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ENTENDIENDO LOS EFECTOS DE LOS FACTORES SITUACIONALES EN
EL DESENTENDIMIENTO MORAL EN LAS ORGANIZACIONES /
UNDERSTANDING THE EFFECTS OF SITUATIONAL FACTORS ON
MORAL DISENGAGEMENT IN ORGANIZATIONS

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Entendiendo los efectos de los factores situacionales en el desentendimiento
moral en las organizaciones /

Understanding the effects of situational factors on moral disengagement in
organizations.

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Abstract

In the sales management context, the competition for benefits such as bonuses and the high quota demands in sales departments can instigate unethical behavior in salespeople. Since self-interest, developed by self-preservation motives, can influence ethical managerial behavior, then it is important to understand how people develop common responses like rationalization or justification for these behaviors. So, this investigation looks to understand what moral disengagement mechanisms gets activated in a sales manager in response to a risk of self-interest loss situation, and how having the sales manager to take the perspective of the stakeholder, have empathy towards the stakeholders, and work in a high or low power distance organization, affect the activation of such mechanisms.

In this dissertation empathy is understood mainly as an emotional and automatic process, and perspective-taking as a cognitive selective process that requires an intentional effort. Also, power distance is included in the model to check whether organizational culture has a role on the usage of moral disengagement mechanisms. Therefore, it is proposed that the impact for a person of being on a risk of self-interest loss situation on the usage of moral disengagement mechanisms is mediated by having empathy for the stakeholders, and that the relationship between risk of self-interest loss and empathy is moderated by the power distance relations the organization motivates and the perspective-taking of the sales manager towards the stakeholders.

For this, an experimental vignette methodology was implemented, by building a situation in which the self-interest loss situation, the stakeholder perspective-taking, and the power distance variables were manipulated, and moral disengagement and empathy, were measured. This research has an experimental phase and post-experimental phase with a correlational design. A total of 582 sales managers participated in all the phases.

It was found that risk of self-interest loss explained some of the variation in moral disengagement mechanisms, with moral justification and displacement of responsibility as some of the most influential mechanisms. Results suggests a moderation role of stakeholder perspective-taking, in such a manner that the more the sales manager engages in perspective-taking, the weaker the effect of risk of self-interest loss on empathy. Additionally, it was observed that empathy mediates the relation between risk of self-interest loss and moral disengagement. Finally, it was observed that power distance did not have a moderation effect, but it did have a significant relation with empathy.

This research motivates managers to have organizational cultures where people are expected to consider the stakeholders' perspective so as to deter the development of unethical behavior.

Resumen

En el contexto de ventas, la competencia por beneficios como bonificaciones y las altas demandas de cuotas en los departamentos de ventas pueden instigar comportamientos no éticos en los gerentes de ventas. Dado que el interés propio, desarrollado por motivos de autopreservación, puede influir en el comportamiento ético de los gerentes, es importante entender cómo las personas racionalizan o justifican estos comportamientos. Por lo tanto, esta investigación busca entender qué mecanismos de desentendimiento moral se activan en los gerentes de ventas en respuesta a una situación de riesgo de pérdida autointeresada, y cómo el hecho de que el gerente tome la perspectiva de los stakeholders, sienta empatía por ellos y la distancia de poder de la organización, afectan la activación de dichos mecanismos.

En esta disertación, la empatía se entiende principalmente como un proceso emocional y automático, mientras que la toma de perspectiva se considera un proceso cognitivo selectivo que requiere un esfuerzo intencional. Además, se incluye la distancia de poder en el modelo para explorar si la cultura organizacional tiene un papel en el uso de mecanismos de desvinculación moral. Por lo tanto, se propone que el impacto del riesgo de pérdida autointeresada en el uso de mecanismos de desentendimiento moral por parte del gerente está mediado por la empatía del gerente hacia los stakeholders, y que la relación entre el riesgo de pérdida autointeresada y la empatía está moderada por la distancia de poder de la organización y la toma de perspectiva de los stakeholders por parte del gerente.

Para esto, se usó una metodología de viñetas experimentales, donde se construyó una situación en la que se pudo manipular la situación de pérdida autointeresada, la toma de perspectiva de los stakeholders y la distancia de poder, y medir el desentendimiento moral y la empatía, así como las otras variables. Esta investigación tiene una fase experimental y una post-experimental que tuvo un diseño correlacional. Un total de 582 gerentes de ventas participaron en todas las fases. Se encontró que el riesgo de pérdida autointeresada explicaba parte de la variación en los mecanismos de desentendimiento moral que utilizaba el gerente de ventas, con la justificación moral y el desplazamiento de responsabilidad como algunos de los mecanismos más influenciados. Los resultados sugieren que la toma de perspectiva de los stakeholders por los gerentes de ventas modera la relación entre riesgo de pérdida y empatía, de tal manera que a mayor toma de perspectiva, el impacto del riesgo de pérdida en la empatía se debilita. Además, se observó que la empatía que se puede sentir por los stakeholders media la relación entre el riesgo de pérdida autointeresada y la activación de mecanismos de desentendimiento moral. Finalmente, se observó que la distancia de poder no tenía un efecto moderador, pero sí tenía una relación significativa con la empatía. Esta investigación motiva a los gerentes de ventas a tener culturas organizacionales donde se espera que las personas consideren la perspectiva de los stakeholders para disuadir el desarrollo de comportamientos no éticos.

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Introduction

In the past years people have witnessed an increase in the amount of reported unethical behavior in organizations and corporations around the world. Only to name a few cases, we can find examples in the lead industry, the vinyl chloride industry, and the silicosis-producing industries (White, Bandura, & Bero, 2009). Recently, the Volkswagen (VW) car emissions scandal led to investigations of six other carmakers' emission devices. In the case of VW, it was 11 million cars that had an emissions cheating device installed to the "surprise" of the executives of the company.

In the specific Colombian context unethical behavior in organizations also tends to happen frequently. In 2017, a fraud and corruption survey was conducted in order to understand this phenomenon in the country (KPMG, 2018). This survey was administered to 144 company managers, 90% of these companies were private, 2% were public, and 7% were mixed (private and public). 79% of the respondents mentioned to have knowledge of irregular situations within the organization in the last 2 years. When asked about the organizational areas that present more unethical behaviors, 24% of the respondents mentioned the operations/production area and 22% of the respondents pointed out the customer service and sales area. When asked about the type of fraud committed most frequently, 35% of the respondents pointed out misappropriation of assets – money theft, 26% indicated misappropriation of assets – loss or damage of inventory, and 5% mentioned financial fraud – fraudulent recognition of income and expenses. Finally, when asked about the possible motive these employees had in order to

commit the unethical behavior, 53% of the company managers pointed out “opportunity”, 27% of the respondents mentioned “ambition/greed”, and 13% of the participants referred to “pressure to achieve goals”. The pressure to achieve consistent and continuous sales, growth, and profits in organizations induces people to push the limits on social, ethical, and legal boundaries.

The sales management context is especially competitive since salespeople often are set up to compete with each other for bonuses, extra vacation days, or commissions in a type of zero-sum situation. The competitive context and the high quota demands in sales departments can instigate unethical behavior in salespeople as exemplified in the Wells Fargo case. This case is an example of a cross-selling scandal, where sales employees opened up 2 million new accounts and granted new debit or credit cards to oblivious customers, in order to meet daily sales goals (Tayan, 2019). Another example of unethical behavior in the sales management context comes from pharmaceuticals. One example is the Valeant Pharmaceuticals case, now known as Bausch Health. The investigation revealed that top executives improperly recognized revenue transactions and improperly included erroneous revenue allocation from their sales. Also, they failed to report their material impact of the revenue it received from drug wholesalers after a 500% increase in the price of a drug they had previously acquired (U.S. Securities and Exchange Commission, 2020). Another example is the case of Purdue Pharma, where, in order to increase revenue sales, representatives downplayed the effects of opioids, misleading their effects to doctors and patients. This helped in the

development of the opioid crisis in the United States (Office of public affairs - U.S. Department of Justice, 2020).

The examples above reflect on important considerations for studying ethical behavior in the sales context:

1. Unethical behavior in the sales context can have large scale effects, having the capacity of affecting not only single individuals, but also the stability of a whole community.
2. The pressure for the achievement of sales goals can lead to the attainment of unethical behaviors.
3. Unethical behavior in organizations can be observed in different types of industries (like the pharmaceutical and financial industry in the examples given).
4. For all for-profit organizations sales are the fundamental performance indicators, which means that all for-profit organizations are vulnerable to the making of unethical decisions.

With the responsibility of having excellent sales performance and the pressures of the context, it is easy for a sales manager to think that the easy way of having good revenue is through unethical behavior. However, sales performance and ethical behavior are not necessarily at odds, as it has been found that ethics helps in the generation of profits in the long term (Ferrell, Fraedrich, & Ferrell, 2011). McClaren (2013) stated that “the moral judgement of salespeople are positively related to their sales performance...” (p. 105). Variables related to organizational

culture, ethical climate, and performance evaluation and reward help in the minimization or promotion of unethical behavior (McClaren, 2013). Since commissions and rewards are a big part of salespeople's income, then it is important to understand how the incentives offered to enhance sales performance can promote or diminish unethical behavior.

In business, it is recognized that self-interest is a key motivator for managers (Harrell & Harrison, 1994; Harrison & Harrell, 1993). Furthermore, managers tend to have self-preservation motives when their livelihood is in jeopardy (Karni & Schmeidler, 1986). When an individual perceives this threat, he/she resorts to the use of a set of responses that help to rationalize, justify, or shift the blame for behaviors that could be deemed as unethical, this is what Bandura (1986) called moral disengagement.

Moral disengagement mechanisms involve the use of cognitive heuristics to downplay the perceived consequences and accountability for the actions committed, such as victim-blaming, responsibility diffusion and trivializing the impact or consequences. The use of the mechanisms of moral disengagement can be observed in verbal and written exchanges regarding questionable behaviors and decisions by organizational managers. For instance, victim-blaming was applied to the consumers of the tobacco industry who attributed health issues to the smokers themselves for inhaling too deeply (Johnson & Buckley, 2015). As an example of responsibility diffusion, the Volkswagen CEO communicated as he resigned "I am doing this in the interests of the company even though I am not aware of any wrongdoing on my part" (Graham, 2015, para. 9). Framing business

decisions as solely *giving customers what they want* is another example of disengaging from moral implications used in marketing (Kotler, 1972) and education (Clayson & Haley, 2005).

Moral disengagement ensues as a way to avoid responsibility or feelings of guilt (Detert, Treviño, & Sweitzer, 2008). In fact, cognitive rationalizations and heuristics are commonly used during organizational decision-making processes (Gigerenzer & Gaissmaier, 2011), especially when loss of resources is possible (De Bondt & Thaler, 1995) and because 50% of business decisions fail (Nutt, 1999). For example, minimizing impact and underestimating the risk and cost of decision alternatives is a heuristic that affects moral intensity (Jones, 1991) and creates distortion and bias (Montibeller & von Winterfeldt, 2015). Moral disengagement mechanisms decrease moral intensity during the decision-making process, which in turn lowers awareness and ethicality in decisions (Tenbrunsel & Smith-Crowe, 2008).

Furthermore, a threat of loss is not even necessary to activate these mechanisms since potential self-interest gain also increases unethical actions and justifications. For example, Kish-Gephart, Detert, Treviño, Baker, and Martin (2014) found that when the opportunity for self-interest gain is high, moral disengagement and unethical behavior increase. Cianci, Hannah, Roberts, & Tsakumis (2014) provided evidence that when self-interest gain or loss is present, there is greater likelihood for a person of committing an unethical decision.

Additionally, when other people observe potentially unethical behaviors, if their own self-interest gains are involved, then their judgements become more lenient

and forgiving (Bocian & Wojciszke, 2014). In sum, when a person faces self-interest gains or losses, is possible for unethical behavior to increase (Kish-Gephart et al., 2014), and for some people and in certain situations more than others (Moore, Detert, Klebe Treviño, Baker, & Mayer, 2012).

Since modern organizations often use financial incentives to direct managerial behaviors toward sales and profit goals, self-interest gains and losses situations are at stake every day. On one hand, financial incentive systems are a rational response to the agency problem in organizations, that is, managers (agents) are hired by shareholders to run the business for the owners' benefit. Proper incentive schemes ensure that the behaviors and decisions from agents/managers financially benefit the owners (Jensen & Meckling, 1976). On the other hand, research suggests that organizational incentives set up achievement of one goal, which often comes at the expense of unintended consequences, unanticipated downsides, and externalized costs (Kerr, 1975). When a salesperson's job and income are dependent on attaining performance metrics at work, the pressure to find ways to meet those goals intensifies, and the search for ways to externalize costs increases. In the Wells Fargo case, for example, the intense pressure on bank managers to increase the number of accounts per client resulted in creative methods of opening multiple accounts for family, friends, and local clients that were not needed, used, or even agreed to be opened by the account holder (Tayan, 2019).

How can organizations counter unintended consequences of commonly used self-interest incentives that tempt sales people and managers toward unethical

behaviors which they may justify through moral disengagement mechanisms (Cianci et al., 2014; Kish-Gephart et al., 2014)? Based on Bandura's model and subsequent research, one way to reduce moral disengagement is by identifying potential harm to others during decision-making. For example, McMahon and Harvey (2007) show that awareness of the probability and magnitude of harmful effects on others improved ethical judgement. This information adjusts with stakeholder management theory, which states that "whatever the ultimate aim of the corporation or other business activity, managers and entrepreneurs must take into account the legitimate interests of those groups and individuals who can affect (or be affected by) their activities" (Freeman, Wicks, & Parmar, 2004, p. 365). Therefore, including the interests and costs to multiple stakeholders during decision-making is important because it increases awareness of the moral consequences of the decision. So, when a person discerns the advantages and disadvantages for each stakeholder he/she can proactively ensure a balance in the quality, legality, and ethicality of organizational and business decisions (Freeman, Harrison, Wicks, Parmar, & De Colle, 2010) when all stakeholders' benefits and costs are considered.

It follows that salespeople and managers who are skilled in understanding the perspectives of other people are better equipped to fully include the perspective of multiple stakeholders in their business decision-making process. Perspective-taking has been found to play a significant role in the reduction of unethical behavior (Batson, et al. 2003; Cojuharenco & Sguera, 2015; Ilies, Guo, Lim, Yam, & Xinxin, 2019), although the investigations done to understand the relation

between perspective-taking and moral disengagement have been developed in contexts different from a business context or a sales management context (Stanger, Backhouse, Jennings, & McKenna, 2018). For this reason, stakeholder perspective-taking by the sales manager may be an aspect that can oppose the strong repercussions of self-interest incentives on the activation of moral disengagement mechanisms.

In addition to perspective-taking, empathy for others is another factor that is correlated with awareness of moral issues and ethical actions (Singer, Mitchell, & Turner, 1998). Because perspective-taking and empathy are closely related, empathetic concern for others is likely to increase when sales people and managers invest time assessing the benefits and costs to multiple stakeholders with competing interests concerning financial business decisions. Prior research shows that perspective-taking and empathy are correlated to ethicality but yet they also show independent effects (Longmire & Harrison, 2018). For this reason, it is important to know how stakeholder perspective-taking by the manager relates with his/her empathy for the stakeholders in a sales management context, specifically in the face of decisions in which a potential loss to personal income could occur because this is a common situation salespeople and managers face daily. Therefore, this dissertation proposes a moderating effect of stakeholder perspective-taking on the relationship between a tempting situation (a potential sales loss affecting personal income) and the activation of the moral disengagement mechanisms in a business decision-making context. Furthermore, because empathetic concern for others is sometimes blended conceptually with

perspective-taking, empathy is tested separately from the construct of stakeholder perspective-taking in a moderated mediation model (Muller, Judd, & Yzerbyt, 2005).

