisational goals and objectives, while despotic leaders worked only for self-interest (Nasseer et al, 2016). Despotic leaders are domineering, controlling, and vengeful (Bass, 1990; House & Howell, 1992; Howell & Avolio, 1992; McClelland, 1975). Past studies define personalized charismatic leadership *leadership* which (a) is based on personal dominance and authoritarian behaviour, (b) serves the self-interest of the leader and is self-aggrandizing and (c) is exploitive of others (McClelland, 1975).

Schilling (2009) stated that despotic leaders more status-oriented, behave authoritatively and demand obedience in the form of different styles i.e. authoritarian leadership, giving orders, acting dictatorially. Therefore, despotic leader establishes high power distance relationship with followers and also ensure their authority. Tepper, (2000) defined abusive supervision as "subordinates perceptions of the extent to which their supervisors engage in a sustained display of hostile verbal and nonverbal behaviours, excluding physical contact" (p. 178).

#### 2.3 Despotic Leadership and Employee Outcomes

#### 2.3.1 Despotic Leadership and Unethical Behaviour

Unethical behaviour defined as "either illegal or morally unacceptable to the larger community" (Jones 1991, p 367). Past studies reported that ethical behaviour is used broadly both behaviours i.e. unethical behaviours (opposed the societal moral standards i.e. cheating, harassment, lying, stealing) and ethical behaviours (fulfil the societal moral standards i.e. honesty, respectfully treat others) (Jennings et al. 2015; Trevino et al. 2014).

Many researcher investigated the impact of dark side leadership like abusive supervision on workplace deviance (Eissa, Lester, & Gupta, 2019; Park, Hoobler, Wu, Liden, Hu, & Wilson, 2017; Valle, Kacmar, Zivnuska, & Harting, 2019), counterproductive work behaviour (An, & Wang, 2016).

That is why from the last two decades organisational leaders bad or unethical acts cannot be seen in the light of his/her unethical personal character. Unethical behaviours at the workplace simply are products/consequences of bad apples within the organisations. In 2013 Ethics Resource Centre from the United States conducted the National Business Ethics Survey (NBES) of 4600 employees and found that 41% of employees reported misconduct at the workplace (Ethics Resource Centre 2014). Hence, these type of surveys highlighted that organisational practices may be at fault (Harris & Bromiley 2007; Kish-Gephart et al. 2010). Many research's concluded that the people are more likely to engage in immoral or unethical behaviour if they perceive that they are treated unfairly (Cugueró-Escofet, & Rosanas, 2017; Schmitz, 2018), so when the individuals perceive despotic leadership style then they are more likely to engage in immoral/unethical behaviours.

Similarly, past researches stated that ethical style of leadership is negatively related to unethical behaviour i.e. counterproductive behaviours or workplace deviance (Thiel, Hardy, Peterson, Welsh, & Bonner, 2018). Despotic leaders shape and integrate the employee's behaviour within the organisations through the creation of norms of behaviour that will lead to an individual's unethical behaviour. According to moral disengagement theory (Bundara, 1991, 1999) moral disengagement can occur via three processes: 1) reconstructing the behaviour and obscuring personal responsibility, 2) disregarding the consequences of the negative behaviour, and 3) blaming or devaluing the victim. Bandura (1999) stated that individuals did not involve in unethical conduct until they justified that their actions are right. According to moral disengagement, employees viewed that basically their actions are stemming from their supervisor (despotic leader) dictations and they avoid the feelings of guilt as they are not an agent of their conducts/actions(Bandura, 1999). And when the leader is despotic then individuals involve in unethical behaviour and they justified their behaviour through the mechanism of moral disengagement theory (Bandura, 1999). On the basis of the above literature, it is thus hypothesized that:

H1a: Despotic Leadership is positively related to unethical behaviour

#### 2.3.2 Despotic Leadership and Negative Workplace Gossips

According to Grosser, Lopez-Kidwell and Labianca, (2010) individual engaged in gossip universally in an organisational setting. Past studies show that almost 70 % of employees and organisation management discussion revolve around gossips at the workplace (Emler, 1994; Dunbar, 2004). Recently, many past studies highlight the existence and importance of gossips at workplace (Kuo, Wu, & Lin, 2018; Naseer,

Bouckenooghe, Syed, Khan, & Qazi, 2019; Wu, Kwan, Wu, & Ma, 2018). Workplace gossip is defined as "informal and evaluative talk (positive and negative) in an organization about another member of that organization who is not present" (Kurland & Pelled, 2000, p.429). Negative content featured as negative workplace gossips (Burke & Wise, 2003). Chandra and Robinson (2009) define workplace negative gossip as "the discussion of a co-worker's personal information or the spreading of rumours behind his or her back (e.g., discussing a colleague's poor performance)".

Bies and Tripp, (1996) conducted a qualitative study based on an in-depth interview of ninety respondents who are MBA students and doing the job, results reveal that individuals engaged in badmouthing the supervisor and harming the reputation when managers had violated individuals trust. According to Tucker (1993) 50 % of employees mistreated by their supervisors at the workplace and they shared their grief with peers and among them, 29% of employees have a direct confrontation with their supervisors.

On the basis of these arguments, it seems apparent that individuals sometimes opt for indirect ways of getting even with the leaders due to their mistreatment and thus adopt indirect deviant behaviours such as gossips. Past research provides some evidence that negative leadership positively relates to gossips. For example, Kuo et al., (2015) investigated the relationship between abusive supervision and negative workplace gossips. They stated that under abusive supervision employees have a sense of incongruence between organisation and employees which leads to gossip behaviours at the workplace. Past studies show that gossips flourished in coalition triads' nature organisation settings, under coalition triads network the sender and receiver of gossips

have a positive relationship with each other but they have the negative association with target of gossiping (Wittek & Wielers, 1998).

As despotic leadership causes stress and disappointment, the employees may use gossip to cope with their negative emotions and feelings against their organisations. Also, on the basis of moral disengagement theory (Bandura, 1999) negative behaviour not through an impaired understanding of societal standards of right and wrong, but rather via cognitive processes that allow the individual to justify or rationalize his or her negative actions. According to displaced responsibility, under the mechanism of moral disengagement theory, individually do not personally responsible for their actions because their actions are stemming from authority dictation (Bandura, 1999). So, based on above literature and arguments, hypothesized that:

H1b: Despotic Leadership is positively related to negative workplace gossips

#### 2.3.3 Despotic Leadership and Greed

Greed is an important aspect of social life, yet did not gain much attention in organizational literature (Haynes, Hitt, & Campbell, 2015. The core of greed lies in "the desire to acquire more and the dissatisfaction of never having enough" (Seuntjens, Zeelenberg, Breugelmans, & Van de Ven, 2015, p 14). Recently, researchers highlighted the antecedents and consequences of greed in marketing (Krekels, 2015) and management (Lambie, & Haugen, 2019; Seuntjens, et al., 2016; Seuntjens, et al., 2019). Patrick, Fowles, nad Krueger, (2009) stated that greedy behaviour is cruel and insensitive when it comes at the expense of others. Mussel and Hewig, (2016) found greed have a positive correlation with the dimension of meanness i.e. rebelliousness, empowerment through cruelty, deficient empathy and exploitativeness. Wilke (1991)

stated that greedy behaviours were attenuated by fairness and/or efficiency, additionally, later empirical studies also show that desire for efficiency and fairness limit the greedy behaviours at the workplace (Eek & Biel, 2003).

Literature treatment of greed referred to as "exploitation is implied and inherent in greed" (Anderson, 2014, p 15.), yet rarely expressed or stated. Past studies have paid very less attention to the antecedents of greed (Gilliand & Anderson, 2011). Yet, some evidence from mistreatment literature as an antecedent to greed exists, for example, Crossley (2010) argued and found greed to be an important reaction of social undermining, and also stated that the perceptions of greed among followers might be related with feelings of exploitation. Past studies stated that immorality and exploitative qualities lead the individuals enforce for greed (Stigler, 1981).

Also, on the basis of moral disengagement theory (Bandura, 1991,1999) individual did not involve themselves in the immoral act until and unless they have the justification of their actions. Thus, when the leader is despotic and exploits the followers then they are likely to behave in greedy way just to justify the exploitative behaviour of despotic leader. On the basis of the above arguments, it is thus hypothesized that:

H1c: Despotic Leadership is positively related to greed

#### 2.3.4 Despotic Leadership and Retaliation

Past studies found that subordinates behave in retaliatory under supervisor rudeness (Han, Kim, & Hur, 2019; Potipiroon, & Ford, 2019). By retaliatory behaviours, we refer to "negative behaviours used to punish the organization and its representatives in response to perceived unfairness" (Skarlicki & Folger, 1997). When a subordinate is the target of despotic leader then subordinate in high power distance

countries are unable to retaliate in a similar fashion toward the despotic leader. Recently, studies found that abusive supervision positively related with supervisor-directed deviance and aggression (Park, Hoobler, Wu, Liden, Hu, & Wilson, 2017; Valle et al., 2019). Leaders have a great influence on followers' lives and leaders also shapes their followers experience by assigning tasks, during interpersonal interaction and the way he/she allocate the resources.

Individuals who are treated unfairly by a supervisor might retaliate against the organization that their supervisor represents (Ambrose, Seabright, & Schminke, 2002), which might also prevent a cycle of "tit for tat" with an unfair supervisor (Aquino, Lewis, & Bradfield, 1999). When employees perceived unfairness from supervisor such as supervisor rude refusal on the request resource-related help (i.e. need additional material resources). According to past studies perception of supervisor unfairness positively related to retaliatory behaviours of followers (Skarlicki & Folger, 1997; Skarlicki et al., 1999). Management researchers also found that under the dark side of leadership i.e. public humiliation, anger outburst and hostile behaviour (verbal and nonverbal) followers behaved retaliatory (Eissa, et al., 2019; Valle et al., 2019). Moreover, from the lens of moral disengagement theory (Bandura, 1999) most people are guided by personal standards of ethical behaviour and when these standards are violated by the leader then followers engaged in negative work behaviour like retaliation. According to displaced responsibility, under the mechanism of moral disengagement theory, individually do not personally responsible for their actions because they are just performing their duties which dictate by the authority (Bandura, 1999). Therefore, it can be proposed that:

H1d: Despotic Leadership is positively related to retaliation

#### 2.4 Despotic Leadership and Moral disengagement

Dark leaders such as unethical leaders have been found to often use legitimate authority to influence follower moral disengagement (Johnson, 2014). Bandura (2001) defined moral disengagement as "the self-regulatory process at which moral control can be disengaged from censurable conduct". Moral disengagement describes four domains under which eight mechanisms of disengagement occur (Obermann, 2010; Pornari & Wood, 2010). Bandura, Barbaranelli and Caprara (1996) stated that individual used different methods of moral disengagement in order to avoid the feeling of guilt.

According to Prottas, (2008) the perceived behaviours of leader seemed to be better predictors of employees behaviours than the employee own beliefs. Moreover, the organisational moral atmosphere also influenced by the leadership styles (Johnson, 2016). Despotic leadership have been found to generate negative outcomes like perceived organisational politics, low organisational citizenship behaviour, low creativity, negative emotions (House & Howell, 1992; De Hoogh & Den Hartog, 2008; Naseer et al., 2016; Simoes, 2016).

Also, Gardner (1990) argued that some leader acts as a wrongdoer and violate the moral standards of followers by their demands. So despotic leader can influence on followers moral disengagement—via his unethical demands. It is likely that the leader despotic behaviour limits employees independent thinking regarding what is morally acceptable, and combined with the social support to carry out strategic and potentially immoral actions. So on the basis of the above arguments, we proposed that

#### H2: Despotic Leadership is positively related to moral disengagement

#### 2.5 Moral disengagement and Individual Outcomes

#### 2.5.1 Moral disengagement and Unethical Behaviour

Bandura (1999) argued that individuals' actions behaved according to their selfstandards of ethics. When individuals' self-standards are activated than these standards guide and shape their ethical/moral behaviours and prevent the unethical behaviours. So that is why ethical behaviours are regulated mostly through anticipatory selfsanctions that keep behaviour in line with personal standards and help the individual avoid unethical behaviour that would lead to self-censure (Bandura, 1999). Bandura (1999) proposed with the help of moral disengagement process individuals often disengage these self-regulatory. Because when individuals violate the self-standards of ethics then the moral disengagement process helps them to avoid the feelings of guilt and they behave unethically. Bandura (1986) suggested three main categories of moral disengagement mechanism: first category consisted on moral justification, euphemistic labelling, and advantageous comparison which increased the acceptability of unethical or immoral act through moral cognition; second category diminishing the ones role in unethical or immoral act through displacement of responsibility, diffusion of responsibility and distortion of consequences, third category focus on the victims of unethical or immoral behaviours with the help of dehumanization and attribution of blame. According to Moore (2008) with the help of early mechanisms of moral disengagement organisational leader may initiate the immoral or unethical acts, then through continuous moral disengagement process organisational leader maintains the unethical acts by inhibition of moral awareness, and then organisational leader deliberately or unintentionally distribute the reward among perpetuate for immoral or unethical behaviours. Moral disengagement offers a mechanism by which otherwise

moral individuals can engage in unethical decisions or behaviours. Briefly, moral disengagement allows individuals to selectively and temporarily disengage internal moral standards that would typically inhibit unethical decisions (Bandura, 1999). Thus, we reason that moral disengagement can affect followers' unethical behaviours. So we can also assume that moral disengagement also motivates unethical behaviour. According to moral disengagement (Bandura, 1991, 1999) offers a mechanism by which otherwise moral individuals can engage in unethical decisions or behaviors. Hence we proposed that

H3a: Moral disengagement s is positively related to unethical Behaviour

#### 2.5.2 Moral disengagement s and Negative Workplace Gossips

Gossip, as a type of informal social interaction, is deemed universal and pervasive nature (Melwani, 2012). Existing empirical research on gossip has tended to focus on its antecedents, exploring the motivations behind this behaviour (Beersma & Van Kleef, 2011) as well as the dispositional traits that predict who engages in it (Jaeger, Skleder, Rind & Rosnow, 1994; Nevo, Nevo & Derech-Zahavi, 1994; Watson, 2011). Much of the past research on gossip has originated from a moral perspective. Morally, numerous social and cultural sanctions against gossip, including the fact that nearly all the world religions indicate that gossip should be avoided, highlight a view of gossip that views it as morally wrong and destructive (Melwani, 2012). However, gossip is often also driven by affective reactions that arise from targets' defiance of or adherence to group-based moral norms and standards (Baumeister, et al, 2004). For instance, a person may feel contemptuous or disgusted when confronted by an immoral

act (Rozin, Imada, Lowery & Haidt, 1999). Group members norm-violation can be costly if it is not backed by other group members (Lazega & Krackhardt, 2000).

