CHAPTER 4

Self-serving Justifications Shape the Unethical Behavior of the Powerful

Abstract

People generally want to maintain a positive and moral view of themselves and, thus, value self-serving justifications that allow them to act unethically while at the same time upholding a moral self-image. To date, scholars have assumed that such self-serving justification processes are equally important in shaping the unethical behavior of all organizational members – irrespective of their position in the organization. Drawing from the situated focus theory of power, however, we propose that self-serving justifications are particularly important for shaping unethical behavior among more (rather than less) powerful individuals, because the powerful are freed from external pressures and thus feel greater internal pressures and conflict when acting unethically. As such, we hypothesize that higher-power individuals act less unethically when self-serving justifications are not available and more unethical when such justifications are available, while the availability of self-serving justifications is less important for the ethical misconduct of lower-power individuals. Across two studies, using both an experimental manipulation of power and measuring organizational power in an online field experiment, we find support for our theorizing. Hence, the current research provides a more complete understanding of the role of self-serving justifications in organizational contexts, and it advances a more nuanced picture of the role power for individuals’ ethically reprehensible behavior.

Keywords: Self-serving justifications, unethical behavior, ethics, power.
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Ethical failures in the workplace are widespread, and they can cause substantial harm both to organizations and to society as a whole. The Association of Certified Fraud Examiners (ACFE, 2018) recently estimated, for example, that a typical organization loses approximately five percent of its annual revenue to members’ unethical actions. Such ethical lapses range from banking employees creating fraudulent accounts (as in the Wells Fargo scandal; Verschoor, 2016), to engineers installing illegal software in cars to circumvent emission control standards (as in the Volkswagen “dieselgate” scandal; Siano, Vollero, Conte, & Amabile, 2017), to CEOs taking unauthorized bonuses and loans (as in the case of Dennis Kozlowski, former CEO of Tyco; Sims, 2003).

Despite this relative prevalence of unethical behavior in organizations, social psychological research has consistently shown that morality is a central part of people’s self-concept (Mazar, Amir, & Ariely, 2008) and that individuals generally strive to maintain a positive, moral view of themselves (Dunning, 2007; Jordan, Mullen, & Murnighan, 2011; Steele, 1999). Acting unethically thus often produces internal tensions and psychological conflicts (Barkan, Ayal, Gino, & Ariely, 2012). Accordingly, studies have repeatedly shown that individuals use an array of self-deception strategies to manage and reduce such internal tensions – for example by adopting self-serving justifications to reframe unethical behavior in more favorable terms for themselves (e.g., Bandura, 1990; Tsang, 2002). Through such self-serving justifications, individuals seek to subjectively legitimate their own unethical conduct, providing seemingly genuine arguments and reasons that make such behavior appear less unethical (Shalvi et al., 2015). Hence, self-serving justifications enable an individual to misbehave while avoiding the mental self-label that he or she is a bad or unethical person (Shalvi et al., 2011, 2012).

Although the literature on the role of self-serving justifications and self-concept maintenance in unethical behavior has provided important insights, the respective research has often neglected the organizational context in which such unethical behavior occurs (Shalvi et al.,...
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2015; Tsang, 2002). As such, it has been (implicitly) assumed that self-serving justification processes are equally important for all organizational members’ unethical conduct, irrespective of their position in the organizational hierarchy. Drawing from the situated focus theory of power (Guinote, 2007), by contrast, we argue that consideration of organizational context factors is crucial for a more complete understanding of the relevance of self-serving justifications for individuals’ ethically reprehensible behavior. Specifically, we build on this theoretical perspective to cast an individual’s power (defined as asymmetrical control over valued resources; Magee & Galinsky, 2008) as a key contextual boundary condition for the linkage between self-serving justifications and unethical acts.

The situated focus theory of power (Guinote, 2007) argues that higher-power individuals are less dependent on others for valued resources (as compared to lower-power individuals) and, thus, direct greater attention toward themselves, largely relying on internal goals, values, and subjective experiences to guide their actions (see also Kifer, Heller, Perunovic, & Galinsky, 2013; Pitesa & Thau, 2013). Hence, individuals in high-power positions are less constrained by situational aspects, and they experience more control over their own behavior (Fast et al., 2009; Keltner et al., 2003). This reasoning also implies, however, that more powerful individuals may find it more difficult than less powerful individuals to attribute their undesirable (e.g., unethical) behavior to external circumstances or other persons (Cooper, 1971; Joshi & Fast, 2013). Rather, they may primarily attribute ethical lapses to their own internal characteristics, including their character traits, goals, or personal beliefs (Galinsky, Magee, et al., 2008).

