

**ETHICAL LEADERSHIP AND REPUTATION:
COMBINED INDIRECT EFFECTS ON ORGANIZATIONAL DEVIANCE**

Pedro Neves

Joana Story

Nova School of Business and Economics

ABSTRACT

The interest in ethical leadership has grown in the past few years, with an emphasis on the mechanisms through which it affects organizational life. However, research on the boundary conditions that limit and/or enhance its effectiveness is still scarce. Thus, the present study examines the relationship between ethical leadership and affective commitment to the organization, as a reflection of the quality of the employee-organization relationship (EOR) and proposes this relationship is conditional on the supervisor's personal reputation for performance (i.e., the moral standards are coupled with work effectiveness). Moreover, we propose the interaction effect of ethical leadership and reputation for performance on affective commitment to the organization has carryover effects for organizational deviance. Using a sample of 229 employees and their respective supervisors from 18 organizations we confirmed our hypotheses. Our findings suggest that ethical leadership is positively related to employees' affective commitment to the organization, particularly when supervisor's reputation for performance is high, which in turn is associated with decreased organizational deviance. The theoretical and practical implications of these findings conclude the paper.

Key words: Ethical leadership, reputation for performance, EOR, organizational commitment, organizational deviance

INTRODUCTION

The corporate scandals that have come to the general public's attention in the past years (e.g., Enron and Fannie Mae's accounting practices, HP and Deutsch Bank's spying accusations) have again highlighted the importance of the ethical conduct of those in influential positions. Much has been written about the normative or philosophical view of ethical leadership (see Brown & Treviño, 2006 and Eisenbeiss, 2012 for a review) and the ethical dimension is present in the contemporary models of leadership (e.g., idealized influence dimension of transformational leadership – Bass & Avolio, 1994). Yet, and while organizations have started to express the importance of having leaders that behave ethically (Stouten, van Dijke & De Cremer, 2012), ethical scandals are still commonplace.

Although it has been in the mind of researchers, practitioners and the general public for a long time, only recently the construct (and corresponding measure) of ethical leadership was developed (Brown, Treviño & Harrison, 2005). These authors have defined ethical leadership as “the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making” (p. 120). This definition highlights three key characteristics: a) the leader is a legitimate and credible role model; b) the leader not only explicitly emphasizes the importance of ethics but also reinforces ethical behaviors (while disciplines those that do not comply with the standards); and c) the leader evaluates the ethical implications of his/her decisions.

Since Brown et al's (2005) seminal paper, researchers started to examine *how* ethical leadership affects employees' conduct, i.e., the processes through which its influence takes place. Researchers have highlighted multiple mechanisms, including the work environment (poor

working conditions: Stouten, Baillien, Van den Broeck, Camps, De Witte & Euwema, 2010; ethical climate and culture: Neubert, Carlson, Kacmar, Roberts & Chonko, 2009; Mayer, Kuenzi & Greenbaum, 2010; Schaubroeck et al., 2012; Shin, 2012), job characteristics (workload: Stouten et al., 2010; task significance and autonomy: Piccolo, Greenbaum, Den Hartog & Folger, 2010) and employees' (individually or as a group) trust in leader (Newman, Kiazad, Miao & Cooper, 2013) work engagement (Den Hartog & Belschak, 2012), well-being (Kalshoven & Boon, 2012), voice (Avey, Wernsing & Palanski, 2012; Walumbwa, Morrison & Christensen, 2012), psychological ownership (Avey et al., 2012), safety (Walumbwa & Schaubroeck, 2009), and conscientiousness (Walumbwa et al., 2012).

Despite this growing evidence concerning the mechanisms linking ethical leadership and employee outcomes, authors still highlight the need for further research in this area (e.g., Mayer, Aquino, Greenbaum & Kuenzi, 2012; Newman et al., 2013). Moreover, the *boundary conditions* that limit or enhance the effectiveness of ethical leadership have received much less attention, and usually emphasize either the role played by the work environment, such as organizational politics (Kacmar, Bachrach, Harris & Zivnuska, 2011) and human resource management practices (Kalshoven & Boon, 2012) or by employees' characteristics, such as self-esteem (Avey, Palanski & Walumbwa, 2011) or gender (Kacmar et al., 2011). Further research on the boundary conditions of ethical leadership is particularly relevant as it may help explain under what conditions ethical leadership becomes more valuable for organizations and influential for employee behavior.

Thus, the present study aims to contribute to the discussion concerning the process of ethical leadership, namely *how* and *under what circumstances* it influences employee behavior. First, we extend our knowledge of the process of ethical leadership by examining the role of

social exchanges. Social exchange theory (Blau, 1964) has been a predominant framework in organizational behavior (Cropanzano & Mitchell, 2005), and particularly in the study of leadership (Dirks & Ferrin, 2002; Tse, Huang & Lam, 2013). Nonetheless, and while it has been discussed (theoretically) as a key dimension in the relationship between ethical leaders and their subordinates (Brown & Trevino, 2006), the social exchange mechanisms through which ethical leaders influence follower behaviors is yet to be examined empirically (*ibidem*). For example, Brown and Trevino (2006) argue that through a high quality exchange relationship with managers, ethical leadership should decrease the likelihood of engagement in negative behaviors – yet, such mechanisms are not detailed in their propositions. Therefore, we propose and test that ethical leadership contributes to the reduction of employee’s deviant behaviors through an increase in employees’ affective organizational commitment, one of the main indicators of a high quality social exchange relationship with the organization (Colquitt et al., 2013), since the actions of the supervisor are, to some extent, interpreted as actions on behalf of the organization.

Second, we further develop our understanding of the conditions that significantly affect the strength of the impact of ethical leadership. While there is an overall agreement that the demonstration of high moral standards by leaders is an important determinant of employee behavior (see Brown & Trevino, 2006 for a review), there is also evidence (although this line of inquiry is still in its infancy) that the impact of such actions varies substantially between individuals (e.g., Avey et al., 2011) or across contexts (Kalshoven & Boon, 2012). Given that one of the main misconceptions about ethical leadership is that ethics and effectiveness are not compatible (Brown, 2007), visible in the popular adage “nice guys finish last” (*ibidem*), it is urgent that researchers provide empirical tests of this assumption. In this paper, we suggest that the role ethical leadership plays in the employee-organization relationship varies significantly

depending on the supervisor's reputation for performance, such that ethical leadership should be more effective when leaders also demonstrate a high potential for success. High ethical leadership combined with high reputation for performance indicates that the supervisor not only fulfills his/her performance obligations at the workplace, but does so following a set of moral standards. Finally, and based on a social exchange framework, we expect that employees reduce their deviant behaviors as a response to ethical leadership (conditional on supervisor's reputation for performance), through increased affective commitment to the organization (i.e., moderated mediation effect).

