

Emotional Intelligence, Individual Ethicality, and Perceptions that Unethical Behavior Facilitates Success

Inteligencia Emocional, Eticidad Individual y Percepciones de que la Conducta no Ética Facilita el Éxito

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Abstract. Survey results (N = 198) suggest emotional intelligence is a significant predictor of individual ethicality, perceptions of others' ethicality and perceptions that unethical behavior facilitates success. Importantly, emotional intelligence explains incremental variance in perceptions of others' ethicality, over and above individual ethicality. The relationship between emotional intelligence and perceptions that unethical behavior facilitates success is fully mediated by self-esteem. Results suggest emotionally intelligent employees are more adept at interpreting the ethicality of others' actions and potentially less likely to engage in unethical actions than employees low on emotional intelligence. Implications for research and practice are discussed.

Key words: emotional intelligence, ethicality, ethics perceptions, self-esteem, counterproductive behavior, ethical behavior.

Resumen. Los resultados de este estudio (N = 198) sugieren que la inteligencia emocional es un predictor significativo de la eticidad individual, la percepción de la condición ética de los demás y la percepción de que el comportamiento no ético facilita el éxito. Especialmente, la inteligencia emocional muestra varianza añadida en la percepción de la condición ética de los demás, sobre la explicada por la eticidad individual. La relación entre la inteligencia emocional y la percepción de que el comportamiento no ético facilita el éxito está totalmente mediada por la autoestima. Los resultados sugieren que los trabajadores emocionalmente inteligentes, frente a los bajos en inteligencia emocional, son más expertos en la interpretación de la eticidad de las acciones de los demás y potencialmente menos propensos a participar en las acciones poco éticas. Se discuten las implicaciones para la investigación y la práctica.

Palabras clave: inteligencia emocional, eticidad, percepciones éticas, autoestima, conducta contraproducente, conducta ética.

Wrongdoing in and by organizations has received unprecedented attention in the media. Negative ramifications to the employers of individuals engaged in unethical activities have become more severe in recent years and the media coverage more intense. Such negative press has considerable implications for an organization's image and competitive ability within the marketplace. Heightened awareness of the prevalence of organizational misconduct has generated increased interest in identifying the causes of unethical business practices and counterproductive workplace behaviors (e.g., Baker, Hunt, & Andrews, 2006; Carlson et al., 2002; Fang, 2006; Grover, 2005; Lawson, 2004). One unexplored variable with the potential to impact ethical behavior and decision-making is emotional intelligence. This study explores three key questions in this area: What value does emotional intelligence have for predicting (1) incidence of unethical and/or counter-

productive behavior, (2) perceptions of others' ethicality, and (3) perceptions that unethical behavior facilitates success?

Ethicality and Counterproductive Behavior

Ethics refers to "the rules or principles that define right and wrong conduct" (Davis & Frederick, 1984, p. 76). Individuals develop rules of ethics from their moral philosophies and value base (Carlson et al., 2002), and apply these rules when faced with making an ethical decision. Ethics is therefore a decision-making process whereby one's rules of right and wrong are applied to assess the ethicality of a particular issue. Employee ethics have been linked with a number of counterproductive behaviors of great financial consequence to organizations, including absenteeism, sabotage, production and quality loss, theft, aggression, job withdrawal, and even insider trading (Sackett & DeVore, 2001; Terpstra et al., 1993). Counterproductive behavior, a form of unethical behavior and often viewed as a facet of job performance, constitutes any intentional employee behavior which operates contrary to the legitimate interests of

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the organization (Sackett & DeVore, 2001). Researchers have identified a number of individual, perceptual, and contextual variables that may have implications for when and why employees choose to engage in questionable activities. For example, personality variables (e.g., conscientiousness), job characteristics (e.g., autonomy), and work environment characteristics (e.g., “honesty climate”) are known to correlate with counterproductive behavior (Sackett & DeVore, 2001). Not surprisingly, an individual’s integrity and personal beliefs of what constitutes ethical versus unethical behavior may also predict a tendency toward engaging in counterproductive workplace behaviors (Terpestra et al., 1993).

Interestingly, in their confessions of wrongdoing, wrongdoers often cite as reason for their actions a belief that such (unethical) behavior was a necessary prerequisite to succeeding in an otherwise unethical world (Terpestra et al., 1993; Tyson, 1990). Specifically, many wrongdoers report thinking that others around them are engaging in (far worse) unethical actions (Morgan, 1993; Vitell & Davis, 1990). These individuals believe that in order to compete, they must compromise their own ethical standards (Bersoff, 1999). Further, individuals tend to (wrongly) believe they are more ethical than their counterparts (McDonald & Zepp, 1988; Tyson, 1990). Thus, as individual ethicality declines, evaluations of others’ ethicality become more negative. Taken as a whole, it appears that even the most ethical employee may resort to engaging in counterproductive behavior, and justify doing so on the basis of perceptions that “everyone else is doing it,” or “it is not as bad as what others are doing” (Newstrom & Ruch, 1975, p. 36).