Aquino and Thau, (2009) when social norms established and if any employees violate the social norms then mostly they are the object of negative gossips by those who actually want to enforce these social norms. With the help of moral disengagement mechanism gossipier can gain the benefits and spread negative gossip. Wu, Birtch, Chiang and Zhang (2016) argued that individuals interpret the negative events based on environmental cues and availability of negative information i.e. negative workplace gossips thus lending support that moral disengagement can affect workplace gossips. With the help of morally disengaged mechanism employee neutralise their feelings of guilt and reasonably act negatively (Perren & Gutzwiller-Helfenfinger, 2012).

Based on the literature, Menesini, Palladino & Nocentini, (2015, p.126) define moral disengagement as a "multicomponent construct where cognitive reasoning and emotional reactions reciprocally interact in predicting moral behaviour". Waddington & Fletcher (2005) investigated the gossips and emotions among nurses and health care organisations employees and the results revealed that with the help of gossips individual manage their emotions. So we can assume that gossip can be used full in moral disengagement mechanism.

Also, on the basis of moral disengagement theory (Bandura, 1991,1999) individuals acted negatively only when they have the proper justification for their actions. According to moral disengagement, diffusion of responsibility occurs when people believe that everyone engages in reprehensible conduct, thus, individual who is morally disengaged are likely to engage more in gossiping due to lack of self-accountability (Bandura 1986, 1999). So, the above literature helps to hypothesize that:

#### 2.5.3 Moral disengagement s and Greed

Moral disengagement has been positively correlated with dysfunctional and delinquent conduct (Kiriakidis, 2008). Moral disengagement is the cognitive processes utilized in justifying and explaining behaviour that otherwise contradicts one's moral beliefs. Moral disengagement has a positive correlation with aggressiveness overall (Bandura, 1999; Bandura et al., 1996a) specifically with cyberbullying (Pornari & Wood, 2010). Past studies explained the role of moral disengagement in the relationship between a role model and negative behaviours of followers (Fida, Tramontano, Paciello, Ghezzi, & Barbaranelli, 2018; Moore et al., 2019; Valle, et al., 2019). Greedy individuals might justify the rightness of their actions by the instrumental value that their behaviour has for obtaining desired goods, whereby shared norms, moral standards, rules, and laws are qualified (Mussel & Hewig, 2016).

Mussel and Hewig, (2016) characterised the greedy behaviour as individual behaviours by taking control of all (or maximum) resources for himself at the other individual's efforts and expenses. Cozzolino, Staples, Meyers, and Samboceti, (2004) described greedy behaviours as behaviour that violate the norms shared (e.g. equality and fairness) by organisational members, groups and teams. In the light of aforementioned literature, greed has been defined as "excessively self-interested behaviour that goes against prevailing norms" (Wang & Murnighan, 2011, p. 300), and "as unfair behaviour, harming the rules of competition" (Bruhn & Lowrey, 2012).

Greed, viewed as a desire to get more resources at the cost of others (Mussel & Hewig, 2016), reflects that individuals strive for the excessive desired. Mussel and

Hewig (2016) stated greed is not good from a moral perspective. This direct the attention that individuals exhibit greedy behaviour in the presence of moral disengagement. Bandura's (1986) assertion that when individuals self-regulatory process is deactivated then they male unethical decisions and behaved immorally by using different mechanisms of moral disengagement.

Menesini, Palladino & Nocentini, (2015) described that moral disengagement mechanism comprised of emotional reactions and cognitive reasoning. Bandura (1986) described that individuals engaged in unethical behaviours without the feelings of guilt with the help of moral disengagement mechanism, so individuals engaged in greedy behaviours without having feelings of guilt through moral disengagement practices. According to moral disengagement, distortion of the consequences individual focus in the benefit associated with negative behaviours like greed without apparent guilt or self-censure (Bandura 1986, 1999). Thus on the basis of moral disengagement theory, it seems plausible that individual is likely to portray more greedy behaviours when that are high on moral disengagement. On the basis of the above argumentation, it is thus hypothesized that:

H3c: Moral disengagement is positively related to Greed

#### 2.5.4 Moral disengagement s and Retaliation

Bandura et al., (1996) individuals justified their deviant conduct with the help of moral disengagement mechanisms. By using the moral disengagement mechanism employees feel free from psychological feelings of discomfort (e.g. guilt) while performing deviant acts such as retaliation. Retaliatory behaviours referred to as

"negative behaviours used to punish the organization and its representatives in response to perceived mistreatment and/or unfairness" (Skarlicki & Folger, 1997).

Menesini et al., (2015) define moral disengagement as a mechanism which includes cognitive reasoning and emotional reactions. Sumanth et al. (2011) investigated the effect of moral emotions on employee retaliation and results revealed that moral emotions have a significant effect on employee retaliation. Thus giving indirect evidence that those having high moral disengagement are likely to result in increased retaliation, as the absence of moral engagement is likely to evoke moral disengagement which is likely to trigger the retaliation against organizations and its members.

Also, according to Bandura (1999), employees do not perform reprehensible conduct (retaliation) until and unless the justified the rightness of their behaviours or acts when they morally justified than their reprehensible conducts perceived as socially and personally acceptable behaviours. According to moral disengagement, displacement of responsibility individual justifies that negative behaviour like retaliation comes through the unethical demands from the supervisor (Bandura 1986, 1999). Those rating high on moral disengagement thus do not feel themselves to be accountable for any aggression or negative reaction and are likely to respond in an aggressive manner. Thus, on the basis of the above arguments, it is hypothesized that:

#### H3d: Moral disengagement is positively related to retaliation

#### 2.6 Mediating Role of Moral disengagement

Aforementioned literature described the relationship between despotic leadership and employee outcomes, additionally, also justified the relationship between

despotic leadership and moral disengagement, and furthermore, also described the relationship moral disengagement and individual outcomes. The mediating role of moral disengagement in the relationship despotic leadership and individual outcomes can be explained through moral disengagement theory.

Bandura (1990a, 1990b) suggested that individuals moral self-regulation can be deactivated or disengaged via eight interrelated moral disengagement mechanisms: advantageous comparison, euphemistic labelling, moral justification, displacement of responsibility, disregarding or distorting the consequences, diffusion of responsibility, dehumanization and attribution of blame.

Gardner (1990) explained that there are some leaders who are transgressors who violate our moral standards in their leadership roles. So leader can influence on followers moral disengagement via his unethical demands. It is likely that the leader despotic behaviour restricts followers thinking regarding morally acceptable actions, which leads to individuals immoral or unjust behaviours.

According to Moore (2008) with the help of early mechanisms of moral disengagement organisational leader may initiate the immoral or unethical acts, then through continuous moral disengagement process organisational leader maintains the unethical acts by inhibition of moral awareness, and then organisational leader deliberately or unintentionally distribute the reward among perpetuate for immoral or unethical behaviours. Moral disengagement offers a mechanism by which otherwise moral individuals can engage in unethical decisions or behaviours. Briefly, moral disengagement allows individuals to selectively and temporarily disengage internal moral standards that would typically inhibit unethical decisions (Bandura, 1999).

Morally, numerous social and cultural sanctions against gossip, including the fact that nearly all the world religions indicate that gossip should be avoided, highlight a view of gossip that views it as morally wrong and destructive (Melwani, 2012). However, gossip is often also driven by affective reactions that arise from targets' defiance of or adherence to group-based moral norms and standards (Baumeister, et al, 2004). For instance, a person may feel contemptuous or disgusted when confronted by an immoral act (Rozin, Imada, Lowery & Haidt, 1999). But according to moral disengagement theory (Bandura, 1991, 1999) individual try to justify their behaviour under moral disengagement theory mechanisms.

Greed, viewed as an individual craving to get more resources/benefits at all cost (Mussel & Hewig, 2016). Mussel and Hewig (2016) stated greed is not good from a moral perspective. This direct the attention that individuals exhibit greedy behaviour in the presence of moral disengagement. Accordingng to bandura's (1986) individuals make bad decisions and behaved unethically under self-regulatory process with the help of moral disengagement mechanisms.

Also, according to Bandura (1999), employees do not perform reprehensible conduct (retaliation) until and unless the justified the rightness of their behaviours or acts when they morally justified than their reprehensible conducts perceived as socially and personally acceptable behaviours. Those rating high on moral disengagement thus do not feel themselves to be accountable for any aggression or negative reaction and are likely to respond in an aggressive manner.

Past research has somehow examined the mediating role of moral disengagement between organizational and induvial related constructs. For example, Sijtsema, Garofalo, Jansen1 and Klimstra, (2019) found that the relationship between

dark triad and antisocial behaviours is mediated by moral disengagement. Valle, Kacmar, Zivnuska and Harting (2018) found that the relationship between abusive supervision and organisational deviance is mediated by moral disengagement. Seriki, Nath, Ingene, and Evans, (2018) also confirmed the mediating role of moral disengagement in the relationship between complexity and counterproductive behaviour of salesperson. Zhang, Li, Liu, Han, and Muhammad, (2018) confirmed the mediating role of moral disengagement in the relationship between narcissistic supervision and employees' organizational deviance.

The literature presented that the eight distinctive cognitive processes/practices of moral disengagement operate as a single overarching construct of moral disengagement to provide the justification of destructive behaviours i.e. aggression or deviance (Bandura et al., 2001; Moore et al., 2019; Sriki et al., 2018). Moore et al., (2019) found that moral disengagement mediates the relationship between ethical leadership and employee outcomes (counterproductive behaviours and unethical behaviours).

Moral disengagement mediates the relationship between despotic leadership and employees outcomes in various ways. First, when the leader behaved in despotic ways (egotistically, self-interest, morally corrupt and demand unquestioned obedience) then followers are likely to morally disengage, perhaps they use moral justification or a "tit for tat" rationale to justify their subsequent unethical and retaliatory behaviours.

Second, moral disengagement is a process which occur after the experience of specific behavior over time (Moore, 2015) so it is a cognitive mechanism (Bandura, 1986, 1999) through which individuals justify their subsequent behaviour such as negative workplace gossips and greed with the help of distortion of consequences and

to give themselves permission to do so. Therefore when employee experienced despotic behaviour from supervisory side then his/her cognitive process of moral disengagement (i.e. distortion of consequences) will activate, and this disengagement allow him or her to engage in negative workplace gossips and greed.

Third, followers may engage in moral disengagement process after experiencing despotic leadership and behave unethically and retaliatory ways because those followers justify their morally violating behaviours holding belief like "it is alright to fight when your honor is threatened" or "employee who get mistreated usually do things that deserve it" (two items from Bandura's Moral disengagement scale).

Fourth, leader is the role model for employee and shape the employee behaviour at workplace, so when leader behave in despotic way (morally corrupt) behave in morally disengaged ways then the followers with higher financial motives are likely to disengage (i.e. diffusion or displacement of responsibility). They behave in greedy manners, and may ignore harmful consequences(disregarding or distorting consequences).

Fifth, Kunda (1990) argued that "people are likely to arrive to conclusions that they want to arrive at, but their ability to do so is constrained by their ability to construct seemingly reasonable justifications for these conclusions" (p. 480). Therefore, before behaving unethical way, individuals need to bypass the organisational moral rules which are commonly accepted through moral disengagement. Hence, the when leader behave despotic ways then followers self-regulatory mechanism is not activated that is why followers may experience unethical and retaliatory behaviour in the result of despotic leadership.

Sixth, (Bandura, 1999b) argued that the moral disengagement is consistent with "dynamic disposition". Past studies reported that individuals have higher tendencies of morally disengage when they feel pressurised (Hodge & Lonsdale, 2011), and they behaved in self-serving ways without focusing on the consequences (Kish-Gephart, Detert, Treviño, Baker, & Martin, 2014). Therefore, when despotic leader undermine and pressurize the followers then they tend to morally disengage and engaged in derogatory behaviours (retaliation, negative workplace gossips, greed and unethical behaviour). Thus, according to moral disengagement theory (Bandura, 1999), despotic leadership as a negative workplace stressor may trigger moral disengagement, which in turn lead to behavioural outcomes such as unethical workplace behaviour, greed, negative workplace gossips and retaliation. So on the basis of the above arguments, we proposed that

H4a: Moral disengagement mediates the relationship between despotic leadership and unethical behaviour.

H4b: Moral disengagement mediates the relationship between despotic leadership and negative workplace gossips.

H4c: Moral disengagement mediates the relationship between despotic leadership and greed.

H4d: Moral disengagement mediates the relationship between despotic leadership and retaliation.

### 2.7 Moderating Role of Moral Identity in the Relationship between Despotic Leadership and Moral disengagement

Present study moral identity conceptualised as the identity that individuals used as a source for self-definition. Moral personality shaped when individuals construct their identities on moral ground and also a moral commitment for their self-definition (Blasi, 1980). Past studies described that moral identity as a cognitive schema of individuals of their moral character (Aquino & Reed, 2002; Blasi, 1980). Under moral identity, individuals identify being a moral person have a significant effect on individuals identity. According to past studies moral identity is a source of moral motivation and ethical behaviours (Hertz & Krettenauer, 2016; Hu, & Jiang, 2018; Sanders, Wisse, Van Yperen, & Rus, 2018). Moral identity of an individual varies from person to person and activated by situational factors (Aquino, et al., 2009; Kavussanu, Stanger & Ring, 2015; Xu, & Ma, 2016). Moral cues activated the moral identity and will leads to moral behaviors (Xu, & Ma, 2016), job satisfaction (Singhapakdi, Lee, Sirgy, Roh, Senasu, & Grace, 2019), ethical behaviours (Sanders et al., 2018), unethical pro-organisational behaviours (Keem, Shalley, Kim, & Jeong, 2018; Wang, Long, Zhang, & He, 2018).

According to past studies, moral identity of an individual is a combination of his/her goals, moral values and traits (Aquino & Reed, 2002), which forced him to engage in moral disengagement process. Individuals with high moral identity behave morally according to their moral self-schema to avoid their self-condemnation as compared to individuals with low moral identity how should not feel obliged and also engaged in unethical/immoral behaviours. Aquino et al. (2009) used five studies for moral identity that interacts with situations to influence moral behaviour. Past studies

concluded that the moral behaviour of a high moral identity individual was not affected by situational factors but immoral behaviour was affected by situational factors (Aquino et al., 2009). So only immoral outcomes (dishonesty) of high moral identity individuals affected by situational factors.

According to literature, moral identity has two main dimensions internalization and symbolization (Aquino & Reed, 2002). Individual with high moral identity (internalization) influenced by the moral information they received over a period of time (Aquino et al., 2009). Moral identity internalization of an individual is associated with individual moral characteristics and it represents the employees' internal and personal dimensions. Employees with low moral identity internalization were not behaved immorally but their internal processing speed is not as fast as the employee with high moral identity internalization (Aquino & Reed, 2002). But on the other hand moral identity symbolization is related to convey to society that employees display moral behaviours and they want to get recognition from others (Winterich, Mittal & Aquino, 2013), and it also represents the employee's public dimension. After getting recognition individual with low moral identity internalization and high moral identity symbolization display prosocial behaviours symbolization (Winterich, Aguino, Mittal & Swartz, 2013). Individuals with high moral identity symbolization convey their moral identity to other society members through their moral behaviours (i.e. by discussing their thoughts and moral goals).