Overall, this paper adds to the literature in two main ways by highlighting: a) the employee-organizational relationship as a key social exchange mechanism through which ethical behavior by leaders, as agents of the organization, reduces deviant behaviors directed at the organization; and b) reputation for performance, as an indication that the leader is competent and helpful, as an employee perception that significantly shapes how employees react to ethical leadership.

Ethical Leadership and the Employee-Organization Relationship

As we previously discussed, researchers have begun to explore the mechanisms linking ethical leadership and employee behaviors. However, and while multiple aspects of the organizational life have been examined as potential mechanisms, the employee-organization relationship (EOR) has been largely overlooked, despite its key role for organizational functioning (see Rhoades & Eisenberger, 2002 and Meyer, Stanley, Herscovitch & Topolnytsky, 2002 for meta-analyses on perceived organizational support, POS, and organizational commitment, respectively). These two concepts capture both sides of the positive EOR: how employees perceive the treatment received by the organization (POS: Eisenberger, Huntington,

Hutchison & Sowa, 1986) and how employees characterize their relationship with the organization (Meyer & Allen, 1991).

The EOR is “*an overarching term to describe the relationship between the employee and the organization*” (Shore, Porter & Zahra, 2004, p. 292), and is drawn on social exchange theory (Blau, 1964). Social exchange theory posits that, unlike the specific benefits or commodities involved in an economic exchange, the favors or benefits exchanged are indicative of mutual support and investment in the relationship (Aryee, Budhwar & Chen, 2002). As such, only social exchanges tend to engender feelings of personal obligation, gratitude, and trust; purely economic exchanges do not (Blau, 1964).

Underlying the application of social exchange theory to the EOR are the key assumptions that: a) the employee attributes humanlike characteristics to the organization; and b) organizational agents pursue the organization’s interests in their relationship with their subordinates (Coyle-Shapiro & Shore, 2007). In fact, the personification of the organization is actually strengthened by the legal, moral, and financial responsibility for the actions of its representatives (Eisenberger, Huntington, Hutchinson & Sowa, 1986). Moreover, the role of direct supervisors as agents of the organization is critical since they are the ones responsible for coordinating work, assigning tasks and evaluating the performance of employees.

The norms governing social exchanges, based on reciprocity, predict that an imbalanced relationship would evolve over time in order to achieve congruence, that is, either mutual positive or negative feelings. Thus, it is of interest to understand whether employees reciprocate ethical leadership, as behaviors enacted by an organizational representative (i.e., supervisors), by stimulating the bond employees develop with their organization, particularly “the emotional attachment to, identification with, and involvement in the organization”, i.e., affective

organizational commitment (Meyer & Allen, 1991, p. 67). As Cropanzano and Mitchell (2005) highlighted, commitment, together with trust and loyalty form one of the basic tenets of social exchanges. The reasoning is that virtuous behavior - based on principles of fairness and integrity - from leaders contributes to the thriving of all members of the community (Neubert et al., 2009), and as such would strengthen the emotional bond between employees and their organization, one of the motivational mechanisms supporting social exchanges in the workplace.

Previous research has showed that employees generalize their views concerning the actions of their supervisors to the organization. In fact, Meyer et al. (2002) argued that among the things the organization can do to enhance employee commitment is to provide strong leadership, since employees view their leaders as agents working on the organization's behalf. Their meta-analytical findings supported their argument and presented a strong correlation between transformational leadership (which encompasses ethical behaviors) and affective organizational commitment. The few studies that have examined the relationship between ethical leadership and affective organizational commitment (Den Hartog & De Hoog, 2009; Kalshoven, Den Hartog & De Hoog, 2011; Neubert et al., 2009) provide strong empirical support to this claim, since, and despite using different measures and conceptualizations of ethical leadership, this relationship is fairly stable and strong. Thus,

Hypothesis 1: Ethical leadership is positively related to affective commitment to the organization

The Moderating Role of Reputation for Performance

Ethical leadership, as an influence process between leaders and subordinates, is influenced by the general character the latter attribute to the leader. One key feature of the character of leaders employees try to assess is personal reputation. As Hochwarter, Ferris, Zinko,

Arnell and James (2007) put it, examining influence processes without considering how it relates to different reputations provides a fairly incomplete perspective. Personal reputation concerns the positive image one tries to develop based on how other individuals perceive them as performing their jobs competently and being helpful in the workplace (Zinko, Ferris, Humphrey, Meyer & Aime, 2012). It is defined as a “complex combination of salient characteristics and accomplishments, demonstrated behavior, and intended images presented over some period of time” (Ferris, Blass, Douglas, Kolodinsky & Treadway, 2003, p. 213).

One of the arguments put forth to explain why personal reputation acts as a boundary condition for influence processes is that it serves an important signaling function (Posner, 1997), carrying information about an individual’s intentions. For example, Laird, Perryman, Hochwarter, Ferris and Zinko (2009) found that an increase in felt accountability in the workplace presented quite different results, depending on the person’s reputation. Similarly, Hochwarter et al. (2007) found that the relationship between political behavior and several outcomes (uncertainty, exhaustion and performance) varied significantly depending on the levels of personal reputation. In both studies, reputation determined whether political behavior and accountability presented positive (when reputation was high) or negative (when reputation was low) outcomes.

As one can develop reputations for a myriad of things (e.g., a person that has a reputation for being highly creative does not necessarily have a reputation to deliver outputs on time), in the present study we are particularly interested in the reputation concerning the supervisor’s ability to perform, one of the high-order dimensions that compose personal reputation in the context of organizations (Zinko et al., 2012). This dimension of personal reputation concerns whether employees see the supervisor as someone that “gets things done”, which is crucial since ethical

leaders are also concerned with how people perform their jobs (Stouten et al., 2010). Thus, while consistent ethical supervisor behaviors should always contribute positively to the EOR, we argue that employees put their assessments of ethical leader behavior in perspective and look for additional information concerning the leader's reputation for performance, as they look for additional signals (Posner, 1997) to try to make sense of the implications of his/her ethicality.

A second argument for the examination of reputation for performance in our model concerns its role in the assessment of the leader's trustworthiness, a key input for the development of the EOR. The characteristics and actions of individuals make others trust them more or less (Mayer, Davis & Schoorman, 1995). For example, ethical leadership positively contributes to trust in the leader, mainly because it signals that the leader has integrity, a key dimension of trustworthiness (Newman et al., 2013). Another important characteristic of the trustee is competence (or ability), the expertise, knowledge and skills that enable a party to have influence within some specific domain (Mayer et al., 1995). Reputation for performance is built around demonstrations of competence as a leader, which influences not only trust but also affective commitment to the organization (Colquitt, Scott & LePine, 2007), two of the principal mechanisms in social exchanges (Colquitt et al., 2013).