Building on this logic, we purport that unethical behavior is particularly likely to elicit internal tensions and psychological conflicts among individuals with high (as opposed to low) power. Logically, then, the role of self-serving justifications may be particularly important for unethical behavior among higher-power (rather than lower-power) individuals, enabling powerholders to psychologically legitimize unethical acts and, thus, to maintain a favorable self-
image despite their undesirable behavior. Without such self-serving justifications, more powerful organizational members may thus exhibit less unethical behavior to avoid the resulting psychological tensions.

On this basis, we develop a theoretical model that suggests that the availability of self-serving justifications is particularly important for unethical behavior among organizational members in relatively powerful positions, whereas the availability of such justifications should bear little relevance for unethical behavior among less powerful individuals (see Figure 4.1). By examining this model across two independent studies, the present research aims to advance theory on the role of self-serving justifications and self-concept maintenance for unethical behavior. We extend this literature, in particular, by identifying power as a critical situational boundary condition for self-serving justification processes and, thus, anchoring such processes within their organizational context. Moreover, this research aims to extend our understanding of power. Previous research has often depicted power as a psychologically liberating and corrupting force, enabling individuals to follow their own goals and desires regardless of the ethical consequences (Galinsky et al., 2006; Gruenfeld et al., 2008; Keltner et al., 2003). Our model suggests, however, that higher-power individuals may be more sensitive to internal conflicts than lower-power individuals, restraining powerholders’ unethical behavior when appropriate self-serving justifications are not readily available. Hence, the present research enhances a more nuanced picture of power.
Theoretical Background and Hypothesis Development

Self-serving Justifications and Unethical Behavior

Festinger’s (1957) cognitive dissonance theory provides an important conceptual fundament for explicating why people may adopt self-serving justifications to legitimize their own unethical acts. This theory argues that individuals experience internal conflict, referred to as “dissonance”, when their behaviors are inconsistent with their cognitions. Such dissonance is unpleasant and undesirable and, therefore, it strongly motivates individuals to reduce the respective inconsistencies. To achieve this, individuals may either change their divergent behavior, alter relevant cognitions, or add new patterns of thought that minimize their internal conflicts (Harmon-Jones, 2000).

Recent research has applied these notions to the moral domain, arguing that unethical behavior may elicit cognitive dissonance because it is generally inconsistent with individuals’ view of themselves as moral human beings (Barkan et al., 2012; Steele, 1999). A core idea underlying this argument is that all societies possess some form of morality, and individuals are socialized to appreciate and value these moral principles (Tsang, 2002). As such, individuals typically think of themselves as moral (Aquino & Reed, 2002; Sanitioso, Kunda, & Fong, 1990) and are motivated to uphold this self-concept (Dunning, 2007; Jordan, Mullen, et al., 2011; Steele, 1999). Illustrating

Figure 4.1. Conceptual research model.

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this important role of self-concept maintenance for (un)ethical behavior, a study has shown that cabdrivers were less likely to overcharge (allegedly) blind passengers, as compared to non-blind passengers, even though it was obvious that blind passengers were less likely to notice such fraud (Ariely, 2013). A plausible explanation for this outcome is that overcharging a seeing customer might appear morally justifiable, whereas it is considered “beyond the moral pale” to dupe a blind person.

An important way through which individuals resolve, or at least reduce, the cognitive dissonance that may result from acting unethically is by justifying their misconduct and convincing themselves that their behavior, in fact, does not violate important moral standards after all (Bandura, 1990; Tsang, 2002). Organizational members may, for instance, justify unethical behavior by pointing out that existing organizational rules are unclear, that the respective behavior was for the greater good, or that many other people in the organization exhibit the same type of behavior (Bandura, 1990). Such self-serving justifications enable individuals to act unethically while simultaneously upholding their moral self-image (Pittarello, Leib, Gordon-Hecker, & Shalvi, 2015; Shalvi et al., 2012). Accordingly, experimental studies have shown that individuals faced with the opportunity to lie in order to increase a monetary reward typically refrain from lying to the fullest possible extent and instead lie “just a bit” (Fischbacher & Föllmi-Heusi, 2013; Hilbig & Hessler, 2013). As people can more easily justify smaller lies, they often adopt a strategy that allows them to “behave dishonestly enough to profit but honestly enough to delude themselves of their own integrity” (Mazar et al., 2008, p. 633).