In sum, research suggests ethical decision-making (and, hence, unethical action) involves not only an individual’s own ethical standards, but also his or her perceptions of the prevalence of wrongdoing occurring around them (Newstrom & Ruch, 1990). Specifically, individual behavior (including unethical behavior) is thought to be influenced both directly and indirectly by social and group norms (cf. Theory of Reasoned Action; Fishbein & Ajzen, 1975). When individuals perceive group norms are operating to support the prevalence of and engagement in unethical behavior, they may be influenced to conform to group norms by adjusting their ethics-related decision-making and engaging in more unethical actions. Research suggests normative pressures exerted by group norms, especially those that support illegal or unethical behavior, are quite influential (e.g., Greenberger, Miceli, & Cohen, 1987; Miller & Grush, 1986). Further, normative pressure to accept and engage in unethical behavior may be even greater in larger and more highly cohesive groups and organizations (Festinger et al., 1950; Latane, 1981). As such, we would expect:

Hypothesis 1. Individuals’ self-reported unethical behaviors are correlated with their perceptions of the unethical behaviors of others, such that the more likely an individual is to engage in an unethical practice, the more likely they believe others are doing the same.

Hypothesis 2. Individuals perceive themselves to be more ethical than their counterpart others. Self-reported tendency to engage in unethical behaviors will reflect a greater degree of ethicality than perceptions of others’ ethics.

Emotional Intelligence

Our purpose in conducting this research was to explore the role of emotional intelligence (EI) in ethical decision-making, specifically in (1) individual ethicality, (2) perceptions of others’ ethics, (3) the amount of difference in perceived ethicality between self- and other-ratings (e.g., individuals often perceive others as less ethical; does EI impact this degree of discrepancy between self- and other-ethics perceptions), and (4) perceptions that unethical behavior facilitates success. To date, no empirical research has examined the EI-ethical perceptions link. Emotional intelligence, also referred to as emotional literacy, the emotional quotient, and personal, social, or interpersonal intelligence (Dulewicz & Higgs, 2000), has received increasing attention since the 1995 publication of the Goleman book popularizing the construct. EI refers to the ability to perceive and regulate emotions appropriately, and may be defined as the set of verbal and non-verbal abilities that enable a person to generate, recognize, express, understand, and evaluate their own and others’ emotions, in order to guide the necessary thinking and action to successfully cope with environmental demands and pressures (Joseph & Newman, 2010; Law, Wong, & Song, 2004; VanRooy & Viswesvaran, 2004). Individuals high in EI are able to effectively understand and perceive emotion within themselves and others, and successfully regulate and utilize their emotions for purposeful action (Law et al., 2004). Emotional intelligence is known to be predictive of successful performance across employment, academic, and life settings (Van Rooy & Viswesvaran, 2004), and particularly in jobs high in emotional labor (Joseph & Newman, 2010).

Emotional intelligence may also predict unethical behavior within these contexts. To the extent that moral reasoning develops from perceptions of the ethicality of others, individual ethicality will be influenced by perceptions of the behaviors of others (cf. Kohlberg, 1984). Further, to the extent that perceptions of unethical behavior (e.g., its perceived acceptability, antecedents, and consequences) are predicated on understanding and empathizing with the origins of self and other behavior (c.f., Hoffman, 1984) as well as

attributions of emotions to others' behaviors, understanding and managing one's emotions, etc., EI will be related to ethicality.

In essence, there are two components of emotional intelligence, a cognitive and an empathy component (c.f., Hoffman, 1984). High emotionally intelligent individuals are more adept at reasoning through the (emotional) antecedents of their own and others' behavior and using this information to guide thinking and action (Mayer & Salovey, 1993). The cognitive component permits accurate perceptions of others' emotions and emotion-focused behaviors. The empathy component facilitates empathetic understanding of the origins or antecedents of these emotions, and thus mitigates negative attributions about others. Individuals high on emotional intelligence will be able to manage their emotions and react less aggressively to the behaviors of others. Although research suggests individual ethicality is correlated with perceptions of others' ethics (Terpstra et al., 1993), it seems that high EI individuals would be more adept at deciphering others' (ethical or unethical) behaviors than low EI individuals. This ability would contribute to their capacity to discern another person's ethicality and ethics-related behaviors. Specifically, individuals high on EI will also more likely empathize with others' behaviors and attribute less negative motives to others' behaviors. Since emotionally intelligent people are better able to correctly deduce others' emotions, they may be more likely to overlook others' unethical behavior on the grounds of mitigating circumstances. This is not to say that those high on EI will condone such behaviors as they will also consider the emotions of victims; it is only asserted that they will attribute less un-ethicality to others. Given this, we propose the following hypotheses:

Hypothesis 3. Emotional intelligence is correlated with individual ethicality, such that high EI individuals will report engaging in fewer unethical behaviors than low EI individuals.