Literature reported that individual with high moral identity is less likely to engage in antisocial behaviours, they always engaged in prosocial behaviours (Hertz & Krettenauer, 2016). Teng et al., (2017) investigated the moderating role of moral identity in the relationship between violent video games and moral disengagement.

Moore et al., (2019) found that the ethical leadership and moral disengagement relationship is buffered by moral identity at different levels. Zhang et al., (2018) found that moral identity moderates the relationship between perceived narcissistic supervision and moral disengagement. However, situations within organizations may not be supportive of moral identity and moral action.

Teng et al., (2017) investigated the moderating role of moral identity in the relationship between violent video games and moral disengagement. However, situations within organizations may not be supportive of moral identity and moral action. Past studies reported that moral identity can render the moral disengagement mechanism (Hardy et al., 2015; Moore et al., 2019; Zhang et al., 2018). This evidence thus helps current study to build on moral disengagement theory that, individuals when facing despotic leaders with unethical demands and exploitation are likely to morally disengage themselves from the organizations. Moreover, this relationship will be strong for the individuals low on moral identity, as an increased moral identity will be likely to weaken the association between despotic leadership and moral disengagement because individuals have high moral identity tend to display moral outcomes under the mechanism of moral disengagement theory (moral justification). Thus, on the basis of the above arguments, it is hypothesized that:

H5: Moral Identity moderates the relationship between despotic leadership and moral disengagement in such a way that the relationship will be weaker when moral Identity is high and vice versa.

#### 2.8 Indirect conditional effect

We proposed that moral disengagement mediates the interactive effect of despotic leadership and moral identity on employee outcomes (unethical work behaviour, retaliation, greed and negative workplace gossips). More specifically, we argued in the aforementioned literature, when moral identity in low rather than high, the relationship between despotic leadership and moral disengagement is stronger. In addition moral disengagement is a significant predictor of employee outcome (unethical work behaviour, retaliation, greed and negative workplace gossips) at work. In other words when moral identity is low then the relationship between despotic leadership and of employee outcome (unethical work behaviour, retaliation, greed and negative workplace gossips) is stronger, as despot followers find justification (moral disengagement) for their derogatory behaviours (Baucus et al. 2008; Gino & Ariely 2012; Moore et al., 2019). So in contrast when moral identity is high, despot followers are less likely to engage in immoral behaviours (unethical work behaviour, retaliation, greed and negative workplace gossips), as their internal standards and self-regulation process are activated (Aquino & Reed 2002; Lee et al. 2016), which help them stop behaving immorally (unethical work behaviour, retaliation, greed and negative workplace gossips). That is why, we expect that despotic leadership and moral identity interact to effect follower moral disengagement, which further leads to immoral behaviours (unethical work behaviour, retaliation, greed and negative workplace gossips). So, it can also be likely that moral identity will moderate the conditional indirect relationship between despotic leadership and employee immoral behaviours i.e. unethical behaviour, negative workplace gossips, greed, retaliation through moral disengagement as is signifying in the moderated mediation model depicted in Figure 1 of present study variables. Thus, we hypothesized that

Hypothesis 6a: Moral identity moderates the positive and indirect effects of despotic leadership on employee unethical behaviour via moral disengagement. Such that the indirect effect is weaker when moral identity is high.

Hypothesis 6b: Moral identity moderates the positive and indirect effects of despotic leadership on negative workplace gossips via moral disengagement. Such that the indirect effect is weaker when moral identity is high.

Hypothesis 6c: Moral identity moderates the positive and indirect effects of despotic leadership on greed via moral disengagement. Such that the indirect effect is weaker when moral identity is high.

Hypothesis 6d: Moral identity moderates the positive and indirect effects of despotic leadership on employee retaliation via moral disengagement. Such that the indirect effect is weaker when moral identity is high.

## CHAPTER 3 RESEARCH METHODOLOGY

The current section explained the methodology of present study, which includes research design and approach, sampling techniques and sample size, method of data collection and variable measurements.

#### 3.1 Research Design

Zechmeister and Posavac, (2003) stated that research design offers a comprehensive strategy for the overall study, the present study is quantitative in nature, its purpose is to investigate the mediating role moral disengagement in the relationship between despotic leadership and employee outcomes (unethical behaviour, negative workplace gossips, greed, and retaliation), furthermore, investigating that moral identity moderates despotic leadership and moral disengagement relationship. Additionally, also investigated the moderating role of moral identity in the relationship between despotic leadership and employee outcomes (unethical behaviour, negative workplace gossips, greed, retaliation) through moral disengagement. Thus, in this model author accessed the behaviours and attitudes of an employee through survey questionnaire method which is deemed suitable for causal nature studies (Naseer, et al., 2016). For the survey, data collected through instrument which were validated past studies.

Basically, the present study has identified a theory based gap from existing literature, to fill that gap a model has been developed for hypotheses testing, thus present study followed the deductive approach. Aguinis, Ramani, and Alabduljader, (2017) stated that deductive approach studies considered higher methodological transparency than other approaches. Moreover, this study follows the positivist

philosophy. Present study conducted natural environment, by using the non-contrived setting. Employees and their peers are the unit of analysis.

Furthermore, present study used the time-lagged design by collecting the data over three timespans. Time lag research design is beneficial and useful for causal studies (Cook &Campbell, 1979). Mostly in social sciences researchers used convenience sampling technique for data collection (Naseer et a., 2019). Therefore following these studies, current study also relied on non-probability convenience sampling technique to collect data. Independent variable (despotic leadership) and moderating variable (moral identity) tapped in time 1 and mediator (moral disengagement) tapped in time 2 and employee outcomes self-rated (negative workplace gossips and greed) and employee outcomes peer rated (unethical behaviour and retaliation) were tapped in time 3.

#### 3.2 Population, Sampling Techniques and Sample Size

Malcolm and Blerkom (2009) defined a population as "the entire set of people or observations in which you are interested, or which are being studied". The population of the present study comprised of the employees who are working in public and private service sector organisations operating in Islamabad.

In order to save time and resources at the stage of data collection from respondents researcher used sampling technique as it is difficult to collect data from the entire population. To avoid resource loss researcher focus on sampling (data collected from selected respondents who are representatives of the population). But the sample selection need proper care and greater attention as the result of the sample group will be the representatives and results of population

In the current study, we follow the convenient sampling technique for data collection as a researcher is not aware of the total number of population. Employees of the service sector (higher education institutes, telecommunication companies and banks) are the target population for present study, present study investigating the consequences of despotic leadership and in service sector, supervisors/managers have a strong relationship with their followers and also have regular interaction (Tsai, Chen, & Liu, 2007). By applying convenience sampling technique researcher collected the data from the ten public and private service sector organisations (e.g. three banks, three telecommunication companies and four higher education institutes) operating in Islamabad, Rawalpindi, Sahiwal, and Sargodha. These cities are prominent cities of Pakistan and a large number of service sector organizations (public and private). Our study sample comprised on three service sector (universities, banks and telecommunication) organisations from mutiple cities (Islamabad, Rawalpindi, Sahiwal, and Sargodha), this will enhance the generalizibilty of the present study findings. Past studies also used the same type of sample range of public and private organisations in different industries (Abbas & Raja, 2015; Bouckenooghe, Zafar & Raja, 2015; Jahanzeb & Fatima, 2017).

Based on the past study many researchers proposed a different range of sample size for different frameworks: 200 for the simple framework (Bartlett, Kotrlik & Higgins, 2001; Kelloway, 1998), 300- 400 for the complex framework. The present study used time lag design (e.g. three-time lags) and two sources (focal person reported and peer-reported). According to Boomsma, (1983) 200-300 sample size is substantial for time lagged nature research design. But in present we have the 255 as the final sample size.

#### 3.3 Data collection

All the distributed questionnaires were in English as, in Pakistan, English is used as the official language for communication (Naseer, Donia, Syed & Bashir, 2019). Surveys were administered by the researcher. In recent years, many studies conducted in Pakistan have used English-based questionnaires survey approach (Raja, Bouckenooghe, Syed, & Naseer, 2018; Raja, Javed, & Abbas, 2017). The researcher distributed the survey questionnaire in employees' workrooms after seeking the permission of Organizational Head. By using the convenient sampling technique, we collected data at three-time lags from the recommended organization. Firstly, we explained the purpose of current study through a cover letter and after that, we requested to the respondent for respondent ID (one's initials followed by one's month of birth) for matching next time responses.

For data collection, at Time-1, we surveyed 480 self-reported questionnaires consisting of the items of the independent variable (despotic leadership) and moderator (moral identity) among the employees, and we received 390 filled questionnaire. Then, after 1-month interval, we circulated 390 questionnaires of our mediator (moral disengagement) to check impact from the same respondents and we received 330 usable questionnaires. Similarly, after one-month interval, we circulated 330 questionnaires of employee outcomes self-rated (negative workplace gossips and greed) and employee outcomes peer rated (unethical behaviour and retaliation), and we received peer reported 255 useable responses with the valid percentage of 53%. Past studies also have the same percentage of response by using the time-lagged approach (Jahanzeb & Fatima, 2017).

From the collected data there were 269 male (73%) and 98 Females (27%).In age demographics, the majority of the respondents are related to 26-30 years age group (35). As the data was collected from banking staff, majority of the staff is well educated, holding a degree of Masters (72%), Graduation(24%) and MPhil degree(4%).In work experience (51%) respondents have work experience of 6-10 years,(28%) respondents have less than 5 years and (14%) respondents have experience of 11-15 years.

Table 3.1 Demographics Characteristics of Respondents

Variables	Description	N	Percentage
Gender	Male	156	61%
	Female	99	38%
	Unmarried	116	45%
Marital status	Married	139	55%
	Government	167	66%
Type of organisations	Semi-Government	85	33%
	Private	3	1%
	Faculty	153	60%
Department	Admin	88	35%
	Others	14	5%
	Less than 16 scales	48	19%
Grade	17 & 18	136	53%
	19 and above	71	28%
Age	20- 25 years	52	20%
	26-30 years	54	21%
	31-35 years	75	29%
	36 & above	74	29%
Qualification	Graduation/Master	55	22%
	M Phil	138	54%

	PhD	62	24%
Work Experience	Less than 5 years	149	58%
	6-10 years	70	28%
	11-15 years	29	11%
	16- & Above	7	3%

#### 3.4 Measures

All the variables of the present were measured by the scales which are already developed and validated by different researchers. All the variables measured on a five-point Likert scale. The construct validities were ensured with three methods; first, Factor loading of each item; second, Average Variance Extracted (AVE); third, reliability test. The details of these measures are given below:

#### 3.4.1 Despotic Leadership

The current study used six-item scale for the measurement of Despotic leadership which is developed by De Hoogh and Den Hartog (2008). The sample questions are "Is In charge and does not tolerate disagreement or questioning, gives orders" and "Expects unquestioning obedience of those who report to him/her." Internal consistency reliability of the scale is 0.96.

Table 3.2 reveals the Confirmatory Factor Analysis (CFA) results that the factor leading of items of despotic leadership are within the acceptable range (.85 to .96). All items factor loadings are acceptable as they above the threshold value (<= 0.3). For the confirmation of Convergent validity, we identify the AVE and Composite reliability (CR) of the construct. And results reveal that AVE value of despotic leadership is 0.82

which greater than the threshold level (0.50) and furthermore, CR of despotic leadership is .97 which is greater than the .70 recommended by Sekaran and Bougie (2016).

#### 3.4.2 Moral disengagement

Moral disengagement measured by short version consisting of 08 items scale developed by Detert et al. (2008). The value of Cronbach Alpha 0.92. The sample questions are "It is ok to attack someone who threatens your family's honour" and "Talking about people behind their backs is just part of the game".

Table 3.2 reveals the CFA result that the factor leading to moral disengagement are in acceptable range from 0.74 to 0.94. All items factor loadings are acceptable as they above the threshold value (<= 0.3). And results reveal that AVE value of moral disengagement is 0.75 which greater than the threshold level (0.50) and furthermore, CR of moral disengagement is .95, higher than the .70 recommended by Sekaran and Bougie (2016).

#### 3.4.3 Unethical Behaviour

Unethical Work Behaviour was measured by using a 17 items scale developed by Akaah's (1996). The value of Cronbach alpha is .96 for the scale. "To what extent does this employee [your coworker]" followed by practices such as "use company services for personal use," and "Giving gifts/favors in exchange for preferential treatment".

Table 3.2 reveals the CFA result that the factor leading to unethical work behaviour (UB) from 0.70 to 0.98. All items factor loadings are acceptable as they above the threshold value (<= 0.3). And results reveal that AVE value of Unethical Work Behaviour is 0.77 which greater than the threshold level (0.50) and furthermore,

CR of Unethical Work Behaviour is .98, higher than the .70 recommended by Sekaran and Bougie (2016).

#### 3.4.4 Negative Workplace Gossips

Negative workplace gossip measured by five-item scale developed by Brady, Brown and Liang (2017). The sample question is "questioned your supervisor's abilities while talking to a work colleague" and "criticized your supervisor while talking to a work colleague". The value of Cronbach Alpha 0.94.

Table 3.2 reveals the CFA result that the factor leading to negative workplace gossips (NWG) from 0.80 to 0.94. All items factor loadings are acceptable as they above the threshold value (<= 0.3). And results reveal that AVE value of negative workplace gossips is 0.77 which greater than the threshold level (0.50) and furthermore, CR of negative workplace gossips is .94, which is greater than the .70 recommended by Sekaran and Bougie (2016).

#### **3.4.5 Greed**

The current study measured greed by using the seven-item scale developed by Seuntjens, Zeelenberg, Van de Ven, and Breugelmans, (2015). The sample questions are "I always want more?" and "It doesn't matter how much I have. I'm never completely satisfied." The value of Cronbach alpha (a) is .92.

Table 3.2 reveals the CFA result that the factor leading to greed (G) from 0.72 to 0.86. All items factor loadings are acceptable as they above the threshold value (<= 0.3). And results reveal that AVE value of greed is 0.56 which greater than the threshold level (0.50) and furthermore, CR of greed is .90, which is greater than the .70 recommended by Sekaran and Bougie (2016).

#### 3.4.6 Retaliation

Employee's retaliation behaviours were measured by using 17 items scale developed by Skarlicki and Folger (1997). The internal reliability value is 0.95. The sample question is "Called in sick when not ill" and "Spoke poorly about the company to others".