Finally, the examination of reputation for performance provides an important contribution to one of the key misconceptions about ethical leadership identified by Brown (2007), that ethics and effectiveness are not compatible "in the rough and tumble business world" (p. 149). As Brown (2007) highlighted, the preliminary data concerning how ethical leadership is related to positive outcomes is compelling. Yet, we are not aware of any studies that examine the intertwinement between assessments of leader ethics and effectiveness, and how it influences employee behavior. In light of these arguments, we believe the examination of the

interplay between ethics and effectiveness is central for a deeper understanding of the ethical leadership process. Therefore, we suggest that a positive reputation for performance will enhance the effectiveness of ethical leadership in the development of an emotional bond between employees and the organization, by a) signaling that the leader is someone that delivers but that does not follow the maxim “by all means necessary”, and b) showing that the leader is trustworthy. A negative reputation for performance should lessen the effectiveness of ethical leadership, as it would signal the leader is someone with good intentions but unable to provide what the organization requires and therefore untrustworthy, which should also affect employees’ organizational life as the organization may limit the amount of resources provided to the supervisor.

Hypothesis 2: Reputation for performance moderates the relationship between ethical leadership and affective commitment to the organization, such that when reputation for performance is high the positive relationship is stronger than when reputation for performance is low

Carryover Effects on Organizational Deviance

Researchers have been particularly concerned with the relationship between ethical leadership and employee behaviors, particularly performance (e.g., Kacmar et al., 2011; Shin, 2012; Walubmwa et al., 2012) and deviance (e.g., Avey et al., 2011; Den Hartog & Belschak, 2012; Mayer, Kuenzi, Greenbaum, Bardes & Salvador, 2009). As we previously discussed, social exchange theory (Blau, 1964) has provided the conceptual underpinning of research on work attitudes and behaviors (Settoon, Bennett, & Liden, 1996; Wayne, Shore, & Liden, 1997), and affective commitment to the organization is one of its key mechanisms. In general, positive treatment received from the supervisor makes employees develop a felt obligation to reciprocate

those positive actions, mostly through an increase in affective commitment to the organization (Eisenberger et al., 2010). That is, subordinates feel indebted and obliged to repay organizations and its representatives (i.e., supervisors) in kind over time (Walumbwa, Cropanzano & Hartnell, 2009).

These behaviors (i.e., performance and deviance) represent two forms of reciprocating the treatment received by the organization and its agents that have an important impact on organizational functioning. It is particularly important to further analyze deviant behaviors directed at the organization (e.g., intentionally working slower, come in late without permission, lied about the number of hours worked) for three reasons: a) workplace deviance is an expensive and pervasive problem for organizations that happens rather frequently (Bennett & Robinson, 2000); b) it represents how much employees engage in “voluntary behaviors that violate significant organizational norms and in so doing threatens the well-being of an organization its members or both” (Robinson & Bennett, 1995, p. 556), which is an important behavioral indicator of the negative employee view of the EOR, since it is specifically directed at the organization and carries the implications described in the previous point; and c) it results from a deliberate desire to violate organizational norms derived from basic moral standards (Feldman, 1984), including those upheld by organizational agents such as supervisors.

Moreover, we could only find a handful of studies that examine the relationship between ethical leadership and deviant behaviors, and only two of those studies examined potential pathways and moderators of such relationship. Den Hartog and Belschak (2012) found that ethical leadership reduced deviant (or counterproductive) behaviors through an increase in work engagement, but that increase varied depending on the levels of leader Machiavellianism. In

another study, Avey et al. (2011) found that ethical leadership decreased the engagement in deviant behaviors only when subordinate's self-esteem was low.

Thus, we propose that, based on social exchange theory (Blau, 1964) and the norm of reciprocity (Gouldner, 1960), ethical leadership should affect subordinates' behavior through an increase in affective commitment to the organization, conditional on the supervisor's personal reputation for performance. As ethical leadership increases, employees become more committed to the organization (since supervisors personify, to some extent, the organization and treatment received by the supervisor is also attributed to the organization), particularly when the supervisor has a high reputation for performance (as an indication that the leader is also known for "delivering the goods"), which should in turn reflect itself, as a result of the norm of reciprocity, in the reduction of voluntary negative behaviors directed at the organization.

Hypothesis 3: Affective organizational commitment is negatively related to organizational deviance

Hypothesis 4: The indirect effect of ethical leadership on organizational deviance through affective commitment to the organization will be stronger when reputation for performance is high

Overall, our conceptual model describes a moderated mediation, i.e., a conditional indirect effect model, where the magnitude of an indirect effect at particular values of the moderator is examined (Preacher, Rucker & Hayes, 2007). Specifically, we examine if the relationship between ethical leadership and organizational deviance via affective organizational commitment is conditional on supervisor's reputation for performance (see Figure 1).

Insert Figure 1 about here

METHODS

Sample and Procedures

Initially, 25 organizations were identified and contacted to participate in a larger study on Ethics and Social Responsibility. Organizations were identified by either having a strong commitment towards ethics and social responsibility as highlighted on their website or if they had appeared on the media about their ethics and social responsibility program. Corresponding organizational representatives (top management or/and HR managers or/and Public Relations office) were then contacted asking to participate in the study. Eighteen organizations (72% response rate) agreed to participate by having a sampled supervisor and corresponding subordinate to fill out a survey. We only provided the survey if both, employee and respective supervisor, were willing to participate in the study. In our first contact, we requested 364 subordinate and supervisor participants to participate, however, only 273 agreed to take the survey, representing a 75% response rate. This high response rate can be explained by the fact that surveys were handed out personally. We had to exclude 49 dyads because they did not complete the survey or did not have corresponding supervisors/subordinates surveys completed. Our final sample consisted of 224 subordinate-supervisor dyads.

The 18 sampled organizations were from a variety of industry, including: Tourism (3%), Services (4%), Health (11%), Consulting (13%), Transportation (13%), Energy (20%), and Financial Services (31%). Out of the supervisor sample 54% were male with mean age of 44, ranging from 25 to 62 years old. Thirty-six percent of them have worked in the organization for more than 20 years, 32% between 10 and 20 years, and 27% between 5 and 10 years. Forty-two percent of the supervisor sample had at least a Master's degree with 32% having a Bachelor's

degree. Subordinate population was 56% female with 40% having a Bachelor's degree and 26% having at least a Master's degree. Average age for subordinates participants were 35 ranging from 18 to 63 years old. In terms of tenure, 31% of them have worked in the organizations between 1-5 years, 21% between 5-10 years, and 20% between 10-20 years. Supervisor sample rated their respective subordinate organizational deviance while subordinate sample rated their leaders on ethical leadership and reputation for performance and auto-reported their organizational commitment.