Recent literature differentiates the psychological and neurological functioning of empathy and perspective-taking, in such a manner that empathy is considered a mainly emotional and automatic process, and perspective-taking is considered a cognitive selective process that requires an intentional effort that does not always occur (Maibom, 2020; Shamay-Tsoory, 2009). This dissertation pretends to contribute to the field by clarifying the role of empathy and perspective taking on the usage of moral disengagement mechanisms. Conceptualizing empathy as an automatic process implies that it should be considered as a mediator of the impact of self-interest loss on the usage of moral disengagement mechanisms, in such a manner that at higher levels of risk of self-interest loss empathy is lower; and at low levels of empathy the usage of moral disengagement mechanisms is higher. On the other hand, taking into account that perspective-taking requires an intentional effort that is not always present, it should be considered if perspective-taking moderates the impact of risk of self-interest loss on empathy, in a manner that when perspective-taking is present, the effect of self-interest loss on empathy becomes weaker.

Most importantly, regarding moral disengagement, it has been observed that the activation of these mechanisms differ based on context and situation (Jackson & Gaertner, 2010; Leidner, Castano, Zaiser, & Giner-Sorolla, 2010; Sharma, 2020), but the mechanisms of moral disengagement haven't been studied sufficiently in

the business context. In some business contexts, like sales situations, certain mechanisms of moral disengagement can become activated while other mechanisms do not; this is something that hasn't been empirically researched thoroughly. So, the core contribution of the current study is to identify which moral disengagement mechanisms are most highly activated in the specific context of sales management, which is a core function in all businesses, and to examine the process by which these mechanisms heighten or lessen.

Prior research shows that ethical behavior is highly influenced by the supervisor/leader in positional power in high power distance cultures and contexts (Marasi, Bennett, and Buden, 2018; Treviño, Butterfield, and McCabe, 1998). Also, that characteristics of the organization, such as its structure or the way relations between employees and their bosses are perceived, affect the use of moral disengagement mechanisms (Barsky, 2011; Claybourn, 2010). Therefore, this study is testing possible interactions between perceived power distance and moral disengagement to advance applied research and practice on how to reduce moral disengagement in the sales management context that can result in unethical behaviors. Given the prevalence of these kinds of issues for companies like Wells Fargo, the practical importance is timely. These research findings can provide new implications and strategies for managers to reduce moral disengagement mechanisms that are driven by intense pressures of the sales context. For example, there could be several implications for human talent management systems. First, if it is found that moral disengagement mechanisms are more likely to become activated in high power distance contexts, it could be an effective

intervention to develop and strengthen ethical behavior among managers and leaders in the organization by selecting leaders based on ethical traits and values, by goal-setting and reward mechanisms for ethical behavior by the employees, and supporting privacy and safety of whistleblowers, among other options. In addition, if the cognitive approach of a perspective-taking intervention proves to be important in reducing the activation of moral disengagement mechanisms, it is possible to strengthen both organizational processes and human talent development methodologies, by introducing specific initiatives oriented to involve stakeholders' perspectives, costs, and benefits more transparently in decision making. Both of the previous approaches should be informed by findings that reveal which moral disengagement mechanisms are activated in this specific sales management context.

For this purpose, the research contribution revolves around two points: the first one concerns the identification of moral disengagement mechanisms related to sales management contexts, and the second one concerns the influence of empathy for the stakeholder and stakeholder perspective-taking by the sales managers on the activation of moral disengagement mechanisms.

Research Questions

This dissertation research is oriented to address:

1. What moral disengagement mechanisms are activated in the sales management context in response to a risk of self-interest loss situation? How does the activation of these mechanisms differ when the person engages in high versus

low levels of stakeholder perspective-taking and empathy, or in a perceived high or low power distance organizational environment?

2. Can stakeholder perspective-taking counteract the effects of risk of self-interest loss situations on moral disengagement mechanisms?

3. Is empathy a mediating process factor between the risk of self-interest loss situations and its effect on moral disengagement?

Introducción

En los últimos años, las personas han sido testigos de un aumento en la cantidad de comportamientos éticamente cuestionables reportados en organizaciones y corporaciones alrededor del mundo. Solo por mencionar algunos casos, podemos encontrar ejemplos en la industria del plomo, la industria del cloruro de vinilo y las industrias que producen silicosis (White, Bandura y Bero, 2009). Recientemente, el escándalo de emisiones de automóviles de Volkswagen (VW) llevó a investigaciones sobre los dispositivos de emisiones de otras seis compañías automotrices. En el caso de VW, fueron 11 millones de automóviles los que tenían instalado un dispositivo de manipulación de emisiones para la "sorpresa" de los ejecutivos de la empresa.

En el contexto específico de Colombia, el comportamiento éticamente cuestionable en las organizaciones también tiende a ocurrir con frecuencia. En 2017, se llevó a cabo una encuesta sobre fraude y corrupción con el fin de comprender este fenómeno en el país (KPMG, 2018). Esta encuesta fue administrada a 144 gerentes de empresas, el 90% de estas empresas eran privadas, el 2% eran públicas y el 7% eran mixtas (privadas y públicas). El 79% de los encuestados mencionó tener conocimiento de situaciones irregulares dentro de la organización en los últimos 2 años. Cuando se les preguntó sobre las áreas organizacionales que presentan más comportamientos éticamente cuestionables, el 24% de los encuestados mencionó el área de operaciones/producción y el 22% señaló el área de servicio al cliente y ventas. Cuando se les preguntó sobre el tipo

de fraude cometido con más frecuencia, el 35% de los encuestados señaló el desvío de activos - robo de dinero, el 26% indicó el desvío de activos - pérdida o daño de inventario, y el 5% mencionó el fraude financiero - reconocimiento fraudulento de ingresos y gastos. Finalmente, cuando se les preguntó sobre el posible motivo que tenían estos empleados para cometer el comportamiento éticamente cuestionable, el 53% de los gerentes de empresas señaló "oportunidad", el 27% de los encuestados mencionó "ambición/avaricia", y el 13% de los participantes se refirió a "presión para alcanzar objetivos". La presión para lograr ventas, crecimiento y ganancias consistentes y continuas en las organizaciones induce a las personas a sobrepasar los límites en cuanto a los límites sociales, éticos y legales.

El contexto de ventas es especialmente competitivo, ya que a menudo se configura para que los vendedores compitan entre sí por bonificaciones, días de vacaciones adicionales o comisiones en una especie de situación de suma cero. El contexto competitivo y las altas demandas de cuotas en los departamentos de ventas pueden instigar comportamientos éticamente cuestionables en los vendedores, como se ejemplifica en el caso de Wells Fargo. Este caso es un ejemplo de un escándalo de venta cruzada, donde los empleados de ventas abrieron 2 millones de cuentas nuevas y otorgaron nuevas tarjetas de débito o crédito a clientes sin su conocimiento, con el fin de cumplir con los objetivos diarios de ventas (Tayan, 2019). Otro ejemplo de comportamiento éticamente cuestionable en el contexto de la gestión de ventas proviene de la industria farmacéutica. Un ejemplo es el caso de Valeant Pharmaceuticals, ahora conocido

como Bausch Health. La investigación reveló que los altos ejecutivos reconocieron de manera inapropiada transacciones de ingresos e incluyeron erróneamente ingresos de sus ventas que no ocurrieron. Además, no informaron el impacto material de los ingresos que recibieron de mayoristas de medicamentos después de un aumento del 500% en el precio de un medicamento que habían adquirido previamente (SEC, 2020). Otro ejemplo es el caso de Purdue Pharma, donde, para aumentar las ventas de un fármaco, los representantes minimizaron los efectos de los opioides, engañando sobre sus efectos a médicos y pacientes. Esto contribuyó al desarrollo de la crisis de opioides en los Estados Unidos (Oficina de Asuntos Públicos - Departamento de Justicia de los Estados Unidos, 2020).

Los ejemplos anteriores reflejan consideraciones importantes para estudiar el comportamiento ético en el contexto de las ventas:

1. El comportamiento éticamente cuestionable en el contexto de las ventas puede tener efectos a gran escala, con la capacidad de afectar no solo a individuos individuales, sino también a la estabilidad de toda una comunidad.
2. La presión para alcanzar objetivos de ventas puede llevar a la realización de comportamientos éticamente cuestionables.
3. El comportamiento éticamente cuestionable en las organizaciones puede observarse en diferentes tipos de industrias (como la industria farmacéutica y financiera en los ejemplos dados).

4. Para todas las organizaciones con ánimo de lucro, las ventas son los indicadores fundamentales de rendimiento, lo que significa que todas las organizaciones con ánimo de lucro son vulnerables a la toma de decisiones éticamente cuestionables.

Con la responsabilidad de tener un excelente rendimiento en ventas y las presiones del contexto, es fácil para un gerente de ventas pensar que la forma fácil de obtener ingresos adecuados es a través de comportamientos éticamente cuestionables. Sin embargo, el número de ventas y el comportamiento ético no necesariamente están opuestos, ya que se ha encontrado que el comportamiento ético ayuda en la generación de ganancias a largo plazo (Ferrell, Fraedrich y Ferrell, 2011). McClaren (2013) afirmó que "el juicio moral de los vendedores está positivamente relacionado con su rendimiento en las ventas ..." (p. 105). Variables relacionadas con la cultura organizacional, el clima ético y la evaluación del desempeño y la recompensa ayudan en la minimización o promoción del comportamiento éticamente cuestionable (McClaren, 2013). Dado que las comisiones y recompensas son una gran parte del ingreso de los vendedores, es importante comprender cómo los incentivos ofrecidos para mejorar el rendimiento en las ventas pueden promover o disminuir el comportamiento éticamente cuestionable.

En los negocios, se reconoce que el autointerés es un motivador clave para los gerentes (Harrell & Harrison, 1994; Harrison & Harrell, 1993). Además, los gerentes tienden a tener motivos de autopreservación cuando su sustento está en

peligro (Karni & Schmeidler, 1986). Cuando un individuo percibe una amenaza, recurre al uso de un conjunto de respuestas que ayudan a racionalizar, justificar o desplazar la culpa por comportamientos que podrían considerarse como éticamente cuestionables, esto es lo que Bandura (1986) llamó desentendimiento moral.

Los mecanismos de desentendimiento moral implican el uso de heurísticos cognitivos para minimizar las consecuencias percibidas y la responsabilidad por las acciones cometidas, como culpar a la víctima, difundir la responsabilidad y trivializar el impacto o las consecuencias. El uso de los mecanismos de desentendimiento moral se puede observar en intercambios verbales y escritos sobre comportamientos cuestionables y decisiones de los gerentes en las organizaciones. Por ejemplo, se culpó a los consumidores de la industria tabacalera, quienes atribuyeron problemas de salud a los fumadores mismos por inhalar demasiado profundamente (Johnson & Buckley, 2015). Como ejemplo de difusión de responsabilidad, el CEO de Volkswagen comunicó al renunciar: "Estoy haciendo esto en interés de la empresa aunque no tenga conocimiento de ninguna irregularidad de mi parte" (Graham, 2015, párr. 9). Enmarcar las decisiones comerciales como simplemente dar a los clientes lo que quieren es otro ejemplo de desentendimiento de las implicaciones morales utilizadas en marketing (Kotler, 1972) y educación (Clayson & Haley, 2005).

El desentendimiento moral surge como una forma de evitar la responsabilidad o los sentimientos de culpa (Detert, Treviño, & Sweitzer, 2008). De hecho, las racionalizaciones cognitivas y los heurísticos se utilizan comúnmente durante los

procesos de toma de decisiones organizacionales (Gigerenzer & Gaissmaier, 2011), especialmente cuando es posible la pérdida de recursos (De Bondt & Thaler, 1995) y porque el 50% de las decisiones comerciales fracasan (Nutt, 1999). Por ejemplo, minimizar el impacto y subestimar el riesgo y el costo de las alternativas de decisión es un heurístico que afecta la intensidad moral (Jones, 1991) y crea distorsión y sesgo (Montibeller & von Winterfeldt, 2015). Los mecanismos de desentendimiento moral disminuyen la intensidad moral durante el proceso de toma de decisiones, lo que a su vez reduce la conciencia y la ética en las decisiones (Tenbrunsel & Smith-Crowe, 2008).

Además, ni siquiera es necesaria un amenaza de pérdida para activar estos mecanismos, ya que la potencial ganancia autointeresada también aumenta las acciones y justificaciones éticamente cuestionables. Por ejemplo, Kish-Gephart, Detert, Treviño, Baker y Martin (2014) encontraron que cuando la oportunidad de ganancia autointeresada es alta, el desentendimiento moral y el comportamiento éticamente cuestionable aumentan. Cianci, Hannah, Roberts y Tsakumis (2014) proporcionaron evidencia de que cuando existe la posibilidad de ganancia o pérdida autointeresada, hay una mayor probabilidad de que una persona tome una decisión éticamente cuestionable.

Además, cuando otras personas observan comportamientos potencialmente éticamente cuestionables, si están involucradas en sus propias ganancias autointeresadas, entonces sus juicios se vuelven más indulgentes y comprensivos (Bocian & Wojciszke, 2014). En resumen, cuando una persona enfrenta ganancias o pérdidas autointeresadas, es posible que aumente el comportamiento

éticamente cuestionable (Kish-Gephart et al., 2014), y para algunas personas y en ciertas situaciones más que para otras (Moore, Detert, Klebe Treviño, Baker, & Mayer, 2012).

Dado que las organizaciones modernas a menudo utilizan incentivos financieros para dirigir los comportamientos gerenciales hacia objetivos de ventas y beneficios, las situaciones de ganancias y pérdidas autointeresadas están en juego todos los días. Por un lado, los sistemas de incentivos financieros son una respuesta racional al problema de la agencia en las organizaciones, es decir, los gerentes (agentes) son contratados por los accionistas para administrar el negocio en beneficio de los propietarios. Los esquemas de incentivos adecuados garantizan que los comportamientos y decisiones de los agentes/gerentes beneficien financieramente a los propietarios (Jensen & Meckling, 1976). Por otro lado, la investigación sugiere que los incentivos organizacionales establecen el logro de un objetivo, lo que a menudo conlleva consecuencias no deseadas, efectos secundarios no anticipados y costos externalizados (Kerr, 1975). Cuando el trabajo y los ingresos de un vendedor dependen de alcanzar métricas de rendimiento en el trabajo, la presión para encontrar formas de cumplir con esos objetivos se intensifica, y la búsqueda de formas de externalizar costos aumenta. En el caso de Wells Fargo, por ejemplo, la intensa presión sobre los gerentes bancarios para aumentar el número de cuentas por cliente resultó en métodos creativos para abrir múltiples cuentas para familiares, amigos y clientes locales que no eran necesarias, desarrolladas y abiertas sin el conocimiento del titular de la cuenta (Tayan, 2019).

¿Cómo pueden las organizaciones contrarrestar las consecuencias no deseadas de los incentivos autointeresados comúnmente utilizados que tientan a los vendedores y gerentes hacia comportamientos éticamente cuestionables que pueden justificar a través de mecanismos de desentendimiento moral (Cianci et al., 2014; Kish-Gephart et al., 2014)? Basándose en el modelo de Bandura y la investigación posterior, una forma de reducir la desentendimiento moral es identificar el daño potencial a otros durante la toma de decisiones. Por ejemplo, McMahon y Harvey (2007) muestran que la conciencia de la probabilidad y magnitud de los efectos dañinos en otros mejora el juicio ético. Esta información se ajusta con la teoría de gestión de stakeholders, que establece que "cualquiera que sea el objetivo final de la corporación u otra actividad empresarial, los gerentes y empresarios deben tener en cuenta los intereses legítimos de aquellos grupos e individuos que pueden afectar (o ser afectados por) sus actividades" (Freeman, Wicks, & Parmar, 2004, p. 365). Por lo tanto, incluir los intereses y costos para múltiples stakeholders durante la toma de decisiones es importante porque aumenta la conciencia de las consecuencias morales de la decisión. Entonces, cuando una persona discierne las ventajas y desventajas para cada stakeholder, puede garantizar de manera proactiva un equilibrio en la calidad, legalidad y ética de las decisiones organizativas y comerciales (Freeman, Harrison, Wicks, Parmar, & De Colle, 2010) cuando se consideran los beneficios y costos de todos los stakeholders.