Hypothesis 4. Emotional intelligence is correlated with perceptions of others' ethicality, such that low EI individuals perceive others as more unethical than high EI individuals.

Not only should EI contribute additional variance to our understanding of other-ethics perceptions, it may even inform our understanding of the oft-cited discrepancy between perceptions of self- and other-ethics (Pitt & Abratt, 1986; Tyson, 1990). High EI individuals are likely to be more accurate in their evaluations of others' ethicality. [As such, they will be less likely to rate other people on the extreme ends of ethicality (e.g., particularly low ethicality).] Low EI individuals, on the other hand, are less adept at interpreting the origins of others' behaviors, and are more likely to over-rate the extent to which others' are unethical. Emotional

intelligence, then, likely adds unique variance to other-ethics perceptions over and above individual ethicality.

Hypothesis 5. Emotional intelligence will explain incremental variance in perceptions of others' ethicality, over and above individual ethicality.

Further, the interaction between individual ethicality and emotional intelligence may explain the amount of difference between perceptions of self- and other-ethicality. Highly emotionally intelligent individuals and highly ethical individuals are better judges of others' ethicality than are either low EI or low ethicality individuals. So, an individual who is both highly emotionally intelligent and highly ethical would be the best judge of others' ethicality (the worst judge being a low EI, low ethicality individual). A high EI, highly ethical individual is likely to rate others' ethics closer to their own ethics rating, whereas a low EI, unethical individual's rating of others' ethics is not only likely to be lower than their own ethics ratings, but much lower. Given this, we would expect that EI will not only explain incremental variance in perceptions of others' ethicality, but will also interact with individual ethicality in predicting others' ethics perceptions (such that the difference between self and other ethics perceptions will be greater for low EI individuals than high EI individuals).

Hypothesis 6. Emotional intelligence will impact the degree of discrepancy between individual ethicality and perceptions of others' ethicality, such that high EI individuals will report less discrepancy between self and other ethicality than low EI individuals.

Ethics Behavior and Success

Evidence suggests wrongdoers may be motivated to engage in unethical activities by the desire to succeed or by the need to compete within the work context (e.g., Grover, 2005; Morgan, 1993; Terpstra et al., 1993). Media reports of late have yielded wrongdoer confessions of committing unethical behavior because of the perception that it was required for personal or organizational success (Terpstra et al., 1993). Clearly, an individual's own ethical standards would relate to perceptions that unethical practices are necessary precursors to success. For example, an unethical individual may rationalize his/her unethical behaviors or tendencies as being necessary to succeed in an otherwise unethical world. Ethical individuals, on the other hand, are probably less likely to prescribe to the notion that success is contingent upon unethical actions.

Other potential factors predicting perceptions of the role of ethics and success may include self-esteem (SE) and emotional intelligence (EI). To the extent perceptions of ethical behavior are predicated on understanding self and other behavior and on the ability to have

empathy with others, EI will be related to perceptions of ethicality in relation to success. We would expect that high EI individuals, who are less likely to believe others are unethical and are more ethical themselves, would be less likely to believe they must behave unethically to succeed. Further, we expect this relationship is likely mediated by self-esteem. Specifically, high EI individuals are often more successful in their interactions with others (due to their adeptness at recognizing and utilizing emotion and emotion-focused behaviors; e.g., Fox & Spector, 2000; Goleman, 1995; Mayer & Salovey, 1993), contributing to the development of a higher self-esteem (Gundlach, Martinko, & Douglas, 2003; Rosenberg, 1965; Schutte, Malouff, Simonek, McKenley, & Hollander, 2002). Further, high self-esteem individuals, who have a higher evaluation of their competence and self-worth, are more likely to believe they are capable of succeeding on their own merits. In contrast, low self-esteem individuals have a lower opinion of their self-worth, an evaluation which extends to their perceived ability to succeed in a variety of situations (Rosenberg, 1965). Low self-esteem individuals may regard unethical behaviors as being a necessary crutch to compete with others. Given this, we hypothesize individual ethicality, perceptions of others' ethicality, self-esteem and emotional intelligence will correlate with perceptions unethical behavior is necessary for success. Further, we speculate the relationship between EI and ethics and success perceptions is mediated by self-esteem such that high EI individuals will be less likely to perceive unethical behavior facilitates success due to higher self-esteem.

Hypothesis 7. Individual ethicality, perceptions of others' ethicality, self-esteem, and emotional intelligence will correlate with perceptions unethical behavior facilitates success, such that the higher an individual's ethicality, self-esteem, and perceptions of others' ethicality, the less likely they will perceive unethical behavior is necessary for success.

Hypothesis 8. Self-esteem will mediate the relationship between EI and ethics and success perceptions.