Similarly, research has directly demonstrated the tendency for individuals to act more unethically when self-serving justifications are available (rather than unavailable). Using a ‘die-under-the-cup’ paradigm, Shalvi and colleagues (2011) found that participants over-reported the outcome of a hidden die roll (which determined their bonus payment) to a greater extent when the experimental instructions asked them to roll the die two additional times after the initial roll that
determined their payoff, as compared with participants that were asked to roll the die only once. The authors argued that observing a higher roll outcome on one of the additional rolls offered self-serving justifications that allowed participants to over-report their actual outcome while minimizing any negative feeling in this regard.

The Moderating Role of Power

Adding to the above insights, the current research proposes that self-serving justification processes are not equally relevant for all individuals’ unethical behavior. We build on the situated focus theory of power (Guinote, 2007), in particular, to cast a person’s power position as a key contextual boundary condition. This theoretical perspective holds that higher-power (rather than lower-power) individuals have greater access to important resources and, therefore, are less dependent on others (Fiske, 1993; Magee & Galinsky, 2008). As such, individuals in a relatively powerful position experience greater freedom to follow their own goals and desires and to act upon their own, subjective experiences and preferences (see also Keltner et al., 2003). Individuals with less power, on the other hand, are more dependent on others for valued resources (Emerson, 1962; Magee & Galinsky, 2008). Hence, in an effort to increase predictability and control, these individuals focus more attention on their surroundings (Fiske, 1993). Research has shown, accordingly, that higher-power individuals experience greater autonomy and control (Fast et al., 2009; Keltner et al., 2003) and are more aware of their own thoughts and feelings than lower-power individuals (Guinote, 2010; Pitesa & Thau, 2013a). Therefore, internal states and preferences more strongly drive higher-power individuals’ behavior, such that they are more likely than lower-power individuals, for example, to act against external annoyances (Galinsky et al., 2003), eat when hungry (Guinote, 2010), and smile when happy (Hecht & LaFrance, 1998).

Building on the notion that greater power leads individuals to attend more to their internal states, we propose that self-serving justifications are more important as drivers of (un)ethical behavior among high-power than among low-power individuals. Freed from social constraints to a
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larger extent, high-power persons may experience more control over their (unethical) behavior (Fast et al., 2009; Galinsky, Magee, et al., 2008). Thus, unethical behavior should be particularly threatening for these individuals’ self-concepts because, eventually, they are likely to feel responsible for such counter-normative actions and their consequences (Joshi & Fast, 2013; Kifer et al., 2013). Consistent with this argumentation, research has shown that higher-power individuals are more likely to experience internal conflicts when their behavior is inconsistent with their cognitions (Galinsky, Magee, et al., 2008). Particularly, Galinsky and colleagues (2008) found that participants primed with high power experienced greater internal conflict than those primed with low power when making statements that contradicted their own attitudes, because of the greater behavioral discretion that high-power participants experienced.

Drawing from this overall logic, we suggest that to engage in unethical behaviors, relatively powerful individuals require specific opportunities for self-serving justifications in order to rationalize such reprehensible conduct and, thus, to ameliorate any cognitive dissonance that may arise. When appropriate self-serving justifications are unavailable, by contrast, we expect higher-power persons to largely refrain from unethical behavior to avoid cognitive dissonance and maintain a favorable self-concept. Hence, we anticipate a positive relationship between the availability of self-justifications and unethical behavior among relatively powerful persons.

Low-power individuals, by contrast, focus less attention on themselves and experience less control over what they are able to say or do (Fast et al., 2009; Pitesa & Thau, 2013). As such, it should be easier for these individuals to rationalize unethical acts – even if viable self-serving justifications are unavailable - as they may more easily blame such behavior upon external circumstances, pressures, and constraints already (Galinsky, Magee, et al., 2008). Consequently, we do not anticipate a strong linkage between the availability of self-serving justifications and unethical behavior among relatively powerless individuals.