Se deduce que los vendedores y gerentes que son hábiles para entender las perspectivas de otras personas están mejor equipados para incluir plenamente la perspectiva de múltiples stakeholders en su proceso de toma de decisiones comerciales. Se ha encontrado que la toma de perspectiva juega un papel significativo en la reducción del comportamiento éticamente cuestionable (Batson, et al. 2003; Cojuharenco & Sguera, 2015; Ilies, Guo, Lim, Yam, & Xinxin, 2019), aunque las investigaciones realizadas para comprender la relación entre la toma de perspectiva y el desentendimiento moral se han desarrollado en contextos diferentes al contexto empresarial o de gestión de ventas (Stanger, Backhouse, Jennings, & McKenna, 2018). Por esta razón, la toma de perspectiva de stakeholders por parte del gerente de ventas puede ser un aspecto que pueda oponerse a las fuertes repercusiones de los incentivos autointeresados en la activación de los mecanismos de desentendimiento moral.

Además de la toma de perspectiva, la empatía hacia los demás es otro factor que está correlacionado con la conciencia de problemas morales y acciones éticas (Singer, Mitchell, & Turner, 1998). Debido a que la toma de perspectiva y la empatía están estrechamente relacionadas, es probable que la preocupación empática por los demás aumente cuando los vendedores y gerentes invierten tiempo evaluando los beneficios y costos para múltiples partes interesadas con intereses competitivos en relación con las decisiones financieras comerciales. La investigación previa muestra que la toma de perspectiva y la empatía están correlacionadas con la ética, pero también muestran efectos independientes (Longmire & Harrison, 2018). Por esta razón, es importante saber cómo la toma de

perspectiva de los stakeholders por parte del gerente se relaciona con su empatía hacia los stakeholders en un contexto de gestión de ventas, específicamente frente a decisiones en las que podría ocurrir una pérdida potencial de ingresos personales, ya que esta es una situación común que enfrentan diariamente los vendedores y gerentes. Por lo tanto, esta disertación propone un efecto moderador de la toma de perspectiva de los stakeholders en la relación entre una situación tentadora (una pérdida potencial de ventas que afecta los ingresos personales) y la activación de los mecanismos de desentendimiento moral en un contexto de toma de decisiones empresariales. Además, dado que la preocupación empática por los demás a veces se mezcla conceptualmente con la toma de perspectiva, la empatía se prueba por separado del constructo de toma de perspectiva de los stakeholders en un modelo de mediación moderada (Muller, Judd, & Yzerbyt, 2005).

La literatura reciente diferencia el funcionamiento psicológico y neurológico de la empatía y la toma de perspectiva, de tal manera que la empatía se considera principalmente un proceso emocional y automático, y la toma de perspectiva se considera un proceso cognitivo selectivo que requiere un esfuerzo intencional que no siempre ocurre (Maibom, 2020; Shamay-Tsoory, 2009). Esta disertación pretende contribuir al campo al aclarar el papel de la empatía y la toma de perspectiva en el uso de los mecanismos de desentendimiento moral. Conceptualizar la empatía como un proceso automático implica que debe considerarse como un mediador del impacto de la pérdida autointeresada en el uso de los mecanismos de desentendimiento moral, de tal manera que en niveles

más altos de riesgo de pérdida autointeresada la empatía es menor; y en niveles bajos de empatía el uso de los mecanismos de desentendimiento moral es mayor. Por otro lado, teniendo en cuenta que la toma de perspectiva requiere un esfuerzo intencional que no siempre está presente, se debe considerar si la toma de perspectiva modera el impacto de la pérdida autointeresada en la empatía, de manera que cuando la toma de perspectiva está presente, el efecto de la pérdida de interés propio en la empatía se debilita.

Lo más importante, con respecto al desentendimiento moral, es que se observado que la activación de estos mecanismos difiere según el contexto y la situación (Jackson & Gaertner, 2010; Leidner, Castano, Zaiser, & Giner-Sorolla, 2010; Sharma, 2020), pero los mecanismos de desentendimiento moral no han sido estudiados suficientemente en el contexto de ventas. En algunos contextos empresariales, como las situaciones de ventas, ciertos mecanismos de desentendimiento moral pueden activarse mientras que otros no lo hacen; esto es algo que no ha sido investigado empíricamente a fondo. Por lo tanto, la contribución principal del estudio actual es identificar qué mecanismos de desentendimiento moral se activan más en el contexto específico de la gestión de ventas, que es una función central en todos los negocios, y examinar el proceso por el cual estos mecanismos se intensifican o disminuyen.

La investigación previa muestra que el comportamiento ético está altamente influenciado por el supervisor/líder en roles de poder en culturas y contextos de alta distancia de poder (Marasi, Bennett y Buden, 2018; Treviño, Butterfield y McCabe, 1998). Además, que características de la organización, como su

estructura o la forma en que se perciben las relaciones entre los empleados y sus jefes, afectan el uso de mecanismos de desentendimiento moral (Barsky, 2011; Claybourn, 2010). Por lo tanto, esta investigación busca estudiar posibles interacciones entre la distancia de poder percibida y la desentendimiento moral para avanzar en la investigación aplicada y la práctica sobre cómo reducir la desentendimiento moral en el contexto de la gestión de ventas que puede resultar en comportamientos no éticos. Dada la prevalencia de este tipo de problemas para empresas como Wells Fargo, la importancia práctica es oportuna. Estos hallazgos de investigación pueden proporcionar nuevas implicaciones y estrategias para que los gerentes reduzcan los mecanismos de desentendimiento moral impulsados por las intensas presiones del contexto de ventas. Por ejemplo, podría haber varias implicaciones para los sistemas de gestión de talento humano. Primero, si se descubre que los mecanismos de desentendimiento moral tienen más probabilidades de activarse en contextos de alta distancia de poder, podría ser una intervención eficaz desarrollar y fortalecer el comportamiento ético entre los gerentes y líderes en la organización seleccionando líderes basados en rasgos y valores éticos, estableciendo metas y mecanismos de recompensa para el comportamiento ético por parte de los empleados y apoyando la privacidad y seguridad de los denunciantes, entre otras opciones. Además, si el enfoque cognitivo de una intervención de toma de perspectiva resulta importante en la reducción de la activación de los mecanismos de desentendimiento moral, es posible fortalecer tanto los procesos organizativos como las metodologías de desarrollo de talento humano, introduciendo iniciativas específicas orientadas a

involucrar las perspectivas, costos y beneficios de los stakeholders de manera más transparente en la toma de decisiones. Ambos enfoques anteriores deben informarse mediante hallazgos que revelen qué mecanismos de desentendimiento moral se activan en este contexto específico de gestión de ventas.

Para este propósito, la contribución de la investigación gira en torno a dos puntos: el primero se refiere a la identificación de los mecanismos de desentendimiento moral relacionados con los contextos de gestión de ventas, y el segundo se refiere a la influencia de la empatía por los stakeholders y la toma de perspectiva hacia los stakeholders por parte de los gerentes de ventas en la activación de los mecanismos de desentendimiento moral.

Preguntas de Investigación

Esta disertación tiene como objetivo abordar:

1. ¿Qué mecanismos de desentendimiento moral se activan en el contexto de la gestión de ventas en respuesta a una situación de riesgo de pérdida autointeresada? ¿Cómo difiere la activación de estos mecanismos cuando la persona se involucra en niveles altos versus bajos de toma de perspectiva y empatía hacia los stakeholders, o en un entorno organizacional percibido de alta o baja distancia de poder?
2. ¿Puede la toma de perspectiva de los stakeholders contrarrestar los efectos de situaciones de riesgo de pérdida autointeresada en la activación de los mecanismos de desentendimiento moral?

3. ¿Es la empatía un factor mediador entre las situaciones de riesgo de pérdida autointeresada y su efecto en el desentendimiento moral?

Chapter One: Overview of the Broader Ethical Behavioral Field

The Problem: Unethical Behavior in Organizations

There has been growing evidence of ethical failures in various companies resulting in the need to know more about the management and regulation of unethical behaviors with focus on the ethical behavior of the leader, the awareness of the internal moral compass, and effectively managing the distrust that results from ethical failures (De Cremer, Tenbrunsel & van Dijke, 2010). So, it is pivotal to understand why people behave unethically based on their self-interest in the short term, and how to reduce unethical behavior. In the organizational context, unethical behaviors strain the reliability and profitability of those companies. Unethical behaviors in organizations have a negative effect in the organization and in the society at large because these behaviors create financial and reputational damage in multiple ways (De Cremer & Vandekerckhove, 2017). In this section, I will briefly review the research on unethical behavior in organizations, as the contextual problem and field of research this dissertation addresses.

In the field of business ethics two traditions have emerged: the normative or prescriptive tradition and the behavioral or descriptive tradition (Alzola, 2011; Kolb, 2018; Treviño & Weaver, 1994). The normative tradition in business ethics emphasize on how people ought to behave and how organizations should be managed. This perspective has been developed with the aid of ethics philosophers and theologians, who apply their knowledge in ethics in the field of business management. Purnell and Freeman (2012) specify that business strategy lead

through a normative perspective emphasizes stakeholder's values, interests and mindset, rather than profit. This perspective has three important elements: a philosophical factor, a theoretical factor, and a managerial factor. The philosophical component of the normative perspective justifies the use of a stakeholder perspective. The theoretical component guides the activities of an organization. The managerial component guides in dealing with the stakeholders in a practical sense, since the way a person thinks is influenced by language and conceptual schemes (Purnell & Freeman, 2012).

This normative or prescriptive tradition evaluates if an action is right, just, or fair, and states that each person is autonomous and responsible of his actions and its consequences (Trevino & Weaver, 1994).

The behavioral tradition addresses how people behave and how organizations conduct decisions (Alzola, 2011). Their academic basis comes from the social sciences like sociology, psychology, or anthropology (Kolb, 2018). This behavioral tradition is focused on describing the behavior so that ethical choices and the processes developed by a person in order to make decisions can be studied by focusing on internal and contextual factors (Trevino & Weaver, 1994). This position has been developed by scholars in management and business schools, who have received training in social sciences.

While the normative approach addresses the inquiry of what should be, and contrasts the ideal with the reality (Treviño & Weaver, 1994), the behavioral approach responds to the question of what is reality now; in other words, it describes the actual behaviors. Also, the normative traditions reflect on the moral

judgements in the context of business ethics, so it can decide whether a situation is good or bad, or right or wrong, whereas the behavioral tradition stresses the importance of testing predictions in a given situation. Additionally, the goal of a normative approach is to find a reflective equilibrium, while on the contrary a descriptive/behavioral approach looks to solve business problems (Alzola, 2011).

These two traditions developed into two types of ethical decision-making models: the descriptive models and the normative-based models. These models differentiate the factors that influence the decision-making process: the normative based models take into account moral theories or normative beliefs, whereas the descriptive based models take into account factors such as professional codes, corporate policy, judicial system, licensing requirements, personal characteristics (such as personality traits, beliefs, moral character or ethical sensitivity), professional, cultural and industry environment, along with various other contextual and psychological factors (Alkhatib & Abdou, 2018).

Through the normative perspective, ethics is an evaluative term. On the other hand, the behavioral tradition treats ethics as a descriptive process of the behavior of a person facing a decision that frames a moral matter.

These two traditions understand human nature differently, while the normative tradition states humans as autonomous beings, the descriptive tradition sees humans as strained by external forces such as the law (Kolb, 2018). Because of their different views about humans, their research methodologies differ as well: the normative view comes from a prescriptive perspective that emphasizes the importance of rational discussion of moral judgements and conceptual analyses,

meanwhile the behavioral view that comes from a descriptive tradition draft hypothesis in order to test their predictions against an observation previously made (Alzola, 2011; Freeman et al., 2010, Werhane, 1994).

These two conceptualizations suggest the view that a business can be understood from one perspective or the other (Alzola, 2011; Freeman et al., 2010; Purnell & Freeman, 2012). But this understanding is not quite right since there is not an objective and empirical business ethics; in one way, there cannot be an unadulterated observation or description of behavior, since this description would be value-laden, the same way normative assumptions are seen in scientific theories (Werhane, 1994). This implies that value creation within a business encompasses both economic and ethical dimensions due to several reasons: the focus extends beyond merely amassing wealth to its equitable distribution, indicating an interconnection between facts and values; significant studies are both descriptive and normative in nature; and the advancement of ethical theories must rest on practical assumptions (Alzola, 2011).

In this sense, it is not possible to discuss business without considering an ethical dimension and vice versa (Freeman et al., 2010). Therefore, establishing a link between business choices and ethical considerations is crucial to uphold truth and freedom, as posited by Freeman, Wicks, & Parmar (2004). As an example, there are businesses that base their identity on the ethical decisions it takes, such as the Rotary Club (Tadajewski, 2017). This case “undermines the separation thesis” (Tadajewski, 2017, p. 975) because their activities cannot be clearly labelled as business roles or social activities. In this same line, Acevedo (2012)

proposes a more humanistic viewpoint that takes into account the human and economic dimensions of business. This makes ethics an essential dimension of human behavior and economic activity.

Even though, in some cases, some business decisions have a moral dimension, or some moral decisions in the business realm are economic decisions, in some other cases business decisions don't have a moral dimension and moral decisions don't have an economic dimension. In other words, there can be " 'morally neutral' behavior that are economically relevant, and there are 'economically neutral' decisions that are still morally relevant" (Alzola, 2011, p.29). An example of the former is when one is deciding on whether to have blue or white uniforms, or decisions that concern packaging design, location planning, or inventory levels. An example of the latter concern examples of bribery; when a person decides not to pay a bribe in order not to go to jail.

This leads to the proposition not to accept an integrationist or separationist perspective right away; it is important to acknowledge "that most businesses decisions have an implicit moral dimension and most morally relevant decisions in the business world indeed are economic decisions" (Alzola, 2011, p.29). However, this distinction significantly diverges from the assertion that all businesses possess a moral aspect or that every ethical decision encompasses an economic facet (Freeman et al., 2010). This means that behavioral and normative perspectives in businesses are not legitimately related with a separation or integration approaches. Here, a reconciliatory approach is proposed. So, by working with both perspectives it is possible to not have a neutral management science and to develop normative

theories connected to the knowledge developed in the areas of psychology and sociology. To effectively engage with both perspectives, it is crucial to acknowledge the limitations of one perspective in relation to the other; specifically, the behavioral constraints on normative theorizing and the normative constraints on behavioral theorizing (Alzola, 2011). If people address these constraints between normative and descriptive theorizing, then the reconciliatory approach would be much useful to understand an ethical related situation. Regarding the behavioral constraints on normative theorizing, Werhane (1994) states that normative analyzing needs to take into account “tradition, culture, and context” (p. 177) like behavioral analyzing does. Although some philosophers might argue that what they are looking for is to develop perspectives that are impartial and generalizable, the author states that “no normative stance, no value, standard, principle, or ideal is purely general, absolute, contextless, or ahistorical” (p. 177). On the other hand, regarding the normative constraints on behavioral theorizing, Werhane mentions that it is important for behavioral analysis to acknowledge that it is not possible to achieve a perfectly impartial perspective through the observation and description of behavior because “the position of the observer affects, necessarily affects, what is to be observed, how it is observed, and thus the behavior of this object of analysis” (p. 177).

As De Cremer and Vandekerckhove (2017) would state, prescriptive approaches put a strong emphasis on individual adjustment of behavior according to an ideal, which in turn sometimes result in an underestimation of contextual or situational factors. On the other hand, descriptive approaches tend to identify

psychological and contextual elements present in unethical behavior phenomena, or as Moore and Gino (2013) label them: intrapersonal and interpersonal causes of unethical behavior in organizations.