Table 3.2 reveals the CFA result that the factor leading of Retaliation (R) from 0.70 to 0.89. All items factor loadings are acceptable as they above the threshold value (<= 0.3). And results reveal that AVE value of Retaliation is 0.79 which greater than the threshold level (0.50) and furthermore, CR of Retaliation is .91, which is greater than the .70 recommended by Sekaran and Bougie (2016).

#### 3.4.7 Moral Identity

Current research uses the 10-item scale to measure the moral Identity developed by Aquino and Reed (2002). Nine characteristics used to describe people were presented in the instructions: compassionate, caring, friendly, fair, generous, hardworking, helpful, honest, and kind. The scales comprises of two broader categories internalisation and symbolization. Each category measured on five items scale separately. Sample questions are "It would make me feel good to be a person who has these characteristics", "I strongly desire these characteristics". The value of Cronbach alpha was 0.94.

Table 3.2 reveals the CFA result that the factor leading to Moral Identity (MI) from 0.83 to 0.95. All items factor loadings are acceptable as they above the threshold value (<= 0.3). And results reveal that AVE value of moral identity is 0.83 which greater than the threshold level (0.50) and furthermore, CR of moral identity is .98, higher than which is greater than the .70 recommended by Sekaran and Bougie (2016).

Table 3.2: CFA results of study variables

Constructs	Items	Factor loading	Average Variance Extracted	Composite Reliability
	DL1	.87		
	DL2	.85		
	DL3			
		0.91		
Despotic	DL4	li	0.02	0.07
Leadership		0.89	0.82	0.97
	DL5			
		0.95		
	DL6	.96		
	MD I	.90		
		[		
	MD 2	.90		
	IVID 2	.50		
	MD 3	.93		
	MD4	.94		
			0.75	0.97
Moral	MD6	04	0.73	0.57
Disengagement	MD 5	.94		
	MD 6	.84		
	MD 7	.74		
	WID ,	., -		
		<u> </u>		
	MD 8	.88		
	UB1	.90		
	UB2.	.91		
Unethical			0.77	0.98
behaviour	UB3	.91	0.77	0.50
	1 0 2 3	1 1/4		

	TID4	02	7	1	
	ŪB4	.93			
	UB6	.78			
	UB8	.90	1		
	UB10	.95	•		
	CBIO	.55			
	177711				
	UBII	.93			
	UB12	.83			
	UB14	.86			
	UB15	.88			
	OBIS	.00			
	UB <sub>16</sub>	.87			
	1				
	UB17	.92			
		,			
	NWG1	.94		<del> </del>	
	NWG2.	.88			
Nogativo	NWG3	.89			
Negative workplace	NWG4	80	0.77	0.94	
gossips	NWG5	.84	0.77	0.94	
9	103	.51			
	G1	0.02			
	G2.	0.83 0.79			
	G3.	0.86			
Greed	G4	0.72	0.56	0.90	
	G5				
		0.73			
	RI	.74		<del> </del>	
	R2.	.89			
D 4 11 11		.07			
Retaliation	D2	76			
	R3	.76			
			0.56	0.90	

R5		R4	.79		
R6 .82  R7 .69  R8 .56  R9 .77  R10 .58  R11 .70  R12 .71  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  M11 .83  M12 .89  Moral Identity M13 .89 0.83 0.98					
R7 .69  R8 .56  R9 .77  R10 .58  R11 .70  R12 .71  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI2 .89  Moral Identity MI3 .89 0.83 0.98		R5	.64		
R7 .69  R8 .56  R9 .77  R10 .58  R11 .70  R12 .71  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI2 .89  Moral Identity MI3 .89 0.83 0.98		D6	1 92	4	
R8 .56 R9 .77 R10 .58 R11 .70 R12 .71 .79 .91 R13 .62 R14 .84 R15 .89 R16 .83 R17 .59  MI1 .83 MI289  Moral Identity MI3 .89 0.83 0.98		KO	.82		
R9 .77  R10 .58  R11 .70  R12 .71 .79  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI2 .89  Moral Identity Mi3 .89 0.83 0.98		R7	.69	<u> </u>	
R9 .77  R10 .58  R11 .70  R12 .71 .79  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI2 .89  Moral Identity Mi3 .89 0.83 0.98		R8	56	_	
R10 .58  R11 .70  R12 .71  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI2 .89  Moral Identity MI3 .89 0.83 0.98		Ko	1.50		
R11 .70  R12 .71  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI289  Moral Identity MI3 .89 0.83 0.98		R9	.77		
R11 .70  R12 .71  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI289  Moral Identity MI3 .89 0.83 0.98					
R12 .71  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI289  Moral Identity MI3 .89 0.83 0.98		R10	.58		
R12 .71  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI289  Moral Identity MI3 .89 0.83 0.98		RII	.70		
R12 .71  R13 .62  R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI289  Moral Identity MI3 .89 0.83 0.98				79	91
R14 .84  R15 .89  R16 .83  R17 .59  MI1 .83  MI289  Moral Identity MI3 .89 0.83 0.98		R12	.71	,	
R15 .89  R16 .83  R17 .59  MI1 .83  MI289  Moral Identity MI3 .89 0.83 0.98		R13	.62	-	
R15 .89  R16 .83  R17 .59  MI1 .83  MI289  Moral Identity MI3 .89 0.83 0.98		P14	84	4	
R16 .83  R17 .59  MI1 .83  MI289  Moral Identity MI3 .89 0.83 0.98		K14	.04		
MI1 .83 MI289 Moral Identity MI3 .89 0.83 0.98		R15	.89		
MI1 .83 MI289 Moral Identity MI3 .89 0.83 0.98					
MI1 .83 MI289 Moral Identity MI3 .89 0.83 0.98		R16	.83		
Mi289  Moral Identity Mi3 .89 0.83 0.98		R17	.59	-	
Mi289  Moral Identity Mi3 .89 0.83 0.98					
Moral Identity M13 .89 0.83 0.98		MII			
0.00		MI2.	.89		
MI4 .92	Moral Identity	MI3	.89	0.83	0.98
		MI4	.92	-	

MI5	.90
MI6	.95
MI7	.93
MI8	.95
MI9	.94
MI10	.92

### 3.5 Data Analysis Techniques

For data analysis, current study used SPSS and Amos software's and the following tests were performed for result identification.

- Data normality test (Skewness and Kurtosis)
- Correlation analysis and Confirmatory Factor analysis
- Preacher and Hayes (2004) technique applied to test moderation and mediation.

# CHAPTER 4 DATA ANALYSIS AND RESULTS

This part briefly confers the results and analysis of the data gathered from respondents. Results interpretation based on the research objectives and research questions discussed in first chapter. By evaluating the findings of the study this section will answer to the fundamental problem: Does moral identity moderate the indirect effect of despotic leadership on employee outcomes (unethical behaviour, negative workplace gossips, greed, and retaliation) via moral disengagement.

#### 4.1 Data Coding

There is a need to code data before doing analysis in SPSS. In coding data, each response is represented with a numerical score (Zikmud, 2008). The present study is comprised of eight demographical questions such as gender (1 for Male and 2 for Female), marital status (1 for Unmarried and2 for Married), type of organisations (1 for Government, 2 for Semi-Government & 3 for Private), department (1 for Faculty, 2 for Admin & 3 for Others), grade(1 for Less than 16 or 16,2 for 17 & 18 and ,3 for 19 & above), age(1 for 21- 25 years, 2 for 26-30 Years, 3 for 31-35 Years and 4 for 41 & above(, qualification (1 for Graduate/Master, 2 for MPhil, and 3 for PhD) and work experience (1 for 1- 5 years, 2 for 6-10 Years, 3 for 11-15 years, 4 for 16-20 Years, 5 for 21 & Above(.

#### 4.2 Data screening

Statistical software SPSS 20.0 is used as a data-screening tool. The data requires a proper screening process before final analysis is done. The data screening is a process to check the missing values or outliers. The present study has no missing values and outliers.

#### 4.3 Normality Test

The distribution of the test is determined by the normality test. From normality test, it was determined that the values of kurtosis and skewness lie within the range of -3 to +3 that show the normality of data and results are given below.

Table 4 1 Skewness and Kurtosis

Variables	Skewness	Kurtosis
Despotic leadership	-0.22	-1.76
Moral Identity	-1.11	0.42
Moral disengagement	0.30	-1.39
Employee unethical behavior	-0.06	-1.51
Negative workplace gossips	-0.28	-1.36
Greed	-0.48	-1.15
Retaliation	-0.82	-0.63

#### 4.4 Control Variables

Control variables are the ones that a researcher needs to control as they have a strong influence over the relationship of despotic leadership and moral disengagement, unethical behaviour, negative workplace gossips, greed & retaliation. And if these are not controlled it will contaminate findings (Spector & Brannick, 2011). For further data analyses, researcher statistically controlled the effect of demographics by applying a one-way ANOVA that compared moral disengagement, unethical behaviour, negative workplace gossips and greed retaliation across gender, marital status, type of organisations, department, grade, age, qualification and work experience. Corresponding results shows that all demographics have significant variations of employee outcomes. One way results reveals that significant variation across marital

status in moral disengagement (F = 4.18, p < .05), and greed (f = 4.37, p < .05). Department was found significant only greed (f = 3.34, p < .05). Grade was found significant in moral disengagement (f = 4.27, p < .05), unethical behaviour, (f = 3.62, p < .05), negative workplace gossips (f = 3.36, p < .05), retaliation (f = 7.68, p < .001) and greed (F = 5.37, p < .01).

Table 4.2 One Way ANOVA

Variables		Marital status D		Depar	tment	Grade		
		$\overline{F}$	Sig	$\overline{F}$	Sig	$\overline{F}$	Sig	
Moral disengage	ment	4.18	.042			4.27	.015	
Unethical behavi	our					3.62	.028	
Negative	workplace					3.36	.036	
gossips								
Greed		4.37	.038	3.34	.037	7.68	.001	
Retaliation						5.37	.005	

#### 4.5 Measurement model comparison

For the identification of convergent validity, we performed Confirmatory Factor Analysis (CFA) with maximum likelihood. To identify the fit of our CFA models we used different fit indices e.g. Chi-square test ( $\chi^2$ /df, p), Tucker-Lewis index (TLI), comparative fit index (CFI) and root means square error of approximation (RMSEA). Normed Chi-square value <3, CFI and TLI scores > 0.08, and RMSEA scores < 0.08 indicate an acceptable fit (Awang, 2012; Forza, & Filippini, 1998; Greenspoon, & Saklofske, 1998). Due to large number of construct's items we used the balanced items parcelling technique (3 to 4 parcels per construct) (in Little, Rhemtulla, Gibson, & Schoemann, 2013), recently many studies used parcelling technique for CFA (Moore et al., 2019; Zhang, Qian, Wang & Chen, 2019).

Tabl	e 4.3 Measurement mod	lel compari	son					<del> 1</del>
Sr	Measurement	<b>X</b> <sup>2</sup>	Df	χ²/Df	TLI	CFI	GFI	RMSEA
#	Models							
l	Despotic Leadership and Moral Identity (Time 1) (2 factor)	27.57	8	3.45	.98	.99	.96	.09
	Despotic Leadership and Moral Identity (Time 1) (1 factor)	1086.41	9	120.71	.20	.52	.51	.68
2	Internalization and Symbolic (Moral identity) (2 factor)	274.12	34	8.055	.91	.93	.83	.17
	Internalization and Symbolic (Moral identity) (1 factor)	1083.21	14	77.40	.33	.56	.53	.55
3	Unethical Behavior and Retaliation (2 factor)	118.75	48	3.46	.91	.92	.87	.09
	Unethical Behavior and Retaliation (1 factor)	1343.98	54	24.88	.49	.59	.48	.31
4	NWG and geed (2 factor)	124.67	46	3.35	.92	.93	.88	.09
	NWG and geed (1 factor)	1398.38	53	25.89	.52	.55	.46	.29

5	Full Model (7 factor)	470.38	168	2.80	.95	.96	.85	.08
	Full Model (1 factor)	3612.38	209	17.28	.47	.52	.43	.25

Note: Better Fit Indices are presented in bold; Full model (7 factor) combines despotic leadership,

moral identity, moral disengagement (MD), unethical work behavior, negative workplace gossip, greed and retaliation.

Table 4.3 reveals the results of CFA and reported that full model (despotic leadership, moral identity, moral disengagement , unethical work behavior, negative workplace gossip, greed and retaliation) acceptable fit of data ( $\chi^2$  = 470.38, df = 168,  $\chi^2$ /df = 2.80, , RMSEA = .08; CFI = .96, TLI= .95, FGI = .85) and have significantly better fit then four-factor model (unethical work behavior, negative workplace gossip, greed and retaliation) ( $\chi^2$  = 118.75, df = 48,  $\chi^2$ /df = 3.46, , RMSEA = .09; CFI = .92, TLI= .91, FGI = .87), two factor (moral identity, moral disengagement ) ( $\chi^2$  = 764.32, df = 13,  $\chi^2$ /df = 5.87, , RMSEA = .14; CFI = .97, TLI= .96, FGI = .92) and two factor model (leadership and moral identity) ( $\chi^2$  = 27.57, df = 8,  $\chi^2$ /df = 3.45, , RMSEA = .09; CFI = .99, TLI= .98, FGI = .96), one-factor model ( $\chi^2$  = 3612.38, df = 209,  $\chi^2$ /df = 17.28, , RMSEA = .25; CFI = .47, TLI= .52, FGI = .43).

#### 4.6 Correlation Analysis

Table 4.4 reveals the values of mean, standard deviation, correlations between all variables and Cronbach Alpha (in parenthesis). According Nunnally (1978) the cut value of Cronbach's alpha is 0.70. All the constructs of present study are reliable because the values of Cronbach's alpha is greater than 0.70. The value of Cronbach's alpha of despotic leadership (.96), moral identity (.95), moral disengagement (.96), unethical work behavior (.96), negative workplace gossip (.94), greed (.89) and

retaliation (.94). In present study all the variables were tapped at different times with three weeks interval between each data collection point.

Results stated that that time 1 independent variable i.e. despotic leadership has a negative correlation with moderator also tapped at time 1 i.e. moral identity (r = -0.54, p < 0.01), time 2 tapped mediator i.e. moral disengagement (r = 0.69, p < 0.01) and time 3 tapped dependent variable i.e. unethical behaviour (r = 0.63, p < 0.01), negative workplace gossips (r = 0.68, p < 0.01), greed (r = 0.64, p < 0.01) and retaliation (r = 0.62, p < 0.01).

Moral identity also tapped in time 1 negatively correlated with time 2 tapped mediator i.e. moral disengagement (r = -0.58, p < 0.01) and time 3 tapped dependent variable i.e. unethical behaviour (r = -0.51, p < 0.01), negative workplace gossips(r = -0.39, p < 0.01), greed (r = -0.54, p < 0.01) and retaliation (r = -0.38, p < 0.01).