Taken together, we build on this theoretical and empirical foundation to predict that:
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Hypothesis 4.1: Power moderates the relationship between self-serving justifications and unethical behavior, such that this association is more pronounced among high-power rather than low-power individuals.

We examine this hypothesis across two studies, comprising an online experiment and an online field experiment among individuals in diverse organizational leadership positions.

Study 4.1

Study 4.1 examined our hypothesis in an online experiment. Following prior research on self-serving justifications and unethical behavior (Gino & Ariely, 2012; Shalvi et al., 2011), this study adopted a “die-under-cup” paradigm to examine the role of self-serving justifications, and it employed an experiential power prime (Keltner et al., 2003) to investigate the moderating role of power.

Method

Participants and design. Three hundred and fifty participants from Amazon’s Mechanical Turk (https://www.mturk.com/) participated in this study in exchange for monetary compensation. Prior studies have shown that online data collected via Mechanical Turk is similarly reliable as data collected in research labs or field contexts (Buhrmester et al., 2011; Goodman et al., 2013; Mason & Suri, 2012). We excluded 28 participants because they failed to follow the experimental instructions (see below). Hence, we tested the hypothesis using 322 participants ($M_{age} = 34.20, SD = 11.84; 49\%$ female). Sixty-three percent of these participants worked in an organization at the time of the study. We randomly assigned participants to one of six conditions in a $3$ (high-power, low-power, control) $\times$ $2$ (self-justification, no self-justification) between-subjects design.

Procedure.

Power manipulation. Participants first completed an adapted version of the experiential power prime described by Galinsky et al. (2003). In the high-power condition, we asked participants to recall a situation in which they had power over another individual or individuals. In
the low-power condition, by contrast, we asked participants to recall a situation in which someone else had power over them. Finally, in the control condition, participants recalled a typical Tuesday. Hereafter, we asked the participants, in three open-ended questions, to describe the setting of the imagined situation, the resources they or someone else controlled (or, in the control condition, what they typically do on Tuesdays), and how the imagined situation made them feel.

Self-serving justification manipulation. Participants completed an adapted version of the die-under-cup task (Fisbacher & Heusi, 2008; Shalvi et al., 2011). Specifically, we asked participants to roll a six-sided virtual die anonymously (i.e., without the experimenters’ knowledge of the outcome) and self-report their roll outcome. The die roll would determine participants’ bonus payment ($0.10 for 1, $0.20 for 2, etc.). To assure participants that their die roll was unknown to the researchers, we provided participants with two external websites where they could roll a virtual die. Alternatively, we told participants that they could also roll a real die or use a respective mobile phone application.

In the no self-serving justification condition, we instructed participants to roll the die once and then self-report the outcome. In the self-serving justification condition, we instructed participants to roll the die, remember their outcome, and then roll the die two more times to verify its legitimacy. In the self-serving justification condition, however, we instructed participants to report the first roll’s outcome, and only use the other two roles for verification purposes. As noted before, previous research has shown that such additional die rolls provide people with a viable opportunity to self-justify over-reporting their outcome (Shalvi et al., 2011).

Unethical behavior. We used the self-reported outcomes of the die rolls to measure unethical behavior. Specifically, if participants would over-report their roll outcome more (less) in one of the six experimental conditions (following the experimental manipulations), then the self-reported mean outcome should be significantly higher (lower) in these conditions, compared to the others.
Check of experimental instructions. After the task, we asked the participants to indicate how many times they have rolled the die. We only included participants in our final sample if they indicated that they had correctly followed the respective instructions. As noted above, we excluded 28 participants on this basis.

Results

We examined our hypothesis using a 3 (high-power, low-power, control) × 2 (no self-serving justification, self-serving justification) analysis of variance (ANOVA). This analysis revealed a main effect of the justification manipulation, $F(1, 316) = 4.79, p = .03, \eta_p^2 = .02$, such that participants reported higher roll outcomes in the self-serving justification condition ($M = 4.28; SD = 1.61$) than in the no self-serving justification condition ($M = 3.86, SD = 1.60$). There was no main effect of the power manipulation, $F(2,316) = 1.89, p = .15, \eta_p^2 = .01$.