De Cremer, et al. (2010) state that a problem with the prescriptive or normative approach is that it does not generate knowledge towards why sometimes leadership, rules, and trust management are effective and other times not effective in promoting ethical behavior in the organization. This dissertation research is focused on providing an applied contribution to managers so that they can better understand and avoid the activation of moral disengagement mechanisms to prevent the development of unethical behavior. For these reasons, a reconciliatory approach is adopted, so this investigation takes into account the perspective of stakeholders in the sales management context, adopting a part of the analysis suggested by the normative approach, as well as an empirical explanation taking into account situational factors that have an effect on the ethical decision making suggested by the behavioral or descriptive perspective. This proposal aims to investigate psychological and situational mechanisms that affect the activation of moral disengagement mechanisms so as to avoid such activation.

The focus on the factors that can enable ethical decision making processes comes from the observation that good people can commit an ethical failure given certain circumstances (De Cremer and Vandekerckhove, 2017). Therefore, the fact that it is important to focus on how people process moral information and the mistakes the process could possibly have, gives way to a psychological element in the analysis of the ethical decision making, where the focus on cognitive, affective,

and motivational processes accompanies the explanation for undertaking in unethical behavior. In this light, Moore and Gino (2013) understand unethical behavior from two reasons: “*intrapersonal reasons* (caused by human cognitive limitations) and *interpersonal reasons* (caused by the influence of others)” (p. 55). Therefore, intrapersonal causes are viewed as internal influences, shaped by psychological elements, whereas interpersonal causes arise from an individual's interactions with others. This information is more thoroughly reviewed in the next chapter.

Intrapersonal Influences on Unethical Behavior

Regarding the intrapersonal causes of unethical behavior, De Cremer and Vandekerckhove (2017) detail “a number of psychological processes that influence people to show unethical behavior even if it contradicts their personal beliefs about ethics. The processes are: moral disengagement, framing, anchoring effects, escalation effects, construal level, and should-want self” (p. 442). Each of these processes are very briefly described here.

Moral disengagement can be understood “as an individual’s propensity to evoke cognitions which restructure one’s actions to appear less harmful, minimize one’s understanding of responsibility for one’s actions, or attenuate the perception of the distress one causes others” (Moore, 2008, p. 129). Concerning a related concept, framing pertains to the cognitive representation of a situation by an individual. The scenario most frequently examined involves the distinction between loss and gain; it has been observed that self-interest exerts a greater influence when individuals

are confronted with potential losses. Losses are perceived as more disagreeable than the pleasure derived from gains, prompting individuals to undertake risky, and frequently unethical, actions to evade the discomfort associated with loss (Kahneman and Tversky, 2000).

Another situation under the framing phenomenon is the anchoring effect. This effect states that the information available to a person at the time will influence the judgements and decisions made by said person (De Cremer & Vandekerckhove, 2017). In a related manner, Kahneman (2012) mentions that the anchoring heuristic can be observed when a person uses previous information to judge something, whether this information is true or false. This effect can be also known as the anchoring-adjustment effect, which is a rational process a person develops in order to estimate quantities related to each other, in other words, is when a person gives a certain quantity the first time and the second time the quantity given is based on the first given response. This phenomenon is referred to as anchoring because an individual's subsequent responses are influenced by the initial answer, serving as an anchor. The process of adjustment is noticeable as the individual seeks to differentiate their following responses from this anchor through rationalization. Additionally, the anchoring effect is closely associated with the concept of priming, wherein prior information, irrespective of its accuracy, is considered in an automatic and unconscious manner, shaping subsequent judgments and decisions.

In order to substantiate the existence of this heuristic, Kahneman (2012) points out to an experiment: the author first established a context where there was given

information about an environmental harm inflicted on the Pacific Ocean by petroleum-carrying ships, specifically about some sea birds that nest near the dumping side of the ships, then the author proceeded to ask if the participant was willing to make an annual contribution to save the birds until there was a way to prevent the dumping or to make those responsible for the dumping accountable for the damages. The author used two situations to make the anchor evident: in one situation the author asked if the person was willing to donate 5 dollars; in the other one the author asked an open-ended question that stated how much the participant would be willing to donate. In the first situation people tended to offer a mean of 20 dollars, whereas in the second situation people tended to offer a mean of 64 dollars. In a further development of such experiment, the question was reformulated to invite the donation of 400 dollars, and here the mean was around 140 dollars (Kahneman, 2012).

In the same line, Bergman, Ellingsen, Johannesson, and Svensson (2010) developed an empirical approach to show that the anchors have an impact on economic behavior, and to understand how the anchors are related to independent measures of the person's cognitive skills. Here the participants were presented with a certain number of purchase items along with their descriptions, then they were asked if they would pay for those items more or less than the two last digits of their social security numbers. It was found that people tended to consider the two last digits in order to make their decision, and that people who were more intelligent were able to mitigate the bias. Thus, the anchoring heuristic helps unfair and irrational decision-making because the process requires for people to consider

arbitrary or irrelevant information in the decision-making process, and this would prompt the development of unethical behaviors more easily (Kahneman, 2012).

On another line, Higgins (1987) develops the concept of should-want selves (in other words, the ideal self and the ought self). This concept characterizes an incongruence that exists between what we really want to do and what we morally must do. The want self, or the ideal self, is characterized as being based on people's emotions and affective impulses. On the other hand, the should self is characterized as rational. It has been observed that the should-self becomes activated when considering situations in the long term and the want-self becomes activated when considering situations in the short term. According to De Cremer and Vandekerckhove (2017), the aforementioned psychological processes strongly suggest "that behavioral ethics researchers need to devote attention to the automatic and egocentric biases or heuristics that influences individual's behavior" (p. 445).

Thus far different psychological processes have been exposed that can facilitate or delay the development of unethical behaviors. Moral disengagement processes, the anchoring effect, and the should-want self processes point out to the importance of considering the effects of cognitive mechanisms (conscious or unconscious) to produce unethical behaviors. These mechanisms are transformed through the relations the person has with the individuals that comprise his/her social context and the interactions developed in those relations, and the neurological mechanisms that allows it. The following sections elucidate how cognitive mechanisms can predispose individuals to unethical actions by

highlighting the relationship with the context, emphasizing the actions' intensity and the time required to witness a significant effect. These mechanisms are identified as the escalation effect and the construal level effect, respectively.

The escalation effect posits that for a person to engage in unethical behavior it has to gradually grow in its intensity; that is, if the behavior is high in its intensity at first, then the person won't perform it, but if the behavior grows in intensity, since the first one was not that intense, then a person would more probably perform it. In this way, "many unethical decisions and actions grow slowly into existence, and this escalation process itself is not noticed consciously" (De Cremer & Vandekerckhove, 2017, p. 444).

On the other hand, Trope, Liberman and Wakslak (2007) state that the Level Construal Theory refers to how psychological distance drives the evaluation of an object, so the more psychologically distant the event, more abstract details will come to represent it. So, when the event is near, a low-level construal process engages that uses contextualized and rich in detail information to form an evaluation of an object, and when the event is distant, then a high-level construal effect engages that uses abstraction when using decontextualized information to form an evaluation of an object. This psychological distance is given due to temporal or spatial distance of the event, the social distance we tend to have with another person, and the probability of the occurrence.

This means that the construal level effect refers to when the estimated distance of the occurrence of the event affects how the person decides and judges said situation; that is, self-interest influences more people decisions and judgements in

the short term rather than in the long term. Since acts in the distant future are depicted with less specific details, then it is easier for an individual in this situation to think of it according to moral guidelines. On the contrary, events in the near future have more details, with this much information egocentric tendencies tend to appear guiding the decision-making process (De Cremer & Vandekerckhove, 2017).

In relation with this effect, the forecasting error points out to a bias where people tend to overestimate their propensity to act morally and underestimate their predisposition to perform cruel or deviant behavior. This makes people biased when predicting their behavior in the future, since according to this, the tendency is for people to predict their behavior to be in accordance to ethics than they will actually do (De Cremer & Vandekerckhove, 2017). The research primarily investigates the mechanism of moral disengagement, thus a detailed review of this concept is provided.

Moral Disengagement

These mechanisms refer to the cognitive effort a person requires in order to use cognitive heuristics to minimize the consequences and effects of their behaviors. In this line, the person has to rearrange his/her cognitions in order to understand its actions and consequences as less harmful, or to minimize the understanding the person can generate of the responsibility he/she has in the actions performed, or diminish the perception of discomfort its actions can generate in others. So, this process allows people to not feel guilty in doing an unethical behavior (Bandura,

1999; De Cremer & Vandekerckhove, 2017). In the corporate research practices, finding the use of moral disengagement mechanisms can be a major danger, since corporate industries can persuade the government to enact policies that can be financially beneficial to them (Johnson & Buckley, 2015).

The execution of moral disengagement mechanisms needs for the halt of moral self-regulatory processes (Johnson & Buckley, 2015). Bandura (1999) states that moral self-regulatory processes allow individuals to self-regulate their behavior in accordance with their internalized moral rules. Johnson and Buckley (2015) point out that these moral rules are a result of the person's upbringing, considering specifically the values, beliefs and norms deemed important in their interaction with society and their developmental experiences. Additionally, these authors state that the self-regulation process needs for the person to consider the impact of socially enforced consequences and self-imposed sanctions, so that this reflection leads to a reward and avoid a punishment. Nonetheless, these self-regulation practice can be halted using moral disengagement mechanisms as cognitive processes (Bandura, 1999).

This information suggests that there is a higher probability of the enactment of unethical behavior when the mechanisms of moral disengagement become activated. In this line of thought, Moore et al. (2012) established a measure to understand the propensity of a person to morally disengage in relation to considerable unethical behaviors in organizations. The authors found that "the propensity to morally disengage predicts several outcomes (self-reported unethical

behavior, a decision to commit fraud, a self-serving decision in the workplace, and supervisor -and coworker- reported unethical work behavior)” (p. 1).

Bandura (1999) identifies eight mechanisms of moral disengagement that are triggered in response to moral self-sanctions, detaching itself from the detrimental consequence of the actions committed. These mechanisms affect the self-regulatory process in three general ways: through cognitive reconstruction, by obscuring or distorting, and by means of blaming and dehumanizing.

Cognitive reconstruction refers to the twisting of the actions of unethical behavior so that the person erases the moral dilemma from the situation (Johnson & Buckley, 2015). This group consist of three mechanisms: moral justification, euphemistic labelling, and advantageous comparison. These mechanisms involve cognitive misconstruction of unethical behavior in a way that facilitates the moral acceptability of the unethical action. For example, when a father justifies the killing of his daughter in order to preserve the family’s honor, he is engaging in moral justification. Euphemistic labeling is the use of morally neutral language when referring to reprehensible conduct; for instance, using the term social cleansing when referring to the killing of people. Finally, advantageous comparison refers to when a person compares an unethical behavior with an even worse reprehensible conduct, so as to make the first one look less harmful, one example is when a person justifies his stealing behavior by saying that stealing is better than kidnapping or murdering (Bandura, 1999; Detert et al., 2008).

Obscuring and distorting mechanisms make reference to the reduction of consciousness of the relation between unethical actions and its consequences, in

such a way that it reduces the experience of negative emotions, so moral self-sanctioning mechanisms don't get triggered (Detert et al., 2008; Johnson & Buckley, 2015). The mechanisms that comprise this group are: displacement of responsibility, diffusion of responsibility, and the distortion of deleterious consequences. For example, when a soldier argues that he has done what he has done because it was an order, he is using displacement of responsibility. On the other hand, when a person is in a group, he/she has a lower inclination towards responsibility, since his/her responsibility gets diffused in the amount of people that form the group. For example, a person in a group of people that witnesses someone being robbed diffuses its responsibility of his inaction by stating that others in the group are also equally responsible of doing something. Finally, when a spokeswoman from a major Tuna brand said that it was not dangerous to eat more than 1 mg/kg of mercury because this estimation was over-regulated by the government, she was distorting the deleterious health consequences of eating mercury in amounts larger than what the body can resist.

Blaming and dehumanizing mechanisms visualizes victims as sub-humans and can blame them for the negative outcomes, so the person reduces the moral sanctions of his/her reprehensible behavior by reducing identification with the targets of harmful acts (Detert et al., 2008). It consists of two mechanisms: dehumanizing and attribution of blame (Johnson & Buckley, 2015). It is frequently seen that in a war context soldiers often dehumanize their enemies in order to be able to kill them. Also, when a man says that he raped a woman because she was wearing a sexy outfit, he is blaming her for the negative outcome.

It has been found that these mechanisms of moral disengagement become activated selectively depending on the situation and the attitudes and beliefs of people. For example, Jackson and Gaertner (2010) wanted to know if Right Wing Authoritarianism (RWA) and Social Dominance Orientation (SDO) had an effect on war support through the mediation of moral disengagement mechanisms and understand if these ideologies used mechanisms differently. This interest comes from the observation that certainty of the independent function of the mechanisms of moral disengagement is limited. The authors propose that those with attitudes closer to RWA were more likely to disengage by morally justifying their actions since those with high RWA view the world as a dangerous place full of threats and are motivated to protect the stability and security of their social conventions. Also, this group of people might be more apt to morally disengage through the diffusion of responsibility given their keen submission to authorities and support of aggression when sanctioned by authorities. On the other hand, those high on SDO are more likely to support war by engaging in the minimization of perceived consequences. Also, given the view of the world of these group of people as a zero-sum struggle and the motivation to maintain dominance, they might employ the dehumanizing or blaming the victim mechanism in order to support war. The authors found that:

(...) for RWA, hypotheses involving moral justification were confirmed but hypotheses involving responsibility reduction were disconfirmed. In both studies RWA was more strongly associated with moral justification than with either minimizing consequences or dehumanizing blaming victims (...) For SDO,

hypotheses involving dehumanizing-blaming victims were confirmed but hypotheses involving minimizing consequences were disconfirmed (p. 244 – 245).

In a similar line, Leidner et al. (2010) wanted to know what aspects of ingroup identification can lead people to resist justice for the victims of the ingroup's mistreatment. For this, they took into account two mechanisms of moral disengagement that consider perceptions of the out-group: "diminishing of the victims' psychological reality of pain and suffering (emotional minimization) and considering the victims as less than human (dehumanization), which in turn result in their exclusion from the scope of justice" (p. 1116). The authors found that when there was ingroup glorification, emotional minimization, and explicit dehumanization, there was less justice for the victim. This relation became even more prominent when participants had a social dominance orientation (SDO).

Furthermore, Sharma (2020) wanted to study the individual differences of tourist's morality and how tourists morally engage with death. This investigation used a qualitative approach in order to understand the morally transgressive behavior displayed by tourists in India, in the burial sites, and the justifications they use in order to portray such behavior. It was observed that tourists use different mechanisms of moral disengagement. The author states that the most used moral disengagement mechanisms were euphemistic labeling, moral justification, dehumanization, and misrepresenting consequences, while the others were exhibited in a much lower frequency. The moral disengagement mechanism of attribution of blame was found to be missing in the tourist narratives. Regarding euphemistic labelling, the author found out that language is changed by marketers

in the touristic guides in order to present death in an aesthetically pleasing manner. So, euphemistic labelling is used to influence tourist behavior on the touristic packages offered. In the case of moral justification, this mechanism becomes evident in the narratives of local professional death photographers and in tourist that photograph the death. Therefore “moral justification occurs both ways during a tourist-host encounter, where the local tout tries to morally justify taking money and tourist tries to morally justify taking photographs” (p. 286). With respect to dehumanization, this moral disengagement mechanism was placed in the recipients of the unethical act, “the strength of moral self-censure in tourist behavior depends on how the tourist perceives the destination and the host” (p. 286). In this case, the people performing the death-rituals were considered to be freaks and dangerous to others. Finally, misrepresenting consequences was evidenced in the tourists taking the photographs by saying for example *I took photos of only the fires, not the dead bodies*.

