

The Influence of Humble Leadership on Unethical Pro-organizational Behavior:

Sequentially Mediated by Leader Trust and Perceived Insider Status

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Abstract: Based on justice theory, this study investigates how humble leadership influences unethical pro-organizational behavior. We also explore this relationship has sequentially mediated by leader trust and perceived insider status. A two-wave survey was used to collect employee data, resulting in 394 valid responses. The results revealed that, first, humble leadership can predict leader trust. Second, leader trust can enhance perceived insider status. Third, perceived insider status can have a negative influence on UPB. Finally, the negative relationship between humble leadership and UPB are sequentially mediated by leader trust and perceived insider status. Discussed the managerial implications, limitations, and directions for future research.

1. Introduction

Businesses increasingly rely on the humble personality of leaders to cope with the increasing global competition and rapid environmental change. Humility has become a crucial qualification in organizations. Previous studies found that humble leadership positively influences employees' outcomes, performance (Owens et al., 2013) [1], and team creativity (Hu et al., 2018) [2] in organizations. However, there is a lack of research on negative extra-role behavior. Additionally, humble leadership with the moral standard could influence employees' altruistic and pro-social behavior and restrain unethical behavior (Owens et al., 2019) [3]. This study examines that humble leadership influence employee's unethical pro-organizational behavior (UPB). Additionally, it is important to investigate the psychological mechanisms underlying the effect of humble leadership on subordinates' UPB.

We assume that humble leadership could be related with employees' UPB through leader trust and perceived insider status. In organizations, employees' experience of humble leadership could have positive outcomes and cause their trust in the leader to be enhanced. However, even if employees trust their leaders, their perception of their in-group status may lead to unethical behaviors. Therefore, we clarify the roles of leader trust and perceived insider status in the potential underlying

psychological mechanism. The research model of this study was indicated in Figure 1.

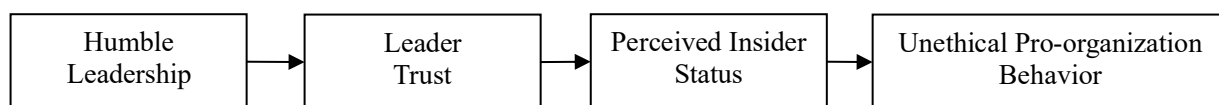


Figure 1: Research Model

2. Literature Review and Hypothesis

2.1. Humble Leadership

Scholars of organizational behavior have claimed that humility can increase leadership effectiveness (Chiu, Owens, and Tesluk, 2016) [4], and encourage moral behaviors among employees. Humble leadership adopts three behaviors (Owens and Hekman, 2012) [5]: first, willingness to view oneself accurately that means the ability and willingness to objectively evaluate oneself and form precise self-awareness; second, appreciation of others' strengths and contributions; and third, teachability that means the individual being open-minded to new ideas, opinions, and recommendations. Additionally, humble leadership has a relational identity orientation regarding the welfare and needs of subordinates. At the individual level, humble leadership can positively influence employees' job satisfaction (Owens et al., 2013) [1]. We argue that humble leadership may positively influence leader trust.

2.2. Leader Trust and Perceived Insider Status

Within the organization, trust can be divided into two levels. Interpersonal trust is based on the cognition and understanding of interpersonal interaction with colleagues, the trust relationship between employees and organization as a whole, and trust toward the organization, which indicates employees' overall perception of trust in the organization (Nyhan and Marlowe, 1997) [6]. Considering employees' direct superiors have a significant impact on their interests, the trust issues of relational identity should be meaningful in interpersonal trust.

Previous research has examined the relationship between perceived justice and leader trust (Flaherty and Pappas, 2000) [7]. When employees perceive leaders as fair, their trust in the leader is higher. Based on justice theory, individual perception of justice has three elements. Distributive justice refers to whether the individual feels the outcome of allocation is equitable. Procedural justice means whether the individual perceives the allocation process itself—in other words, the process through which the individual judges whether the outcomes of allocation. Interactional justice involves whether the individual senses interpersonal treatment in the distribution process is fair; the individual would make this judgment based on the interpersonal interaction in the distribution process.

As previously mentioned, in humble leadership, when a task is successful, leaders attribute most contributions belong to subordinates. If leaders appreciate their subordinates' contributions, employees will perceive fairness of distributive justice. Moreover, humble leadership emphasizes the willingness to view oneself accurately in the allocation process, so such leaders would consult subordinates' and share relevant information in decision making. Such behaviors make employees perceive procedural justice. Humble leaders also seek to teach, so they actively engage in discussions with employees regarding any challenges and opportunities to help them improve performance. Therefore, employees will perceive fairness of interactional justice between them and their leaders.

When employees trust leaders, they may feel that leaders attach more importance to the interests

of employees, which may influence their perceived insider status. Furthermore, employees believe that leaders will consider their issues and make decisions considering their perspective, and not act to the detriment of employees. When employees trust leaders, they believe that leaders will ensure justice and will not engage in behaviors that are not conducive to the interests of employees. Thus, they will consider themselves as part of the group, which will enhance their perceived insider status. We, therefore, propose hypotheses:

H1: Humble leadership positive influence on leader trust.

H2: Leader trust is positively related to perceived insider status.

2.3. Unethical Pro-organizational Behavior

UPB refers to employees' unethical behaviors in the short term that benefit the organization (Umphress & Bingham, 2011) [8]. For employees who perceive insider status, their attitudes, emotions, and behaviors will establish their position as an "insider" in the organization through the process of self-cognition. Such a perceived insider status will encourage employees to contribute more actively and consider the reputation of the organization.

