Exploring leader’s unethical proorganizational behavior and follower attitudes toward knowledge hiding and sharing in the service industry: a social learning perspective

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Abstract
Purpose – Grounded in the framework of social learning theory (SLT), the current study explores the impact of leaders’ unethical proorganizational behavior (UPB) on their subordinates’ self-management and moral self-efficacy, which, in turn, affect knowledge hiding and sharing among followers. This study aims to examine how instrumental thinking influences the relationship between leader UPB and subordinate behaviors, shaping knowledge sharing and hiding.

Design/methodology/approach – Using a longitudinal approach, this research uses a two-wave data collection strategy with a one-month interval. The study cohort comprises 378 employees drawn from technology service firms situated in China.

Findings – Empirical findings confirm that leader UPB is linked to increased follower self-management and knowledge hiding, as well as reduced moral self-efficacy. Instrumental thinking moderates these effects, amplifying knowledge hiding and diminishing moral self-efficacy while reducing knowledge sharing.

Research limitations/implications – The study contributes to the existing literature on UPB by offering insights into the distinct consequences of leader UPB on knowledge-related behaviors of followers. Furthermore, the exploration of employees’ instrumental thinking in the context of leader UPB underscores the strategic manipulation of knowledge to fulfill individual goals, thereby enriching the underpinnings of the SLT. The study underscores the imperative for organizations to grasp the implications of UPB and underscores the necessity for stringent ethical frameworks to mitigate its deleterious impact.

Practical implications – The study contributes to the existing literature on UPB by offering insights into the distinct consequences of leader UPB on knowledge-related behaviors of followers. Furthermore, the exploration of employees’ instrumental thinking in the context of leader UPB underscores the strategic manipulation of knowledge to fulfill individual goals, thereby enriching the underpinnings of the SLT. The study underscores the imperative for organizations to grasp the implications of UPB and underscores the necessity for stringent ethical frameworks to mitigate its deleterious impact.

Originality/value – The present study addresses a gap in the current literature by elucidating the multifaceted outcomes of leaders’ UPB on paradoxical behaviors related to knowledge sharing and hiding among followers. This nuanced examination underscores the need to comprehend the intricate contingencies that accentuate the effects of UPB, particularly in the realm of leadership dynamics. Grounded in SLT, this study delves into leadership dynamics and ethical decision-making.

Keywords Unethical proorganizational behavior, Knowledge sharing, Knowledge hiding, Moral self-efficacy, Self-management

Paper type Research paper

Introduction
Attaining market competitiveness constitutes an indispensable objective for organizations, necessitating the efficacious deployment of knowledge management (KM) (Masood et al., 2023).
and organizational learning as integral components of workplace experiences (Annosi et al., 2021). Nevertheless, employees might be impelled to participate in corrupt practices or contravene laws and regulations to satisfy employer demands or pressures, engendering unintended ramifications for both individuals and organizations, including legal (Chawla and Kumar, 2022), financial (Sheedy et al., 2021) and reputational risks (Graham et al., 2020). Prior literature has posited that an unethical organizational culture is likely to impede knowledge-sharing and foster knowledge-hiding. A prime exemplar of such conduct is unethical proorganizational behavior (UPB), defined as “intentional actions aimed at promoting the effective functioning of an organization or its members but which violate societal values, norms, laws, or standards of proper conduct” (Umphress et al., 2010). Empirical evidence reveals the pervasiveness of UPB among service industry employees who concede engagement in such behaviors for organizational benefit (Tang et al., 2020). Within the service industry, UPB has been associated with performance factors contributing to UPB (Bellizzi, 2008), the dark side of organizational identification (Chen et al., 2016), positive and negative self-emotions (Tang et al., 2020) and moral disengagement (Levine and Schweitzer, 2014). Collectively, these studies within the service industry context suggest that behavior is predominantly driven by self-interest (Chen et al., 2016).

Moreover, existing literature identifies factors that can trigger UPB such as organizational identifiers (Umphress et al., 2010), affective commitment (Park et al., 2023) and leadership styles (Effelsberg and Solga, 2015). As UPB negatively affects organizational effectiveness, research interest is growing in understanding how employees’ perceptions of leader UPB influence their work attitudes and behaviors (Graham et al., 2020). However, the impact of UPB on contingencies that shape subordinate behaviors and leaders’ roles as moral exemplars (Brown and Trevino, 2014) remains insufficiently explored (Graham et al., 2020). Investigating how leader UPB affects subordinates’ self-management and moral capacities can enhance our understanding of UPB’s role in organizations and inform effective UPB management.

Despite the extensive corpus of research on UPB, an analysis of the literature reveals several noteworthy limitations and gaps. First, existing scholarship predominantly focuses on identifying the determinants of UPB within both individuals (e.g. Bryant and Merritt, 2021) and organizational contexts (e.g. Bellizzi, 2008), often neglecting the theoretical relevance of UPB’s consequences and resulting consequences (e.g. Castille et al., 2018). It is imperative to acknowledge that, counterintuitively, UPB can engender positive prosocial conduct despite its inherently adverse nature as evidenced in prior ethical literature (Bryant and Merritt, 2021; Castille et al., 2018; Tang et al., 2020). The inherent duality of UPB, encompassing both unethical and proorganizational actions, may have the potential to either detrimentally affect the organization or elicit favorable outcomes through supporting it (Umphress et al., 2010). Consequently, a leader’s enactment of UPB creates a milieu where followers exhibit “self-management” to regulate their emotional state (e.g. Gino et al., 2011) and, conversely, resist “moral self-efficacy” by succumbing to normative pressures that encourage unethical conduct. The present study further contributes to the existing body of knowledge on the duality of UPB.

Second, the varying interpretations of UPB by employees furnish distinct forms of social information, thereby reinforcing contingencies that dictate subordinate behavioral outcomes, culminating in either knowledge hiding or sharing (e.g. Arain et al., 2022). This is aligned with the concept of reinforcement contingencies, described “as environmental cues that precede employee behavior, including stimuli that guide behavior and consequent rewards” (Mischel, 1973). Notably, the counterproductive nature of knowledge hiding versus sharing has been acknowledged, where an increase in one behavior is accompanied by a decrease in the other (Chen et al., 2022). Although some investigations have scrutinized the relationship between employees’ knowledge-related behavior and leaders’ conduct, few studies have comprehensively examined both behaviors within a
unified theoretical framework, particularly elucidating the circumstances under which leaders’ actions propel either sharing or hiding (Chen et al., 2022). Leaders’ actions are perceived diversely by followers, influenced by relational dynamics, personal evaluations of situations (Gino et al., 2011) and individual values (Owens et al., 2019), as postulated by Shamir (1995). Our nuanced interpretation reveals varied effects on knowledge sharing and hiding, highlighting the need to investigate the underlying factors, an aspect often overlooked in previous research. Addressing this gap, our study provides insight into the complex interplay of these dynamics.

In terms of reinforcement contingencies, when emanating from an unethical source, contingencies stimulate self-management behavior on one facet and moral self-efficacy on the other (Retkowsky et al., 2023). Conversely, individuals with elevated moral identity are inclined to resist normative pressures associated with leaders’ UPB and are more disposed to ethical decision-making (Gino et al., 2011), in virtue of increased moral self-efficacy (Shamir et al., 1993). The continuation of self-management (Abele and Wiese, 2008) and moral self-efficacy (Owens et al., 2019) behaviors are acknowledged as conduits to favorable long-term outcomes (Mischel, 1973). However, the empirical exploration of these underlying mechanisms (self-management and moral self-efficacy) and resultant behavioral outcomes (knowledge hiding and sharing) remains uncharted territory. In this study, we endeavor to unveil these downstream mechanisms, thereby expounding the influence of leaders’ UPB on employee behavior contingent upon their interpretation of said UPB. This inquiry represents a pioneering endeavor, with only a limited number of prior investigations addressing this complex phenomenon (Graham et al., 2020).