More importantly, in line with our hypothesis, the analysis revealed a power × self-serving justification interaction, $F(2, 316) = 3.25, p = .04, \eta_p^2 = .02$ (see Figure 4.2). As anticipated, participants in the high-power condition reported lower roll outcomes when a self-serving justification was not available ($M = 3.50, SD = 1.69$) compared to when a self-serving justification was available ($M = 4.53, SD = 1.46$), $F(1,107) = 11.43, p = .001, \eta_p^2 = .10$. By contrast, we observed no differences between the two self-serving justification conditions for participants in the low-power, $F(1,99) = .08, p = .78, \eta_p^2 = .001$, or control conditions, $F(1,110) = .03, p = .86, \eta_p^2 = .00$. Overall, these results support our theoretical rationale, indicating that self-serving justifications are more important for unethical behavior among individuals with high rather than low power.
Study 4.2

Study 4.2 examined our hypothesis in an online field experiment. In this study, we manipulated the availability of self-serving justifications through scenarios. Furthermore, instead of manipulating participants’ power (as we did in Study 4.1), we measured participants’ actual power in their respective organizations. By doing so, we aimed to show that the results obtained in Study 4.1 also applied to actual powerholders in organizational settings, and thus to increase the generalizability of our finding across research methods and samples.

Method

Participants and design. We invited readers of an online newsmagazine in The Netherlands to complete an online study on leadership. In collaboration with the newsmagazine, we posted a link to the survey on the newsmagazine’s website and distributed the survey link via an online newsletter. The newsmagazine consisted of an online platform that focuses on financial and business related news. As we operationalized power as participants’ position in their organization,
we only included participants that indicated that they worked for an organization at the time of the study. In total, 128 eligible participants completed our study. These participants were, on average, 44.41 years of age (SD = 11.10), 45.2% were female, and they worked in a wide variety of sectors (e.g., government, education, and business). Furthermore, 50% of the respondents had formal managerial responsibilities in their organizations. Using an experimental design, we randomly assigned participants to a self-serving justification or a no self-serving justification condition, and measured participants’ power and unethical behavioral intentions.

**Procedure and Measures.**

**Power measure.** Consistent with prior research (Lammers et al., 2011; Lammers, Stoker, et al., 2010) participants reported their power by indicating their level in the organizational hierarchy of their workplace on a scale from 0 *(bottom)* to 100 *(top)*.

**Self-serving justification manipulation.** We asked participants to carefully read five short scenarios adapted from Detert, Treviño, and Sweitzer (2008) and Mulder (2013) and to imagine themselves in the respective situations. Each scenario described a type of unethical behavior, such as over-claiming a dinner bill to one’s organization. Moreover, for participants in the self-serving justification condition, the scenarios contained possible justifications for such behavior (e.g., indicating that the company’s travel budget was enormous and that the company could easily reimburse the whole bill). These justifications were not included for the participants in the no self-serving justification condition, although the scenarios were otherwise identical across the two conditions. See Appendix A for the full scenarios with and without self-serving justifications.

**Unethical behavioral intentions.** Following Detert and colleagues (2008), we asked participants how likely they were to engage in the described behavior using a scale of 1 *(highly unlikely)* to 7 *(highly likely)* for each of the five scenarios. Cronbach’s alpha was .72.

**Control variables.** As we measured instead of manipulated participants’ power, we examined several control variables. Specifically, we considered participants’ age (in years), gender
(0 = female, 1 = male) and job tenure (in years), as potential controls, as previous research has shown that these variable relate with individuals’ unethical behavior (e.g., Kelley, Ferrell, & Skinner, 1990; Sikula & Costa, 1994; Smith & Oakley, 1997).

Results

Table 4.1 provides descriptive statistics and intercorrelations for all study variables. Of the possible controls, only gender correlated with unethical behavior ($r = .19, p = .04$), with men exhibiting greater unethical conduct. We therefore only included gender as a covariate when testing the study hypothesis to avoid biased parameter estimates (Becker, 2005). We note, however, that the pattern and significance of the reported results remained virtually identical when including or excluding all of the controls.
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Table 4.1

Means, Standard Deviations, and Bivariate Correlations of Study Variables in Study 4.2