Consequently, when employees encounter humble leadership, they will place trust in the leader. They would also strengthen their identification with the organization, leading to perceived insider status. If they trust their leaders and perceive insider status, they will not engage in UPB. Owens et al. (2019) [3] found that humble leadership can influence employees' pro-social behavior and inhibit unethical actions. Thus, we can assume that when employees have humble leaders that they feel they can trust, they will perceive themselves as having insider status, and then they would not engage in UPB. Thus, we propose the following hypotheses:

H3: Perceived insider status is negatively related to UPB.

H4: Humble leadership is indirectly and negatively related to UPB via leader trust and perceived insider status.

3. Methods

3.1. Participants and Procedure

We collected our data from full-time employees of an IT company in China. We used an e-questionnaire distributed through an online panel data research firm (wjx.cn). To reduce common method bias, we examined the hypotheses with the data collected in two waves. In wave 1, we measured humble leadership, leader trust, and perceived insider status. After six weeks, in wave 2, we measured employees' UPB. We collected a total of 394 valid surveys. Among the respondents, 42.9% were female. The average age was 33.04 years. In addition, 67.5% of respondents held college degrees.

3.2. Measures

All survey items were measured on a scale from 1 (strongly disagree) to 5 (strongly agree). We used Owens, Johnson, & Mitchell (2013) [1] nine-item measure of *Humble leadership*. The Cronbach's alpha was 0.91. *Perceived insider status* was measured with Chen & Aryee (2007) [9] six-item perceived insider status scale. The Cronbach's alpha was 0.76. We use Nyhan & Marlowe (1997) [6] three-item *Leader trust* scale. The Cronbach's alpha was 0.81. We adopted Wu, Shen, & Sun (2016) [10] 12-item *UPB* scale. The Cronbach's alpha was 0.92. Demographic characteristics (e.g., gender, age, education) may influence engagement in UPB, but respondents may choose socially desirable behaviors responses when responding to sensitive questions (Umphress & Bingham, 2011) [8]. Thus,

we controlled for the effects of demographic characteristics and socially desirable responses using a five-item scale from Hays et al. (1989) [11].

4. Analysis and Results

4.1. Confirmatory Factor Analysis

We created a four-factor that fit indices is within acceptable ranges ($\chi^2/df= 3.95$, RMSEA= 0.09, NFI=0.76, CFI= 0.81, TLI = 0.79, SRMR=0.09), suggesting the model was acceptable. We also established three competition models to compare with the four-factor model: (1) Three-factor model: leader trust and perceived insider status are combined into one factor ($\Delta\chi^2(3)= 153.25$, $p < 0.01$); (2) Two-factor model: humble leadership, leader trust, and perceived insider status are combined into one factor ($\Delta\chi^2(5) = 951.02$, $p < 0.01$); (3) One-factor model: humble leadership, leader trust, perceived insider status, and UPB are combined are combined into one factor ($\Delta\chi^2(6)= 3321.94$, $p < 0.01$). Therefore, the results show that four variables were distinguishable, and support the four-factor model's discriminant validity.

4.2. Correlations Analysis

Humble leadership was positively correlated with leader trust ($r = 0.47$, $p < 0.01$), leader trust was positively correlated with perceived insider status ($r = 0.55$, $p < 0.01$), and perceived insider status was negatively correlated with UPB ($r = -0.22$, $p < 0.01$).

4.3. Hypothesis Tests

After entering the demographic variables (gender, age, education, and socially desirable response) as one block in all regressions, humble leadership was found to be positively related to leader trust ($\beta = 0.42$, $p < 0.01$). Thus, hypothesis 1 was verified. Leader trust positively influenced perceived insider status ($\beta = 0.52$, $p < 0.01$); thus, hypothesis 2 was supported. Perceived insider status was negative influence on UPB ($\beta = -0.19$, $p < 0.01$); therefore, hypothesis 3 was supported. Moreover, we used Hayes's (2013) [12] PROCESS macro (Model 6) for SPSS to test these indirect effects. The point estimate for the indirect effect of humble leadership on UPB via leader trust and perceived insider status was -0.04 (95% confidence interval: [-0.07, -0.01]). Thus, leader trust and perceived insider status mediated the relationship between humble leadership and UPB, which verified hypothesis 4.

5. Discussion

5.1. Conclusion

This study found that humble leadership can influence UPB via sequential mediation of leader trust and perceived insider status. The results are as follows. First, humble leadership positively influences leader trust. Second, leader trust enhances perceived insider status. Third, perceived insider status negatively impacts UPB. Finally, humble leadership negatively impacts UPB via sequential mediation of leader trust and perceived insider status.

5.2. Management Implications

Our study has important management implications to decrease levels of UPB for organizations. First, we found that humble leadership has a positive influence on leader trust. Thus, to enhance leader trust, managers should pay more attention to their behavior. We suggest that managers understand the

positive relationship between humble leadership and leader trust. Specifically, managers should be guided by humility in their actions to encourage employees' trust in the leader. Second, to reduce UPB, managers should take steps to ensure employees feel safe and perceive themselves as insiders. In sum, to reduce employees' UPB, humble leadership should pay more attention to interpersonal interactions with employees and enhance employees' leader trust and perceived insider status.

5.3. Limitations and Directions for Future Directions

Our research has limitations and provides directions for future research. First, we used a self-rating report that may cause common method bias. Future research should use longitudinal research strategy and pair-data survey to improve the rigorousness of the study. Second, our study investigated the negative relationship between humble leadership and UPB, which is sequentially mediated, but we did not examine the moderator. Thus, future research can consider the boundary conditions (e.g., moral identity).

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