Next, the prevailing literature on UPB has exhibited a noticeable inclination toward adopting a between-person analytical stance. Notably, extant investigations concerning UPB predominantly emphasize interindividual discrepancies in engagement with UPB (Liao et al., 2023; Yang et al., 2021). Nonetheless, the intricate and evolving nature of UPB underscores the potential for recurrent unethical manifestations within organizational contexts. Singular reliance on the standpoint of an individual participant might inadvertently curtail the applicability and generalizability of UPB and its attendant implications for individuals who exhibit varying degrees of such conduct that varies daily within individuals (Tang et al., 2020). Recognizing the differential emphasis that individuals place on ethical considerations, it becomes imperative to delve into the cognitive mechanisms governing the processing of moral cues, with a particular focus on instrumental thinking (Waldman and Siegel, 2008). In light of investigating the perceptual responsiveness of subordinates to instances of UPB within the conduct of their leaders, we introduce the cognitive facet of instrumental thinking as a boundary condition. The proposition to use instrumental thinking as a moderating element aligns logically, given its cognitive orientation that directs employees’ attention toward pragmatic and strategic aspects of a scenario, diverting focus from ethical or moral deliberations. This cognitive approach not only rationalizes the potential outcomes of UPB-driven behaviors but also offers a distinctive cognitive framework to interpret and potentially neutralize the ethical implications associated with such behaviors (Casciaro et al., 2014). By incorporating instrumental thinking as a moderating factor, this study aims to enrich the nuanced understanding of the intricate interplay between UPB, cognitive orientation and downstream behavioral responses, thereby contributing to the refinement of the prevailing theoretical discourse.

Grounded in the theoretical framework of social learning theory (SLT) elucidated by Bandura and Walters (1977), the present research endeavors to comprehensively investigate the intricate individual-level psychological and behavioral consequences of UPB, thereby aiming to bridge extant gaps in the literature. With a precise focus, the study seeks to address two pivotal research inquiries (RQs): RQ1 explores the mechanisms by which follower social learning from leader UPB generates paradoxical psychological outcomes of self-management and moral self-efficacy, leading to knowledge sharing and
hiding behaviors, respectively. RQ2 investigates the role of instrumental thinking in the relationship between UPB and follower self-management and moral self-efficacy. To achieve these objectives, the study adopts a longitudinal research design, encompassing the collection of data across two distinct time points, separated by a one-month interval. The sampled cohort comprises 378 employees hailing from technology service companies in China.

This study presents three novel contributions to the KM literature. First, the study offers a unique perspective on when employees are likely to share and hide knowledge. Unlike prior research focused on emotional aspects from a between-person perspective (Tang et al., 2020), this study examines how leaders’ UPB triggers dual psychological outcomes – follower self-management and moral self-efficacy – impacting subsequent knowledge-related behaviors. It advances UPB literature by uncovering leaders’ UPB consequences, accounting for follower ambivalence and subsequent behaviors. In addition, it introduces self-management within leadership and adopts a multidimensional knowledge approach (Ma et al., 2020). Second, the study addresses a research gap by adopting the within-person perspective, investigating UPB dynamics in the service industry context (Johnson and Umphress, 2019). This methodological shift addresses overreliance on between-person methodology (Cervone, 2005). Third, the study identifies contextually relevant factors, highlighting the nuanced impact of leader UPB on employees' knowledge-sharing and hiding behaviors based on individual cognitive differences. Instrumental thinking serves as a moderator, expanding the SLT framework and showcasing how employees' cognitive processing of leader UPB leads to knowledge behaviors. This enhances the understanding of KM dynamics within organizations.

The article’s structure is outlined as follows: Section 2 provides an in-depth exploration of the literature review and theoretical background. Section 3 is dedicated to hypothesis development. Sections 4 and 5 are devoted to the methodology and analysis, respectively. Finally, Section 6 delves into implications and limitations.

Theoretical background

Understanding knowledge behavior from the perspective of social learning theory

SLT was introduced by Bandura and Walters (1977) and constitutes a theoretical framework designed to elucidate the intricate interplay of reinforcement mechanisms and cognitive processes within the realm of learning. Complementing the cognitive psychology paradigm that accentuates the significance of mental processes in learning, SLT posits that the acquisition of knowledge is not solely contingent upon direct reinforcement of individual behaviors. Instead, it encompasses the dynamic influences stemming from observational learning, where individuals glean insights from the behaviors of others and the attendant outcomes of such behaviors. In the tapestry of SLT, the amalgamation of these dual perspectives engenders a mechanism by which behavior acquires its form. This integration is manifest through the conduits of direct observation, emulation, modeling and reinforcement. The process of observation in SLT pertains to the discernment and focused attention accorded to the behaviors exhibited by others. Subsequently, the phenomenon of imitation transpires, characterized by the replication of observed behaviors. Modeling, an essential facet, entails the exposition of behaviors for others to replicate. Reinforcement, a cornerstone of the theory, encompasses the repercussions following a behavior, thereby engendering a heightened propensity for its repetition or deterrence in the future (Bandura and Walters, 1977; Chou, 2020).

We contend that SLT affords a nuanced perspective, spotlighting the intricate fabric of social interactions and the underpinning cognitive operations. By encapsulating both environmental and cognitive factors, SLT offers a comprehensive lens through which to comprehend human behavior, transcending a mere fixation on external determinants. This
tenet, expounded by Bandura and Walters (1977), has kindled renewed scholarly fervor in the exploration of self-regulatory behaviors in concert with extrinsic consequences. The assertions of Manz and Sims (1980) lend further weight to this trajectory of thought, articulating that self-directed cognitive processes – manifested as “self-instructions,” “self-evaluations” and “self-reactions” – constitute consistent agents in the transformation of individual behavior and the ensuing outcomes. In amalgamating cognitive faculties with external determinants, SLT stands as a versatile and encompassing paradigm for explicating the intricacies of human behavioral acquisition and modification.

Social learning theory and leaders’ unethical proorganizational behavior

Within the realm of a leader’s UPB, the framework of SLT emerges as a robust apparatus for comprehensively addressing both ethical and unethical behaviors, exerting potential influence over the conduct of followers. In scenarios where learning takes root within the milieu of UPB, such as instances involving duplicity, mendacity or the exploitation of clientele and colleagues in favor of organizational gain, subordinates are liable to bear witness and internalize these behaviors (Park et al., 2023). This exposure may contribute to the normalization or perceived necessity of such actions for attaining success within the organizational context, thereby augmenting the likelihood of subordinates replicating analogous behaviors (Tang et al., 2020). By way of illustration, the observance of leaders demonstrating proethical conduct, characterized by impartiality, veracity and respectful treatment of staff, can potentially galvanize emulation of such virtuous behavior among subordinates, thereby fostering ethical decision-making in their actions (Bryant and Merritt, 2021).

Social learning theory and followers’ behavior

The current study posits that SLT serves as a lens to illuminate two pivotal aspects: follower self-management and moral self-efficacy. Self-management, as espoused by Frayne and Latham (1987), encapsulates behaviors harmonizing with the organization’s objectives and values. The exposure of followers to leaders’ unethical conduct may incite self-management behaviors as followers mirror comparable unethical practices to advance their pursuits or safeguard themselves against undesirable consequences. These behaviors might manifest as information withholding, acts of sabotage or gossip or participation in unethical actions (Bandura and Walters, 1977). Conversely, when followers bear witness to leaders modeling morally salient behaviors, advocating ethical practices and cultivating an ethical milieu within the organization, a propensity arises for followers to manifest principled actions exemplified by integrity, reliability and reverence for others (Brown and Treviño, 2014).

Moral self-efficacy, an integral facet, denotes an employee’s conviction in their capacity to navigate ethically, even in situations of moral ambiguity or challenge. This conviction reflects their self-assuredness in ethical judgment and the capability to act congruent with their values and principles (Owens et al., 2019). In light of leaders’ involvement in UPB, it is plausible that subordinates possessing heightened moral resilience and elevated moral self-efficacy will exhibit an inclination to render ethical choices and enact these decisions consonant with their ethical underpinning, despite the prevailing influence of leaders’ UPB (Park et al., 2023).