<table>
<thead>
<tr>
<th>Variables</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Age</td>
<td>44.76</td>
<td>11.31</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2. Gender</td>
<td>.56</td>
<td>.50</td>
<td>.18*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3. Job tenure</td>
<td>6.18</td>
<td>8.17</td>
<td>.48**</td>
<td>.19*</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>4. Self-serving justification condition</td>
<td>.53</td>
<td>.50</td>
<td>-.07</td>
<td>.08</td>
<td>-.05</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>5. Power</td>
<td>62.86</td>
<td>23.26</td>
<td>.19*</td>
<td>-.10</td>
<td>-.06</td>
<td>-.01</td>
<td>-</td>
</tr>
<tr>
<td>6. Unethical decision-making</td>
<td>2.48</td>
<td>1.17</td>
<td>.04</td>
<td>.19*</td>
<td>.04</td>
<td>.12</td>
<td>-.10</td>
</tr>
</tbody>
</table>

Notes. N ranges from 113 to 125. For gender, 0 = female and 1 = male. For self-serving justification condition, 0 = no self-serving justification condition and 1 = self-serving justification condition. *p < .05 **p < .01.

Table 4.2 depicts the results of the moderated hierarchical regression analysis (with standardized predictor variables) used to test our hypothesis.\textsuperscript{13} There were no main effects of self-serving justification condition (\( B = .35, t = 1.56, p = .12 \)) or power (\( B = -.08, t = -.66, p = .51 \)) on unethical behavior. Importantly, the analyses revealed a marginally significant power × self-serving justification interaction (\( B = .40, t = 1.78, p = .08 \); see Figure 4.3). Simple slopes analyses showed that, as expected, high-power individuals acted less unethically when a self-serving justification was unavailable rather than available (simple slope at +1 SD: \( B = .74, t = 2.38, p = .02 \)). By

\textsuperscript{13} In total, 11 participants did not complete our measure of power and/or unethical behavior, and two participants did not report their gender. We therefore performed all final regression analyses using 115 participants.
contrast, the availability of self-serving justifications did not impact low-power individuals’ unethical behavior (-1 SD; $B = -.04$, $t = .13$, $p = .90$). Despite the marginal significance of the interaction coefficient, this pattern of results is in line with the findings obtained in Study 1 and, thus, provides general support for our theorizing.

Table 4.2

*Regression Results Study 4.2*

<table>
<thead>
<tr>
<th></th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
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<tr>
<td>Control variable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>-.47 (.22)*</td>
<td>-.42 (.22)+</td>
<td>-.42 (.22)+</td>
</tr>
<tr>
<td>Independent variables</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Self-serving justification condition</td>
<td>.35 (.22)</td>
<td>.33 (.22)</td>
<td></td>
</tr>
<tr>
<td>Power</td>
<td>-.08 (.11)</td>
<td>-.27 (.16)+</td>
<td></td>
</tr>
<tr>
<td>Interaction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-serving justification condition $\times$ power</td>
<td>.40 (.22)+</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$R^2$ change</td>
<td>.04*</td>
<td>.03</td>
<td>.03+</td>
</tr>
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105
Figure 4.3. Unethical decision-making as a function of power and self-serving justification conditions in Study 4.2.

Discussion

Theoretical Implications

Across two studies, the present research examined the roles of self-serving justifications and power for individuals’ unethical behavior. Our findings make several important theoretical contributions. First, we advance theory on self-concept maintenance and self-serving justifications for unethical conduct. This line of research has shown that individuals are more likely to act unethically when self-serving justifications are available (Shalvi et al., 2011, 2012). We provide an important qualification for this notion by identifying power as a key situational boundary condition. Drawing from the situated focus theory of power (Guinote, 2007), our theorizing and results suggest that self-serving justifications are particularly important for shaping the unethical behavior of high-power (rather than low-power) individuals. Hence, the current research offers a more
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complete understanding of the role of self-serving justifications for individuals’ ethical misconduct, illustrating the relevance of considering the respective linkages within a focal individual’s specific organizational context.

Second, our theorizing and results advance our understanding of the psychological experience and consequences of power. To date, scholars have generally argued that powerholders depend less on others because they control valued resources, and that “this lack of dependency means the powerful have reduced pressure to abide by social norms or perform ‘good’ behaviors” (Lammers, Galinsky, Dubois, & Rucker, 2015, p. 15). As such, power has often been associated with increased behavioral and psychological freedom (Guinote, 2010; Keltner, Gruenfeld, & Anderson, 2003), as well as a disregard of others’ interests and feelings (Galinsky, Magee, Inesi, & Gruenfeld, 2006; Gruenfeld, Inesi, Magee, & Galinsky, 2008). Somewhat paradoxically, however, our model suggest that higher-power individuals’ immunity to external pressures, in fact, may make them particularly sensitive to experiencing internal pressures and tensions. This, in turn, may restrain, rather than encourage, powerful individuals’ misconduct, namely if self-serving justifications for unethical behavior are not available. Hence, the current research advances more nuanced picture of power, such that power is not always psychologically liberating and corrupting force but can also confine those who possess it (cf. Galinsky, Magee, Gruenfeld, Whitson, & Liljenquist, 2008).