Moral disengagement tapped in time 2 positively correlated with dependent variable i.e. unethical behaviour (r=0.69, p<0.01), negative workplace gossips(r=0.55, p<0.01), greed (r=0.65, p<0.01) and retaliation (r=0.51, p<0.01) which tapped in time 3.

Unethical behaviour positively correlated with negative workplace gossips (r=0.65, p<0.01), greed (r=0.65, p<0.01) and retaliation (r=0.54, p<0.01). Negative workplace gossips positively correlated with greed (r=0.67, p<0.01) and retaliation (r=0.64, p<0.01). Greed positively correlated with retaliation (r=0.69, p<0.01).

While from correlation analysis we have noticed that few variables have strong correlations i.e. despotic leader and moral disengagement (r = 0.69, p < 0.01), moral disengagement and unethical behaviours (r = 0.69, p < 0.01), negative workplace gossips

and greed (r = 0.67, p < 0.01), and greed and retaliation (r = 0.69, p < 0.01) but these are not the cause the hindrance for further analysis as these are below 0.85, which is the conventional cut-off criteria for suspecting overlap between constructs (Hinkin, 1998), past studies also used a similar approach for strong correlation (Ofer, Coyle-Shapiro, & Pearce, 2018; Outlaw, Colquitt, Baer, & Sessions, 2019).

Table 4.4 Correlation Analysis Result

Sr#		Mean	SD	1	2	3	4	5	6	7	8	9	10
1	Marital status												
2	Department			.13*									
3	Grade			04	27**								
4	Despotic Leadership (T1)	3.06	1.40	10	15°	- 18 <b>**</b>	( <b>.96</b> )						
5	Moral Identity(T1)	3 78	1.25	.13*	.15*	.02	54**	(.95)					
6	Moral disengagement (T2)	2 69	1.06	12"	- 13*	09	.69**	58**	(.96)				
7	Unethical behaviour (T3)	3 06	1.25	11	11	- 14'	.63**	51"	.69**	(.96)			
8	Negative Gossips (T3)	3.28	1.03	04	- 06	23**	.68**	39**	.55**	.65**	(.94)		
9	Greed (T3)	3.34	.93	- 13 <b>°</b>	- 13	- 19 <b>'"</b>	.64"	54**	.65''	.65**	.67**	(.89)	
10	Retaliation (T3)	3.51	.88	- 11	07	10	.62**	38**	.51**	.54**	.64**	.69**	(.94)

N=255, \*Marital status was coded as 1= Unmarried and 2= Married b Department was coded as 1= Faculty, 2= Admin, 3= Others c Grade was coded as 1= Less than 16, 2= 17 & 18, 3= 19 & above 2 above 2 4p < 0.05, \*\*p < 0.01 Alpha reliabilities are presented in parentheses, TI is time 1, T2 is time 2, T3 is time 3

#### 4.7 Regression Analysis

In present study, mediation, moderations as well as moderated mediation was proposed, therefore to test our hypotheses we applied PROCESS macro (Hayes, 2017) in which bootstrapping test for indirect effect with the help of confidence intervals (lower limits and Upper limits) are applied. Furthermore, for the identification of mediation effect and its effect size we researcher applied k<sup>2</sup> (Kappa-squared) techniques because it is sample sensitive. In present study we follow Cohan's guideline for indirect effect 0.01 (small effect), 0.09 (medium effect) and .25 (large effect) (Preacher & Kelley, 2011).

To test the hypothesis 5 (moderating effects), we used PROCESS macro (Hayes, 2017), and to minimize the multicollinearity, researcher calculated the mean centred values of the interacting variables before interaction (Aiken, West & Reno, 1991) for interaction plot. For the identification of conditional indirect of moral identity in the relationship between despotic leadership and employee outcomes (unethical behaviour, negative workplace gossip, retaliation and greed) through moral disengagement we followed the four conditions suggested by Preacher et al. (2007). First, significant effect of despotic leadership on moral disengagement; second, significant effect of moral disengagement on employee outcomes (unethical behaviour, negative workplace gossip, retaliation and greed); third, interactions should be significant between despotic leadership and moral identity on moral disengagement; fourth, a conditional indirect effect of despotic leadership on employee outcomes (unethical behaviour, negative workplace gossip, retaliation and greed) through moral disengagement depending on the levels of moral identity.

## 4.7.1 Mediated role of MORAL DISENGAGEMENT in the relationship between Despotic leadership and Unethical work behaviours.

Table 4.5 demonstrates the regression results for direct and mediational hypotheses (H1a, H2, H3a, H4a). Despotic leadership is positively linked with unethical work behaviours (B=.74, t= 23.08, p< .001) and moral disengagement (B=.53, t= 14.90, p< .001). Also, moral disengagement is positively linked with unethical work behaviours (B=.26, t= 4.64, p< .001). Present study results provided support for H1a, H2 and H3a. Therefore, study hypotheses (H1a, H2 and H3a) are accepted. Despotic leadership has a significant indirect influence on unethical work behaviours through moral disengagement. The indirect influence was significant (Sobel effect= .13, z = 4.42, p<.01). Further, for the validation of mediation effect researcher also consider the bootstrap estimates and 95% biased-corrected confidence interval. Where the effects are significant when both interval (upper limit and lower limit) does not contain zero. So Table 4.5 indicate that the indirect effect not containing zero (LL=.07, UL=.20, k2=.10). Furthermore, the value of k2 is .10 which indicate the medium level indirect effect (Preacher & Kelley, 2011). Thus, Hypothesis 4a was supported.

Table 4.5 Mediated role of Moral disengagement in the relationship between Despotic leadership and Unethical work behaviours

Despe	one leader ship and one thicar	WUIK	DCHAVIC	Juis			
Sr.	Variable	R	R <sup>2</sup>	B	SE		<u>P</u>
No							
1	Direct effects of DL on U		.69	.74	.03	23.08	.000
2	Direct effects of DL on MD		.48	.53	.04	14.90	.000
3	Direct effects of MD on U		.71	.26	.06	4.64	.000
	Indirect Effect	and S	ignifica	nce usi	ng the	normal	distribution
				Effe	SE	Z	P
				ct			
	Sobel			.13	.04	4.42	.000

Bootstrap results for indirect effects

			M	SE	LL95 % CI		95%
Effec	Moral disengagement	-	.13	.04	.07	.20	

Note: n= 255. Control variables: marital status, department and grade. Bootstrap sample size=5000; DL= Despotic Leadership; MD = Moral disengagement; U= Unethical work behaviors, LL=Lower limit, CI= Confidence Interval, UL= Upper Limit.

### 4.7.2 Mediated role of Moral disengagement in the relationship between Despotic Leadership and Negative workplace gossips

Table 4.6 demonstrates the regression results for direct and mediational hypotheses (H1b, H2, H3b, H4b). Despotic leadership has positively linked with negative workplace gossips (B=.48, t= 14.13, p< .001). Despotic leadership has positively linked with moral disengagement (B=.53, t= 14.90, p< .001). Moral disengagement has linked with negative workplace gossips (B=.15, t= 2.48, p< .05). Present study results provided support for H1b, H2 and H3b so study hypotheses are accepted. Despotic leadership has significant indirect influence on negative workplace gossip through moral disengagement . The indirect effect was significant and negative and assuming a normal distribution (Sobel effect= .08, z = 2.43, p<.05). Further, for the validation of mediation effect researcher also consider the bootstrap estimates and 95% biased-corrected confidence interval. Where the effects are significant when both interval (upper limit and lower limit) does not contain zero. So Table 4.6 indicate that the indirect effect not containing zero (effect= .08, LL= .03, UL= .13, k<sup>2</sup> = .11). Furthermore, the value of k<sup>2</sup> is .11 which indicate the medium level indirect effect (Preacher & Kelley, 2011). Thus, Hypothesis 4b was supported.

Table 4.6 Mediated role of moral disengagement in the relationship between Despotic leadership and Negative workplace gossips

Sr.	Variable	R	$\mathbb{R}^2$	В	SE	T	P
No							
1	Direct effects of DL on NWG		.47	.48	.03	14.13	.000
2	Direct effects of DL on MD		.48	.53	.04	14.90	.000
3	Direct effects of MD on NWG		.49	.15	.06	2.48	.000
	Indirect Effect	and	Signific	cance usi	ng the	normal d	istribution
				Effect	SE	Z	P
	Sobel			.08	.03	2.45	.015
	Bootstrap resi	ılts f	or indire	ect effect	S		
	_			M	SE	LL95% CI	UL 95% CI
Effe	Moral disengagement			.08	.03	.03	.13

Note: n= 255. Control variables: marital status, department and grade. Bootstrap sample size=5000. DL= Despotic Leadership; MD = Moral disengagement; NWG= Negative workplace gossips. LL=Lower limit, CI= Confidence Interval, UL= Upper Limit.

### 4.7.3 Mediated role of Moral Disengagement in the Relationship between Despotic Leadership and Greed

The table 4.7 demonstrates the regression results for direct and mediational hypotheses (H1c, H2, H3c, & H4c). Despotic leadership positively linked with Greed (B=.56, t= 24.72, p< .001). Despotic leadership linked with moral disengagement (B=.53, t= 14.90, p< .001). Moral disengagement linked with Greed (B=.12, t= 3.01, p< .001). Present study results provided support for H1c, H2 and H3c so study hypotheses are accepted. Despotic leadership has a significant indirect influence on greed through moral disengagement. The indirect influence was significant and assuming a normal distribution (Sobel effect= .06, z = 2.94, p<.05). Further, for the validation of mediation effect researcher also consider the bootstrap estimates and 95% biased-corrected confidence interval. Where the effects are significant when both interval (upper limit and lower limit) does not contain zero. So Table 4.7 indicate that

the indirect effect not containing zero (LL= .03, UL= .11,  $k^2$  = .13). Furthermore, the value of  $k^2$  is .13 which indicate the medium level indirect effect (Preacher & Kelley, 2011). Thus, Hypothesis 4c was supported.

Table 4.7 Mediated role of Moral Disengagement in the relationship between Despotic leadership and Greed

Despouc	leadership and Greed						
Sr. No	Variable	R	R <sup>2</sup>	В	SE	T	P
1	Direct effects of DL on G		.70	.56	.03	24.72	.000
2	Direct effects of DL on		.48	.53	.04	14.90	.000
	MD						
3	Direct effects of MD on		.72	.12	.04	3.001	.000
	G						
	Indirect Effect	and S	Significa	ance us	ing th	e norma	l distribution
				Effe	SE	Z	P
				ct			
	Sobel			.06	.02	2.94	.003
	Bootstrap resu	lts fo	r indire	ct effec	ets		
	_			M	SE	LL95	UL 95% CI
						% CI	
Effect	Moral disengagement			.06	.02	.03	.11

Note: n= 255. Control variables: marital status, department and grade. Bootstrap sample size=5000; DL= Despotic Leadership; MD = Moral disengagement; G= Greed, LL=Lower limit, CI= Confidence Interval, UL= Upper Limit.

### 4.7.4 Mediated role of Moral disengagement in the Relationship between Despotic Leadership and Retaliation

Table 4.8 demonstrates the regression results for direct and mediational hypotheses (H1d, H2, H3d, H4d). Despotic leadership linked with retaliation (B=.39, t= 12.66, p<.001). Despotic leadership linked with moral disengagement (B=.53, t= 14.90, p<.001). Moral disengagement linked with Retaliation (B=.12, t= 2.10, p<.01). Present study results provided support for H1d, H2 and H3d so study hypotheses are accepted. Despotic leadership has a significant indirect influence on retaliation through moral disengagement. The indirect influence was significant and assuming a normal distribution (Sobel effect=.06, z = 2.09, p<.05). Further, Further, for the validation of mediation effect researcher also consider the bootstrap estimates and 95% biased-

corrected confidence interval. Where the effects are significant when both interval (upper limit and lower limit) does not contain zero. So Table 4.8 indicate that the indirect effect not containing zero (LL=.02, UL=.10,  $k^2$ =.09). Furthermore, the value of  $k^2$  is .09 which indicate the medium level indirect effect (Preacher & Kelley, 2011). Thus, Hypothesis 4d was supported.

Table 4.8 Mediated role of Moral Disengagement in the relationship between Despotic leadership and Retaliation

Sr.	Variable	R	R <sup>2</sup>	В	SE		P
No							
1	Direct effects of DL on R		.39	.39	.04	12.66	.000
2	Direct effects of DL on MD		.48	.53	.04	14.90	.000
3	Direct effects of MD on R		.40	.12	.04	2.10	.035
	Indirect Effect	and	Significa	ance u	sing t	he normal	distribution
				Eff	SE	Z	P
				ect			
	Sobel			.06	.03	2.09	.037
	Bootstrap resul	ts fo	r indire	ct effe	cts		
	_			M	SE	LL95%	UL 95% CI
						CI	
Effect	Moral disengagement			.06	.02	.02	.10

Note: n= 255. Control variables: marital status, department and grade. Bootstrap sample size=5000; DL= Despotic Leadership; MD = Moral disengagement; R= Retaliation, LL=Lower limit, CI= Confidence Interval, UL= Upper Limit.

# 4.8 The moderating role of moral identity in the relationship between despotic leadership and moral disengagement

H5 stated that moral identity moderates the relationship between despotic leadership and moral disengagement. To test the moderating role of moral identify we applied PROCESS macro (Hayes, 2017) and run model 1. Results of Table 4.9 reveals that the interaction term of Despotic Leadership x Moral Identity have significant impact on moral disengagement (B =-.14, SE = .07, p < .05). Conditional direct of despotic leadership on moral disengagement also varied across the different levels of

moral identity proved with the help of bootstrap results (see Table 4.9). We then plotted the significant interactions for scores above and below one standard deviation of the mean of the moderator.

Figure 2 simple slope analysis (Aiken & West, 1991) depicts consistent in line with our H5, the positive relationship between despotic leadership and moral disengagement was weaker when moral identity was high ( $\beta = 0.33$ , t = 6.54, p < .01) whereas it was stronger when moral identity was low ( $\beta = 0.70$ , t = 5.13, p < .01).