Measures

Control variables. Previous research has found that age, tenure, gender and education are sometimes related to affective commitment to the organization and organizational deviance (Berry, Ones & Sackett, 2007; Meyer et al., 2002). Therefore, our set of analysis included these demographic variables as controls.

Ethical leadership was rated on 10 items developed by Brown, Trevino and Harrison (2005). Sample items include "my supervisor has the best interests of employees in mind" and "my supervisor sets an example of how to do things the right way in terms of ethics". Cronbach's alpha was .88.

Reputation for performance was rated on 6 items taken from the Personal Reputation scale developed by Hochwarter et al. (2007). This set of items specifically measures one's reputation for performance. Sample items include "Others regard my supervisor as someone who gets things done" and "People know my supervisor produce only high quality results". Cronbach's alpha was .74.

Affective organizational commitment was rated using the 6 items developed by Meyer, Allen and Smith (1993). Sample questions include "I would be very happy to spend the rest of

my life in this organization' and 'I do not feel emotionally attached to this organization' (reversed). Cronbach's alpha was .75.

Organizational deviance was rated by supervisors on 9 items (Aquino et al., 1999). Sample questions include 'This subordinate took undeserved breaks to avoid work' and 'this subordinate left work early without permission'. Cronbach's alpha was .80.

All scales used 5-point Likert-type scales, anchored in 1 – Completely disagree and 5 – Completely agree.

RESULTS

Descriptive statistics, reliabilities and correlations are presented in Table 1. A quick review of the correlation matrix indicates that subordinate's age is marginally related to affective organizational commitment ($r = .12, p < .10$), while tenure with the supervisor is related to affective organizational commitment ($r = .19, p < .01$) and organizational deviance ($r = -.18, p < .01$) and education is marginally related to organizational deviance ($r = .12, p < .10$). The strong correlation between ethical leadership and reputation for performance ($r = .74, p < .01$) is also noteworthy. Despite being theoretically distinct, in light of the trustworthiness literature such a correlation is not surprising. When developing their model of trustworthiness, Mayer et al. (1995) emphasized that, although each factor captures some unique elements of trustworthiness, the fact that they are separable does not mean they are unrelated. If we examine the pattern of relationships between integrity and competence, two of the underlying factors of trustworthiness that are closely related to ethical leadership and reputation for performance, respectively, we find similar results (Colquitt & Rodell, 2011; Colquitt et al., 2007; Mayer & Davis, 1999). In these studies the zero-order correlation between integrity and competence ranged from .68 (in the meta-analysis conducted by Colquitt et al., 2007) to .78, but the factor analyses always supported

the distinction between the dimensions. Our results point in the same direction as the trustworthiness studies.

Insert Table 1 about here

Since ethical leadership, reputation for performance and affective commitment to the organization were collected from the same source (i.e., subordinate), we tested the distinctiveness of the three constructs using confirmatory factor analysis (CFA). We compared our three-factor measurement model with two alternative, less differentiated models (see Table 2): a two-factor model that combined the two evaluations of the supervisor (ethical leadership and reputation for performance); and a one-factor model where all the measures collected from the subordinate were combined. Lagrange multiplier tests (Bentler, 1995) for adding parameters suggested adding two residual correlations to our model. The most differentiated model (three-factor model) presented the best fit ($\chi^2(204) = 400.09^{**}$; CFI = .90; RMSEA = .07; SRMR = .08). The chi-square difference tests demonstrated a better fit as the models became more differentiated ($\Delta\chi^2(2) = 22.14$, $p < .05$ between the three-factor and two-factor model; and $\Delta\chi^2(1) = 196.53$, $p < .05$ between the two-factor and one-factor model). Loadings ranged from .46 to .77 for ethical leadership, .34 to .79 for reputation for performance, and .36 to .86 for affective commitment to the organization. Thus, we used the hypothesized model in our analysis.

Insert Table 2 about here

We tested our hypotheses using bootstrapping analysis since it is the most endorsed method to test conditional indirect effects, i.e. moderated mediation models (Preacher et al., 2007). Before creating the interaction term, we centered both predictors, i.e., ethical leadership and reputation for performance (Cohen, Cohen, West & Aiken, 2003). The results of our model are described in Table 3. Ethical leadership had a significant positive relationship with affective commitment to the organization ($B = .58, p < .01$), thus supporting hypothesis 1. Moreover, and while reputation for performance did not present a significant relationship with affective commitment to the organization ($B = .12, p > .05$), it significantly moderated the relationship between ethical leadership and affective commitment to the organization ($B = .35, p < .01$).

 Insert Table 3 about here

Following the recommendation of Cohen et al. (2003) we plotted the interaction effect. As predicted in hypothesis 2, the relationship between ethical leadership and affective commitment to the organization was stronger when reputation for performance was high ($t = 6.78, p < .05$) than when it was low ($t = 3.74, p < .05$). Although the relationship between ethical leadership and affective commitment to the organization remained significant when reputation for performance was low, the difference between slopes is significant ($t = 4.26, p < .05$).

 Insert Figure 2 about here

Finally, and since affective commitment to the organization presented a significant negative relationship with organizational deviance ($B = -.15, p < .01$), thus supporting hypothesis

3, we examined the indirect carryover effects of the interaction to organizational deviance through affective organizational commitment. When reputation for performance was high, the conditional indirect effect of ethical leadership on organizational deviance through affective commitment to the organization was significant ($B = -.11$, 95% CI $[-.2410, -.0439]$). When reputation for performance was low, the conditional indirect effect was also significant, albeit smaller ($B = -.05$, 95% CI $[-.1505, -.0127]$). These results support hypothesis 4. That is, as ethical leadership increases, subordinate's organizational deviance decreases via (increased) affective commitment to the organization, particularly when subordinates rate their supervisors as having a high reputation for performance¹.

DISCUSSION

This paper examined *how* (i.e., through an increase in affective commitment to the organization) and *under what conditions* (i.e., depending on reputation for performance) ethical leadership affects employee deviant behaviors directed at the organization. Overall, the results supported our hypotheses. Ethical leadership was significantly related to affective commitment to the organization, particularly when supervisors also have a high reputation for performance. Furthermore, the conditional effect of ethical leadership on affective commitment to the organization (depending on the levels of reputation for performance) presented carryover effects for employee deviance directed at the organization. Taken together, these results contribute to the literature on ethical leadership by examining two understudied topics: *how* ethical leadership is associated with employees' behaviors, and the *boundary conditions* that affect that relationship.