In a more organizational context, Huang, Greenbaum, Bonner, and Wang (2019) wanted to know why employees that work on client service, when feeling mistreated, sabotage the customers instead of turning the other cheek. The authors state that when a customer mistreats an employee this last one becomes hostile and then activates automatic cognitions in the form of devaluation of targets, a specific mechanism of moral disengagement. They base on the social intuitionist approach, which states that “people’s reactions to morally charged events can involve intuitive, emotional reactions that spark automatic moral cognitions” (p. 497). So, it is possible to activate only one mechanism of moral

disengagement if the reactions to moral events are automatic, but, if the reactions are not automatic but well thought of, then it wouldn't be possible to activate just one mechanism of moral disengagement. With this in mind, the authors developed a model where the devaluation of targets is the mediated variable for the relation between hostility felt by the employee and customer directed sabotage, and ethical climate in the organization was the moderated variable. In a correlational study, the authors found that indeed the devaluation of targets mediated the relationship between hostility and sabotage. In an experimental study the mediation of the devaluation of targets was significant as well, so the authors conclude that this research helps to shed light on how the mechanisms of moral disengagement work and support evidence for the fact that the various facets of moral disengagement might operate differently in terms of predicting immoral conduct.

While there is extensive literature on how moral disengagement occurs in general contexts, it is important to deepen the knowledge of moral disengagement occurrence in organizational contexts, as this may result in more focalized and effective action/intervention (Johnson & Buckley, 2015). In the sales management context specifically, McClaren (2013) states that there is still more work needed in the development of predictive theory of sales ethics based in ethical-decision models. So, it is important to understand how the moral disengagement mechanisms work in the sales management context in order to understand the conceptual foundations evidenced in ethical decision making models for this context specifically.

Within organizations, when studying the concept of moral disengagement it is not only important to stress its relation to variables as unethical decision making or job performance, but it is also important to take into account the opportunities in the context in which moral disengagement processes takes place, or in other words the temptation opportunities the context offers. Kish-Gephart et al. (2014) mention that there is a type of situation that is the most probable to lead to a moral disengagement process. The authors refer to these situations as situations high in opportunity for self-interest gain. This idea refers to a situation where a person has a high probability of gaining something for himself/herself. Since a person is always seeking reward and avoiding pain, when confronted in a situation with high opportunity for self-interested gain, this person engages in moral disengagement processes in order to achieve self-interest outcomes and maintain the appearance of morality, hence performing unethical behavior.

As stated, moral disengagement rises during a social and interpersonal exchange, thus it is present in different organizational interactions and in different levels, both inside and outside the organization. Specifically, the contexts in which performance pressure and financial incentives exist are more likely to be affected by unethical behavior and moral disengagement reasoning (Johnson & Buckley, 2015). Thus, in order to understand better the mechanisms of moral disengagement, it is essential to learn more about tempting situations that can enable them.

Acting Based on Self-Interest

The focus on self-interest in organizations arose thanks to the importance self-interest had regarding rational behavior in economics as a persuasive human motive. Sen (1977) stated that “the first principle of economics is that every agent is actuated only by self-interest” (p. 317). So, economic models of the time were based on egotistic behavior, which reflected a correspondence between exchange equilibria in competitive markets and the core of the economy. With this mindset, outcomes that were on the core of the economy had to accomplish certain conditions: “No one can be better off without making someone else worse-off, no one is worse-off than he would be without a trade, and that no coalition of individuals could on their own improve their own lot” (Sen, 1977, p. 319). So, traditionally, the conception of man in economic models tended to be of a self-seeking egoistic individual. This conception is related with rational choice, because a self-interested individual acts upon the norm of consistency, and a person that makes rational decision acts in the basis of consistency. Nonetheless, Sen argues against this conception, stating that it makes it impossible for the management of public goods or social welfare. So, the author proposes the practice of compassion in economic models seeing that its implementation doesn't mean a departure from rationality since compassion can also foster consistency in the choices made.

The arguments of Sen (1977) acknowledge that, when making an economically-based decision, people can act based on purely self-interest motives or they can act through compassion. Thus, it is important to know under what circumstances it is more probable for people to act based on self-interest, since the contexts in which performance pressure and financial incentives exist are more likely to be

affected by unethical behavior and moral disengagement reasoning (Johnson and Buckley, 2015).

Ross and Robertson (2003) did a study in order to understand how situational factors influence ethical decision-making. They found out that a percent of the incentive-based compensation (that is, the percentage of the gain the person is going to acquire by making the decision) has statistically significant main effects in ethical decision-making, so that the more gain a person perceives to have, the more probable the person engages in unethical behavior.

Berman and Small (2012) state that, when people choose the option that satisfies their self-interest, this decision doesn't necessarily translate in them becoming happier, this is because when there's an external imposing self-interest, people tend to experience greater happiness than when people choose freely a self-interested option over a prosocial option, so it is the trade-off between benefiting oneself rather than benefiting others that inhibits happiness gained from self-interest. This shows that, for people to be happy when deciding over a self-interested option, they need to feel that they didn't have a choice, or that they were obliged to choose like that. This is a form of external locus of control so as not to assume responsibility for the actions taken, so when people feel like they have some external factor forcing them to take the self-interested option, they feel better about making that decision than when they feel they have the liberty of making the self-interested decision and choose it.

This form of external locus of control can be associated with moral disengagement mechanisms. Baron, Zhao, and Miao (2015) studied the origins of

unethical behavior by concentrating on the motives to morally disengage. In a sample of entrepreneurs, the authors found out that the motivation to have a financial gain was positively related to the activation of moral disengagement mechanisms, while the motivation for self-realization was negatively related to moral disengagement. This is because people tend to cheat when the primary goal is performance, but not when the primary goal is mastery.

Kish-Ghepart, et al. (2014) wanted to understand the thought processes that manage self-interested motivation, so they studied how self-interested behavior activates moral disengagement mechanisms. The authors found that when there is a situation high in personal gain, but there's an explicit intention of harming another person, the mechanisms of moral disengagement did not become activated but moral standards did become activated. In the same line, the invocation of moral standards was negatively associated to the level of personal gain, and the activation of moral disengagement mechanisms was positively associated to personal gain, when there was no explicit intention of harming another person if obtaining this personal gain. So, when there is a situation high in personal gain, and there is no explicit information about harming others when taking a decision to fulfill the personal gain, then moral disengagement mechanisms become activated.

So far, it seems like situations high in self-interest happen when acquiring gains, but situations to avoid the risk of self-interest losses also happen and the literature suggest that these are even more powerful in predicting unethical behavior than gains. Reinders and DeCremer (2012) comment that many unethical behaviors happen when people are faced with the opportunity to achieve gains, but the

behavior when facing a situation where a person has a high probability of losing something for himself is not completely understood, because literature provides contradictory findings on how losses may affect unethical behavior. They propose that the effect of losses on unethical behavior depends on the interpersonal differences in the social value orientation, such as being prosocial or proself (when the person has a tendency to focus on the consequences decisions has for himself/ herself, and not on others). In order to prove their assumption, the authors did a study where they found that participants in general judged more appropriate the enactment of unethical behavior when facing a loss rather than when they were going to achieve gains, but participants classified as proselfs judged unethical behavior as more appropriate when facing a loss than participants classified as prosocials. In a second study, the authors found that, when facing a loss, proselfs were more deceptive than prosocials, but when facing a gain, there were no differences in the employment of deceptive tactics between proselfs and prosocials. This effect was maintained when the participants faced harmful conditions, so proself participants were willing to engage in deceptive behavior when facing losses in a harmful condition more than prosocial participants. This research concludes that the risk of self-interest losses was more powerful than the risk of self-interest gains in the elicitation of unethical behavior, and that this relation was even more evident in proself individuals compared to prosocial individuals.

In the same line, Leib, Pittarello, Gordon-Hecker, Shalvi and Roskes (2019) studied the effect of the risk of self-interest losses and gains on unethical behavior.

The authors discuss that there is research that has found that people violate rules and lie more to avoid the risk of having losses than to maximize gains, but the evidence is not conclusive when taking into account self-serving mistakes. So, they studied if people make more self-serving mistakes to avoid the risk of having losses than to amplify gains. They found that participants were twice as likely to make self-serving mistakes to avoid the risk of having losses than to achieve gains, and that this was not mediated by attention. That is, self-serving information does not employ more attention when facing a loss than when facing a gain, the amount of attention employed was the same when facing a loss or gain situation.

One of the characteristics of the sales management context is that they work through sales commissions. These can differ from organization to organization, but they are widely used in order to promote sales. In this context it is very easy for people to act based upon self-interest gains or the risk of self-interest losses, so it is important to study how this self-interest gains or losses can affect the activation of moral disengagement mechanisms in sales managers. Since there is information that remark that risks of self-interest losses can influence behavior more than gains, this study will only work with the risk of self-interest losses in order to understand how they activate moral disengagement mechanisms in sales managers.

When placing focus on organizational contexts, moral disengagement is a phenomenon that is inherent to social or interpersonal exchanges, and so it should be taken into account when considering such contexts (Johnson & Buckley, 2015; White et al., 2009). Thus, it is important to consider interpersonal factors when

understanding the relation between a self-interest situation and the activation of moral disengagement mechanisms.

Interpersonal Influences on Unethical Behavior

De Cremer and Vandekerckhove (2017) observe that human behavior is influenced by internal factors such as thoughts, beliefs, emotions and desires, and by external factors, such as the situation the person is engaging in. This implies that, when understanding unethical behavior in organizations, it's important to involve interpersonal considerations in the analysis. Even more so, when acknowledging how the organization's structure affects unethical behavior (Marasi, et al. 2018), and how there are models of organizational, ethical, decision-making that take into account individual and organizational factors in order to understand unethical behavior (Brass, Butterfield, & Skaggs, 1998; Treviño, 1986). It has also been acknowledged that it is important to consider as well the relationships among actors, framed in the organizational factors that have been studied (like leadership, reward systems, or norms) in order to fully understand unethical behavior, since its mainly a social phenomenon (Brass, et al. 1998). This should lead to involve characteristics of relationships among individuals to explain ethical decision making and behavior.

In this way, situational variables become important for understanding the influence the social context has in the promotion or discouragement of ethical behavior. This leads to recognize the organizational characteristics that can affect people's decision to act ethically or unethically.

The social context in which people engage can undermine or promote ethical behavior. So, it is important to understand how specific organizational settings influence's people decisions to engage in ethical or unethical behavior. A first organizational factor is the kind of industry people work in; for example, the context of the finance organizations can actually encourage dishonest behavior (Carlin & Lokanan, 2018; Pitesa, 2015). Another organizational factor is the structure of the organization; people will be more prone to engage in unethical behavior in organizations that are centralized, which, by their nature, establish greater rather than lesser distance from others (Marasi, et al., 2018). The last organizational factor concerns procedural justice, defined as the perceived fairness of the processes employed to distribute organizational resources. This perceived fairness impacts the degree of conformity or acceptance among the employees of a company. Similarly, research has highlighted how specific leadership styles can affect the ways in which subordinates morally rationalize their unethical conduct (De Cremer & Vandekerckhove, 2017).

Moore and Gino (2013) state that the way these organizational factors promote unethical behavior is through the deviation of the moral compass of the individual. The authors state that the moral compass is like the inner voice each person has that states what we should or should not do in certain situations. Unethical behavior comes from a deviated moral compass, not a missing one, because the person would notice immediately the absence of his/her moral compass, but when it is deviated, it is easy for a person to think that he/she is behaving ethically when that's not the case. This anomaly in the moral compass can come from cognitive

limitations or due to social interactions. The way social interactions change the moral compass is through neglect, moral justification, and moral inaction or immoral action.

Moore and Gino (2013) argue that neglect refers to the absence of moral awareness, through social norms – since others help to establish a standard for ethical behavior, the standards established could be immoral – or through social categorization – the classification between us and them. The authors state that there are interpersonal factors present in organizations that can help heighten the tendency to neglect: socialization (when individuals look for cues from others about the appropriate way to behave), roles (when roles guide the unethical behavior of the individual), and goals (when goal-oriented environments degrade moral behavior).

The authors also understand moral justification as the process by which individuals distort their understanding of the behavior so as to be seen as more ethical. This can be done through social comparison and self-verification. The interpersonal factors that promote this behavior in organizations all provide legitimating reasons to do wrong, and can be done through organizational identification, group loyalty, and business framing or euphemistic language.

Finally, the authors address the organizational facilitators of moral inaction or immoral action, and point out that these are social conformity, obedience to authority, and diffusion of responsibility. The interpersonal organizational factors that facilitate this behavior are the structure of the organization and the hierarchy the organization has.

From all of the above it is possible to state that unethical behavior in organizations gets promoted through contexts that promote high power distance relationships and strong hierarchies (Jain & Jain, 2018; Marasi et al., 2018; Moore & Gino, 2013; Treviño, 1986; Treviño, et al. 1998), through organizational elements that promote certain relationships between employees and between employees and the clients, like ethics codes, reward systems, and organizational culture (Cohen, 2010; Marasi, et al., 2018; Moore & Gino, 2013). Hence, it is plausible to think that some organizations promote unethical behavior through the way they persuade their employees to work with one another, the way they promote the pursuing of goals, and through the way they consider appropriate the processes by which goals are met.

It has been stated that perspective-taking is an important aspect to take into account when understanding unethical behavior in organizations, since when its present, in most of the cases, the individual acts in an ethical manner. Also, when the individual feels empathetic towards the person or situations that is being taking into account when considering performing an unethical action, then the unethical behavior is prevented. Also, power distance in organizations has also been linked to unethical behavior in organizations, when considering how people perceive they relate to their superiors, the degree of autonomy they perceive they have in their decisions and so the degree of responsibility undertaken in an unethical act. In the next chapter a more thoroughly review is presented considering these interpersonal variables and their relation with the activation of moral disengagement mechanisms.

Chapter two: Characterization of the Constructs of the Study and Hypotheses

In this chapter a review of the conceptual and empirical developments of the interpersonal factors of interest for this investigation is presented, in relation to unethical behavior and moral disengagement. First information regarding stakeholder perspective-taking is shown, then knowledge around empathy and its relation to unethical behavior and moral disengagement is detailed, finally information regarding the relation of power distance with unethical behavior and moral disengagement is stated, so as to develop the hypotheses for this research.

Stakeholder Perspective-Taking

Perspective-taking has been understood as the cognitive process of putting yourself in another person's shoes, or the process that allows you to imagine the world from another person's point of view (Galinsky, Ku, & Wang, 2005; Grant & Berry, 2011). Parker, Atkins, and Axtell (2008) offer another definition that complements the first one: perspective-taking is an active process that "occurs when an observer tries to understand, in a nonjudgmental way, the thoughts, motives, and/or feelings of a target, as well as why they think and/or feel the way they do" (p. 151). It is developed through childhood when children step out of an egocentric worldview into a worldview that allows multiple views. This is what comprises the development of Theory of Mind in the child.

Perspective-taking can take two expressions: one is when the person imagines himself or herself in the situation the other person is experiencing (this is referred

to as the imagine-self situation); the other one is when the person focuses in comprehending the signs of emotional discomfort or affective expressions of the other person in a situation (this is referred to as the imagine-other situation). Decety and Cowell (2014) state that the imagine-self situation in an aversive condition leads to higher personal turmoil, meanwhile the imagine-other situation in an aversive condition leads to higher empathic concern.

According to Decety and Cowel (2014), perspective-taking can be used as a strategy in order to diminish group partiality and prejudices and expand the circle of empathic concern, taking into account not only members of the ingroup, but also members of the outgroup. Assuming the perspective of another person brings changes in the way we see the other, so that the more knowledge a person has about the behavior of another person, the greater the probability of this first person to engage in perspective-taking.

Traditionally, perspective-taking contains both cognitive and affective components, but Ku, Wang, and Galinsky (2015) clearly distinguish them as separate constructs with different effects. For Galinsky, et al. (2005) one important aspect that differentiates perspective-taking from empathy is that the first one has a cognitive nature, while the latter one's nature is emotional, since empathy focuses on how a person feels towards another person. This conceptualization helps in the understanding of empathy as a moral emotion (Ku, et al. 2015).