Role of instrumental thinking

Furthermore, the present study posits that employee instrumental thinking involves the strategic utilization of knowledge and information to achieve personal objectives. Anchored in the tenets of SLT, individuals acquire novel knowledge and behaviors by observing and replicating the actions of their social environment. This acquisition is facilitated through cognitive mechanisms such as attention, retention, reproduction and motivation. The study
asserts that employees possess the capacity to observe and assimilate the successful actions of their peers who have attained goals within specific contexts. This observational learning informs their decision-making and conduct, thereby expediting goal achievement in a more efficient and efficacious manner. The core of SLT underscores the pivotal role of reinforcement and feedback in this learning progression. Favorable outcomes, comprising rewards and recognition, serve as catalysts, motivating individuals to perpetuate specific behaviors in pursuit of their goals. Conversely, adverse consequences, encompassing reprimands or censure, function as deterrents, discouraging the adoption of particular actions (Bandura and Walters, 1977). Against this backdrop, employees may undertake adaptations in their cognitive strategies based on feedback originating from their social milieu (Manz and Sims, 1980). This adaptive process enables performance enhancement and the augmentation of prospects for goal attainment.

Within our study’s contextual domain, we adopt instrumental thinking as a moderating factor in the nexus between a leader’s UPB and a follower’s self-management and moral self-efficacy. Embracing the vantage point of social learning, our investigation proposes an innovative theoretical framework to scrutinize the intricate facets of (un)ethical leadership dynamics and their reverberations on employee knowledge-sharing and concealing behaviors. Furthermore, we advance the notion that instrumental thinking interfaces at the preliminary stage of the model, thus unfurling the intricate tapestry of this relationship’s complexity. This approach engenders a distinctive lens to fathom the substratum of processes underpinning leader-follower interactions within organizational settings, fostering a more nuanced comprehension of ethical decision-making and behavior within workplaces. By delving into the cognitive mechanisms undergirding unethical behavior, organizations can orchestrate interventions, such as cultivating employees with elevated instrumental thinking, to foster UPB while mitigating the adverse ramifications arising from unethical conduct, such as knowledge withholding.

Hence, synthesized from the aforementioned rationale, we encapsulate theoretical and empirical justifications for the selection of self-management and moral self-efficacy as foundational constructs within our UPB model. Primarily, self-management theory postulates that individuals wield the capability to self-regulate their emotions and actions toward the attainment of desired outcomes (Manz and Sims, 1980). Despite the potential misalignment with ethical principles, engagement in UPB could paradoxically manifest heightened levels of self-management as individuals navigate the confluence of personal moral convictions and occupational demands. Subsequently, SLT advances the proposition that novel behavior is acquired through observation and emulation of others in the environment. In the organizational context, UPB could engender normative pressures that propel employees toward analogous conduct. In this light, those partaking in UPB may cultivate enhanced self-management abilities by adopting proactive coping tactics to handle unfavorable environments (Guo et al., 2020). Empirical evidence further corroborates the nexus between UPB and self-management, as prior research indicates that UPB-engaged employees often demonstrate improved emotion regulation and impulse control (Kish-Gephart et al., 2010). Thus, the exploration of the interplay between ethics and self-management remains justified. Finally, given the intrinsic nature of UPB, individuals possessing heightened moral self-efficacy are inclined to resist normative pressures inducing unethical behavior, opting instead for ethical choices (Paciello et al., 2022). This substantiates the rationale for investigating the interrelationship between UPB, ethics, self-management and moral self-efficacy within our study framework.

Self-management

Self-management, commonly known as self-regulation, has been defined as a phenomenon wherein an employee manage and monitor their behavior and are responsible for the decisions they make (Manz and Sims, 1980). The concept of self-management
encompasses several crucial characteristics, including the presence of multiple response options, distinct consequences of each option and the ability to sustain self-regulatory behaviors with long-term external implications (Thoresen and Mahoney, 1974). Employees can use self-management strategies to structure their work environment and self-motivation, and facilitate their motivation to increase their performance to benefit the organization (Breevaart et al., 2014). Prior literature has introduced various self-management strategies that employees are likely to adopt to regulate their working patterns and behavior such as “self-observation,” “self-goal setting” and “self-cueing.” For example, under self-management, employees’ self-observation makes them aware of their goal or targeted behavior. Likewise, employee self-goal settings help them to achieve their target and performance goals even when they are challenging (Manz, 1986). Finally, under self-cueing, employees use written reminders to enhance their focus and accomplish their goals, which are likely to direct their behavior to improve their performance.

The management of administration holds a significant position in regulating both personal and interpersonal conduct. Nevertheless, the inquiry into the individual responsible for managing the outcomes may not be as critical as ascertaining the assessor’s accountability for verifying whether the prerequisite reinforcement response is accomplished (Goldiamond, 1976). As per Goldiamond, Skinner’s recommendation implies that self-management is present in all reinforcement processes, as the human response itself triggers the reinforcement. Consequently, it becomes pertinent to consider the entity possessing the evaluative authority to determine whether the response fulfills the standards of reinforcement (Goldiamond, 1976). According to substitute leadership theory (Kerr and Jermier, 1978), certain tasks of employees and organizations make leadership unnecessary. For example, leader behavior does not predict follower behavioral outcomes. However, self-management can be a substitute for leadership because it saves not only time but also money in hiring leaders (Manz and Sims, 1980).

Bandura and Walters (1977) propose that individuals establish performance benchmarks through a process of social comparison. These benchmarks can be derived from past performance, the observed performance of others and socially acquired performance standards. The level of complexity in adhering to these self-imposed standards is influenced by the level of observability of the models individuals look up to and their socialization background (Mischel, 1973). The topography of self-management behaviors is influenced by the consequences that result from them. There are two levels of consequences: those linked with the self-control process itself and those resulting from self-management behavior. For example, imagine a long-distance runner who praises herself for every mile she runs during training. If this individual goes on to win a gold medal in the marathon, she will receive external consequences that are dependent on her performance. Self-praise is an internal outcome that forms part of the self-control process regulating training behavior, whereas winning a gold medal is an external outcome resulting from effective training and can help reinforce this self-control behavior in the future. However, such self-control behaviors are less likely to persist without long-term external reinforcement (Thoresen and Mahoney, 1974). In addition, intermediate or continuing accomplishments, such as learning and physical conditioning, also contribute to the achievement of gold medals.

We argue that self-management is a dynamic state that is subject to fluctuations over time within the human body. It is not a static characteristic that remains constant. External consequences, such as the need to address pressing matters like conflicts between colleagues or between work and family, prompt individuals to engage in self-management to varying degrees. Prior investigations have acknowledged that self-management is not an enduring feature of employees but rather a state that is susceptible to modification and enhancement through training (Frayne and Latham, 1987). Please see Figure 1 for details.
Hypotheses development

**Unethical proorganizational behavior and follower’s self-management**

Unethical behavior is defined as “any organizational member action that violates widely accepted (societal) moral norms” (Kish-Gephart et al., 2010, p. 2). Leader UPB has become a growing concern for the business because of its significant impact on employee morale, productivity and overall organizational image and identity (Graham et al., 2020). In the past decade, scholars have increasingly focussed on leader UPB within the organization and provided thoughtful scholarship on the factors that contribute to adverse outcomes of this phenomenon. For example, Carlson and Perrewe (1995) have investigated that organization culture promotes leaders to engage in unethical behavior to achieve desired results. Performance pressure to meet specific performance targets induces a situation where employees feel that they have no choice but to engage in unethical behavior to keep their jobs (Chen and Chen, 2023). Few scholars have found that it is not necessarily based upon external factors to indulge in UPB, the leader’s behavior (Marquardt et al., 2021). Even if it is to achieve organizational goals, may create a culture where such behavior is normalized and expected (e.g. such as narcissism and psychopathy personality) (Lilienfeld et al., 2012).

However, the outcomes of UPB have not been extensively studied compared to antecedents. Previous research has shown that UPB has both positive and negative effects on its employees. For example, on the negative side, leader UPB may have decreased job satisfaction, feelings of betrayal and loss of trust, increased stress and burnout, decreased organizational commitment and increased turnover (Cao et al., 2018b; Chen and Chen, 2023; Park et al., 2023; Tang et al., 2020; Umphress et al., 2010; Luqman and Zhang, 2022). However, on a positive note, UPB has received recognition for increased innovation and creativity, improved financial performance and enhanced reputation and image (Umphress et al., 2010). Scholars argued that despite certain positive outcomes, it is also risky, as leaders are more willing to bend the rules to achieve organizational goals, which may have legal and reputational consequences for the organization (Chawla and Kumar, 2022; Graham et al., 2020; Sheedy et al., 2021).