Table 4.9 Hierarchical Moderated Regression Analysis Results

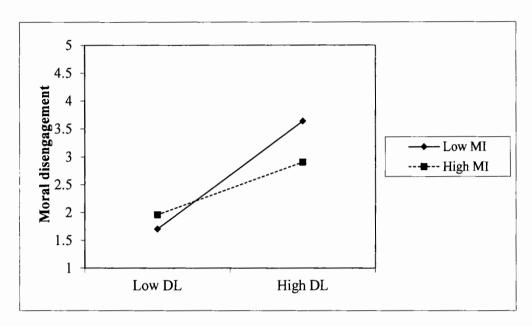
Predictors	Moral disengagement							
		R <sup>2</sup>	Estimate	SE	LLCI	UL CI		
Step-1		.54						
Constant			23	1.25	-2.70	2.25		
Despotic			1.05***	.30	.44	1.62		
Leadership								
Moral Identity			33	.27	21	.86		
Step 2	$\Delta \mathbf{R^2}$	.01						
(DL x MI)			14*	.07	27	01		

Conditional direct effects of X on Y at values of Moderator (i.e. Moral Identity; MI) (Slope Test Results)

Moderator	Moral disengagement						
Moral Identity (MI)	Effect	Boot SE	LLCI	UL CI			
MI +1 SD (High)	.34**	.05	.24	.44			
MI M (0.00)	.51**	.06	.39	.63			
MI -1 SD (Low)	.68**	.14	.41	.95			

Note: n= 255. Unstandardized regression coefficients. Bootstrap sample size=5000. LL=Lower limit, CI= Confidence Interval, UL= Upper Limit.

Figure 4.1 Interactive Effects of Despotic Leadership and Moral Identity on Moral disengagement



#### 4.9 Moderated Mediation

#### 4.9.1 Moderated Mediation Model on Unethical Behavior

Table 4.10 demonstrates the results for conditional indirect effects (e.g. H6a), whereby moral identity moderates the indirect effects of despotic leadership on Unethical work behaviour through moral disengagement. Specifically, we predicted that moral disengagement mediates the indirect effects in case of high moral identity and not when it is low. Hence, Table 4.10 indicates the conditional indirect effects of despotic leadership on Unethical work behaviour at three different levels of moral identity e.g. on standard deviation above the mean (1.98), the Mean (0.00) and on standard deviation below the mean (-1.98).

Normal theory tests indicated that the moderated mediation effects (based on moderator values at +1.98 SD was positive and significantly different from zero). Bootstrap confidence interval substantiated these results. The mediation effects of

despotic leadership on Unethical work behaviour (Indirect Effect=  $0.09 \ p < 0.01$ ) through moral disengagement were present at both high and low levels of moral identity but results are weaker under high levels of moral identity and the bootstrap 95% CI did not contain zero Unethical work behaviour (.04, .15). However, these indirect effects are more stronger under low moral identity levels (Unethical work behaviour = 0.18, p < 0.05) with 95% CI did not contain zero Unethical work behaviour (.08, .33). Thus, H6a was supported.

Table 4.10 Moderated Mediation Regression Analysis Results (Unethical Behaviour)

Conditional indirect effects of despotic leadership on unethical behaviour through moral disengagement									
Moderator :	Boot Indirect Effect	Boot S.E	Boot LLCI	Boot ULCI					
(Moral Identity)									
High	.09*	.03	.04	. 15					
Medium	.13*	.04	.08	.22					
Low	.18*	.07	.08	.33					

Note: n= 255. Unstandardized regression coefficients. Bootstrap sample size=5000. LL=Lower limit, CI= Confidence Interval, UL= Upper Limit. \*p<.05, \*\*p<.01, \*\*\*p<.001

#### 4.9.2. Moderated mediation model on negative workplace gossips

Table 4.11 demonstrates the results for conditional indirect effects (e.g. H6b), whereby moral identity moderates the indirect effects of despotic leadership on negative workplace gossips through moral disengagement. Specifically, we predicted that moral disengagement mediates the indirect effects in case of high moral identity and not when it is low. Hence, Table 4.11 indicates that conditional indirect effects of despotic leadership on negative workplace gossips at three different level of moral identity e.g. on standard deviation above the mean (1.98), the Mean (0.00) and on standard deviation below the mean (-1.98).

Normal theory tests indicated that the moderated mediation effects (based on moderator values at +1.98 SD was positive and significantly different from zero). Bootstrap confidence interval substantiated these results. The mediation effects of despotic leadership on negative workplace gossips (Indirect Effect=  $0.05 \ p < 0.01$ ) through moral disengagement were present at both high and low levels of moral identity but results are weaker under high levels of moral identity and the bootstrap 95% CI did not contain zero negative workplace gossips (.02, .07). However, these indirect effects are more stronger under low moral identity levels (negative workplace gossips = 0.10, p < 0.05) with 95% CI did not contain zero Unethical work behaviour (.04, .20). Thus, H6b was supported.

Table 4.11 Moderated Mediation Regression Analysis Results (negative workplace gossips)

Conditional indirect effects of despotic leadership on negative workplace gossips through moral disengagement									
Moderator:	Boot Indirect Effect	Boot S.E	Boot LLCI	Boot ULCI					
(Moral Identity)									
High	.05*	.02	.02	. 10					
Medium	.08	.03	.03	.14					
Low	.10*	.04	.04	.20					

Note: n= 255. Unstandardized regression coefficients. Bootstrap sample size=5000. LL=Lower limit, CI= Confidence Interval, UL= Upper Limit. \*p<.05, \*\*p<.01, \*\*\*p<.001

#### 4.9.3 Moderated mediation model on greed

Table 4.12 demonstrates the results for conditional indirect effects (e.g. H6c), whereby moral identity moderates the indirect effects of despotic leadership on Greed through moral disengagement. Specifically, we predicted that moral disengagement mediates the indirect effects in case of high moral identity and not when it is low. Hence, Table 4.12 indicates that the conditional indirect effects of despotic leadership on Greed at

three different levels of moral identity e.g. on standard deviation above the mean (1.98), the Mean (0.00) and on standard deviation below the mean (-1.98).

Normal theory tests indicated that the moderated mediation effects (based on moderator values at +1.98 SD was positive and significantly different from zero). Bootstrap confidence interval substantiated these results. The mediation effects of despotic leadership on Greed (Indirect Effect=  $0.04 \ p < 0.01$ ) through moral disengagement were present under both high and low levels of moral identity, but these relationships were weaker under high levels of moral identity and the bootstrap 95% CI did not contain zero for Greed (.02, .07). However, these indirect effects were stronger under low moral identity levels (Greed = 0.08, p < 0.05) with 95% CI did not contain zero Greed (.03, .18. Thus, H6c was supported.

Table 4.12 Moderated Mediation Regression Analysis Results (Greed)

disengagement									
Moderator:	Boot Indirect Effect	Boot S.E	Boot LLCI	Boot ULCI					
(Moral Identity)									
High	.04*	.01	.02	.07					
Medium	.06*	.02	.03	.11					
Low	.08*	.03	.03	.18					

Note: n= 255. Unstandardized regression coefficients. Bootstrap sample size=5000. LL=Lower limit, CI= Confidence Interval, UL= Upper Limit. \*p<.05, \*\*p<.01, \*\*\*p<.001

#### 4.9.4. Moderated mediation model on Retaliation

Table 4.13 demonstrates the results for conditional indirect effects (e.g. H6d), whereby moral identity moderates the indirect effects of despotic leadership on retaliation through moral disengagement. Specifically, we predicted that moral disengagement mediates the indirect effects in case of low moral identity and not when it is high. Hence, Table 4.13 indicate that the conditional indirect effects of despotic

leadership Retaliation at three different levels of moral identity e.g. on standard deviation above the mean (1.98), the Mean (0.00) and on standard deviation below the mean (-1.98).

Normal theory tests indicated that the moderated mediation effects (based on moderator values at +1.98 SD was positive and significantly different from zero). Bootstrap confidence interval substantiated these results. The mediation effects of despotic leadership on Retaliation (Indirect Effect=  $0.04 \ p < 0.01$ ) through moral disengagement were present at both high and low levels of moral identity, but, this relationship was weaker under high levels of moral identity and the bootstrap 95% CI did not contain zero for Retaliation (.02, .07). However, indirect effects were stronger under low moral identity levels (Retaliation = 0.08, p < 0.05) with 95% CI did not contained zero Retaliation (.03, .17). Thus, H6d was supported

Table 4.13 Moderated Mediation Regression Analysis Results (Retaliation)

Conditional indirect effects of despotic leadership on greed through moral disengagement Boot S.E Boot LLCI Moderator: Boot Indirect Effect Boot ULCI (Moral Identity) High .04\* .01 .02 .07 Medium .06\* .02 .03 .11 Low .08\* .04 .03 .17

Note: n= 255. Unstandardized regression coefficients. Bootstrap sample size=5000. LL=Lower limit, CI= Confidence Interval, UL= Upper Limit. \*p<.05, \*\*p<.01, \*\*\*p<.001

### 4.11 Summary of Results

**Table 4.14 Summary of main effect hypotheses**Following table reveals the results of main effect hypotheses.

Hypothesis	IV	DV	Status
H1a		Unethical ethical behaviour	supported
H1b	Despotic	Negative workplace gossips	Supported
H1c	Leadership	Greed	_
H1d		Employee retaliation	
H2		Moral disengagement	Supported
НЗа	Moral	Unethical ethical behaviour	supported
H3b	disengagement		Supported
Н3с		Negative workplace gossips	Supported
H3d		Greed	_
		Employee retaliation	_

**Table 4.15Summary of Mediation Hypotheses**Following table reveals the results of indirect effect hypotheses.

Hypot	IV	Med	DV	Status
heses				
H4a	Despotic leader	MD	Unethical ethical	supported
		MD	behaviour	
H4b		MD	Negative workplace	supported
		MD	gossips	
H4c			Greed	supported
H4d			Employee retaliation	supported

MD = Moral disengagement

Table 4 16 Summary of Moderation hypothesis

Following table reveals the results of moderation effect hypotheses.

Hypothesis	IV	Mediator	Moderator	Status
Н5	Despotic leader	Moral disengagement	Moral identity	Supported

**Table 4 17 Summary of Moderated Mediation Hypotheses**Following table reveals the results of moderated-mediation effect hypotheses.

Hypotheses	IV	Moderator	Mediator	Dependent	Status
Н6а	Despotic leader	Moral identity	MD	Unethical ethical behaviour	supported
H6b	Despotic leader	Moral identity	MD	Negative workplace gossips	supported
Н6с	Despotic leader	Moral identity	MD	Greed	supported
H6d	Despotic leader	Moral identity	MD	Employee retaliation	supported

# CHAPTER 5 FINDINGS AND DISCUSSION

In the following section we were discussed the study's major findings (direct effect, indirect effect, moderating effect, and moderated-mediations results). Further, described the implications of present study (theoretical and managerial). Furthermore, discussed the limitations and future directions.

#### 5.1 Overview

In the light of results, the present study successfully answers critical questions. Based on the literature we articulated serval research questions. Firstly, in the present study, we articulate the research question about the morality of the followers under morally corrupt leader (despotic leader), followers morality judged by their inclinations towards moral disengagement. So the present study highlights a positive and significant relationship between despotic leader and followers moral disengagement, such that despotic behaviour of leader will make their followers moral disengaged from the workplace.

Secondly, we answer the research question that whether despotic leader effects employee behaviours i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation. So the results of the study signify that subordinates/followers of despotic leader indulge in unethical work behaviours, negative workplace gossips, greed and employee retaliation as a response to his leadership style.

Thirdly, present study answered the questions that how morally disengaged followers indulge in negative work behaviours i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation. A positive and significant relationship found between moral disengagement and employee outcomes i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation.

Fourthly, we answered via present study is whether moral disengagement mediates the relationship between despotic leadership and employee behavioural outcomes i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation. Findings reveal that despotic leaders have an impact on employee outcomes i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation through moral disengagement.

Lastly, we answered the question about the moderating role of moral identity in the relationship between despotic leadership and moral disengagement. Results of the present study reveal that moral identity in the relationship between despotic leadership and moral disengagement in such a way that the relationship will be weaker in case of high moral identity and vice versa.

# 5.2 Major Findings

# 5.2.1 Overview

The aim of this research was to study the behavioural response of followers towards despotic leaders via their moral disengagement mechanism. Particularly, present study related to despotic leadership to followers' moral disengagement which then leads to employee outcomes i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation. It also posited that moral identity as a moderator which buffer the relationship between despotic leader and moral disengagement.

Individuals and organisation affected by the negative behaviour of employees, that is why recent studies investigated the antecedents of unethical work behaviour (Keem, Shalley, Kim, & Jeong, 2018; Seuntjens, Zeelenberg, van de Ven, & Breugelmans, 2019), retaliation (Mao, Chiang, Zhang, Chen, & Qing, 2018; Riquelme,

Román, Cuestas, & Iacobucci, 2019), greed (Berke, 2018; Zartman, 2019) and negative workplace gossips (Babalola, Ren, Kobinah, Qu, Garba, & Guo, 2019; Wu, Kwan, Wu, & Ma, 2018).

In the present study we proposed eighteen hypotheses, comprising of nine main effect hypotheses, four mediation hypotheses, one moderation hypothesis, and four moderated mediation hypotheses. Data were collected form services sector employees with the help of survey method by implemented the convenience sampling technique. In the present study, we applied a time lagged approach for data collection and we received 256 final responses with the response rate of 52%. All the analysis were performed by using the SPSSv23.0, PROCESS macro and Mplus version seven.

#### 5.2.2 Summary of Reliability test, CFA and Correlation test

In the present study, we used SPSS v23.0 for the data coding and data analysis. Firstly, for entering the data, we performed data coding then we do the data screening for the treatment of missing values and outliers, then we performed normality of data with the help of Skewness and Kurtosis test, then we identify the control variables with the help of ANOVA test and furthermore we conducted reliability test and with confirmatory factor analysis (CFA). And then we performed correlation analysis for the identification of inter-correlation among study variables and also for the direction of the relation between study variables. All study variables had significant Pearson correlation.

#### 5.2.3 Hypothesis Testing

The present study consisted of the hypotheses of the main effect, mediation effect, moderation effect and moderated mediation effect. All these study hypotheses were tested by utilizing the PROCESS macro approach developed by (Hayse, 2017).

For the identification of main effect and mediation role, we utilized Model 4. We applied Model 1 for the identification of the moderation effect. Additionally, we used Model 7 for the identification of moderated mediation effect.

# 5.2.4 Main effect Hypotheses

Nine main effect hypotheses were proposed linking despotic leadership to employee behavioral outcomes i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation (H1a,b,c &d) respectively, despotic leadership to moral disengagement (H2), Moral disengagement to employee behavioral outcomes i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation (H3a,b,c &d) respectively. Summary of the findings are reported in Table 4.15 on the other hand detail results are presented in Table 4.6, 4.7, 4.8, and 4.9 respectively.