When studies have been conducted comparing empathy with perspective-taking, observed differences exist between these two constructs. For example, Wang, Tai, Ku, & Galinsky (2014) did an experimental research in order to prove

how perspective-taking influenced the willingness to engage in intergroup contact. The authors found that it was perspective-taking, but not empathy, the variable that influenced the willingness to interact with people in the outgroup in order to reduce stereotyping and prejudice. In another example, Galinsky, Maddux, Gilin, & White (2008) did an experimental research in order to understand how perspective-taking and empathy influences negotiations. The authors found that individuals who engaged in perspective-taking were more able to discover hidden agreements and to claim and create resources while bargaining, but this effect was not evident when engaging in empathy. Finally, Chartrand and Bargh (1999) found in their research that people who engaged in perspective-taking tend to employ behavioral mimicry more than those who engaged in empathy.

Parker and Axtell (2001) examine the notion of perspective-taking and argue that it is different from empathy because of their nature, they state that “it is generally agreed that perspective-taking is a cognitive or intellectual process that results in the affective response of empathy” (p. 1087). Thus, while it is necessary for an individual to cognitively grasp another person's needs to experience the affective reaction of empathy, perspective-taking encompasses additional cognitive processes not covered by empathy, such as the modification of the attribution process.

Therefore, for a person to have an affective empathetic response he/she needs to engage in perspective-taking, since this will allow the person not only to empathize with other people, but also feel concern about the hardships other people are going through, enjoy pleasure or joy from other's achievements and

discern their whole experience. Conversely, perspective-taking allows a person to make positive attributions about the behavior and outcomes of someone else. For instance, when a person doesn't have the outcome he/she was expecting, the person engaging in perspective-taking could explain such results due to external circumstances, whereas when said person has the outcome he/she was expecting, then the person engaging in perspective-taking explains the results due to internal factors like intelligence or hard work (Parker & Axtell, 2001).

Parker and Axtell (2001) contribute by differentiating empathy from perspective-taking, explaining that empathy is mainly an emotional process and perspective taking is mainly a cognitive one. Nonetheless, in terms of the direction of causality, the authors propose that empathy is triggered by perspective taking, matter in which there is still conflicting literature. For example, Shamay-Tsoory (2009) explains that empathy occurs consistently and automatically, whilst perspective-taking is a selective process that requires an intentional effort. On the same line, Maibom (2020) explains that empathy is mainly an automatic emotional response, that occurs at non-conscious levels. Also, the author explains that a requisite for perspective taking is the awareness of the emotional reaction, that does not occur always.

Following Shamay-Tsoory (2009) and Maibom (2020) arguments, this dissertation proposes that direct effects of risk of self-interest loss can only be mediated by the automatic processes in the middle, such as empathy. On the other hand, if a variable can or cannot be present in the situation, as it is the case of perspective taking, it should be included in the model as a moderator.

The above information emphasizes on the advantages of perspective-taking, but empathy has its advantages too, such that “perspective-takers are more accurate in understanding others’ cognitions, whereas empathy produces greater accuracy in understanding others’ emotions” (Ku et al., 2015, p. 81). Likewise, when considering that empathy prevents unethical actions in competitive contexts, then it is possible to see that empathy is more helpful since it proves to be more beneficial in discerning the intensity of personal relationships, and it is more powerful when understanding altruistic and unethical behavior (Ku et al., 2015; Wang et al., 2014).

Perspective-taking is linked to creativity, intrinsic motivation, and prosocial motivations. Grant and Berry (2011) challenge the notion that intrinsic motivation alone fosters creativity, introducing a new approach to understanding motivation. They suggest, based on motivated information processing theory, that intrinsic motivation can enhance creativity if employees consider the practicality of their ideas, specifically how these ideas can aid individuals within or outside the organization in addressing challenges. This emphasis on practicality can stem from perspective-taking, which implies that when employees adopt the viewpoints of others, they are more inclined to generate ideas beneficial to those around them. The literature indicates that employees are more inclined to contribute usefully when they feel prosocially motivated, prompting them to adopt the perspectives of others. The motivated information processing theory proposes that it is necessary to take perspective-taking into account for prosocial motivation to reinforce the relationship between intrinsic motivation and creativity (Grant & Berry, 2011); a person needs a desire, known also as prosocial motivation, to direct his/her

attention toward other perspectives to know what is useful, so when the person has the right motivation, the perspective-taking approach used may be able to help to understand what is more useful in a specific moment, thus aligning the relation between intrinsic motivation and creativity, in terms of usefulness. So, “when employees are prosocially motivated, their desires to benefit others lead them to pay heightened attention to others’ perspectives in order to identify ways to help them effectively” (Grant & Berry, 2011, p. 79).

Prosocially motivated individuals tend to ask questions, listen carefully, and observe attentively the behavior of others to know what others value. So, they are more ready to consider the perspective of others, since they are more bothered about other people’s goals and preferences. This information guides the person in ways where he/she can help more effectively. Additionally, when a person takes into account the perspective of other’s it becomes easier for him/her to understand the ideas that need to be removed and the ideas that need to be accepted (Grant & Berry, 2011). Finally, Ku et al. (2015) points out that perspective-taking can produce a coordinated workplace that facilitates nondiscriminatory behaviors, so it can enhance interpersonal and intergroup relations.

It has been stated that, when considering individual and contextual factors, perspective-taking decreases the likelihood of the activation of moral disengagement and unethical behavior. For example, Treviño (1986) proposes an interactionist model of ethical decision making that considers individual and situational factors. The author proposes that, if the company encourages its

employees to take responsibility of their actions and its effects on others, there will be a greater correspondence between moral judgement and action.

In the study of moral motivation, Batson, et al. (2003) realize that this process requires the person to take into account the interests and desires of others in order to be able to judge right from wrong, but when the interests and desires of others conflict with our own, this moral motivation weakens. In a series of studies reviewed, the authors point out that, when there's a conflict of interests, there's a tendency to appear moral, but not to actually be moral. So, the authors want to know how to persuade people to actually be moral. In this scenario, they propose the use of perspective-taking in order to stimulate moral action. The authors wanted to know how the different perspectives a person can acquire in order to take the interests and desires of another person affect his/her moral motivation. The authors identified two different perspectives toward another person's situation: an imagine-self and an imagine-other perspective.

Thus, Batson, et al. (2003) did a study with two experiments. In the first experiment, the participants were presented with a symmetrical situation where they had to decide which assignment they would give to themselves and to the other, one task being boring and the other being not boring and with a reward. They found that people who were not in the perspective-taking manipulation acted based on self-interest. They also found that people who were in the imagine-self condition performed similar to the people who acted upon self-interest. The ones who acted more morally were the ones in the imagine-other perspective taking. Nonetheless, when the situation changed and the tasks were not symmetrical but

asymmetrical, meaning that the tasks given had more different conditions in terms of rewards and negative consequences, the results also changed: people in the imagine-self condition acted more morally than in the first experiment, and people in the imagine-other condition kept acting morally. So, the authors conclude that in situations where the conditions are symmetrical, putting yourself in the other person's shoes may do little to stimulate moral action since it may persuade you to focus more on your wants, but this effect changes when the situation contemplates asymmetrical conditions.

There are not only contrasting results in unethical behavior when considering different forms of perspective-taking, but also when considering the different conditions that the context offers. For example, Cojuharenco and Sguera (2015) state that there is a lot of evidence concerning the impact of perspective-taking and empathic concern on ethical judgment and decision making, especially in organizational contexts. Nonetheless, these variables are seen most of the time as competing determinants for ethical judgment. The authors propose that the way these variables interact with ethical decision making depends on the conditions under which perspective taking and empathic concern develop, in this study the condition is perceived time hurriedness, or "the extent to which individuals do things quickly and tend to be in a hurry at work" (p. 718). So, the authors tested empathic concern and perspective-taking as independent variables, acceptability to lie to protect the company as the dependent variable, and time hurriedness as the moderator variable. The authors found that greater levels of empathic concern and perspective-taking lead to more ethical judgment. Secondly, when individuals

tended to do things quickly and in a hurry, empathic concern predicted lower acceptability of lying. On the other hand, when individuals tended to do things slowly at work, perspective-taking was the one that predicted lower acceptability of lying.

Regarding moral disengagement, there is also evidence of perspective-taking diminishing the activation of these mechanisms. For instance, Stanger, Backhouse, Jennings, and McKenna (2018) designed a study where they wanted to understand how the motivational climate of a sports team (mastery or performance motivational climate) was associated with prosocial behavior or antisocial behavior and how variables such as social support, perspective-taking, and moral disengagement change this relation. The authors found that “perspective-taking had a direct positive association with prosocial opponent behavior, and a direct negative relationship with moral disengagement and antisocial behavior towards teammates, but did not have a significant link with antisocial behavior toward opponents” (p. 399). Thus, perspective-taking enhances prosocial behavior for both teammates and opponents and halts the activation of moral disengagement.

It has also been found that, in order for perspective-taking to have a negative relationship with moral disengagement, then it is important to take into account positive affect. Ilies, Guo, Lim, Yam, and Xinxin (2019) wanted to examine the interactive effects of positive affect and perspective-taking on workplace incivility and family incivility, through moral disengagement. So, they wanted to understand the antecedents of incivility and its mechanisms in order to deter its prevalence and detrimental effects. They argue that positive affect can promote incivility under

certain conditions, and the mechanisms through which this can happen are the ones of moral disengagement. The conditions that were tested here were high perspective-taking and low perspective-taking. They conducted three studies: two surveys and one experiment in order to test their hypothesis. In all three studies they support their hypothesis; when a person is a low perspective-taker, then positive affect leads them to perpetrate incivility by increasing the activation of the mechanisms of moral disengagement, contrary to what happens when a person is a high perspective-taker, then positive affect deters them from perpetrating incivility by decreasing the activation of the mechanisms of moral disengagement.

Ku, et al., (2015) mention that perspective-taking has been shown to help cooperative and efficient behavior, while decreasing unethical actions, such as cheating and deceiving. As a result, it can be argued that perspective-taking impacts ethical behavior in a positive way, and there would be a negative correlation between perspective-taking and unethical behavior.

From the information above, it seems that by taking the perspective of another person makes it more improbable for the appearance of unethical behavior, since perspective-taking deters the activation of moral disengagement mechanisms. Nonetheless, sometimes perspective-taking can enhance the activation of moral disengagement mechanisms and thus promote unethical behavior. This can be seen when the person takes the perspective of the perpetrator.

Regarding unethical behavior and perspective-taking, Gino and Galinsky (2012) wanted to study what happens when a person feels psychologically close to another person who commits unethical behavior. They propose that people tend to

accept questionable behaviors from another person when they feel psychologically close to this person. In order to study the variables proposed the authors performed an experimental study, where they manipulated psychological closeness through perspective-taking. The authors found that, when psychological closeness was manipulated through perspective-taking, people were more willing to accept unethical behavior from the people whom they felt close to. In addition to accept the unethical behavior of the other, people were more willing to commit the unethical behavior themselves. So, the authors argue that “psychological closeness created a distance from one’s own moral compass: psychological closeness lead to higher levels of moral disengagement about cheating” (p. 22).

In relation to perspective-taking and moral disengagement, Li, Leidner, and Fernandez-Campos (2020) wanted to study how perspective-taking with a perpetrator activated moral disengagement mechanisms, thus enabling intergroup conflict. They propose that group members can be motivated to take the perspective of the perpetrator, especially if the perpetrator comes from the same group, so here perspective-taking can hinder efforts to restore justice. This is because, when perpetrators belong to the same group, “attempts to understand their perspective are driven by in-group defensive motives and may serve a morally disengaging function, leading to reduced support punitive justice efforts” (p. 425). The authors demonstrated that individuals who strongly identified with their own group showed increased perspective-taking with perpetrators who were in their same group, thus reducing the chance of justice for the members of the group to whom the violence was committed. Whereas people who identified little with the

perpetrator showed greater signs for justice for the victims of violence. The authors were able to demonstrate that people use exonerating cognitions in the form of mechanisms of moral disengagement when taking the perspective of the perpetrator.

Gonin, Palazzo, and Hoffrage (2012) argues that in order to comprehensively understand individual and organizational unethical behavior it is important to ponder its broader context dynamics. In this research it is proposed that this can be done by considering different Stakeholders' perspectives, since the process of perspective-taking foresees the moral and ethical dilemmas presented among the perspectives of different stakeholders that can be affected by a decision.

According to Freeman et al. (2010), Stakeholder theory can guide the process when dealing with ethical problems in capitalism, because this theory helps connect ethics and business. When taking this theory into account, it is important to regard some aspects of businesses, like its processes, core focus, and daily operations. Also, this theory helps organizations with a specific set of ideas that show what it means for an organization to care about ethics. This helps when talking to managers about the importance of taking ethics into account in business, and when talking to ethicist so as to transform their prescriptive view into a more integrative view (Freeman et al., 2010).

Stakeholder theory has three different components to consider: the first one is the descriptive factor, where people investigate the actual behavior of managers and organizations; the second one is the instrumental factor, where people evaluate the results of a specific managerial behavior; and lastly, the third one is

the normative factor, where the emphasis is placed on how people and managers should behave. This last element refers to the moral dimension and is of interest for ethicists. Freeman et al., 2010 argue that Stakeholder theory is mainly a moral theory that asserts the duties organizations have with their stakeholders, since its central core is the normative component.

There are various definitions for stakeholders. For this research, the definition that is going to be used is the one that encapsulates the notion that the fundamental goal of a business or organization, regardless of its type or size, is to generate value for those groups whose backing is essential for its survival. So, it is important to consider the stakeholders of an organization for the process of value creation. Since long term value is achieved when growth benefits all stakeholders, then stakeholder theory should be considered when producing long term results and creating a flourishing company. Hence, it is important for companies to comprehend the perspective of their stakeholders and understand which consequences may benefit these various groups and which won't, to guide their judgements and decision-making process (Freeman et al., 2010).

When applying perspective-taking to organizational stakeholders, specifically, a set of considerations can be grouped into *expected harm to a stakeholder*: magnitude of consequences, concentration of effect, probability of effect, and temporal immediacy. This is related to the actual amount of harm, the relative amount of harm to one stakeholder in comparison to the number of potential

stakeholders, the likelihood of harm occurring, and the span of time before harm occurring (Kish-Gephart et al., 2010).

Ginena and Wicks (2017) examined the effect of stakeholder management on employees; specifically, their study aimed to understand how the firm's emphasis in its stakeholders affects cognitive and attitudinal processes in its employees. The authors found that employees with a higher stakeholder orientation demonstrate enhanced perspective-taking than employees with a low stakeholder orientation.

In addition, Pierce, Kilduff, Galinsky, and Sivanathan (2013) argue that perspective-taking functions as a relational amplifier, such that when in a cooperative context, perspective-taking deters unethical behavior, but in a competitive context, perspective-taking aids unethical behavior, since it prompts people to protect themselves from the possible fault actions of the competition. Galinsky et al., (2005) show that when a person imagines the world from another person's vantage point, applying the self to the other, he/she promotes social bonds. Nonetheless, when a person puts himself/herself in another person's shoes, applying the other to the self, the promotion of social bonds diminishes. The authors explain this with the conceptualization of perspective-taking adjusted to the support of specific social bonds, thus its effects are target specific; when the application of perspective-taking is of the other to the self, people experience more distressing emotions, but not necessarily more concern towards the other.

Since perspective-taking and empathy are closely related, and empathy has been associated as well with ethical behavior, then it is important for this research to take this variable into consideration in the model. In the sales context, empathy

and perspective-taking had been studied mainly in salespersons in relation to their sales performance and to the way they build their relationship with the customer (Delpechitre, Rutherford, & Comer, 2019). In the ethics context, empathy of the salesperson has been positively associated with ethical behavior and sales performance, this association was moderated by trust in the sales manager, so it is possible to say that if there is trust in the sales manager, then the sales person will tend to have a more empathic response and thus a more ethical behavior (Agnihotri & Krush, 2015). Due to the importance of empathy as well in the understanding of unethical behavior in the sales context, it is important to study it in this investigation, thus a review of empathy in relation with unethical behavior and moral disengagement is presented next.

Empathy

As it has been stated, empathy is likely to influence moral disengagement, acting as a mechanism through which self-interest incentives affect moral disengagement. The purpose of this section is to present the literature supporting this argument.