As previously discussed in SLT, the leader’s behavior is viewed as important social information for followers to interpret the work environment, eliciting different thinking and behavioral outcomes among followers (Bandura and Walters, 1977). For example, leaders engaging in UPB encourage followers to adopt this behavior because it is accepted in
the organization (Tang et al., 2020). Employees may also become disillusioned with the organization and its values due to an increasing sense of moral deficiency if they believe that their leaders are willing to sacrifice ethical principles for the good of the organization (Liao et al., 2023). Prior studies have examined the relationship between UPB and follower moral awareness, mostly through the lens of SLT. This theoretical framework posits that employees with weaker moral identities may engage in behaviors that align with their supervisor’s preferences when they strongly identify with their supervisor (Johnson and Umphress, 2019). Such behavior results in a downward spiral of ethical standards, where unethical behavior becomes normalized and ethical principles are ignored in the organization (Marquardt et al., 2021). In addition, followers may begin to prioritize organizational goals over moral considerations and justify their actions based on the belief that they, like the leader, serve the interests of the organization. We argue that leaders’ UPB has a potential impact on employee self-management. For example, employees may feel that their leader’s actions are unfair or unjust, which can lead to resentment or feelings of distrust (Tang et al., 2020; Cao et al., 2018a, 2018b).

In the context of organizational behavior, the proorganizational aspect of UPBs allows employees to maintain self-expression by claiming that they are the best employees in the organization (Gino et al., 2011). Drawing on SLT, we contend that leaders’ implementation of proorganizational behaviors may be evaluated by service employees as UPBs that are pertinent to their characteristics. The “pro-organizational” element highlights the potential positive impact of UPBs, as they can motivate employees to work harder and be more productive, leading them to view themselves as good employees (Oveis et al., 2010). Employees may perceive their leader’s behavior as proof of the importance of achieving organizational goals well aligned with their self-representation, evoking a sense of pride while making contributions to the organization’s achievements (Tang et al., 2020). Moreover, service employees’ identity as representatives of the organization means that after performing proorganizational behaviors, they may develop a sense of loyalty to the leader who prioritizes the organization’s interests, further motivating them to work harder to support the leader’s actions (Mishra et al., 2021; Luqman et al., 2023a). Therefore, based on the above discussion, we propose the following hypothesis:

**H1.** A Leader’s UPB is positively associated with a follower’s self-management.

Self-efficacy represents “a person’s ability to organize and execute the course of action required to produce a particular level of achievement” (Bandura, 2001, p. 16), and it “has proven to be one of the most focused concepts in contemporary psychological research” (Judge et al., 2007, p. 107). Efficacy affects the way people think and behave and the degree to which people have control over their actions in situations of uncertainty (Paciello et al., 2022). We view moral self-efficacy as a core tenant of human agency and beliefs about moral intentions and desired outcomes (Maddux and Kleiman, 2018). Employees with high self-efficacy are more likely to face adversity and successfully achieve goals (Bandura, 1982). Similarly, moral self-efficacy may foster individuals’ moral values and moral standards, motivating them to engage in prosocial behavior and inhibiting participation in delinquent behavior (Owens et al., 2019).

We stated that when a leader engages in any unethical behavior, it negatively affects the moral standards of their followers, leading to moral disillusionment, where followers begin to disengage from their moral standards (Mesdaghinia et al., 2019). Additionally, if employees see their leaders engaging in unethical behavior, they may begin to question their own values and moral principles, which can lead to a decrease in their self-esteem and self-confidence (Yang et al., 2021). According to existing literature, a leader’s UPB influences followers’ moral self-efficacy against unusual goodness such as unethical behavior (Marquardt et al., 2021). We argue that leaders UPB are likely to decrease the moral self-efficacy of their followers. We, therefore, hypothesize that:

**H2.** A leader’s UPB is negatively associated with a follower’s moral self-efficacy.
As previously discussed, the downstream consequences of a leader’s UPB may result in both positive and negative outcomes (e.g. Tang et al., 2020). Despite the promotion of self-management strategies to practitioners, the impact of such strategies on employees' prosocial behaviors, particularly knowledge hiding, remains unclear. Knowledge hiding is defined as the deliberate withholding of information by employees from colleagues or organizations (Issac et al., 2022; Luqman et al., 2023a, 2023b). Scholars have suggested that unethical leader behavior often triggers goal- or target-directed behavior (Connelly et al., 2012). For instance, individuals are more likely to demonstrate kindness and helpfulness toward someone who has done something beneficial for them, as opposed to someone who has not (McCullough et al., 2001). Similarly, abusive supervision may trigger target-specific anger but ultimately harm the organization due to the deviant behavior it elicits from employees (Mitchell et al., 2015; Nusrat et al., 2021). Given this, it is argued that a leader’s UPB may potentially benefit the organization but also reduce employees’ prosocial behavior.

Prior literature has acknowledged self-management from both positive and negative outcome perspectives. For example, leader UPB may include lying to customers, hiding information from competitors or engaging in other unethical behavior that is detrimental to stakeholders (Park et al., 2023). Such unethical behavior by leaders may induce self-management motivation among employees, leading to knowledge hiding (Fauzi, 2023). On the other hand, self-management is likely to propel an individual to enact self-promoting behavior that helps them differentiate from others and promote their self-esteem (Martinez-Pecino and Garcia-Gavilán, 2019). Effective self-management is advantageous for employees from a self-esteem perspective, as it helps them maintain a positive self-evaluation and work toward achieving their goals (Baumeister et al., 2003). It can also serve as a source of motivation for engaging in self-improvement and compensatory behaviors. Research has shown that when employees feel a misalignment between their self-representation and their leader’s desired UPB, self-management can be an effective strategy for reducing this discrepancy (Robins et al., 2007).

Hence, based upon the rational discussed above, we proposed that leader UPBs lead knowledge hiding via self-management:

\[ H3. \text{Self-management mediates the indirect effect between the leader’s UPB and knowledge-hiding.} \]

Knowledge sharing refers to the voluntary dissemination of information and knowledge to others (Masood et al., 2023). Prior literature has acknowledged the importance of knowledge sharing as a key factor in organizational success (Papa et al., 2020). However, when it is the outcome of a leader’s UPB, it is not always easy to encourage employees to share knowledge openly and freely (Fauzi, 2023; Issac et al., 2022). Employee upholding moral and ethical standards in difficult situations may likely predict their prosocial behavior such as knowledge sharing (da Silva et al., 2022; Rhee and Choi, 2017). Prior literature has acknowledged that followers’ perception of leader UPB decreases their organizational commitment (Park et al., 2023) and decreases their willingness to engage in knowledge-sharing behaviors (Mishra et al., 2021). However, we argue that an employee who is high in moral self-efficacy is likely to affect how individuals perceive the ethical implications of sharing knowledge in the context of an organization that promotes UPB. For example, employees with higher moral efficacy are more likely to view knowledge sharing as an ethical behavior that aligns with their values, even in the face of organizational pressures to engage in UPB (Paciello et al., 2022). Furthermore, given the moral ability of employees, moral self-efficacy is not likely to engage in behaviors that violate ethical and moral standards, such as engaging in UPB and withholding knowledge (Owens et al., 2019). We argue that employees with increased moral self-efficacy are more likely to respond to UPB positively and ethically (e.g. knowledge sharing). Ethical minds are always trying to find alternative resources or ways to get the information they need or they may confront the leader in a constructive way (Marquardt et al., 2021). By mediating the relationship between
UPB and knowledge sharing, moral self-efficacy can mitigate the negative effects of UPB and promote a positive work environment. We believe that when employees adopt ethical standards, their moral efficacy enables them to respond and adjust their behavior. Therefore, we assume the following:

**H4.** Moral self-efficacy mediates the indirect effect between a leader’s UPB and knowledge-sharing.

We posit that the association between ethical leadership, as reflected in the leader’s UPB, and service worker self-management is moderated by the employee level of instrumental thinking. Instrumental thinking refers to a cognitive style that places self-serving personal interests at the forefront and views others primarily as means to an end (Waldman and Siegel, 2008). Previous research suggests that there exists an alignment between a leader’s guiding principles and followers’ instrumental thinking with individuals more likely to be receptive to information and responses that align with their self-interested goals (Belmi and Pfeffer, 2018). Given the pragmatic and result-oriented nature of instrumental thinkers, they are likely to perceive a leader’s UPB as valid and helpful in achieving collective goals as well as personal developmental goals (Waldman and Siegel, 2008). Employees exhibiting high levels of instrumental thinking are likely to be goal-oriented and pragmatic in their approach to work, with a lesser emphasis on intrinsic motivators such as enjoyment, curiosity or personal growth (Markus, 1977). As a result, they may be more sensitive to their leader’s UPB behavior and may be more inclined to prioritize tangible outcomes such as monetary rewards, recognition and promotions (Martinez-Pecino and Garcia-Gavilán, 2019) over prosocial behaviors and extra-peer roles. Consequently, the study posits that instrumental thinking can strengthen the association between a leader’s UPB and subordinates’ self-management, as individuals exhibiting high instrumental thinking are less likely to exhibit altruistic and integrity-based behavior when interacting with their peers (Belmi and Pfeffer, 2018).

Based on the above discussion, we posit that the relationship between a leader’s UPB and service worker self-management is more robust for employees with high levels of instrumental thinking as compared to those with low levels of instrumental thinking. We advance this proposition based on the premise that instrumental thinkers are more receptive to leaders who emphasize tangible outcomes and are less likely to prioritize prosocial behaviors, thereby making them more aligned with the pragmatic and goal-oriented nature of UPB:

**H5a.** The positive relationship between a leader’s UPB and self-management for service employees will be stronger for those with lower levels of instrumental thinking compared to those with higher levels of instrumental thinking.

Previous research has defined instrumental thinking as an employee’s inclination to approach their work in a transactional or instrumental manner rather than being driven by morality, warmth and affection (Horkheimer, 1974). It has been recognized that when a supervisor engages in UPB, their subordinates are more likely to emulate such behavior (Brown and Treviño, 2014). Individuals who exhibit higher levels of instrumental thinking are less focused on the well-being of others and contributing to the greater good of the organization. They are instead motivated by their leaders’ attributes and seek the most efficient and direct means to achieve their desired objectives (Labroo and Kim, 2009). The positive influence of a leader’s UPB will probably have a greater impact on instrumental thinkers, as they are more receptive and more likely to conform to the leader’s strategic vision while ignoring ethical and social norms (Horkheimer, 1974). Employees with higher levels of instrumental thinking (cognitive resources) prioritize achieving tangible outcomes and are more likely to engage in unethical behaviors if they believe it will help them achieve their goals (Casciaro et al., 2014).

The literature on instrumental thinking shows that employees with high levels of instrumental thinking are more likely to follow a leader’s unethical behavior (Martinez-Pecino and Garcia-Gavilán, 2019). This means that employees who are more focused on achieving tangible
results may be more vulnerable to the negative effects of leading UPB (Chen and Chen, 2023; Tang et al., 2020; Umphress et al., 2010). Furthermore, Zheng et al. (2019) have identified that for individuals who score high in moral identity, the relationship between a leader’s unethical behavior and their followers’ moral disengagement is weaker. Thus, we argue that employees with stronger instrumental thinking skills may be more likely to justify a leader’s unethical behavior even when it serves organizational goals and negatively affects their moral self-efficacy. Hence, we hypothesize as below:

**H5b.** The negative relationship between a leader’s UPB and moral self-efficacy for service employees will be stronger for those with higher levels of instrumental thinking compared to those with lower levels of instrumental thinking.

Building upon the theoretical arguments presented in hypotheses (1–5), we propose the following hypotheses on moderated mediation:

**H6a.** The positive moderated-mediated relationship between a leader’s UPB and knowledge hiding for service employees will be stronger for those with higher levels of instrumental thinking compared to those with lower levels of instrumental thinking.

**H6b.** The negative moderated-mediated relationship between a leader’s UPB and knowledge sharing for service employees will be stronger for those with higher levels of instrumental thinking compared to those with stronger levels of instrumental thinking.

**Method**

We used a longitudinal study design using lagged survey data to investigate the effect of leaders’ UPB over time on followers’ self-management, moral self-efficacy and knowledge-hiding and sharing behaviors. Specifically, the study aimed to examine how a leader’s UPB describes the outcomes of its followers’ prosocial behaviors, such as knowledge hiding and sharing behaviors, through the mechanisms underlying follower self-management and moral self-efficacy over three months.

A time-lag survey design with three rounds of data collection separated by one month was chosen for several reasons. First, the longitudinal design allows investigation of changes in the leader’s UPB to follower responses over time. This is important because the UPB of leader-to-follower responses is a dynamic structure that fluctuates over time, and these fluctuations may not be adequately captured by one-off surveys. By collecting data at multiple time points, we were able to track changes in leader UPB responses to followers over three months and examine whether instrumental thinking moderated these changes. Second, lagged designs allow us to test causal relationships between variables. By collecting data at different points in time, we were able to examine the chronological order of the variables and determine whether a leader’s UPB preceded changes in subordinate self-management and moral self-efficacy and vice versa. This is important because the direction of causality of a leader’s UPB before changes in follower self-management and moral self-efficacy is not always clear and will vary across settings. Third, following past practice, a one-month interval between data collection points was chosen to allow sufficient time for meaningful changes while minimizing the potential for recall bias. Shorter intervals may not allow enough time for changes to occur, while longer intervals may increase the risk that participants will forget their experiences and responses from the previous survey.

**Participant and procedure**

We contacted four technology service companies located in South China and made announcements through the managing director and human resources department. We chose this sample because these employees are responsible for handling customer complaints, making cold calls, providing post-sale customer service and conducting occasional on-site meetings with customers. Before conducting a survey, we obtain the
consent of a customer service representative and assure them that their responses will be kept confidential and used for research purposes only. The online survey software Qualtrics was chosen for its ease of use, access to a large and varied sample and its ability to ensure confidentiality and anonymity.

The survey was conducted at three different time points: T1, T2 and T3. The time interval between each data collection point is one month. For example, at T1, participants were invited to participate in the study by sharing links. Participants who agreed to participate were asked to complete an online survey that included questions about their demographics, leader’s UPB and instrumental thinking. At T2, participants are contacted again and asked to complete a follow-up survey. The follow-up survey included the same respondents from the T1 survey who completed the survey and asked questions about follower self-management and moral self-efficacy. Finally, at T3, the participants were contacted one last time and asked to complete a third survey. A third survey included respondents who contacted respondents from T2, asking them to intentionally hide or share knowledge with their peers. The initial sample consisted of 520 employees between the ages of 18 and 61 who agreed to participate in our study. The final survey sample included 378 employees between the ages of 21 and 49 (representing a response rate of approximately 73%), which we used for the final analysis. According to our demographic analysis, 54.3% of the sample population were male, and the majority had attained a maximum level of tertiary education, with 5–10 years of experience in the service industry.

**Measure**

We used a back-to-back translation method (Brislin et al., 1973). Unless otherwise specified, participants were instructed to use a “5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree)” to rate their level of agreement with each item. A list of instruments has been provided in the Appendix.

**Leader’s unethical proorganizational behavior**

We assessed the leader’s UPB using a four-item scale developed by Umphress et al. (2010). The selected items were chosen because they represent typical behaviors of leaders in the customer service industry. One example item from the scale is “My supervisor always exaggerated the truth about my company’s products or services to customers and clients.”

**Self-management**

The study used a six-item self-management scale developed by Breevaart et al. (2014) to assess employees’ self-perception of their ability in “self-goal setting, self-observation, and self-cueing.” One example item from the scale is “I establish specific goals for my performance.”

**Moral self-efficacy**

The study assessed moral self-efficacy using a three-item scale developed by Owens et al. (2019), which gauges individuals’ confidence in their ability to withstand moral temptations and uphold moral standards in the workplace. One example item from the scale is “I was self-assured about my capabilities to perform my work activities ethically.”