Method

Participants & Procedure

To examine these hypotheses, we surveyed 198 undergraduate students (45% male, 55% female) as to their own ethics, their perceptions of others' ethics, their perceptions of the role of ethicality in success, and assessed their emotional intelligence. Two-thirds of the participants were currently employed either full time or on part-time basis. Participants were solicited from undergraduate business administration and psychology courses in two mid-size universities located in the mid-

and north-western regions of the United States and participated in this study in exchange for course credit. Participant age averaged 24 years old, and ranged from 17-52. Seventy-three percent were Caucasian, 4% African-American, 5% Hispanic, 6% Asian/Pacific Islander, 10% Alaska Native/American Indian. Thirty-seven percent were currently employed on a full-time basis; the remaining were currently not employed (31%) or were employed on a part-time basis (31%). Participants reported having worked an average of 7.7 years, at least on a part-time basis (84% of the sample had worked for 10 or fewer years)¹. Eighty-one participants (41%) reported having taken a college-level course in business ethics. Participants were asked to be candid when answering the survey, and were assured of their anonymity and confidentiality.

Measures

Surveys included measures of individual ethicality, perceived other-ethics, emotional intelligence, social desirability, self-esteem, ethics and success perceptions, and sample demographics. All items were scaled on a 4-point likert-type scale (4 = "mostly agree"; 1 = "mostly disagree").

Individual ethicality. Twelve items were used to assess participant ethicality. Respondents indicated the extent to which they would engage in a number of unethical behaviors (e.g., make personal calls from work, surf the web from work, use a fake ID to gain access to a bar, cheat on an exam, do homework for a close friend, download term papers from the internet). Items were adapted from a scale used by Lawson (2004) for use with a student population. Results of a confirmatory factor analysis indicate these scale items load to a single factor; the coefficient alpha for this scale was .81.

Other-ethics. Participant perceptions of the ethicality of others were assessed using the same behaviors as posed in the individual ethicality scale; the scale items were the same, only the referent changed. Participants were asked to rate their perceptions, based upon previous experience, about the ethicality of college students at their university (e.g., "Students surf the web at work", "Students download term papers off the internet", "Students take office supplies home"). Results of a confirmatory factor analysis indicate these scale items load to a single factor; the coefficient alpha for this scale was .90.

Emotional intelligence. Emotional intelligence was assessed using a 16-item measure published by Law et

¹ In order to assess the potential our results can be generalized to working people, we computed t-tests to assess whether ethics perceptions differed as a function of working status. The results of these t-tests indicate there is no difference in ethics perceptions as a function of working status (Other ethics perceptions, $t = -.323$, $p > .05$; ethics & success perceptions, $t = 1.109$, $p > .05$).

al. (2004; e.g., “I have a good sense of why I have certain feelings most of the time”, “I am a good observer of other’s emotions”). This scale purports to assess four sub-dimensions of emotional intelligence, including self-emotions appraisal, other-emotions appraisal, use of emotion, and regulation of emotion. The inter-correlations among the four scales were high enough in this sample to support the use of the total score, which is more reliable than the four sub-scales. Further, the total scale score is used in most organizational decision-making. The coefficient alpha for this scale is .88.

Ethics and success perceptions. Perceptions of the role of ethics in success was assessed using a 6-item scale (e.g., successful students are generally more ethical than unsuccessful students) adapted from a similar

of EI in perceptions of ethics, we assessed tendency toward socially desirable responding as a potential control variable using Marlow and Crowne’s (1961) 33-item social desirability scale. Sample items include “No matter who I’m talking to, I’m always a good listener” and “My table manners at home are as good as when I eat out at a restaurant.” Higher scores on this scale indicate greater socially desirable responding. The coefficient alpha for this scale is .74.

Results

Descriptive statistics and correlations for key study variables are reported in Table 1. Means and standard

Table 1. Descriptive Statistics and Correlations for Key Study Variables (N = 198)

Variable	Mean	SD	1.	2.	3.	4.	5.	6.	7.	8.
1. Individual Ethicality	2.01	.60	(.81)							
2. Perceived Other Ethics	2.89	.66	.46**	(.90)						
3. Emotional Intelligence	3.15	.46	.01	.10	(.88)					
4. Social Desirability	2.61	.30	-.42**	-.36**	.44**	(.74)				
5. Ethics and Success	2.01	.59	-.29**	-.19**	-.22**	-.27**	(.74)			
6. Self-Esteem	3.33	.60	-.02	-.09	.45**	.20**	-.34**	(.87)		
7. Age	24.75	7.50	-.17*	-.20*	.01	.19*	-.10	-.06	—	
8. Gender	—	—	-.09	-.02	.03	.10	-.09	.03	.08	—
9. Ethics class ever taken?	—	—	.15*	.06	-.02	-.16*	.04	-.07	.10	.03

* $p < .05$; ** $p < .01$. Gender coded 1 = male and 2 = female. Ethics class taken coded as 0 = no and 1 = yes.

measure by Vitell and Davis (1990). Higher scores on this scale indicate a greater perception unethical behavior is a necessary precursor to success. The coefficient alpha for this scale is .74.