There are two research traditions in psychology in the study of empathy: the inquiry in empathic accuracy, or trait empathy, and the consideration of empathy as an emotional phenomenon, or state empathy (Van der Graaff, Meeus, de Wied, van Boxtel, van Lier, Koot, and Branje, 2015). The first one is depicted as a rational phenomenon and understands it from a more cognitive perspective. This means that it takes into account the ability to imagine the world of the other, or to put on

one another person's shoes. This is being taken into account when considering perspective-taking in this research. The second one is depicted as an emotional phenomenon, that becomes evident when activated in response to a situation, and has been studied in relation to motor activation and mirror neurons (Van der Graff, et al. 2015). For this research, the model takes into account state empathy, so this research understands empathy from an emotional point of view, or as the emotional phenomenon that arises in response to a situation.

Detert et al. (2008) define empathy as a process through which an individual emotionally responds to the challenges or achievements of others: "Empathy is an individual difference that describes the degree to which an individual notices and is concerned about the needs or concerns of others (...). The affective approach to understanding empathy emphasizes the observer's feeling of the target's emotion (...)" (Detert et al., 2008, p. 376). With regards to empathy and perspective-taking: "research considering moral actions has found that empathy but not perspective-taking deters unethical actions in competitive contexts (Cohen, 2010; Pierce et al., 2013); as a result, some have identified empathy as a moral emotion (Eisenberg, 2000; Tangney, Stuewig, & Mashek, 2007)" (Ku, et al. 2015, p. 81).

Research from social neuroscience coincides in a general depiction of empathy "as a multidimensional construct comprising dissociable components that interact and operate in parallel fashion, including affective, motivational, and cognitive components" (Decety & Cowell, 2014, p. 529). From a neuroevolutionary model, the emotional factor of empathy is used to become affectively aroused thanks to getting triggered by another person's emotions. In this line, Happé, Cook, and Bird

(2017) observe that facial recognition and emotional contagion are important processes for affect based empathy. The motivational factor of empathy is used to have empathic concern; the necessity to care for another's welfare. Finally, the cognitive factor refers to the concept of perspective-taking.

One observation that supports the separation of the emotional factor from the cognitive factor is the fact that emotional sharing, also known as emotional contagion, is independent from cognitive capacities such as perspective-taking or mindreading. Since it can be seen in other animals, it is considered the most elemental or rudimentary form of empathy. Additionally, it is observable from members of one group towards their genetic family and to other members that are in their in-group but are not genetically related (Decety & Cowell, 2014).

Given that empathy encompasses emotional, cognitive, and behavioral factors, it's reasonable to lay out various neurobiological routes employed by psychological processes in decision-making. Kahneman (2012) reveals two neuronal paths to decision making: System 1, which prioritizes resource savings so optimizes its consumption (in terms of time and cognitive resources), to produce a subconscious, automatic, and emotional response; and System 2, which prioritizes the rational manner of the decision-making process, so it is slower and requires attention focus. The engagement of automatic processes is more frequent than rational processes, and when faced with the task in a repetitive manner, then the usage of System 1 in the decision-making process increases. Therefore, this study aims to distinguish and quantify the influence on mechanisms of moral

disengagement from empathy as an emotional process, as well as empathy fueled by a cognitive process like stakeholder perspective-taking.

With regards to the behavioral element of empathy, one important element is behavioral imitation. This effect refers to the automatic and nonconscious mimicry of behaviors of others, it happens when people are not acquainted with each other and when they don't have any affiliative behaviors that can explain the mimicry other than the connection of the emotional states between the people involved (Chartrand & Bargh, 1999; Chartrand & Lakin, 2013).

Behavioral imitation occurs quite naturally, however certain circumstances or elements can enhance the mimicry of behaviors from one individual to another. One factor is the preexistence of rapport; when people are close or important, or when they have the intention to form an alliance, the imitation of behavior occurs easily. Another factor is the emotional state of the individual; when the person is in a positive emotional state, it tends to imitate the behavior more easily than when the person is in a negative emotional state. Likewise, the behavior of imitation decreases when the person doesn't feel nor want any kind of affiliation towards the other person (Chartrand & Lakin, 2013).

Detert et al. (2008) discuss that empathy is one intrapersonal factor that has been related to moral cognition and action. Other factors are trait cynicism, moral identity, and locus of control (internal, chance, power). According to the authors, these four factors "predispose individuals to see others, events, and themselves in ways that should make moral disengagement more or less likely" (p. 384). Trait cynicism is defined as a pervasive mindset marked by sentiments of

disillusionment, exasperation, and a broad skepticism towards others, Detert et al. (2008) mention that this promotes the usage of moral mechanisms. Locus of control is ascertained as the way people comprehend the relation between what they do and the events that happen in their lives. A person with internal locus of control “see clear connections between their behavior and the consequences of that behavior” (Detert et al., 2008, p. 377), conversely a person with external locus of control believes the consequences of their behaviors happen due to chance or powerful others (Detert et al., 2008). Detert et al. (2008) observe that an internal locus of control is more related to ethical decision-making since responsibility taking activates moral norms, becoming more difficult to use the mechanisms of moral disengagement. Nonetheless, with an external locus of control is easier to have an unethical decision-making process and unethical behavior because of the diffusion of responsibility that happens with this mindset. Empathy was understood as the mechanism by which an individual acknowledges, comprehends, and cares about the necessities of others. Finally, moral identity was recognized as the way a person portrays himself in a moral and ethical self. The authors found that more empathic individuals are less likely to engage moral disengagement mechanisms. This highlights the importance for ethical decision making of seeing a situation from another’s perspective both cognitively or affectively (Detert et al., 2008).

According to Decety and Cowel (2014), it has been observed that the model of social representations is not only evidenced when a person watches an action being performed by another person, but also when there is emotional contagion involved in the situation. This mechanism motivates the observer to acknowledge

and become activated with the emotional state of the other person. For example, when one person smiles and there's a second person watching, this other person will activate his/her facial muscles involved in the task of smiling, not necessarily in a conscious level. In this process of recognizing the emotional state the other person is in, the importance of separating one's self from the other person is pivotal. Without this separation it would be very difficult to differentiate between one's feelings and the other person's feelings, impairing the degree of empathy one can display to the other person. Thus, emotional contagion leads to emotional similarity, the latter of which is associated with a variety of interpersonal beliefs, including less conflict and greater cooperation between group members (Barsade, 2002). People can feel empathic concern for a wide range of targets when cues of vulnerability and need are highly salient (Decety & Cowell, 2014, p. 530).

There is a strong relationship between moral decision making and empathic concern when revising the activation of the ventro medial prefrontal cortex in the brain. Nevertheless, it is important to take into account that "empathic concern evolved in the context of parental care and group living, yielding a variety of group biases that can certainly affect people's moral behavior" (Decety & Cowell, 2014, p. 533).

Decety and Cowell (2014) mention that the relationship between empathy and morality has been taken for granted, so as to think that empathy establishes the groundwork for morality. Nevertheless, the authors also mention that this relationship may not be so straightforward. Hence, it is important to comprehend how the different emotional elements of empathy, such as emotional contagion,

empathic concern, and perspective-taking, influences the moral cognition and moral behavior of a person. There are cases where empathy can thwart with moral decision making due to the introduction of bias; it can happen that a person is more empathic towards someone that is from his/her in-group than towards individuals from the out-groups. In order to address this issue, a more thorough review is presented regarding empathy, unethical behavior and moral disengagement.

Overall, literature has shown that empathic individuals are less likely to morally disengage or to accept unethical behavior. This has already been stated by Deter et al. (2008), and Cojuharenco and Sguera (2015), that empathetic individuals are less likely to morally disengage and that when individuals were making a decision in a hurry, empathic concern predicted lower acceptability of lying.

These results are consistent with other findings seen in other contexts. In a school context, Haddock and Jimerson (2017) studied the levels of affective empathy, cognitive empathy, and moral disengagement among the different roles in school bullying (bullies, victims, and defenders). In all the roles studied, the correlation between moral disengagement and empathy was negative and significant; students who scored higher in moral disengagement tended to score lower in empathy.

In a related study Bussey, Quinn, and Dobson (2015) investigated those factors that can help in reducing the propensity to activate the moral disengagement processes. For this, they took into account empathy and perspective taking as moderating variables in the relation between aggression and moral disengagement. They found out that there is a strong correlation between moral

disengagement and aggression, and this was the case when taking into account empathic concern. But the effect of the relationship was stronger when the person had a low level of empathic concern than when the person had a high level of empathic concern. Regarding perspective-taking, this variable significantly moderated the relation between moral disengagement and aggression. So, empathic concern and perspective-taking each weakened the relationship between moral disengagement and aggression. In the bullying context, this translates to the fact that the more that perpetrators were able to empathize with the victim and take their perspective, the more difficult became for them to invoke moral disengagement strategies in order to unleash their aggressive behavior.

Nonetheless, the authors also found that these relations had significance in certain conditions:

“empathic concern was associated with aggression when controlling for perspective-taking, and perspective-taking was associated with aggression when controlling for empathic concern. However, when moral disengagement was included in the regression analysis, the main effect of empathic concern became nonsignificant even though it moderated the relationship between moral disengagement and aggression” (p. 22).

So, the authors conclude that empathic concern can help in the attenuation of moral disengagement mechanisms, but it is not strong enough in order to prevent their activation. In the case of perspective-taking, the significance in the relation between it and aggression remain significant when taking into account moral disengagement. So, the authors discuss that “It would seem that the greater

involvement of abstract cognitive abilities in perspective taking than in empathic concern helps to maintain a focus on the plight of others even when there is proneness to activate moral disengagement mechanisms” (p. 23).

From the information presented previously, it has been stated that, most of the time, perspective-taking and empathy aids the ethical decision-making, so organizational cultures that promote these behaviors towards other employees could be thought of as more ethical. In a related manner, it is important to also understand the way people perceive that the organizational culture promotes these behaviors by the way it influences employees to relate among themselves and with their leaders, so another variable that is important to consider is power distance, which is reviewed next.

Perceived Power Distance

Power distance refers to the organizational distance between the parties involved in a determined situation, meaning that this term is a consolidation “of any form and combination of known bases of power, including legitimate, reward, referent, expert, coercive, information, and ecological power” (Johnson & Buckley, 2015, p. 297). That is to say, power distance is a result of the different forms and combinations of known bases of power.

When referring to power distance, authors usually conceptualize it by taking into account the distribution of power, and/or by taking into account the perception and acceptance approach. Javidan, Dorfman, Luque, and House (2006) define power distance as “the degree to which a collective expect (and should expect) power to

be distributed equally” (p. 70). In the same line, Daniels and Greguras (2014) understand power distance “as the perceived difference (inequality) in the amount of power (influence) a supervisor has compared to that of a subordinate” (p. 1204). These authors mention that, according to Hofstede, culture determines power distance as a kind of tug-of-war between powerful individuals that try to maintain and increase power distance and less powerful individuals that try to decrease power distance.

These approaches are developed from the perspective that there is an even or uneven distribution of power between individuals in a society. On the other hand, the perspective of acceptance is identified when the construct is defined as the degree that different actors, such as individuals, groups, organizations, nations, accept inequalities as unavoidable, legitimate, or functional (Daniels & Greguras, 2014). So, power distance has an individual component, studied as the degree of acceptance people have of the equalities or inequalities in society. But it also has a relational component, evidenced as the perceived distribution of power between the supervisor/superior and the subordinate. The degree of acceptance a person has of equalities and inequalities of a society influences the expectations of equitable or inequitable distribution of power (Wang et al., 2014).

In order to fully understand the concept of power distance it is important to recognize its dual expression: high power distance and low power distance. Javidan et al. (2006) mention that high-power distance refers to an unequal distribution of power. Countries with high power distance are more stratified economically, socially, and politically, so those people in the position of authority

expect to receive obedience. They tend to have hierarchical decision-making processes with a limited one-way participation. Koc (2013) argues that, in a high-power distance culture, people value obedience and conformity and are willing to subordinate themselves to an autocratic manager. Individuals within a high-power culture tend to be less inclined to engage in decision-making processes, exhibit less independence, and permit their higher-ups to dictate decisions, thereby receiving directives for execution. Here, communication tends to be vertical and downward. All of this increases the probability of unethical behavior.

Managers in these organizations tend to not need to justify or defend their decisions to employees in the lower levels or to the whole organization overall. Also, micromanagement behavior tends to be seen more frequently, so managers tend to make minor decisions, resulting in them making routine decisions (Ghosh, 2011).

Alternatively, Koc (2013) argues that in low power distance organizations there are few inequalities between employees and a more decentralization of activities, hence individuals develop being more autonomous in their role and more present in the decision-making process. Also, individuals expect to be consulted by superiors and privileges and status symbols appear to have less effect on relationships.

Another focus is not on high or low power distance but on how functional or positional the power distance is. From this perspective, authors such as Ghosh (2011) suggest that high power distance can be functional in Asian societies. When power distance is due to a more functional authority rather than a positional

authority, then high power distance would harness positive outcomes such as when the power structure facilitates learning. For example, the relationship of teacher-student in India is the one where the teacher is revered and this allows the students to ask as many questions as possible, promoting discussion and reflection in the relation between the two. So, the functionality of the power distance relationship is influenced by how it is operationalized and how it affects the relationship. This is known as vertical collectivism, the combination of collectivism and high-power distance.

Ghosh (2011) comments that vertical collectivism is understood as a society whose culture accepts value/power status inequalities, but still the individual is perceived as being part of a group. So, in societies that have vertical collectivism, there is acceptance of the vertical structure, while at the same time having friendly orientation, guidance, encouragement, and being task oriented. This relates to the nurturing benevolent paternalism expressed by their leader.

It has been observed that power distance acts as a kind of moderating variable between different phenomena studied in the organizational behavior field. In the business context Daniels & Greguras (2014) state that power distance influences the degree of participative decision making, since superiors are seen as inaccessible and autocratic. In line with the above, power distance influences the relationship between attitudes and behavior, so in contexts with high power distance job attitudes are less likely to influence behavior. The authors explain this by saying that the social exchanges that are present in the attitude/perception-behavior relation are less likely to play a role in a high-power context, since it

doesn't matter what attitude you have towards the job imposed, you still have to obey and do it. From an emotional perspective, the authors point out that in high power distance societies there is a tendency to relate some emotions (such as anger and pride) to powerful people and submissive emotions (like sadness, fear) with subordinates.

From a leadership perspective, Daniels and Greguras (2014) mention that in order to understand the relationship between power distance and leadership, the needs expressed in a society and how well the type of leadership responds to them must be considered. This way, it is easier to understand that the relation between leadership and power distance is relative. When in a high-power distance context, it is preferable to have a more directive style of leadership, since workers are accustomed to follow orders. When in a low power distance context, it is preferable to have a more transformational or close leadership style. So, the most favorable outcomes may result when leadership styles match the norms or preferences for power distance within the cultural context.

Power distance has also been studied in relation with its influence on communication and individual or collectivistic culture. For example, Koc (2013) studied the influence of power distance in Turkey (high power distance) and Britain (low power distance). The objective was to describe the expressions used by subordinates when communicating to superiors during service crisis or service recovery situations. The author showed that in a high-power distance society communication from subordinates tends to be mitigated and indirect, whereas in a low power distance society communication tends to be unmitigated and direct

when in crisis. In the same line, Ghosh (2011) argues that individualism is associated more strongly with a low power distance culture, on the other hand collectivism is more associated to high power distance cultures.

Bonner, Greenbaum, and Mayer (2016) have shown that followers' perception about their leaders may be related to changes in moral disengagement levels, in such a manner that ethical leaders mitigate moral disengagement. Johnson and Buckley (2015) describe that in certain circumstances (such as a situation high in opportunity for self-interest gain) the members of an organization will modify their exhibition of moral disengagement mechanisms based on differences in organizational power between the agent (or leader) and the people affected by the outcome. So, it may be useful to acknowledge the effects of perceived organizational power on unethical behavior and moral disengagement mechanisms.