Our findings suggest that ethical leadership contributes significantly to the development of the EOR through social exchange mechanisms. Given the attention other mechanisms have

received in the literature (i.e., work environment, job characteristics), our research highlights the need to further examine the implications of ethical behaviors for social exchanges. The demonstration of normatively appropriate conduct through personal actions and interpersonal relationships (Brown et al., 2005) by supervisors provides cues concerning the values of the organization, thus enhancing employees' affective organizational commitment. Thus, our results provide evidence that employees not only need ethical guidance from leaders, one of the main misconceptions Brown (2007) highlighted about ethical leadership, but that they make inferences about the organization's intentions based on the supervisor's actions, one of the visible features of the organization's anthropomorphization (Levinson, 1965).

Furthermore, we found that the strength of the relationship between the supervisor's ethical conduct and employees' commitment to the organization varied according to the supervisor's reputation for performance. Specifically, the impact of ethical leadership on the EOR is amplified for leaders that are also evaluated as high performers. Personal reputation is an important asset because it reduces uncertainty concerning future behavior by signaling that the individual is trustworthy and has the necessary abilities to deal with workplace demands (Laird et al., 2009). This interaction effect is aligned with Hochwarter et al.'s (2007) claim that in order to fully understand how influence processes take place, one needs to examine the role of personal reputation.

Interestingly, if leaders are not perceived as ethical, regardless of their personal reputation for performance, employees show the lowest levels of affective commitment to the organization. It appears ethical leadership is a necessary but not sufficient condition for employees to demonstrate the strongest emotional bond with the organization. That is, when defining their relationship with the organization, employees examine both sides of the

supervisor's "*means to an end*" equation as an agent of that organization. It is as if employees ask two questions: Does this supervisor's work conduct follow higher moral standards (i.e., does (s)he have high ethical leadership? If so, does (s)he also demonstrate high work effectiveness and achieve the proposed *ends* (i.e., does (s)he have a high reputation for performance)?

Lastly, we found that ethical leadership was indirectly related to employee deviance through an improvement in the EOR, measured by the increase in affective commitment to the organization. As Brown (2007) put it, ethical leaders encourage employees to aspire to do the right thing, which is more than simply obeying the law, and are quite effective at doing it. These results are also aligned with the norm of reciprocity (Gouldner, 1960), in that employees feel obligated to reciprocate the higher standards (both ethical and for performance) put forth by the organization's representatives, in this case the supervisor, through their own actions.

Our study also carries implications for practice. Our results demonstrate that promoting ethical leadership has an impact that goes beyond shaping ethical conduct (Brown, 2005). Ethics is a process (Brown, 2007), and organizations and managers should be aware that ethical leadership influences how employees view the organization and determines their actions in the workplace. Organizations that aspire to promote a positive EOR and minimize deviant behaviors should therefore invest in the promotion of high ethical standards. A lot of attention has been given by the media to the (un)ethicality of top management teams and CEOs. Our study reinforces the idea that organizations also have to worry about the moral standards of those in direct supervision positions, as they are important role models due to their ability to reward or punish subordinates (Brown, 2005). Thus, organizations should make clear that they do not tolerate individuals – at any level of the hierarchy - that play the game close to the foul line, as Keough (2008) put it.

Organizations can effectively promote ethical leadership in multiple ways. They can, for example, measure applicants' ethical standards at the time of entry in the organization and/or examine their actions in exercises or solving ethical dilemmas, selecting only those that are aligned with the set of moral standards held by the organization. They can also provide training to their line and middle-level supervisors, highlighting the organization's core values and members' expected actions, and explaining how leaders may convey those norms of conduct to their subordinates (e.g., inviting honest feedback or reinforcing employees that did "the right thing", regardless of the outcomes: Brown, 2007). Finally, they can also develop a corporate culture based on values with a strong emphasis on ethics. This culture should be consistently communicated across all levels of the organizations, in order to make sure: a) each member is aware of the core ethical values of the organization; and b) unethical behaviors are quickly and severely sanctioned.

Additionally, we found that ethical behaviors combined with a high reputation for performance produce the highest levels of affective commitment to the organization and the lowest levels of organizational deviance. While ethics are important, it appears individuals put that in perspective and search for additional signals concerning the leader's intentions: following ethical guidelines but not being able to achieve goals provides a rather limited contribution to a positive EOR (and consequently to the employees' reciprocation efforts). Thus, organizations should make an additional effort to retain those supervisors that present both features. This would facilitate their role modeling function, by signaling that both ethics and performance combined are key features to achieve status and success in the organization.

Limitations and Directions for Future Research

Despite the promising findings, our research is not without limitations. The first limitation concerns the cross-sectional nature of the study. All variables were collected in one single moment in time, thus we should not make any causality inferences. Although our conceptual model was grounded in theory (and particularly in social exchange theory) and driven by past empirical research, our results should be interpreted with this in mind, and future research should attempt to test the ethical leadership process using longitudinal designs. A second limitation is related to common method variance (CMV) since three of the variables in our model were collected from the same source. However, our concerns about CMV are minimized by two reasons: a) our model includes a variable (organizational deviance) evaluated by a different source (supervisor), which was significantly related to employee variables; b) interaction effects are not augmented by CMV - it deflates interaction effects, and makes them more difficult to detect (Siemsen, Roth & Oliveira, 2009).

Our study also opens up new avenues for research. Future research should continue to focus on the mechanisms linking ethical leadership and employees' behavior, particularly how multiple mechanisms operate simultaneously. Research so far has examined these mechanisms (e.g., work environment, job characteristics, employee attitudes) separately, but in order to have a more complete understanding of how these processes take place, we need to re-examine them simultaneously. For example, as far as we know, there may be multiple paths to achieve the same goal (e.g., ethical leadership may be related to performance because it provides employees with a role model, because it puts in motion the norm of reciprocity or both) and there may be different paths to achieve different goals (e.g., ethical leadership may help employees deal with major organizational changes or affect well-being because it reduces uncertainty, but uncertainty

reduction may not be a key mechanism for the development of an emotional bond with the organization).