Self-Esteem. Self-esteem was assessed using the 10-item Rosenberg Self-Esteem Scale (1965). Respondents indicated the extent to which they agreed with items regarding their self-perceived worth. An example item is “I feel that I am a person of worth, at least on an equal basis with others.” The coefficient alpha for this scale is .87.

Social desirability. Research suggests social desirability response bias (SD) has the potential to alter self-reported ethical behaviors in ethics research (Randall & Fernandes, 1991). To control for the potential that SD would cloud our understanding of the role

deviations for the scales are computed based upon the number of scale items, such that the average response as opposed to the overall scale mean is reported. As expected, socially desirable responding correlated with both reports of individual ethicality and perceptions of other-ethics, such that the greater an individual’s tendency toward socially desirable responding the less likely participants were to report (1) tendencies to engage in unethical behavior ($r = -.42, p < .01$) and (2) perceptions others engage in such behaviors ($r = -.36, p < .01$). As such, social desirability was retained as a control variable where appropriate in subsequent analyses. Partial correlations between individual ethicality, other-ethics, self-esteem, and EI, removing the variability explained by social desirability in both variables, are presented in Table 2. Although the zero-

Table 2. Partial Correlations between Key Study Variables Removing the Effects of Social Desirability

Variable	1.	2.	3.	4.
1. Individual Ethicality	—			
2. Perceived Other Ethics	.37**	—		
3. Emotional Intelligence	.21**	.32**	—	
4. Self Esteem	.06	-.05	.39**	—
5. Ethics and Success	-.21**	-.08	-.14	-.30

*** $p < .01$

Table 3. Regression Results for the Role of Emotional Intelligence in Individual Ethicality and Other-Ethics Perceptions

	Individual Ethicality β	Other-Ethics Perceptions β
Social Desirability (SD)	-.51**	-.51**
Emotional Intelligence (EI)	.22**	.34**
Total R^2	.20**	.20**

Note. All regression coefficients are standardized. ** $p < .01$

order correlations did not indicate a statistically significant correlation between emotional intelligence and either individual ethicality or other-ethics, when the effect of socially desirable responding is removed from these correlations, a significant relationship emerges. Indeed, four percent of the variance in individual ethicality and 10% of the variance in other-ethics can be explained by emotional intelligence.

Hypothesis 1 predicted individual ethicality would correlate with perceptions of others' ethicality, such that a greater self-reported tendency to engage in unethical behavior would correspond with a greater perception others are also engaging in these behaviors. Indeed, individual ethicality and perceptions of others' ethicality correlated at .46, $p < .01$, indicating approximately 20% shared variance. Importantly, the significant positive relationship between these variables remained even after partialing out the effects of socially desirable responding (see Table 2; partial $r = .37$, $p < .01$).

Hypothesis 2 predicted self-reported tendency to engage in unethical behaviors would reflect a greater degree of ethicality than would perceptions of others' ethics. A t-test was used to compare mean individual ethicality with the mean of perceptions of others' ethicality. As expected, on average participants rated themselves as more ethical than their counterparts ($t = 18.34$, $df = 196$, $p < .01$; $d = 2.61$).

Hypotheses 3 and 4 predicted emotional intelligence would correlate with individual ethicality and perceptions of others' ethicality. These hypotheses were tested using linear regression analysis, controlling for the effects of socially desirable responding (SDR). The results of these analyses are reported in Table 3. EI and

SDR each contributed significantly to perceptions of individual and other ethicality, and their resulting models were significant (Individual ethicality, $R^2 = .20$, $p < .01$; Other-Ethics, $R^2 = .20$, $p < .01$). These relationships can also be seen in the partial correlations reported in Table 2.

Hypothesis 5 predicted emotional intelligence would explain incremental variance (over individual ethicality) in others' ethics perceptions. This hypothesis was tested using hierarchical regression analysis, the results of which are presented in Table 4. In the first step, perceptions of others' ethicality (other-ethics) was regressed on social desirability (as a control variable) and individual ethicality. The model was significant ($R^2 = .23$, $p < .01$). Emotional intelligence was added in the second step. The resulting change in R^2 was significant at the $p < .01$ level ($R^2 = .27$, $\Delta R^2 = .04$), indicating EI added significant incremental variance to others' ethicality perceptions.