Results revealed a positive and significant relationship between despotic leadership and employees behavioural outcomes i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation to support our H1a, H1b, H1c & H1d respectively. Additionally, results also supported the positive and significant relationship between despotic leader and moral disengagement which supported H2. Furthermore, results also revealed posit a positive and significant relationship between despotic leadership and employee behavioural outcomes i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation thus supported H3a, H3b, H3c & H3d respectively. Hence results supported all the main effect hypotheses. Additionally, these behaviours are costly for organisations because these will occur in the result of low morality level of individuals at the workplace, furthermore, these behaviours are not easily assessed without deep investigation and

thorough research. The present study adds to this important area. Result of present study are aligned with past studies (Moore et al., 2019; Valle et al., 2018)

## 5.2.5 Mediation Hypotheses

We proposed four mediation hypotheses, moral disengagement mediates the relationship between despotic leader and unethical work behaviours (H4a), negative workplace gossips (H4b), greed (H4c) and employee retaliation (H4d). For the identification of the indirect effect of moral disengagement, we rely on Bootstrapping technique and Sobel test. Results revealed that moral disengagement mediates the relationship between despotic leader and employee outcomes i.e. unethical work behaviours, negative workplace gossips, greed and employee retaliation, additionally, Normal theory test also reveal that indirect effect is significant according to the proposed direction which provides support to our mediation hypotheses H4a, H4b, H4c, and H4d. Past studies investigated the mediating role of moral disengagement (Moore et al., 2019; Valle et al., 2018), and present study results are aligned with them.

#### 5.2.6 Moderation Hypotheses

H5 proposed moderating role of moral identity in the relationship between despotic leadership and moral disengagement such that the relationship will be weaker in case of high moral identity and vice versa. For the identification of moderating effect, we utilised Model 1 in PROCESS macro and multiple regression analysis in SPSS v23 also applied. We also assessed the moderating effect at different levels of moderator. We also used the slop test for the identification of slop test. Results supported out moderation hypothesis of moral identity at a different level and proposed the direction of the relationship (see figure 2). Thus our hypothesis 5 is supported. Past studies

investigated the moderating role of moral identity (Moore et al., 2019; Zheng, et al., 2019), and present study results are aligned with them.

The present study also explores the moderating role of moral identity in the relationship between despotic leadership and moral disengagement. Results reveal that moral identity moderates the relationship between despotic leadership and moral disengagement. Aquino and Reed (2000) stated that high moral identity leads to access to knowledge structure, which fosters moral actions and guide self-regulation (Chowdhury & Fernando, 2014; Hertz & Krettenauer, 2016), and moral disengagement become less effective in the presence of high moral identity (Hardy, Bean, & Olsen, 2015). High moral identity individuals want to expand their circle of morality (Aquino et al., 2007), show concerns for out group need with high moral obligations (Aquino et al., 2007; Winterich, Mittal, & Ross 2009). Thus moral identity moderates the direct association between despotic leadership and moral disengagement.

#### 5.2.7 Moderated Mediation Hypotheses

Additionally, we also proposed that moral identity moderate the relationship between despotic leader and employee outcomes (unethical work behaviours, negative workplace gossips, greed and employee retaliation) through moral disengagement as H6a, H6b, H6c, and H6d respectively. For the identification of moderated mediation, we used Model 7 in PROCESS macro. Results confirmed our moderated mediation hypotheses by conforming the moderating role of moral identity moderate the relationship between despotic leader and employee outcomes (unethical work behaviours, negative workplace gossips, greed and employee retaliation) through moral disengagement at different levels. Thus our H6a, H6b, H6c, and H6d are supported.

Present study conducted in the service sector organisations operating in Pakistan. Pakistan ranks high in power distance and uncertainty avoidance (De Clercq et al. 2018; Hofstede et al. 2010; Naseer et al. 2016), where the difference between supervisor and subordinate is very high. As despotic leader is bossy, arrogant and demand unquestioned obedience (De Hoogh & Den Hartog, 2008), so such type of culture background (i.e. high power distance) support the occurrence of despotic leadership at workplace. According to Hofstede et al., (2010) Pakistan also ranked high in uncertainty avoidance (scores 70), where individuals are unable to predict their future and they feel threatened by ambiguous situations. Therefore, when subordinates experience despotic leaders who are morally corrupt and have unethical demands, the followers' feel petty about the leader and they are highly inclined towards the moral disengagement mechanisms, which will further leads to unethical work behaviours, negative workplace gossips, greed and employee retaliation. That is why the findings of present study of cultural context (high power distance and uncertainty avoidance) are consistent with the theoretical foundations of moral disengagement theory.

#### 5.2.8 Theoretical Strengths

The present study used the theoretical framework of moral disengagement (Bandura's 2016; 1990; Bandura et al. 1996) to support the proposed model and also build the arguments for the aforementioned study relationships. Moral disengagement provides firm support for proposed relationships in the tenets of its theoretical framework. Past studies also the highlights the importance of moral disengagement theory while studying the leader's behaviours at the workplace (Newman, Le, North-Samardzic, & Cohen, 2019), and found that moral disengagement theoretical framework is appropriate to unearth the consequences of the dark side of leadership. So

we investigated the impact of despotic leadership on employee outcomes through a moderated mediation model by using the assumptions of moral disengagement theory.

All though past studies explained the follower's adoption of moral disengagement process to justify their actions and behaviour against organisations and supervisors the application of this theory in the present study in despotic leadership literature is unique in nature, because despotic leaders are morally corrupt (Naseer et al., 2016), so while working under such corrupt leaders, employee are more likely to engage in the process of moral disengagement to justify their immoral work-related behaviours.

Moral disengagement offers a mechanism by which otherwise moral individuals can engage in unethical decisions or behaviours. Briefly, moral disengagement allows individuals to selectively and temporarily disengage internal moral standards that would typically inhibit unethical decisions (Bandura, 1999). Hence, moral disengagement theory justifies how moral disengagement works as a bridge in the relationship between despotic leader and employee outcomes. Bandura et al. (1996) suggested that moral disengagement is a way by which individuals who want to see themselves as moral justify their involvement in immoral acts (e.g., moral disengagement ) and still maintain their sense of moral identity. So moral disengagement theory provides support for the moderating role of moral identity in the relationship between despotic leader and moral disengagement.

#### 5.2.9 Methodological Strengths

Present study used time-lagged research design which is suitable for causal studies (Shadish, Cook, & Campbell, 2002), past studies also used time-lagged research design for (Fatima, Majeed, & Shah, 2018; Naseer, Bouckenooghe, Syed, Khan, &

Qazi, 2019; Naseer, Syed, Nauman, Fatima, Jameel, & Riaz, 2019). Podsakoff, MacKenzie, Lee and Podsakoff, (2003) stated that self-reported and single source data have the chances of common method bias due to social desirability bias. So in order to address common method bias, present study used two-source time lagged research design, where perceived despotic leadership and moral identity were reported by the focal person (employees) at time 1, after three to four week gap moral disengagement was also reported by same focal person at time 2, and then after three to four weeks employees outcomes i.e. negative workplace gossips and greed were self-reported, while unethical work behaviours and employee retaliation were reported by peer at time

The other methodological strength of the present study is the utilization of a robust technique for study analysis. We used PROCESS macro techniques developed by (Preacher & Hayes 2004) for the analysis of the aforementioned hypotheses. We also used AMOS for the Confirmatory Factor analysis, correlation, and also substantiate the convergent & discriminant validity of all the study constructs.

#### 5.3 Limitations and Future Research Directions

Based on the above discussion present study has many strengths but still, it holds limitations which must be addressed in the future studies. First, data collected from small sample resource constraints, which may hamper the results generalizability. Thus for more fine-grained results, future studies should be conducted from a large sample sizes. Second, the present study used the time-lagged (time 1, time 2, and time 3) research design with the gap of three to four weeks which is not purely longitudinal in nature. It still keeps the study co-relational in nature. Thus, future studies must use longitudinal research designs based on long gap intervals (four to six months) for more

authentic results and to measure casual effects (Dobrow Riza, Ganzach, & Liu, 2018; Lee, Yang, Hsu, & Wang, 2019; Tang, Zhan, & Chen, 2018; Tice & Baumeister, 2018).

Third, in the present study gathered the dyadic (from focal employees and peer-reported) rule for data collection, where despotic leader, moral identity, moral disengagement, Unethical Behaviour, Negative Workplace Gossips and Greed were reported by the focal person, and only retaliation rated by peers. But future studies may use triad design (focal person- peer reported and supervisor reported) for better results and authenticity (Greenbaum, Mawritz, & Eissa, 2012; Moore, Mayer, Chiang, Crossley, Karlesky, & Birtch, 2019; Tang, Zhan, & Chen, 2018).

Fourth, the present study investigated the effect of despotic leadership on moral disengagement which further leads to employee outcomes but based on our data we are unable to speak about the micro psychological mechanism through which despotic leader triggers moral disengagement among followers in real time. Present study is unable to answer, how the process of moral disengagement unfolds at a micro level due to leader, and how that process will lead to unethical work behaviour, retaliation, negative workplace gossips and greed, although these are important questions which need answers as urged in past studies (Moore, Mayer, Chiang, Crossley, Karlesky, & Birtch, 2019; Reynolds, Dang, Yam, & Leavitt, 2014) as well.

The fifth, the present study explored the moderating role of moral identity in the relationship despotic leadership and moral disengagement and results showing that moral identity significantly moderates the relationship. But future research should explore the moderating role of other variables such as interactional justice (Seriki, Nath, Ingene, & Evans, 2018), leader-member exchange (Valle, Kacmar, Zivnuska, &

Harting, 2018) and other boundary conditions in the context of dark leadership and its subsequent outcomes.

Sixth, the present study investigated the mediating role of moral disengagement in the relationship between despotic leader and employee outcomes (to unethical work behaviour, retaliation, negative workplace gossips and greed), results showing that moral disengagement has an indirect effect. But future studies should investigate the mediating role of moral disengagement in the relationship between despotic leader and organisational corruption. As despotic leaders are morally corrupt (Naseer et al., 2016), then followers are morally disengaged and they involve organisational corruption

# 5.4 Theoretical Implications

The present study also has several theoretical implications. First, present study findings added the value in the emerging and limited literature on immoral consequences of despotic leadership. Past studies explored the psychological nature outcomes of despotic leadership i.e. life satisfaction and anxiety (Nauman & Fatima, 2018), emotional exhaustion (Nauman & Fatima, 2018; Sattar & Malik, 2019), but few explored the behavioural outcomes i.e. job performance, creativity and career growth (Naseer et al., 2016; Rasool, et al., 2018), organisational deviance (Erkutlu & Chafra, 2018). However, the link between despotic leadership and immoral behaviours i.e. unethical work behaviours, retaliation, negative workplace gossips and greed has not yet been established. So we answered the recent calls on despotic leadership consequences, by establishing the link between despotic leadership and employees immoral behaviours (Erkutlu & Chafra, 2018; Naseer et al., 2016; Nauman & Fatima, 2018; Sattar & Malik, 2019). Thus, the present study extended the current literature of employees immoral behaviours by exploring its new precursor i.e. despotic leadership.

Second, finding of the present study contribute in the literature of moral disengagement by using the moral disengagement theory (Bandura, 1990), as moral disengagement is the strongest predictor of negative work behaviours (Fida, Tramontano, Paciello, Ghezzi, & Barbaranelli, 2018; Seriki, Nath, Ingene, & Evans, 2018). We proposed that under despotic leadership followers indulge in psychological mechanism of moral disengagement which enable them to act immorally by losing the organisational resources, taking the credit of peers, manipulate the peers, peers exploitation, discussing bad things about other while he/she is not present, developing strong ties with leader and demands extra financial rewards or promotions (Hawass, 2019). Because under moral disengagement mechanism individuals justified their actions and they behave unethically or immorally without having the feelings of guilt or shame (Bandura, 1999; Detert .Treviño, & Sweitzer, 2008).

Third, the present study explored the antecedent and consequences of moral disengagement, by investigating the mediating role of moral disengagement. We find that despotic leadership positively related to moral disengagement, while moral disengagement positively related to outcomes i.e. unethical behaviour, negative workplace gossips, greed and retaliation. Moral disengagement, in turn, mediates the positive relationship between despotic leadership and employee outcomes i.e. unethical behaviour, negative workplace gossips, greed and retaliation.

Fourth, the present study investigated the moderating role of moral identity in the relationship between despotic leadership and moral disengagement, additionally, we established moral identity moderates the mediating relationship between despotic leader and employee outcomes through moral disengagement.

# 5.5 Managerial Implications

Research in the area of management intended to contribute in both fields, the body of knowledge as well as the practice of the management profession (Aguinis et al., 2019; Pettigrew, 2011; Shapiro & Kirkman, 2018). As Schwab and Starbuck (2017) noted: "szcientific progress hinges on motivating researchers not just to publish articles, but also to contribute to the accumulation of knowledge across studies with the ultimate goal of positive impact on management practice" (p, 138). Present study demonstrates that despotic leader has an impact on employees' immoral behaviours. When the leader exhibit despotic behaviour (manipulate others, unquestioned submissions, concerned for his own needs, moral corrupt), employees are more likely inclined towards moral disengagement and engaged in immoral acts and deviant behaviours. Leaders have a direct impact on followers' moral choices (Moore et al., 2019).

Present study has many implications for practitioners. Although the despotic leader and organisational outcomes are easily grasped, the mechanism of moral disengagement from personal and professional norms are important. Cialdini (2009) stated that leaders/employers used social proof as a tool to ensure that individuals within the organisations performed their duties according to the expected norms or bounds. However, individual after facing/seeing the despotic side of their leader inclined towards moral disengagement by freeing himself/herself from self-criticism and feelings of shame or guilt would easily lead to deviant behaviours (i.e. retaliation, unethical behaviour, negative workplace gossips and greed) against organisations and supervisor. That is why the findings of the present suggest that to fully understand the employee's behaviours organisations must rely on social proof and peer pressure. In

particular, organisational leaders must avoid to present the despotic behaviour (morally corrupt) but also keenly observe and identify the subordinates who may be prone to moral disengagement. For example, organisations must be conscious of the processes while selecting/promoting the individuals in supervisory positions. Normally organisations promote employees for the supervisory designation against their past performance/achievements without focusing that the particular employee has people management skills, which are necessary for the supervisory designations. That is the organisational leaders/management should consider the aptitude level with the help of personality test, peer feedback and work sample test of individuals for the promotion of supervisory level posts because as a leader his decisions will affect the organisational goals and employees behaviours at workplace.

Organisation management must arrange training sessions on ethical conduct and work behaviour for new leaders just to prevent despotic leadership style or dark side of leadership. Organisations arranged training programs for new leaders but training programs too late, most organisations focused on technical details in an earlier stage of supervisory posts i.e. pay system, training programs related to organisational software mastery and work schedule. So, organisations should arrange training programs for a newly selected leader with particularly focussed on how to set the establish the goals, how to deliver the effective and tactful feedback to subordinates on their performance, how to ensure the participation of the subordinates for effective decision making, and how to effectively communicate with subordinates.