In a similar vein, another potential line of research concerns the multi-foci conceptualization of social exchanges (Cropanzano & Mitchell, 2005). A number of papers have underlined that, in order to have a complete perspective of how social exchanges operate, researchers should examine multiple social exchange foci simultaneously. For example, the studies conducted by Becker and his associates (Becker, 1992; Becker, Billings, Eveleth & Gilbert, 1996) show that commitment to other foci, such as top management, supervisor, and work group, influences employee attitudes and behaviors over and beyond commitment to the organization. This multi-foci perspective of social exchanges has been recently applied to ethical leadership. The study developed by Hansen, Alge, Brown, Jackson and Dunford (2013) indicates that ethical leadership at different levels (organizational and supervisory) not only helps develop commitment to the same foci through different processes, but that within-foci effects are significantly stronger than cross-foci effects. Thus, future research should attempt to develop models of ethical leadership that integrate multiple foci of ethical leadership, its specific antecedents and consequences, and both within and across foci.

Researchers should also look into other potential boundary conditions (i.e., moderators), namely for cross-foci effects. Eisenberger et al. (2010) recently found that the generalization of supervisor's actions to the organization as a whole depends on the extent to which employees identify their supervisor with the organization (supervisor's organizational embodiment: SOE). In their two studies, they found that the strength of the relationship between leader-member exchange and affective commitment to the organization varied significantly depending on the levels of SOE. This raises an important question: Do employees generalize their perceptions of

supervisor ethical behavior to the organization even when the supervisor is not aligned with the organization's values and goals (i.e., has a low SOE)? Due to its implications for management, the role of SOE in the ethical leadership process deserves further examination.

In conclusion, our study is among the few to examine both the mechanisms and boundary conditions that link ethical leadership and employee behaviors. Overall, we found that ethical leadership affects the social exchange process between the employee and the organization (with consequences for employee deviance), and that this relationship is stronger when supervisors also have a high reputation for performance. While we believe our research significantly contributes to the discussion of the implications of (un)ethical behavior in organization contexts, much more research is needed to fully understand this phenomenon that, although recognized as a key feature of effective leadership, is still surrounded by alarming statistics.

REFERENCES

- Aquino, K., Lewis, M.U., & Bradfield, M. (1999). Justice constructs, negative affectivity, and employee deviance: A proposed model and empirical test. *Journal of Organizational Behavior*, 20, 1073-1091.
- Aryee, S., Budhwar, P.S. & Chen, Z.X. (2002). Trust as a mediator of the relationship between organizational justice and work outcomes: test of a social exchange model. *Journal of Organizational Behavior*, 23, 267-285.
- Avey, J. B., Palanski, M. E., & Walumbwa, F. O. (2011). When leadership goes unnoticed: The moderating role of follower self-esteem on the relationship between ethical leadership and follower behavior. *Journal of Business Ethics*, 98, 573–582.
- Avey, J.B., Wernsing, T.S., & Palanski, M.E. (2012). Exploring the process of ethical leadership: The mediating role of employee voice and psychological ownership. *Journal of Business Ethics*, 107, 21-34.
- Bass, B. M., & Avolio, B. J. (1994). *Improving organizational effectiveness through transformational leadership*. Thousand Oaks, CA: Sage Publications
- Becker, T.E. (1992). Foci and bases of commitment: Are they distinctions worth making? *Academy of Management Journal*, 35, 232-244.
- Becker, T.E., Billings, R.S., Eveleth, D.M., & Gilbert, N.L. (1996). Foci and bases of employee commitment: implications for job performance. *Academy of Management Journal*, 39, 464-482.
- Bennett, R.J., & Robinson, S.L. (2000). Development of a measure of workplace deviance. *Journal of Applied Psychology*, 85, 349-360.

- Bentler, P. M. (1995). *EQS structural equations program manual*. Encino, CA: Multivariate Software.
- Berry, C.M., Ones, D.S., & Sackett, P.R. (2007). Interpersonal deviance, organizational deviance, and their common correlates: A review and meta-analysis. *Journal of Applied Psychology, 92*, 410-424.
- Blau, P. M. (1964). *Exchange and power in social life*. New York: Wiley.
- Brown, M.E. (2007). Misconceptions of ethical leadership: How to avoid potential pitfalls. *Organizational Dynamics, 36*, 140-155.
- Brown, M. E., & Treviño, L. K. (2006). Ethical leadership: A review and future directions. *The Leadership Quarterly, 17*, 595–616.
- Brown, M. E., Treviño, L. K., & Harrison, D. A. (2005). Ethical leadership: A social learning perspective for construct development and testing. *Organizational Behavior and Human Decision Processes, 97*, 117–134.
- Cohen, J., Cohen, P., West, S. G., & Aiken, L. S. (2003). *Applied multiple regression/correlation analysis for the behavioral sciences* (3rd ed.). Mahwah, NJ: Erlbaum.
- Colquitt, J.A., & Rodell, J.B. (2011). Justice, trust, and trustworthiness: A longitudinal analysis integrating three theoretical perspectives. *Academy of Management Journal, 54*, 1183-1206.
- Colquitt, J.A., Scott, B.A., & LePine, J.A. (2007). Trust, trustworthiness, and trust propensity: A meta-analytic test of their unique relationships with risk taking and job performance. *Journal of Applied Psychology, 92*, 909-927.

- Colquitt, J.A., Scott, B.A., Rodell, J.B., Long, D.M., Zapata, C.P., Conlon, D.E., & Wesson, M.J. (2013). Justice at the millennium, a decade later: A meta-analytic test of social exchange and affect-based perspectives. *Journal of Applied Psychology, 98*, 199-236.
- Coyle-Shapiro, Jacqueline A-M. and Shore, Lynn M (2007) The employee-organization relationship: where do we go from here? *Human Resource Management Review, 17*, 166-179.
- Cropanzano, R. & Mitchell, M.S: (2005). Social exchange theory: An interdisciplinary review. *Journal of Management, 31*, 874-900.
- Den Hartog, D.N., & Belschak, F.D. (2012). Work engagement and Machiavellianism in the ethical leadership process. *Journal of Business Ethics, 107*, 35-47.
- Dirks, K.T., Ferrin, D.L. (2002). Trust in leadership: Meta-analytic findings and implications for research and practice. *Journal of Applied Psychology, 87*, 611-628.
- Eisenbeiss, S.A. (2012). Re-thinking ethical leadership: AN interdisciplinary integrative approach. *The Leadership Quarterly, 23*, 791-808.
- Eisenberger, R., Huntington, R., Hutchison, S., & Sowa, D. (1986). Perceived organizational support. *Journal of Applied Psychology, 71*, 500-507.
- Eisenberger, R., Karagonlar, G., Stinglhamber, F., Neves, P., Becker, T.E., Steiger-Mueller, M., & Gonzalez-Morales, G. (2010). Leader-member exchange and affective organizational commitment: The contribution of supervisor's organizational embodiment. *Journal of Applied Psychology, 95*, 1085-1103.
- Feldman, D.C. (1984). The development and enforcement of group norms. *Academy of Management Review, 9*, 47-53.