Hypothesis 6 predicted EI would moderate the relationship between individual ethicality and others' ethics perceptions, such that the difference between self and other ethics perceptions would be greater for low EI individuals than for high EI individuals. This hypothesis was tested using a three-step moderated regression analysis, wherein the control variable (SDR) and the independent variable (individual ethicality) were added in the first step, the moderator variable (EI) in the second step, and the interaction term (a multiplicative term capturing the interaction between EI and individual ethicality) in the third step (Cohen & Cohen, 1983). The difference between reports of individual ethicality and perceptions of others' ethicality was captured by computing the differ-

Table 4. Hierarchical Regression Results for Perceptions of the Ethics of Others (N = 198)

	Step 1 β	Step 2 β
Social Desirability (SD)	-.20**	-.35**
Individual Ethicality	.38**	.32**
Emotional Intelligence (EI)		.27**
Total R^2	.23**	.27**
ΔR^2		.05**

Note. All regression coefficients are standardized. ** $p < .01$

Table 5. Moderated Regression Analysis Results for Emotional Intelligence as a Potential Moderator of the Self- and Other-Ethics Discrepancy

	Step 1 β	Step 2 β	Step 3 β
Social Desirability (SD)	.20**	.35**	.36**
Individual Ethicality (IE)	.54**	.59**	.48**
Emotional Intelligence (EI)		-.27**	-.39**
IE x EI			.19
Total R^2	.23**	.29**	.29**
ΔR^2		.06**	.01

Note. All regression coefficients are standardized. ** $p < .01$.

ence between respondent ratings of self- and other-ethics. This “discrepancy” variable was used as dependent variable in the moderated regression analysis. The results of this analysis are reported in Table 5. The change in r-squared in the final step was not significant at the $p = .05$ level, providing no support for the moderation hypothesis. However, it should be noted that emotional intelligence did explain significant incremental variance ($\Delta R^2 = .06$, $p < .01$) in the difference between perceptions of individual versus others’ ethicality (e.g., emotional intelligence helps explain why individuals tend to perceive themselves to be more ethical than counterpart others).

As stated in Hypothesis 7, we anticipated perceptions unethical behavior facilitates success would be correlated with individual ethicality, perceptions of others’ ethicality, emotional intelligence, and self-esteem. Correlations reported in Table 1 support this hypothesis. People who endorsed the idea that unethical behavior was necessary for success also were more likely to report engaging in unethical behaviors ($r = -.29$, $p < .01$), perceive others as engaging in unethical behaviors ($r = -.19$, $p < .01$), and have lower scores on self-esteem ($r = -.34$, $p < .01$) and emotional intelligence ($r = -.27$, $p < .01$) scales.

Hypothesis 8 predicted the impact of emotional intelligence on ethics and success perceptions would be mediated by the effects of self-esteem, such that high EI individuals would have higher self-esteem, and

would be less likely to perceive unethical behaviors facilitate success. This hypothesis was tested using guidelines established by Baron and Kenny (1986). According to these guidelines, evidence of mediation is established by computing three regression equations which establish that the independent variable (EI) accounts for significant variance in the mediator variable (self-esteem), the mediator variable accounts for significant variance in the dependent variable (ethics and success perceptions), and that a previously significant relationship between the independent and dependent variable is no longer significant once the first two relationships are controlled. Specifically, in the first equation, self-esteem was regressed on social desirability (as a control variable) and emotional intelligence. This model was significant ($R^2 = .20$, $p < .01$), and EI explained significant variance in self-esteem ($\mu = .45$, $p < .01$). In the second equation, ethics and success perceptions were regressed on social desirability and emotional intelligence. This model was also significant ($R^2 = .08$, $p < .01$) and EI explained significant variance in Ethics and Success perceptions ($\mu = -.17$, $p < .05$). Finally, in the third equation, ethics and success perceptions were regressed on social desirability, emotional intelligence, and self-esteem. Although the resulting model was significant ($R^2 = .15$, $p < .01$), EI no longer explained significant variance in ethics and success perceptions ($\mu = -.02$, *ns*). Taken together, these results (reported in Table 6)

Table 6. Regression Results Testing Self-Esteem as a Mediator of the Relationship between Emotional Intelligence and Perceptions Unethical Behavior Facilitates Success

	Equation 1 Self-Esteem (Mediator) β	Equation 2 Ethics & Success β	Equation 3 Ethics & Success β
Social Desirability (SD)	.01	-.19**	-.19**
Emotional Intelligence (EI)	.45**	-.17*	-.02
Self-Esteem	—	—	-.32**
Total R^2	.20**	.08**	.15**

Note. All regression coefficients are standardized. * $p < .05$; ** $p < .01$.

provide evidence of mediation and support for hypothesis 8.

In sum, our results suggest (1) unethical individuals are likely to perceive others are also unethical, (2) even unethical individuals perceive themselves to be more ethical than others, (3) emotional intelligence explains unique variance in ethics perceptions and individual ethicality, (4) emotional intelligence helps explain why individuals tend to perceive themselves as more ethical than others, (5) individuals who perceive unethical behavior is necessary for success are more likely to engage in unethical behavior and believe others are also engaging in unethical behavior, (6) individuals who perceive unethical behavior is necessary for success are likely to have lower self-esteem and lower emotional intelligence, and (7) the relationship between emotional intelligence and ethics and success perceptions is fully mediated by self-esteem.