Practical Implications

The current research shows that self-serving justifications are important for the unethical behavior of a specific and crucial group of organizational members, namely the powerful. From a practical perspective, it seems of utmost importance to identify antecedents of unethical behavior among this particular group of individuals. In fact, research has shown that ethical lapses of people at the top of the organizational power hierarchy have particularly detrimental and far-reaching consequences, inflicting serious harm on stakeholders (ACFE, 2018) and promoting an unethical
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climate throughout the organization as a whole (Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009).

In this regard, our results suggest that an important way through which organizations can reduce the misconduct of the powerful is by limiting the availability of self-serving justifications that could otherwise allow members in high-power positions to self-justify their unethical behavior. Organizations could accomplish this, for example, by minimizing ethical gray areas that easily enable (and may even encourage) self-serving justifications (Schweitzer & Hsee, 2002; Shalvi et al., 2015). By setting clear-cut rules and unambiguously specifying the types of behavior that are permissible and not permissible, organizations may create an environment with little room for (powerful) members to convince themselves that their unethical behavior is ‘not so bad after all’ (Mulder, Jordan, & Rink, 2015).

Limitations and Future Research Suggestions

Despite some notable strengths (e.g., a two-study approach using distinct research designs across different cultural contexts), the current investigation is not without limitations. A first set of possible issues relates to our operationalizations of power. Study 4.1 manipulated power via a power prime (Galinsky et al., 2003), which might raise concerns about external validity and demand effects (Sturm & Antonakis, 2015). Moreover, Study 4.2 measured power using a single-item instrument (Lammers, Stoker, et al., 2010), raising possible questions about reliability. Importantly, we note that (a) prior research has demonstrated similar effects for the power prime manipulation and measures of power, as compared with role-based manipulations of power that put participants in an actual high- or low- power positions (Anderson & Galinsky, 2006; Galinsky et al., 2003) and (b) previous studies have shown Study 4.2’s single-item instrument to strongly correlate with various other power measures (Feenstra et al., 2017; Lammers, Stoker, et al., 2010). Nonetheless, future research could benefit from further replicating the observed interaction pattern.
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using other manipulations and/or measures of power (Bendahan, Zehnder, Pralong, & Antonakis, 2015; Lammers et al., 2010).

We further acknowledge that the marginally significant interaction term observed in Study 4.2 warrants a relatively cautious interpretation of our findings and conclusions. Even though the interaction pattern is consistent with our theorizing and is similar to the pattern observed in Study 4.1, more research is needed to further validate the interactive effects of power and self-serving justifications for unethical behavior.

Beyond this, future research could expand our conceptual model by empirically examining the mechanism underlying the observed interaction. Our theorizing suggests that self-serving justifications are more important for high-power (rather than low-power) individuals because the powerful are more attuned to their inner states, and are thus particularly susceptible to internal conflict when acting unethically. The current research, however, did not empirically test this theorizing. Future research could benefit from empirically examining this issue, thus complementing the present investigation and further highlighting why power and self-serving justifications may interactively associate with unethical behavior.

Finally, future research could expand the current model by examining whether the interactive role of self-serving justifications and power depends on how power is construed. Research has shown that different cultures hold different conceptualizations of power, such that power is associated with rewards and freedom in Western cultures, whereas power is associated with constraints and responsibilities in Eastern cultures (Zhong, McGee, Maddux, & Galinsky, 2006). Combining this evidence with our theorizing, one might expect that self-serving justifications are particularly important for shaping powerholders’ misconduct in Western cultures, because having power may decisively focus individuals’ attention on themselves and their internal experiences in such contexts (Guinote, 2007, 2010). By examining these and other boundary conditions, scholars may contribute to a more complete understanding of how self-serving
justifications shape unethical behavior among organizational members, in general, and among powerholders, in particular.