**Knowledge hiding**

To assess knowledge hiding, a 12-item scale developed by Connelly et al. (2012) was used. Participants were requested to reflect on instances within the past two months when
they were requested by their colleagues to share knowledge and were subsequently instructed to rate their answers on three dimensions: 1) evasive hiding (four items, e.g. “agreed to help him/her but never really intended to”), 2) playing dumb (four items, e.g. “pretended that I did not know the information”) and 3) rationalized hiding (four items, e.g. “explained that I would like to tell him/her, but was not supposed to”).

**Knowledge sharing**

We measured employees’ perception of knowledge sharing by using a four-item scale developed by Rhee and Choi (2017). Participants were asked to reflect on instances within the past two months when they were requested by their colleagues to share knowledge and were subsequently requested to rate their agreement with the sample item “I endeavor to share knowledge with my colleagues.”

**Instrumental thinking**

We assessed employees’ perceived instrumental thinking through the utilization of a three-item scale developed by Belmi and Pfeffer (2018). One of the sample items included in the scale was “I develop relationships with people, including my colleagues, by primarily considering their potential benefits to me.”

**Data analysis**

**Common method bias**

In spite of data being collected in multiple waves, self-report data always pose the risk of common method bias (CMB) (Podsakoff et al., 2012). To mitigate the potential threat of CMB, we used various measures such as multicollinearity tests, including assessment of high correlation, variance inflation factors (VIF) and tolerance, as well as the use of CMB measures, such as Harman’s single factor test. First, our data analysis revealed that the correlation coefficients between each pair of variables were less than 0.50, indicating neither a strong positive nor negative correlation between the variables. Second, the VIFs in our structural equation model (SEM) were less than 2; a VIF of 10 or greater is considered high and requires further investigation. Third, we assessed the tolerance of multicollinearity as the reciprocal of the VIF. A tolerance value close to 1 indicates no multicollinearity, while a tolerance value close to 0 suggests high multicollinearity. Finally, we conducted a factor analysis on all of the variables in the study to determine whether a single factor emerges that explains a large proportion of the variance. However, the single factor only explained 23.5% of the variance, which is substantially less than the cutoff limit of 50 (Harman, 1976). Consequently, we conclude that there is no significant issue with CMB in our study. See Tables 1 and 2 for details.

**Measurement model**

We used SEM specifying the relationships between the proposed model and its underlying constructs. In doing so, we first assessed the reliability and validity of the measurement instruments used in a study via measurement model. We conducted confirmatory factor analysis (CFA) to measure the strength of the relationship between the observed variables and the latent variables. We found that CFA loadings were greater than the cutoff limit of 0.70. Cronbach’s alpha was greater than 0.70, exhibiting higher internal consistency of the scales, and composite reliability value of greater than 0.7, indicating that the measurement model has good internal consistency and reliability (Fornell and Larcker, 1981). See Table 3 for details.

Furthermore, we also evaluated how well the specified model fits the observed data using goodness-of-fit indices, such as the “Chi-square test < 0.5,” “Comparative Fit Index
Structural model and hypotheses testing

We then used a structural model to examine underlying relationships between the latent variables and the outcome variables of our interest. In the structural model, each of our proposed latent variables is linked to the other latent variables and the outcome variables through a path coefficient that determines the strength and direction of the relationship between the variables. Given the context of the proposed model, we measured all of the variables at the individual level (Luqman et al., 2021; Luqman et al., 2023a, 2023b; Nusrat et al., 2021; Ali et al., 2020; Bodhi et al., 2022).

We first investigated the association between a leader’s UPB and follower outcomes, namely, self-management and moral self-efficacy, and their subsequent effects on knowledge hiding and sharing. The results indicated that the leader’s UPB was positively associated with the follower’s self-management (H1: $\beta = 0.23, p < 0.001$) and negatively associated with the follower’s moral self-efficacy (H2: $\beta = -0.31, p < 0.001$) providing support for both H1 and H2, respectively. Moreover, the mediating effect of the leader’s UPB on knowledge hiding via follower self-management was found to be positive and significant (H3: indirect effect $= 0.09$, 95% CI $= [0.01, 0.18]$), supporting H3. Conversely, the mediating effect of the leader’s UPB on knowledge hiding via follower moral self-efficacy was negative and significant (H4: indirect effect $= -0.13$, 95% CI $= [-0.03, -0.21]$), supporting H4. Our findings have suggested that leaders’ UPB has a significant impact on
<table>
<thead>
<tr>
<th>Variables</th>
<th>Self-management</th>
<th>Moral self-efficacy</th>
<th>Knowledge hiding</th>
<th>Knowledge sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B (se) p CI (95%)</td>
<td>B (se) p CI (95%)</td>
<td>B (se) p CI (95%)</td>
<td>B (se) p CI (95%)</td>
</tr>
<tr>
<td>Positive affect</td>
<td>-0.06 (0.06) 0.35</td>
<td>-0.04, 0.08</td>
<td>-0.04 (0.05) 0.79</td>
<td>-0.17, 0.08</td>
</tr>
<tr>
<td>Negative affect</td>
<td>0.03 (0.04) 0.15</td>
<td>-0.01, 0.09</td>
<td>0.07 (0.06) 0.58</td>
<td>-0.20, 0.04</td>
</tr>
<tr>
<td>Leader’s UPB</td>
<td>0.32 (0.04) 0.00</td>
<td>0.10, 0.32</td>
<td>-0.36 (0.05) 0.00</td>
<td>0.10, 0.34</td>
</tr>
<tr>
<td>Follower’s self-management</td>
<td>0.31 (0.05) 0.00</td>
<td>0.15, 0.41</td>
<td>0.42 (0.04) 0.00</td>
<td>0.32, 0.49</td>
</tr>
<tr>
<td>Follower’s moral self-efficacy</td>
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<tr>
<td>Knowledge hiding</td>
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<tr>
<td>Knowledge sharing</td>
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<td>$R^2$</td>
<td>0.214</td>
<td>0.262</td>
<td>0.354</td>
<td>0.364</td>
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</tbody>
</table>

**Indirect effects**
- The indirect effect of leader’s UPB on knowledge hiding via follower’s self-management: 0.09 (0.02) 0.00 0.01, 0.18
- The indirect effect of leader’s UPB on knowledge sharing via follower’s moral-efficacy: -0.13 (0.02) 0.00 -0.03, -0.21

**Moderated effects**
- Leader’s UPB * instrumental thinking on follower’s self-management: 0.23 (0.05) 0.00 0.17, 0.34
- Leader’s UPB * instrumental thinking on knowledge hiding via follower’s self-management: 0.08 (0.02) 0.04 0.14, 0.04
- Leader’s UPB * instrumental thinking on follower’s moral self-efficacy: -0.18 (0.04) 0.00 -0.23, -0.08
- Leader’s UPB * instrumental thinking on knowledge sharing via follower’s moral self-efficacy: -0.05 (0.02) 0.03 -0.08, -0.01

**Note:** Sample size (N) = 378

**Source:** Created by authors
follower behaviors and attitudes, which can ultimately influence their knowledge-hiding and sharing behaviors.

Furthermore, the study found significant positive associations between followers’ self-management ($\beta = 0.31, p < 0.001$) and moral self-efficacy ($\beta = 0.42, p < 0.001$) with knowledge hiding and sharing, respectively. These results suggest that followers who have high levels of self-management and moral self-efficacy are more likely to engage in knowledge-hiding and sharing behaviors, respectively. Table 3 provides detailed results of the direct and indirect effects of the variables examined in this study.

We then evaluated how well the specified structural model fits the observed data using goodness-of-fit indices, such as the “Chi-square test $< 0.5$,” “Comparative Fit Index (CFI $> 0.90$),” “Tucker-Lewis Index (TLI $> 0.90$)” and “Root Mean Square Error of Approximation (RMSEA $< 0.10$).” Our goodness-of-fit indices suggest a good fit between the observed variables and the latent variables; hence, the structural model is reliable and valid.