Discussion

Perceptions of ethics are worthy of examination due to their implications for the incidence of unethical behaviors in a variety of contexts (Morgan, 1993). Research suggests employee perception that others are engaging in unethical behaviors is instrumental to decisions regarding whether to engage in unethical workplace behaviors themselves (Bersoff, 1999; Terpstra et al., 1993). We explored the role of emotional intelligence in individual ethicality and ethics perceptions, specifically perceptions others are regularly engaging in unethical behaviors and perceptions unethical behaviors facilitate success. Overall, our results suggest emotional intelligence has implications for the level of individual's ethicality and is predictive of perceptions of others' ethics. Although we did not find support for our hypothesis that emotional intelligence explains why there is often a difference between self- and other-ethics perceptions (e.g., why individuals tend to believe they are more ethical than their counterpart others), we did find evidence that emotional intelligence explains incremental variance in perceptions of others' ethicality, over and above that which is explained by individual ethicality. Perceptions of others' ethicality have been shown to influence whether individuals feel they too should/could act unethically in a given situation (McDonald & Zepp, 1988; Morgan, 1993; Newstrom & Ruch, 1975; Vitell & Davis, 1990). Our findings suggest high EI employees may be less likely than low EI employees to feel they must compromise their own ethics to compete with unethical counterpart others. Rather, since high EI employees are more adept at sensing and acknowledging their own and others' emotions and actions and using this information to inform purposeful action (Law et al., 2004), they are more likely to consider other (potentially more relevant) contextual cues when

determining the usefulness and ethicality of engaging in a questionable action.

One of our more interesting findings was that the effect of emotional intelligence on ethics and success perceptions is fully mediated by self-esteem. Specifically, high EI individuals appear to be less likely to perceive unethical behaviors as necessary tool for gaining a competitive advantage. This relationship appears to be a function of self-esteem. Specifically, our results indicate that high EI individuals tend to have higher self-esteem. This finding is consistent with research by Schutte et al. (2002) who found higher emotional intelligence was associated with a higher positive mood and a higher self-esteem. More importantly, this relationship was found to be stable even in the face of negative events. High self-esteem individuals are more confident in their abilities to perform in ways that will yield desired outcomes, and are therefore less likely to feel they must compromise their ethical standards in the name of success. Low EI individuals, on the other hand, are less competent and less successful in social interactions (due to their lower ability to recognize, regulate, and utilize emotions and emotion-focused behaviors). Perpetual poor social performance is a prime instigator of low self-esteem (e.g., Rosenberg, 1965). As such, low EI individuals are more likely to have low self-esteem. Low self-esteem individuals typically lack confidence in their own skills and abilities. In order to be successful, they may feel they need to behave in unethical ways in order to gain a competitive advantage over their counterparts. When combined with a tendency for low EI individuals to report lower individual ethicality and stronger beliefs others are engaging in far worse actions, this finding suggests low EI individuals may actually feel justified in their use of these unethical tactics. This finding supports the Gundlach et al. (2003) model wherein EI is thought to contribute to the development of generalized self-efficacy beliefs through a pattern of successful social and task performance brought about by higher self-awareness and higher control of emotions and emotion-focused behaviors (cf. Bandura, 1997; Mayer & Salovey, 1997). Clear implications of this finding include the importance of raising levels of emotional intelligence in the workplace and increasing task-related self-efficacy so that unethical behaviors that may facilitate success will be deemed less vital by workers who would normally have resorted to them.

Implications for Research and Practice

Organizations could realize cost savings, performance improvement, and wider profit margins if emotional intelligence could be enhanced within their workforce. Not only has emotional intelligence been tied to increased job performance and satisfaction (Joseph & Newman, 2010; Van Rooy & Viswesvaran,

2004), our findings suggest EI may also be linked with the incidence of unethical behavior in the workplace (e.g., counterproductive or deviant behaviors). Although emotional intelligence explains up to only four percent of the variance in individual ethicality (after controlling for social desirability), this effect may be large enough to generate significant improvements and savings for organizations that incorporate measures of emotional intelligence in selection systems and training initiatives. Importantly, integrity tests have had good success as predictors of both job performance and ethical workplace behaviors (Ones et al., 1993). Given recent controversy over the viability of using measures of EI within selection systems (i.e., regarding the adequacy to date of empirical evidence which supports that reasoning about emotions translates to volitional acts; Landy, 2005; Locke, 2005), integrity tests may be more direct measures of ethicality for selection systems. Nonetheless, to the extent that emotional intelligence is malleable (cf. Dulewicz & Higgs, 1999), interventions aimed at enhancing employee emotional intelligence may be successful in reducing the prevalence of unethical workplace behavior. Further, to the extent low self-esteem workers could be targeted for training to increase relevant task-related self-efficacy (so they would feel less of a need to utilize unethical behaviors to gain a competitive advantage), the prevalence of, and the justification for, unethical workplace behavior may be reduced.