- Ferris, G.R., Blass, F.R., Douglas, C., Kolodinsky, R.W., & Treadway, D.C. (2003). Personal reputation in organizations. In J. Greenberg (Ed.), *Organizational behavior: The state of the science* (2nd ed., pp. 211–246). Mahwah, NJ: Erlbaum.
- Gouldner, A. W. (1960). The norm of reciprocity: A preliminary statement. *American Sociological Review*, 25, 161-178.
- Hansen, S.D., Alge, B.J., Brown, M.E., Jackson, C.L., & Dunford, B.B. (2013). Ethical leadership: Assessing the value of a multifoci social exchange perspective. *Journal of Business Ethics*, 115, 435-449.
- Hochwarter, W. A., Ferris, G. R., Zinko, R., Arnell, B., & James, M. (2007). Reputation as a moderator of the political behavior - work outcomes relationships: A two-study investigation with convergent results. *Journal of Applied Psychology*, 92, 567-576.
- Kacmar, K.M., Bachrach, D.G., Harris, K.J., & Zivnuska, S. (2011). Fostering good citizenship through ethical leadership: Exploring the moderating role of gender and organizational politics. *Journal of Applied Psychology*, 96, 633-642.
- Kalshoven, K., & Boon, C.T. (2012). Ethical leadership, employee well-being and helping: The moderating role of human resource management. *Journal of Personnel Psychology*, 11, 60-68.
- Kalshoven, K., Den Hartog, D. N., & De Hoogh, A. H. B. (2011). Ethical leadership at work questionnaire: Development and validation of a multidimensional measure. *The Leadership Quarterly*, 22, 51–69.
- Keough, D. (2008). *The Ten Commandments for Business Failure*. New Delhi: Penguin Books.

- Laird, M. D., Perryman, A. A., Hochwarter, W. A., Ferris, G. R., & Zinko, R. (2009). The moderating effects of personal reputation on accountability-strain relationships. *Journal of Occupational Health Psychology, 14*, 70-83.
- Levinson, H. (1965). Reciprocation: The relationship between man and organization. *Administrative Science Quarterly, 9*, 370-390.
- Mayer, D. M., Aquino, K., Greenbaum, R. L., & Kuenzi, M. (2012). Who displays ethical leadership and why does it matter: An examination of antecedents and consequences of ethical leadership. *Academy of Management Journal, 55*, 151–171.
- Mayer, D.M., Kuenzi, M., & Greenbaum, R. (2010). Examining the link between ethical leadership and employee misconduct: The mediating role of ethical climate. *Journal of Business Ethics, 95*, 7-16.
- Mayer, D.M., Kuenzi, M., Greenbaum, R., Bardes, & Salvador, R. (2009). How low does ethical leadership flow? Test of a trickle-down model. *Organizational Behavior and Human Decision Processes, 108*, 1-13.
- Mayer, R.C., & Davis, J.H. (1999). The effect of the performance appraisal system on trust for management: A field quasi-experiment. *Journal of Applied Psychology, 84*, 123-136.
- Mayer, R.C., Davis, J.H., & Schoorman, F.D. (1995). An integrative model of organizational trust. *Academy of Management Review, 20*, 709-734.
- Meyer, J. P., & Allen, N. J. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review, 1*, 61–89.
- Meyer, J. P., Allen, N. J., & Smith, C. A. (1993). Commitment to organizations and occupations: Extension and test of a three-component conceptualization. *Journal of Applied Psychology, 78*, 538–551.

- Meyer, J.P., Stanley, D.J., Herscovitch, L., & Topolnytsky, L. (2002). Affective, continuance, and normative commitment to the organization: A meta-analysis of antecedents, correlates, and consequences. *Journal of Vocational Behavior, 61*, 20-52.
- Neubert, M. J., Carlson, D. S., Kacmar, K. M., Roberts, J. A., & Chonko, L. B. (2009). The virtuous influence of ethical leadership behavior: Evidence from the field. *Journal of Business Ethics, 90*, 157–170.
- Newman, A., Kiazad, K., Miao, Q., & Cooper, B. (2013). Examining the cognitive and affective trust-based mechanisms underlying the relationship between ethical leadership and organizational citizenship: A case of head leading the heart? *Journal of Business Ethics*, published online: 18 July 2013.
- Piccolo, R. F., Greenbaum, R., Den Hartog D. N., & Folger, R. (2010). The relationship between ethical leadership and core job characteristics. *Journal of Organizational Behavior 31*, 259–278.
- Posner, R. (1997). Social norms and the law: An economic approach. *American Economic Review, 87*, 365–369.
- Preacher, K. J., Rucker, D. D., & Hayes, A. F. (2007). Addressing moderated mediation hypotheses: Theory, methods, and prescriptions. *Multivariate Behavioral Research, 42*: 185–227.
- Rhoades, L., & Eisenberger, R. (2002). Perceived organizational support: A review of the literature. *Journal of Applied Psychology, 87*, 698-714.
- Robinson, S., & Bennett, R. (1995). A typology of deviant workplace behaviors: A multi-dimensional scaling study. *Academy of Management Journal, 38*, 555-572.

- Schaubroeck, J.M., Hannah, S.T., Avolio, B.J., Kozlowski, S.W.J., Lord, R.G., Treviño, L.K., Dimotakis, N., & Peng, A.C. (2012). Embedding ethical leadership within and across organization levels. *Academy of Management Journal*, *55*, 1053-1078.
- Settoon, R.P., Bennett, N. & Liden, R.C. (1996). Social exchange in organizations: Perceived organizational support, leader-member exchange, and employee reciprocity. *Journal of Applied Psychology*, *81*, 219-227.
- Shin, Y. (2012). CEO ethical leadership, ethical climate, climate strength, and collective organizational citizenship behavior. *Journal of Business Ethics*, *108*, 299-312.
- Shore, L.M., Porter, L.W., & Zahra, S.A. (2004). Employer-oriented strategic approaches to the employee-organization relationship (EOR). In J. Coyle-Shapiro, L.M. Shore, S. Taylor, and L. E. Tetrick, L.E. (Eds.), *The Employment Relationship: Examining Psychological and Contextual Perspectives* Oxford: Oxford University Press (pp.133-160).
- Siemsen, E., Roth, A., & Oliveira, P. (2009). Common method bias in regression models with linear, quadratic, and interaction effects. *Organizational Research Methods*, *13*, 456-476.
- Stouten, J., Baillien, E., Van den Broeck, A., Camps, J., Witte, H., & Euwema, M. (2010). Discouraging bullying: The role of ethical leadership and its effects on the work environment. *Journal of Business Ethics*, *95*, 17-27.
- Stouten, J. van Dijke, M., & De Cremer, D. (2012). Ethical leadership: AN overview and future perspectives. *Journal of Personnel Psychology*, *11*, 1-6.
- Tse, H., Huang, X., & Lam, W. (2013). Why does transformational leadership matter for employee turnover? A multi-foci social exchange perspective. *The Leadership Quarterly*, *24*, 763-776.