Finally, we examined the moderating role of instrumental thinking. We used Edwards and Lambert’s (2007) approach to examine the first-stage moderating effect of leader UPB on followers’ self-management and moral self-efficacy, respectively, under high and low values of instrumental thinking. The results of the moderation analysis indicated a positive association between the interaction of leader UPB and instrumental thinking with follower self-management ($\beta = 0.16, p < 0.01$), thus supporting $H5a$. The interaction effect was plotted at $+1/-1$ SD from the mean of instrumental thinking, and the simple slope test revealed that leader UPB had a significant positive influence on self-management when instrumental thinking was high ($\beta = 0.39, SE = 0.09, p < 0.01$), but this effect was insignificant when instrumental thinking was low ($\beta = 0.02, ns, p > 0.05$).

The interaction between leader UPB and instrumental thinking was positively associated with the follower's moral self-efficacy ($\beta = 0.16, p < 0.01$), and the simple slope test demonstrated that leader UPB had a significant negative influence on the follower’s moral self-efficacy when instrumental thinking was high ($\beta = -0.34, p < 0.01$), but this effect was insignificant when instrumental thinking was low ($\beta = 0.04, ns, p > 0.05$). The nature of the interaction effects are depicted in Figures 2 and 3.
In addition, the study investigated the indirect relationships between leader UPB and knowledge hiding via follower self-management (H6a) and leader UPB and knowledge sharing via followers’ moral self-efficacy (H6b), respectively. We found that the indirect relationship between leader UPB and knowledge hiding via follower self-management was significant when moderated by instrumental thinking. The index of moderated mediation was significant (index = 0.06, CI = [0.08, 0.01]). The conditional indirect effect of leader UPB on knowledge hiding ($\beta = 0.09, p < 0.05$) via follower self-management was significant when instrumental thinking was high but insignificant when instrumental thinking was low ($\beta = 0.002, ns, p > 0.05$).

Similarly, we found that the index of moderated mediation was significant for the hypothesized indirect relationship between leader UPB and knowledge sharing (index = 0.07, CI = [0.01, 0.09]) via followers’ moral self-efficacy. The conditional indirect effect of leader UPB on knowledge sharing ($\beta = 0.08, p < 0.05$) via the follower’s moral self-efficacy was significant when instrumental thinking was high but insignificant when the follower’s moral self-efficacy was low ($\beta = 0.01, ns, p > 0.05$). These results suggest that instrumental thinking moderates the relationship between leader UPB and knowledge hiding and sharing and that this relationship is mediated by both followers’ self-management and followers’ moral self-efficacy, respectively.

**General discussion**

Informed by the theoretical framework of SLT, our study advances and empirically tests a model delineating the dynamics of leader UPB within the context of the service industry. Through a longitudinal research design encompassing multiple data collection waves, our investigation substantiates the nuanced dual-stream ambivalence encapsulating leader UPB and its implications for follower outcomes in the service sector.

To begin, our findings validate the positive association between leader UPB and follower self-management, subsequently predicting knowledge-hiding behaviors. This phenomenon
underscores that instances of leaders prioritizing organizational interests over ethical considerations could trigger self-management behaviors among followers. This aligns with extant scholarship wherein it has been demonstrated that followers may feel compelled to enact self-regulatory strategies to buffer themselves against the potential adverse consequences of leader conduct (Bryant and Merritt, 2021). The impetus for followers to shield themselves from perceived threats to their well-being and career trajectory underscores the adaptive response triggered by UPB-related leader behaviors (Marquardt et al., 2021). Notably, this self-management tendency might catalyze knowledge-hiding behaviors as followers adopt concealment as a protective mechanism to safeguard their interests (Breevaart et al., 2014).

Conversely, our results corroborate the negative relationship between leaders’ UPB and subordinates’ moral self-efficacy. This highlights that leaders’ unethical conduct may inadvertently compromise subordinates’ confidence in their ethical decision-making capabilities, as the prioritization of organizational gains over ethical considerations could erode subordinates’ perception of their moral efficacy and self-regard behavior (Yang et al., 2021). This resonates with the corpus of ethical literature, contending that unethical practices within an organizational framework can contribute to a culture that undermines ethical norms (Mishra et al., 2021). Furthermore, leaders’ UPB might cast doubts on followers’ moral compass, potentially precipitating a decline in their assurance regarding their moral judgment (Graham et al., 2020). However, our study posits that followers endowed with heightened moral self-efficacy might be predisposed to engage in knowledge-sharing behaviors, driven by a sense of ethical responsibility and a desire to contribute positively to the organization (Bryant and Merritt, 2021). However, the study posits that followers endowed with heightened moral self-efficacy might be predisposed to engage in knowledge-sharing behaviors, driven by a sense of ethical responsibility and a desire to contribute positively to the organization (Ogunfowora et al., 2021).

Our study extends its scrutiny to the moderating role of instrumental thinking in two dimensions: a) the connection between leader UPB and subordinate self-management and b) the association between leader UPB and moral self-efficacy. In the former, our findings confirm an interaction effect, suggesting that followers characterized by instrumental thinking, who prioritize goal attainment over other considerations, might exhibit an increased propensity for self-regulation behaviors in response to leader unethical conduct (Liao et al., 2023). Furthermore, the moderating influence of instrumental thinking in the linkage between leaders’ UPB and knowledge hiding is upheld. For followers exhibiting elevated instrumental thinking, the association between leader UPB and self-management is intensified, potentially fostering knowledge-hiding behaviors among colleagues. This might be explained by the propensity of employees with high instrumental thinking to view knowledge hiding strategically, harnessing it as a means to advance personal goals and secure influence or interests within a competitive organizational environment (Fauzi, 2023).

Finally, the study affirms the moderating role of instrumental thinking in the relationship between leader UPB and moral self-efficacy. It indicates that individuals characterized by high levels of instrumental thinking could experience diminished moral self-efficacy when confronted with leader unethical behavior. This dovetails with existing literature positing that instrumental thinking, being oriented toward goal attainment, might be less attuned to moral considerations (Marquardt et al., 2021). This interactional pattern suggests that subordinates’ heightened instrumental thinking could attenuate the link between leader behavior and moral self-efficacy, potentially cascading into a negative impact on knowledge-sharing behaviors among colleagues. In essence, the intricate interplay between UPB, instrumental thinking and moral self-efficacy lends depth to our understanding of the ethical dynamics within leader-follower relationships.
Theoretical implications

The present study holds significant theoretical implications for the literature on UPB. While previous studies have focused mainly on the factors that lead to employee UPB behavior, little attention has been paid to its consequences (Fehr et al., 2019). This study addresses this gap by exploring the differential impacts of leaders' UPB on their followers' ambivalent nature, attitudes and subsequent behaviors. We contribute to the UPB literature by investigating the differential consequences of leaders' UPB on followers' ambivalent nature and their subsequent attitudes and behaviors. Our findings suggest that, on the one hand, the leader's UPB triggers the self-management motivation of the servants, who may engage in knowledge-hiding behaviors. On the other hand, the moral self-efficacy of service staff may be questioned, and they may also lack moral confidence in cheating customers, which, in turn, affects the knowledge-sharing behavior among colleagues. By identifying various forms of knowledge hiding and knowledge sharing from leader UPB, our findings show that while UPB is an unethical practice, its consequences are positive for employees. Our findings contribute to the KM literature, where “leaders” UPB describe dual streams of ethical and unethical behavior (Castille et al., 2018; Mishra et al., 2021; Park et al., 2023). Our findings provide a new divergent perspective on a leader’s UPB by exploring subordinates' conflicting attitudes and behaviors toward colleagues.

Second, we respond to a recent call for research to further explore the effects of UPB on employees using the within-person method (Tang et al., 2020). Previous research has placed too much emphasis on between-person methodology (Cervone, 2005). In contrast to existing research, we use leader UPB in a service industry context to investigate the individual nature of UPB. Our study corresponds to existing findings suggesting that individuals' perceptions of leader immorality and deviant behavior vary across individuals, thus warranting the investigation of interpersonal differences. We, therefore, contribute to the emerging field of UPB research by following a design suggested in the ethics literature using a within-person perspective (Tang et al., 2020).