From a decision-making perspective, emotional intelligence may improve our understanding of why individuals choose to engage in unethical behavior. Research suggests most individuals believe others are less ethical than themselves (Tyson, 1990). Such perceptions may fuel justifications for engaging in unethical acts (e.g., "Everyone else is doing this, so how else can I compete?"). The results of this research suggest high EI individuals may be less prone to these perceptions. Though high EI individuals still tend to believe others are more unethical than they are, they tend to rate the level of others' integrity higher than do low EI individuals.

Finally, given the apparent role of emotional intelligence in ethicality and ethical perceptions, future research may benefit from an examination of the role of emotional intelligence in the whistleblowing process and in the incidence of retaliation against whistleblowers. High EI individuals appear to have a stronger sense of integrity than do low EI individuals. In addition, high EI individuals are less likely to believe that all others are engaging in questionable acts. These perceptions, in combination with a keener awareness of others' emotions and a better sense of the origin of others' behaviors, may improve the potential that an individual will report incidents of wrongdoing. Furthermore, whistleblowing research indicates that whistleblowers are not always willing or able to see their reports of wrongdoing through all stages of the

whistleblowing and investigation process (Gundlach et al., 2003; Miceli & Near, 1985). Rather, many potential whistleblowers withdraw claims prior to the initiation of an investigation. Future research might explore the role of emotional intelligence in improving the success of whistleblowing claims.

On a related note, emotional intelligence may also play a role in the incidence of retaliation against whistleblowers. Specifically, low EI individuals, who are more likely to believe the extent of unethical behavior around them is high and to be more unethical themselves, may have little patience for a whistleblower and be more likely to retaliate against those making a claim. In this case, a low EI individual may perceive the whistleblower as breaking unspoken norms that support such behavior. Research in group dynamics indicates that a group member who is perceived to have deviated from the norms of the group often experiences retaliation from group members (Levine & Moreland, 1980).

Limitations

One potential limitation to the generalizability of our research is our use of a student sample. While the use of a working sample may offer more clear applicability to unethical workplace behavior, research suggests practicing managers and student populations are similar in their perceptions of ethical issues (Lyonski & Gaidis, 1991). Importantly, our participants all had work experience (most were working currently) and were not asked to evaluate behaviors/situations that would likely be foreign to them (e.g., insider trading). In addition, recognizing the ethicality of behaviors is a decision-making process not specific to the work context (Low et al., 2000). The results of our t-test between working and non-working respondents reflect no difference in ethics perceptions.

Self-report questionnaires are particularly common to ethics research; however, research suggests respondents may be particularly sensitive to questions about ethics (Victor & Cullen, 1988). Given the nature of questions posed in ethics research (e.g., agreeing to statements like "I'd used a fake ID to purchase alcohol"), it is not surprising that social desirability response bias poses a threat to the validity of findings (Randall & Fernades, 1991). Though our study relied upon self-reports, we attempted to mitigate the effects of socially desirable responding by statistically controlling for respondent tendency toward socially desirable responding. We recognize this is not a panacea for the potential problems of self-report measures in ethics research, but other sources of integrity information also face potential limitations (e.g., supervisor reports are affected by halo error; Sackett & DeVore, 2001). Future research using other methods is needed to triangulate our findings.

As with all survey research, there is the potential mono-method bias may threaten the validity of our findings (Shadish, Cook, & Campbell, 2002). Future research might use other indices of key study variables to replicate the results reported here. However, given the nature of this research, it is often difficult to assess ethicality and emotional intelligence in other ways. Interviews and spouse/other ratings of emotional intelligence may be viable tools.

Conclusion

Emotional intelligence has received much attention in the academic literature. Research suggests employees high in emotional intelligence are better performers on the job, more satisfied with their work context, less likely to experience burnout, better able to adjust to changing work conditions, more adept at engaging the diverse workforce, and better team members (cf. Goleman, 1995; VanRooy & Viswesvaran, 2004). Our research suggests emotional intelligence may also be a significant predictor of individual ethicality, perceptions of others' ethicality, and perceptions that unethical behavior facilitates success. Emotional intelligence explains variance in perceptions of others' ethicality and ethics and success perceptions over and above that which may be explained by individual ethicality alone. The perception that others are engaging in unethical actions is known to have implications for an individual's decision to behave unethically (Morgan, 1993; Tyson, 1990). Our research suggests high EI individuals may be less prone to this error. This study provides additional support to the idea that enhancing emotional intelligence in the workplace may offer significant benefit to organizational productivity.

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Manuscript Received: 02/03/2010

Revision Received: 24/03/2010

Accepted: 24/03/2010