- Vandenberghe, C., Bentein, K., & Stinglhamber, F. (2004). Affective commitment to the organization, supervisor, and work group: Antecedents and outcomes. *Journal of Vocational Behavior, 64*, 47-71.
- Walumbwa, F. O., Cropanzano, R., & Hartnell, C. A. (2009). Organizational justice, voluntary learning behavior, and job performance: A test of the mediating effects of identification and leader–member exchange. *Journal of Organizational Behavior, 30*, 1103–1126.
- Walumbwa, F.O., Morrison, E.W., & Christensen, A.L. (2012). Ethical leadership and group in-role performance: The mediating roles of group conscientiousness and group voice. *The Leadership Quarterly, 23*, 953-964.
- Walumbwa, F.O., & Schaubroeck, J. (2009). Leader Personality and Employee Voice Behavior: Mediating Roles of Ethical Leadership and Work Group Psychological Safety. *Journal of Applied Psychology 94*, 1275–1286.
- Wayne, S.J., Shore, L.M, Liden, R.C. (1997). Perceived organizational support and leader-member exchange: a social exchange perspective. *Academy of Management Journal, 40*, 82-111.
- Zinko, R., Ferris, G.R., Humphrey, S.E., Meyer, C.J., & Aime, F. (2012). Personal reputation in organizations: Two-study constructive replication and extension of antecedents and consequences. *Journal of Occupational and Organizational Psychology, 85*, 156-180.

FOOTNOTE

¹ As one of the anonymous reviewers noted, it is possible that there are potential differences between organizations. Thus, we re-tested our analytical model using the pooled within variance (i.e., controlling for the variance within organizations) in the dependent variables. Our bootstrapping model provided an almost identical model: ethical leadership was related to affective commitment to the organization ($B = .51, p < .01$); the interaction effect was also significant ($B = .30, p < .01$); and affective commitment to the organization was related to organizational deviance ($B = -.08, p < .05$).

Table 1. Descriptive statistics, reliabilities and zero-order correlations

Variables	M	SD	1	2	3	4	5	6	7	8
1. Subordinate's age	34.65	10.43	---							
2. Subordinate's tenure with the supervisor	2.92	1.26	.39*	---						
3. Gender		.52	-.04	.02	---					
4. Education	3.93	.82	-.15*	-.17*	-.18**	---				
5. Ethical Leadership	4.00	.63	-.11	.11	-.04	.03	(.88)			
6. Reputation for Performance	3.99	.62	-.09	.06	-.06	-.08	.74**	(.74)		
7. Organizational Commitment	4.04	.67	.12 [†]	.19**	.04	-.08	.45**	.35**	(.75)	
8. Organizational Deviance	1.26	.43	-.04	-.18**	.08	.12 [†]	-.26**	-.14*	-.33**	(.80)

Notes: N=225. Cronbach's alphas are provided in parentheses on the diagonal. Tenure with the supervisor was coded as 1 = less than 6 months; 2 = between 6 months and 1 year; 3 = between 1 and 5 years; 4 = between 5 and 10 years; 5 = between 10 and 20 years; 6 = more than 20 years. Education was coded as 1 = fourth grade (primary education); 2 = ninth grade (secondary education); 3 = 12th grade (high school); 4 = undergraduate; 5 = graduate. Gender was coded as 1 = male; 2 = female

** $p < .01$; * $p < .05$; [†] $p < .10$

Table 2. Confirmatory Factor Analysis

	χ^2	df	$\Delta\chi^2$	CFI	RMSEA	SRMR
3 Factors	400.09**	204		.90	.07	.08
2 Factors ^a	423.04**	206	22.14*	.88	.07	.08
1 Factor ^b	619.57**	207	196.53*	.78	.09	.08

** $p < .01$

^a Equating ethical leadership and reputation

^b Equating ethical leadership, reputation and affective organizational commitment

Table 3. Bootstrapping analysis

Predictors	Outcomes							
	Affective commitment				Organizational deviance			
	B	t	R ²	ΔR ²	B	t	R ²	ΔR ²
<i>Control variables</i>								
Subordinate's age	.01	2.34*			.00	.33		
Subordinate's tenure with the supervisor	.02	.68			-.04	-1.52		
Subordinate's gender	.04	.50			.09	1.55		
Subordinate's education	-.04	-.84	.05	.05	.06	1.71	.05	.05
<i>Main effects</i>								
Ethical leadership	.58	5.67**			-.15	-2.73**		
Reputation for performance	.12	1.22	.25	.20	-.00	-.00	.14	.09
<i>Interaction</i>								
Ethical leadership x Reputation	.35	4.15**	.31	.06	-.08	-.45	.14	.00
<i>Mediator</i>								
Affective commitment to the organization					-.15	-2.88**	.18	.04

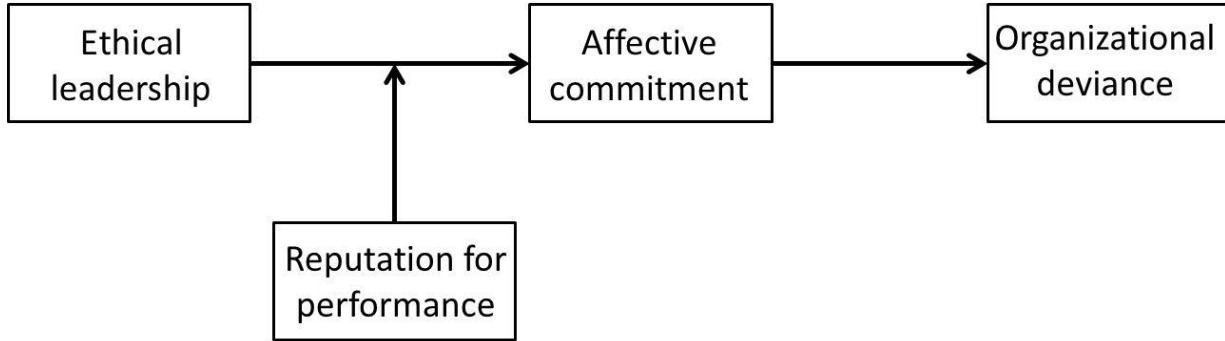
Figure 1. Conceptual model

Figure 2. Plot of the interaction effect between ethical leadership and reputation for performance