When employee experienced despotic leadership at workplace then they morally disengaged by artificially inflating their personal qualities. These moral disengagement mechanisms help them to cope with despotic leadership, but these

moral disengagement process is problematic for organisations as leaders still behaved in despotic manner. Therefore, top management discourage employees to remain silent on leader despotic behaviour and restrict them to handle despotic leader with the help of moral disengagement mechanisms. Thus, organisational decision makers encourage employees to report leader despotic behaviour through informal communication channels.

### 5.6 Contextual Implications

Most of the studies on moral disengagement theory have been done in western cultures and it is desired to study in eastern cultures to understand employees job outcomes (Alnuaimi, Robert & Maruping, 2010; He, Peng, Zhao, & Estay, 2019). Also, few studies investigated the impact of despotic leadership on follower in Pakistan (De Clercq, et al., 2018; De Clercq, et al., 2019; Nauman & Fatima 2018; Naseer et al., 2016; Rasool et al., 2019; Sattar, & Malik, 2019; Syed et al., 2020). As Pakistan is a high power distance society (Hofstede, 1984), it may be a common trend that there are high power distances between leader and subordinates; because of these cultural differences, the positive impact of despotic leadership and moral disengagement that will further leads to an immoral act. In high power distance countries like Pakistan, followers are more submissive to their leaders and mostly follow their leads. In low power distance countries, followers resist the immoral and unethical influence of their leader (Moore et al., 2019), that is why individuals in Pakistan having a high level of moral disengagement when they faced the despotic leader. This highlights that individual high in uncertainty avoidance and collective society i.e. Pakistan normally strong ties with their boss (i.e. despotic leader) and usually expect extra rewards i.e. financial and positional in returns.

#### 5.7 Conclusion

Present study added the value in the literature of despotic leadership and moral disengagement. Under despotic leadership, followers are inclined in the psychological mechanism of moral disengagement to justify their immoral action and unethical behaviours by indulging the process of moral justification, blaming others, euphemistic labelling, advantageous, dehumanization and distortion of consequences. So that is why under despotic leaders followers are prone to display unethical behaviour, negative workplace gossips, greed and retaliation through moral disengagement mechanism to avoid the feeling of guilt and shame. Followers with high moral identity are less prone to morally disengage and they are not engaged in immoral behaviours as their self-regulating process is activated in the comparison of low moral identity followers. In nutshell, the present study used moral disengagement theory to clearly depict how leaders' despotic behaviours lead followers to behave immorally at the workplace. Present study unleashes avenues for future studies to uncover the effect of despotic leaders on followers' behaviours at the workplace.

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Figure 4.2: Confirmatory Factor Analyses of One Factor (Despotic Leadership, Moral Identity, Moral disengagement, Unethical Work Behaviour, Negative Workplace Gossips, Greed and Retaliation)

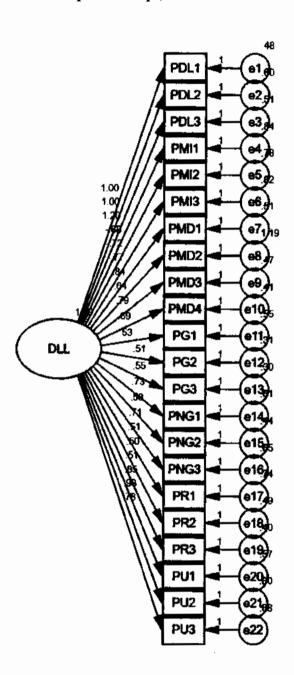


Figure 4.3 Two Factor Confirmatory Factor Analyses of Time One (Despotic Leadership and Moral Identity)

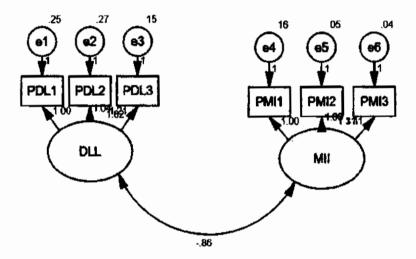


Figure 4.4 Two Factor Confirmatory Factor Analyses (Moral Identity and Moral disengagement )

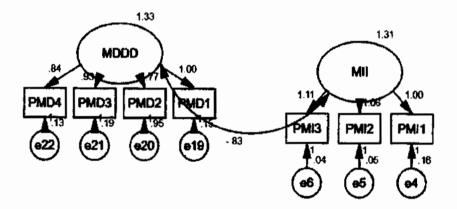


Figure 4.5Four Factor Confirmatory Factor Analyses of Time Three (Unethical Work Behaviour, Negative Workplace Gossips, Greed and Retaliation)

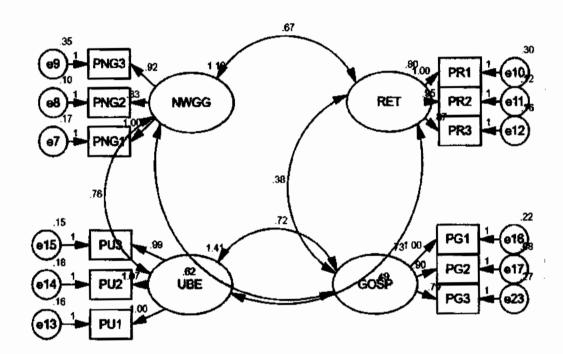
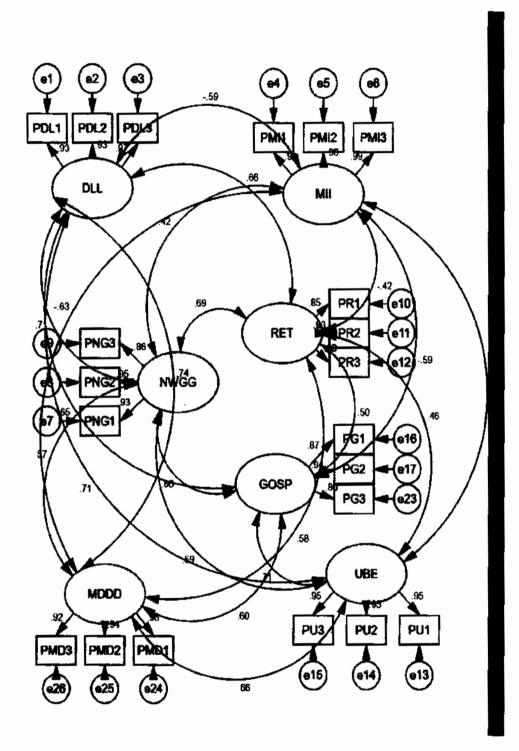


Figure 4.6: Full Model Confirmatory Factor Analyses (Despotic Leadership, Moral Identity, Moral disengagement, Unethical Work Behaviour, Negative Workplace Gossips, Greed and Retaliation)

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#### **APPENDIX**



### International Islamic University Faculty of Management Sciences Department of Management



#### **Questionnaire**

Please take a few minutes to complete this survey. We are conducting a research on dark side of leadership and Outcomes. We have selected your organization. Your specific answers will be completely anonymous and confidential, but your views, in combination with those of others, are extremely important. So your response will be very valuable to us.

									QII me	): 1 D	ate	:	
	Name								_				
2.		•	-	ımber/	Any Primary	Key (you w	ill rememb	er f	or y	/Our	sec	conc	d
	time	-	-										
					Female								
	Age												
					ed								
					Governmen								
					u currently we							_	
8.	Your	desig	mation	/ grade	?								
					1	_							
								_					
		-	-		working wit		ent compan	y?	_		_		
12.	What	is yo	ur Tota	l work	ing experienc	e?			_				
			r relati juestio		with your c	urrent emp	loyer/supe	rvis	sor.	Ple	ase	· -—	1
1:	= Stro	ngly	Disagr	ee 2	= Disagree	3= Neutral	4= Agree	5:		tron gree		_	
St	r.# I1	ems						1	2	3	4	5	]
	1. Is punitive; has no pity or compassion					1	2	3	4	5			
	2. Is in charge and does not tolerate disagreement or				1	2	3	4	5				
ļ	q	uestic	oning, g	ives o	rders	-							
	3. A	cts li	ke a tyr	ant or	despot; imper	ious.		1	2	3	4	5	1
-		Acts like a tyrant or despot; imperious.      Tends to be unwilling or unable to relinquish control of					1			_		-	

5. Expects unquestioning obedience of those who report

projects or tasks.

to him/her

					_
6. Is vengeful; seeks revenge when wronged	1	2	3	4	5

These are the different moral characteristics like Caring, Compassionate, Fair, Friendly, Generous, Hardworking, Helpful, Honest, Kind, Ruthless, Selfish and Distant. You have to rank yourself on the basis of these characteristics

It would make me feel good to be a person who has these characteristics.	1	2	3	4	5
2 Being someone who has these characteristics is an important part of who I am.	1	2	3	4	5
3 Having these characteristics is not really important to me. (R)	1	2	3	4	5
4 Having these characteristics is an important part of my sense of self.	1	2	3	4	5
5 I often buy products that communicate the fact that I have these characteristics.	1	2	3	4	5
I often wear clothes that identify me as having these characteristics.	1	2	3	4	5
7 The types of things I do in my spare time (e.g., hobbies) clearly identify me as having these characteristics.	1	2	3	4	5
8 The kinds of books and magazines that I read identify me as having these characteristics.	1	2	3	4	5
The fact that I have these characteristics is communicated to others by my membership in certain organizations.	1	2	3	4	5
I am actively involved in activities that communicate to others that I have these characteristics	1	2	3	4	5



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## THIS QUESTIONNAIRE HAS TO BE FILLED BY THE SAME RESPONDENT 2-3 WEEKS AFTER TIME-1

QID

Employee Name/NIC

#### NOTE: The 2 Pages below should be filled by the employee himself/herself

	1= Extremely unlikely	2= unlikely	3= midpoint	4=	= lik	ely	E	5= xtrem likely	•	
		r supervisor, how			ed in	mo	ral d	isenga	gem	ent
1		under bad condition in garage aggressively.	ons, you canno	t be	1	2	3	4	5	
2	If you are pressured into doing something, you					2	3	4	5	]
3	You cannot be blamed for misbehaving if your friends pressured them to do it.				1	2	3	4	5	
4	You as a member of a group or team should not be blamed for the trouble the team caused.				1	2	3	4	5	7
5	If your group decides together to do something harmful, it is unfair to blame any one member of the group for it.				1	2	3	4	5	
6	in the harm cause				1	2	3	4	5	
7	People don't mi interest in them.	ind being teased	because it sho	ows	1	2	3	4	5	
8	Teasing someone	does not really hu	rt them.		1	2	3	4	5	]



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## THIS QUESTIONNAIRE HAS TO BE FILLED BY THE SAME RESPONDENT 2-3 WEEKS AFTER TIME-2

RESPONDENT 2-3 WEEKS AFTER TIME-2	
QID:	,
Employee Name/N.I.C:	
Peer Name/N.I.C:	
NOTE: The two variable below should be filled by your-self	

Consider your relationship with your current employer/supervisor. Please

1= Never	2= Rarely	3= Sometimes	4= Usually	5= Always
answer eacl	question.			

Serial #	Items	1	2	3	4	5
1.	asked a work colleague if they have a negative impression of something that your supervisor has done	1	2	3	4	5
2.	questioned your supervisor's abilities while talking to a work colleague	1	2	3	4	5
3.	criticized your supervisor while talking to a work colleague	1	2	3	4	5
4.	vented to a work colleague about something that your supervisor has done	1	2	3	4	5
5.	told an unflattering story about your supervisor while talking to a work colleague	1	2	3	4	5

Serial #	Items	1	2	3	4	5
1.	I always want more.	1	2	3	4	5
2.	Actually, I'm kind of greedy	1	2	3	4	5
3.	One can never have too much money.	1	2	3	4	5
4.	As soon as I have acquired something. I start to think about the next thing I want.	1	2	3	4	5

	5,	It doesn't matter how much I have. I'm never completely satisfied.	1	2	3	4	5
	6.	My life motto is 'more is better'.	1	2	3	4	5
Ì	7.	I can't imagine having too many things	1	2	3	4	5



1= Never

2= Rarely

Spent time on personal matters while at work

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# THIS QUESTIONNAIRE HAS TO BE FILLED BY THE SAME RESPONDENT 2-3 WEEKS AFTER TIME-2

3= Sometimes | 4= Usually | 5= Always

<del>~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ </del>			
	QID:		
Employee l	Name/N.I	.C:	
- •	lame/N.I.		

#### NOTE: The two variable below should be filled by your Peer/Colleague

	To what extent does this employee [your co-worker]	follow	ed by	prac	_ ctices s	such
	as					
1	On purpose, damaged equipment or work process	1	2	3	4	5
2	Took supplies home without permission	1	2	3	4	5
3	Wasted company materials	1	2	3	4	5

_ 2	Took supplies nome without permission	1	2	3	4	5
3	Wasted company materials	1	2	3	4	5
4	Called in sick when not ill	1	2	3	4	5
5	Spoke poorly about the company to others	1	2	3	4	5
6	Refused to work weekends or overtime when asked	1	2	3	4	5
7	Left a mess unnecessarily (did not clean up)	1	2	3	4	5
8	Disobeyed a supervisor's instructions	1	2	3	4	5
9	Talked back to his or her boss	1	2	3	4	5
10	Gossiped about his or her boss	1	2	3	4	5
11	Spread rumours about co-workers	1	2	3	4	5
12	Gave a co-worker a "silent treatment"	1	2	3	4	5
13	Failed to give co-worker required information	1	2	3	4	5
14	Tried to look busy while wasting time	1	2	3	4	5
15	Took an extended coffee or lunch break	1	2	3	4	5
16	Intentionally worked slower	1	2	3	4	5

## To what extent does this employee [your co-worker] followed by practices such

l	Using company services for personal use	1	2	3	4	5
2	Doing personal business on company time	1	2	3	4	5
3	Pilfering company materials and supplies	1	2	3	4	5
4	Taking extra personal time (lunch hour, breaks, early departure)	1	2	3	4	5
5	Concealing one's errors	1	2	3	4	5
6	Passing blame for errors to an innocent co-worker	1	2	3	4	5
7	Claiming credit for someone else's work	1	2	3	4	5

8	Giving gifts/favors in exchange for preferential treatment	1	2	3	4	5
9	Accepting gifts/favors in exchange for preferential treatment	1	2	3	4	5
10	Falsifying time/quality/quantity reports	1	2	3	4	5
11	Calling in sick to take a day off	1	2	3	4	5
12	Authorizing a subordinate to violate company rules	1	2	3	4	5
13	Padding an expense account up to 10%	1	2	3	4	5
14	Padding an expense account more than 10%	1	2	3	4	5
15	Taking longer than necessary to do a job	1	2	3	4	5
16	Divulging confidential information.	1	2	3	4	5
17	Not reporting others' violations of company policies and, rules	1	2	3	4	5