Third, consistent with SLT, we found that service employees' instrumental thinking can influence the appreciation process of leaders' post-UPB self-management and moral self-efficacy. Specifically, our findings suggest that instrumental thinking mediates the relationship between leader UPB and subordinate self-management and moral self-efficacy, suggesting that subordinates' characteristics and priorities may play a role in shaping their responses to leader behavior play an important role in. Our findings have important implications for organizational behavior scholars that followers who engage in instrumental thinking may be more likely to tolerate a leader's unethical behavior because they see it as a necessary means to achieve their own goals. Scholars should also note that a follower's response to a leader's behavior may depend not only on the behavior itself but also on their characteristics and priorities. We recommend that future research should continue to explore the role of individual characteristics and priorities in shaping follower responses to leader behavior and should consider how these responses affect broader organizational outcomes.

Practical

Our research findings yield valuable insights for managerial considerations. We posit that while leader UPB may yield immediate organizational gains, its associated costs ultimately outweigh the benefits attained. For instance, organizations are susceptible to enduring long-term repercussions stemming from leader UPB, manifesting as a diminished culture of information sharing, subjective legitimation of unethical conduct and a decline in both moral and prosocial tendencies among colleagues that develop harmony in the organization. Our study emphasizes the significance of leaders recognizing the far-reaching influence of their actions on the ethical milieu of the organization. Therefore,
leaders should actively pursue ethical conduct that prioritizes the holistic welfare of employees and the organization.

Furthermore, our inquiry delves into the persisting prevalence of UPB within organizations despite its adverse effects. We address this query by drawing on Umphress and Bingham’s assertion (2010, p. 634) that employees engage in UPB to cultivate a perception of being exemplary followers in the eyes of leaders. However, our empirical findings imply that these “good soldier” followers are more inclined to engage in knowledge concealment vis-à-vis self-regulatory (e.g. self-management) measures. This strategic behavior is reinforced by leaders’ conscious disregard for such misconduct toward colleagues. In light of these findings, we recommend organizations educate employees about UPB and its consequences in the long run. Firms should implement comprehensive policies and protocols that foster an ethical and transparent culture. Such measures should incentivize and acknowledge ethical behavior while discouraging unethical conduct. This multifaceted approach could effectively mitigate the likelihood of knowledge concealment and analogous negative behaviors among employees.

Our research underscores the imperative of nurturing ethical leadership practices and cultivating an ethos that emphasizes principled decision-making. Practical steps may encompass the provision of ethics training for leaders and the formulation of a code of ethics delineating expected behaviors and corresponding repercussions for violations. To streamline ethical conduct, organizations might establish a structured mechanism for reporting and addressing unethical behavior, ensuring expeditious and efficacious redressal. By fostering open channels of communication between leaders and employees and by routinely furnishing feedback and recognition for ethical comportment, organizations can cement the transparency and consistency of policies and procedures. Introducing an open reporting system, such as an enterprise social media platform, could facilitate the sharing of managerial knowledge through recognition initiatives or performance bonuses, thereby cultivating a collaborative culture that esteems the exchange of insights and proficiency. This, in turn, would discourage employees who harbor concerns about sharing knowledge due to perceived costs – including the risk of resource or opportunity forfeiture – from resorting to knowledge-concealing behaviors.

Limitations and future research

Our findings have several limitations that need to be acknowledged. First, the sample for the study was collected from Chinese service personnel, which may limit the generalizability of the results. Certain geographic regions may not be representative of other regions or cultures. We suggest that future research could use larger and more diverse samples and geographic regions to explore potential cultural differences and improve the generalizability of the results. Second, we used self-report measures across multiple waves, which may be subject to social desirability bias and reporting inaccuracy. We encourage future scholars to consider objective measures, such as physiological measures or clinician ratings and experimental designs to complement self-reported measures. Third, we did not consider potential confounding variables such as participants’ previous mental state and respondents’ moral behavior. We strongly suggest that future scholars consider potential confounding variables in their analysis to improve the accuracy of the results. In addition, researchers can explore the effectiveness of interventions targeting identified ethical and personal factors, such as early intervention to control unethical issues in organizations. Fourth, we investigated the dual outcome flow from the leader UPB. However, futurists can extend our findings by exploring the relationship between leader UPB and subordinate behavior and investigating other factors that may influence this relationship, such as personality traits or organizational culture. Finally, using context-sensitive instrumental thinking as a moderator variable, we suggest that the relationship between a leader’s UPB
and follower behavior should also be examined using other factors that might moderate this according to the specific environment or industry.

Conclusion
The current study uses the SLT to unravel the multifaceted impact of leader UPB in the service industry context. The investigation, grounded in a multiwave data collection, unveils a dual ambivalence triggered by leaders’ UPB and offers significant insights. First, the study establishes a positive association between leader UPB and follower self-management, subsequently predicting knowledge hiding. This highlights followers’ strategic response to leaders’ unethical actions, safeguarding themselves against potential repercussions by resorting to self-regulation. Inversely, leaders’ UPB adversely affects subordinates’ moral self-efficacy, eroding their confidence in ethical decision-making. This corroborates the ethics literature’s assertion on the potential degradation of organizational ethical standards due to leader UPB. Furthermore, the moderating role of instrumental thinking emerges. Followers exhibiting high instrumental thinking display intensified self-management in the face of leader immorality, and their linkage between leader UPB and self-management reinforces knowledge-hiding tendencies. Similarly, instrumental thinking moderates the relationship between leader UPB and moral self-efficacy, weakening moral self-confidence and potentially compromising knowledge-sharing behaviors.

References


Further reading

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Ayesha Masood and Qingyu Zhang are both based at the Research Institute of Business Analytics and Supply Chain Management, College of Management, Shenzhen University, Shenzhen, China.

Nidhi Singh is based at the Jaipuria Institute of Management, Noida, India.

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Appendix
Measurement items

Leader’s unethical proorganizational behavior (Umphress et al., 2010)

“My supervisor is always misrepresent the truth to make my organization look good.”

“My supervisor is always try exaggerate the authenticity of my company’s products or services to customers.”
“My supervisor is always try hide negative information about my company or its products from customers.”

“My supervisor will always refuse to refund customers or customers who are unexpectedly overcharged.”

Knowledge sharing \cite{Rhee2017}

“I make an effort to share knowledge with my colleagues.”

“I explained everything very thoroughly.”

“I answered all their questions immediately whenever my colleagues ask.”

“I told my coworker exactly what he/she needed to know.”

Knowledge hiding \cite{Connelly2012}

Evasive hiding.

“He/she agreed to help me but never really intended to.”

“He/she agreed to help me but instead gave me information different from what I wanted.”

“He/she told me that he/she would help me out later but stalled as much as possible.”

“He/she offered me some other information instead of what I really wanted.”

Playing dumb

“He/she pretended that s/he did not know the information.”

“He/she said that s/he did not know, even though s/he I did.”

“He/she pretended s/he did not know what I was talking about.”

“He/she said that s/he was not very knowledgeable about the topic.”

Rationalized hiding

“He/she explained that s/he would like to tell me but was not supposed to.”

“He/she explained that the information is confidential and only available to people on a particular project.”

“He/she told me that his/her boss would not let anyone share this knowledge.”

“My colleague said that s/he is not allowed to answer third party related confidential.”

Self-Management \cite{Breevaart2014}

Self-goal setting

“I establish specific goal for my performance.”

“I work toward specific goals I have set for myself.”
**Self-observation**

“I make point to keep track of how I am doing at work.”

“I usually I am aware of how well I am doing as I perform an actitivity.”

**Self-cueing**

“I use written notes to remind myself of what I need to accomplish.”

“I use concrete reminders (e.g., notes and lists to help me focus on the things I need to accomplish.”

**Moral-self-efficacy (Owens et al., 2019)**

“I was self-assured about my capabilities to perform my work activities in an ethical manner.”

“I am confident about my ability to do my job in a way that meets the organization’s ethical standards.”

“I have mastered the ethical rules, regulations and skill necessary for my job.”

**Instrumental thinking (Belmi and Pfeffer, 2018)**

“I develop relationship with the people, including my colleagues by mainly considering how beneficial they would be for me.”

“I develop relationship with the people, including my colleagues by mainly considering how useful they might be for me.”

“I develop relationship with the people, including my colleagues by mainly considering how valuable they might be for me.”

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