It has been found that contexts characterized by high power distance relationships and strong hierarchies are more likely to reproduce unethical behavior. It has been pointed out that through the demands of authoritative relationships an employee's ethical behavior gets influenced by the demands of authority figures (Treviño, 1986). Also, that the implementation of strict obedience to authority significantly influenced observed unethical behavior (Treviño, et al. 1998). Regarding power distance and transparency, it has been found that people who tended to belief in low power distance relations tended also to value transparency more than people who tended to prefer high power distance relations (Jain & Jain, 2018). Additionally, it has been established that the organization's

structure is a key characteristic influencing individuals' choices to behave ethically or unethically. Individuals are more likely to exhibit unethical conduct in organizations that foster greater, as opposed to lesser, distance towards others. (Marasi et al. 2018).

Nonetheless, judgments and identification with others' unethical behavior is affected by power distance characteristics only when taking into account characteristics of the authority's ethical behavior. For instance, Parboteeah, Bronson, and Cullen (2005) developed a study in order to understand more the phenomenon of comparative national ethics. So, the authors wanted to understand how national cultures are related to an individual's willingness to justify ethically suspect behaviors. They took 6 cultural dimensions that come from the GLOBE STUDY: performance orientation, assertiveness, institutional collectivism, power distance, humane orientation, and uncertainty avoidance. Regarding power distance, the authors hypothesized that it was positively related to willingness to justify ethically suspect behaviors. The authors were not able to accept the hypothesis regarding power distance. They thought that countries with high power distance were more likely to commit unethical behavior, but were not aware that some supervisors and leaders in high power distance organizations see themselves as trustable, or that employees in low power distance cultures have a high tolerance for ethically suspect behaviors. Finally, the authors point out that maybe power distance was not positively related with unethical behavior in their investigation because it's not visible, so if unethical behavior was visible, power distance would be a relevant factor.

In a related manner, Smith and Humen (2005) wanted to further understand what leads companies to engage in questionable accounting practices and corporate wrongdoing. For this, they developed an investigation in order to get to understand better the link between cultural dimensions (such as power distance and individualism) and ethical beliefs in an international context within the field of accounting. For this, the authors developed a cross-cultural study where they wanted to know how accountants from high and low individualistic countries, and from high and low power-distance countries, agreed on statements regarding questionable behavior choices. The authors found that “accountants of individualistic societies are more likely to adhere to personal principles even if the results are detrimental to the organization. Accountants of collectivistic societies are more likely to subordinate individual values for those that benefit their organization” (p. 217). Nonetheless, the hypothesis regarding power distance was not supported. The authors explain this due to the organizational culture and hierarchy that is often found in the US affiliated accounting firms. They argue that the accountants who participated in the study “are part of this highly structured and well-defined hierarchy of authority and responsibility present in the international CPA firms, the strength of the organizational cultural elements may be dominating in the survey responses associated with the power distance variable” (p. 218). So, the authors were not able to find a positive association between power distance and ethical beliefs, and they explain that elements of the organizational culture, such as roles of the employees, could be explaining this lack of evidence. Finally, Cantarero, Szarota, Stamkou, Navas and Dominguez Espinosa (2018) found that

the relationship between cultural power distance and moral judgement were mediated by the ethics to authority, in such a manner that moral judgement is aligned with authority's ethical (or unethical) behavior. So, the higher the power distance in a culture, the harsher the moral judgement towards lies told, because people tend to adhere more to the ethics of the authority.

In the same line, people are more willing to denounce unethical behavior when organization is more responsive to these reports. For example, Taylor and Curtis (2013) wanted to know why, despite having an ethical organizational culture, clear policies, and good practices, there is still unethical behavior present in organizations. One practice that can help in the detection of unethical behavior is whistleblowing, but despite this practice, some people continue to remain silent in the face of unethical behavior. So, the authors wanted to understand how the organizational characteristics, such as organizational response, and the relationship between people, understood as power distance, can influence the act of whistleblowing unethical behavior. Regarding power distance, the authors hypothesized that whistleblowing likelihood was going to be associated with the person's position, such that people will engage in whistleblowing toward their peers more than toward their superiors. The authors found that, when the organization is responsive, power distance doesn't affect the auditor's whistleblowing likelihood. But, when the organization was unresponsive, then auditors were much less willing to report superiors than peers.

Regarding moral disengagement specifically, Johnson and Buckley (2015) argue that interpersonal proximity and differences in organizational power activate

different mechanisms of moral disengagement. So, when there is a *neutral* interpersonal proximity and organizational power, dehumanization is the mechanism that is encountered the most. On this other hand, when there is a lot of interpersonal proximity but neutral organizational power, the mechanism of moral disengagement that best works is diffusion of responsibility. In contrast, when there is a lot of interpersonal proximity and organizational power, the mechanism of moral disengagement tendency is advantageous comparison, and finally, when there is not a lot of organizational power and interpersonal proximity is neutral, then the most common mechanism of moral disengagement is displacement of responsibility.

Most of the review done so far regarding power distance takes into account unethical behavior, but not moral disengagement. Since moral disengagement has been considered a trigger for unethical behavior, then there is a need to understand how power distance relates with moral disengagement in order to engage in unethical behavior. Since sales managers tend to work in organizations with high power distance, then it becomes important to contemplate this construct in the model.

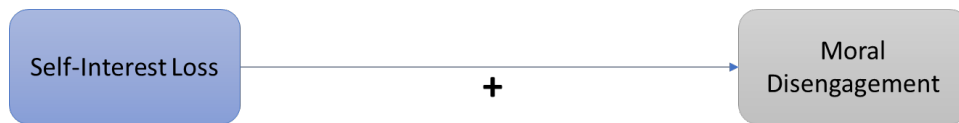
The hypotheses presented are built considering the direct effect that would have the risk of self-interest loss on empathy and the subsequent direct impact of empathy on the usage of moral disengagement mechanisms. Also, the hypotheses describe the role of power distance and perspective taking in the already proposed direct relationships. Overall, the model proposes that individuals, when facing a risk of self-interest loss, are more likely to use moral disengagement mechanisms,

in comparison to the situations in which there is no risk of loss or opportunity of gain, as an experimental control condition.

Hypotheses

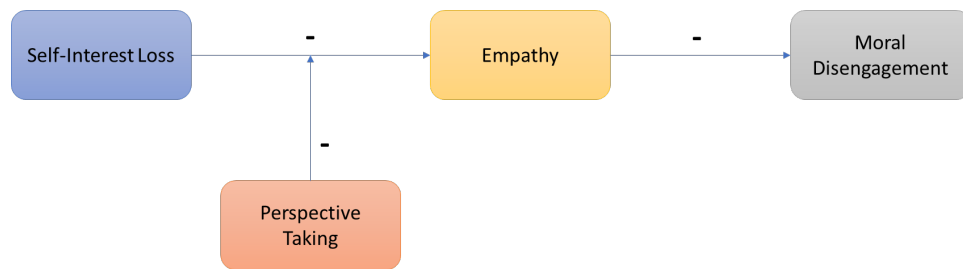
As it has been mentioned, unethical behaviors in organizations have been understood through intrapersonal and interpersonal or situational factors. One intrapersonal factor that can explain unethical behavior is moral disengagement (Bandura, 1999; Moore, 2008; Moore et al. 2012). Also, that situations high in self-interest loss trigger the activation of such mechanisms (Reinders & DeCremer, 2012). Furthermore, Moral disengagement uses eight mechanisms in order to deviate the moral compass of a person and these mechanisms become activated selectively depending on the characteristics of the situation and the person engaging in the decision (Huang et al. 2019; Jackson & Gaertner, 2010; Kish-Gephart et al. 2014; Leidner, et al. 2010; Sharma, 2020). However, there is not enough information in order to understand what specific moral disengagement mechanisms become activated and what mechanisms don't become activated in a situation with a risk for self-interest loss in an organizational context, specifically in the sales management context. Thus, one hypothesis for this research is:

Hypothesis 1: A risk for self-interest loss increases the usage of moral disengagement mechanisms.



Regarding perspective-taking, research has found that it decreases the likelihood of moral disengagement and unethical behavior when taking into account the consequences of one's decision for others (Batson et al. 2003). Additionally, perspective-taking has been found to increase prosocial opponent behavior and decrease the activation of moral disengagement mechanisms and antisocial behavior towards teammates (Stanger, et al. 2018), and this deactivation of moral disengagement mechanisms happens regardless of affect (happiness) (Illies, et al. 2019). There has also been established that perspective-taking diminishes the activation of moral disengagement mechanism when the person has enough time to think about the situation and make decisions consciously (Cojuharenco & Sguera, 2015). Finally, it has also been shown that perspective taking helps in cooperative behavior, and thus diminishes the enactment of unethical behavior. In a business context it is important to know the perspective of the stakeholders, so the hypothesis developed regarding perspective-taking is:

Hypothesis 2: Stakeholder perspective-taking negatively and indirectly affects the usage of moral disengagement mechanisms



Empathy has been considered a counter-productive factor for business, since it goes opposite to the conception of the homo economicus (Gonin, et al. 2012); it has been found that empathy may affect the possibility to make rational economic choices, so it may be stated that empathetic individuals are likely to make decisions to favor others in detriment of profit (Gilin, Maddux, Carpenter, & Galinsky, 2013). However, when referring to ethics, empathy has an important role.

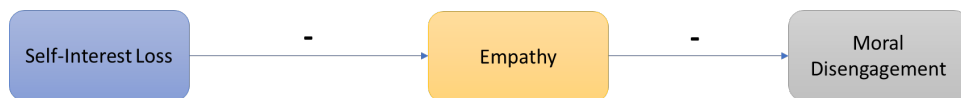
Deter et al. (2008) argue that high levels of empathy “motivate the helping of others in need and reduce motivation to harm others (...) being more acutely aware of the needs and feelings of others should inhibit moral disengagement” (p. 376). This also explains the relation between empathy and unethical decision making; since individuals higher in empathy are less likely to morally disengage, this would lead to a lower probability to make decisions that would cause harm to others.

Moreover, it has been found that when a person has a low level of empathic concern there is a strong relationship between moral disengagement and aggression (Bussey et al. 2015), also that empathic individuals are less likely to use moral disengagement mechanisms (Deter et al. 2008), and that this process is

activated depending on the time taken to make the decision; if it is an automatic decision then empathy would affect the unethical decision making, and if it is a rational decision, then perspective-taking would more likely affect unethical decision making (Cojuharenco and Sguera, 2015). On this matter, it has also been mentioned that, in the context of negotiations, empathy dismayed unethical negotiation behavior, like lies and bribes (Cohen, 2010).

Finally, whilst the usage of moral disengagement mechanisms is activated by the risk of self-interest loss, empathy is considered an emotional and automatic process that is also triggered by the perception of an emotional response of another person to a specific event (Maibom, 2020; Shamay-Tsoory, 2009), such as unethical behavior. As a consequence, this dissertation explores whether empathy, as an automatic process, mediates the effect of risk of self-interest loss on the usage of moral disengagement mechanisms.

Hypothesis 3: Empathy mediates the effect of the risk for self-interest loss on moral disengagement.



Freeman et al. (2010) and Alzola (2011) argue that business and ethics have to be taken together into consideration for the strategic approach of the company, while there are other perspectives that argue that ethics and business have to be considered apart. These different perspectives mainly propose that some

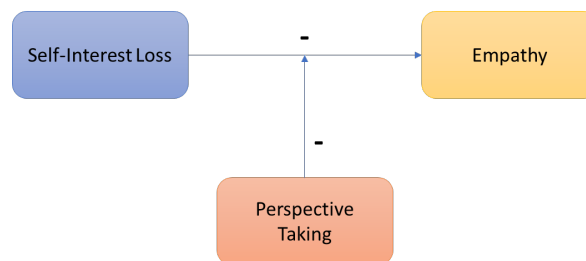
organizations can take the stakeholder's perspective into account or not, so this is an option for the organization. Since it has been argued that the culture and climate of an organization influences unethical behavior (Cianci et al., 2014; Moore et al., 2012; Moore & Gino, 2013), this same culture and climate can foster relationships among employees, and between employees and stakeholders, that motivate the practice of taking into account the other's perspective when making a decision. Since the action of taking into account another person's perspective is optional in the relation between a tempting situation and empathy, then it is important to consider it as a moderator variable between the relation presented.

In addition, when perspective-taking leads to the focus on the distress and affective expression of the other, it results in empathic concern (Decety & Cowell, 2014). So, the higher the perspective-taking, the higher the empathetic response. In this way, perspective-taking acts in the same direction as empathy. As a result, perspective-taking becomes understood as an intellectual process that ends with an affective response of empathy (Parker & Axtell, 2001).

Nonetheless, it is also known that not all affective responses must be mediated through cognition (Damasio, 2003; Winkielman, 2010; Zajonc & Markus, 1985). This also applies in understanding empathy or an empathetic affective response; if empathy is accompanied by a gut feeling (Detert et al., 2008), then it could be understood that there is an unconscious appraisal before that gut feeling, so this appraisal doesn't need of a rational or intellectual process in order to be executed. Hence, it is possible to have empathy without necessarily having engaged previously in a conscious cognitive process – in this case perspective-taking. But,

because this appraisal happens as an automatic process, it could be considered empathy as a mediator variable.

Hypothesis 4: Stakeholder perspective-taking moderates the relationship between the risk for self-interest loss and empathy, such that the effect of risk for self-interest loss on empathy is weaker at high values of perspective taking.



Finally, another interpersonal factor, perceived power distance, is likely critical to the relationship between temptation due to self-interest incentives and moral disengagement. In order to understand how the degree of felt autonomy and power an employee senses affects the activation of moral disengagement mechanisms, it is important to take into account perceived power distance. When considering power distance as a contextual characteristic, it is possible to address how the organizational culture promotes autonomous behavior or, in contrast, at what extent the culture promotes obedience beyond moral reasoning.

It has been shown that in low power distance relations, people tended to value transparency more than in high power distance relations (Jain & Jain, 2018). Also, that organizations that create more power distance are more likely to have employees who engage in more unethical behavior, compared to organizations

that create less power distance (Marasi, 2018). Additionally, that strict obedience to authority and authoritative relationships have a positive association with unethical behavior (Treviño, 1986; Treviño, et al. 1998). Finally, that interpersonal proximity and differences in organizational power activate the moral disengagement mechanisms (Johnson & Buckley, 2015).

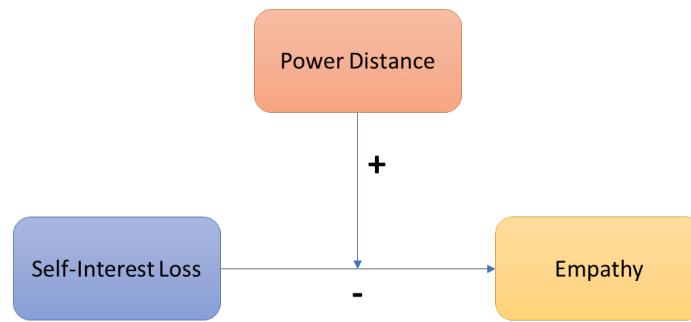
Employees that work in high power distance organizations are used to negative displays of emotion from their leaders since that's the way the superiors maintain the power balance. Nevertheless, in high power distance organizations emotional expressions are more controlled (Daniels & Greguras, 2014). It is important to understand this emotional level in these types of organizations since it guides in the comprehension of the relation between empathy and power distance. Moore and Gino (2013) note that institutional interactions that value anonymity and bureaucracy allows for the engagement of diffusion of responsibility, motivating individuals to diminish their moral agency. Institutional interactions that happen in hierarchical organizations expect employees to attend to the decisions and orders of the superiors without questioning them, this makes them feel secured to be responsible for their actions allowing them to displace their moral agency ultimately engaging in diffusion of responsibility (Daniels & Greguras, 2014).

In organizations with high power distance, the expression of feelings or dissent against managerial decisions by lower-ranking employees is not permitted. This shift in moral agency suppresses the manifestation of empathy or remorse, potentially leading to self-deception (Bandura, 1999; Daniels & Greguras, 2014; Moore & Gino, 2013). According to this information, organizations with high-power

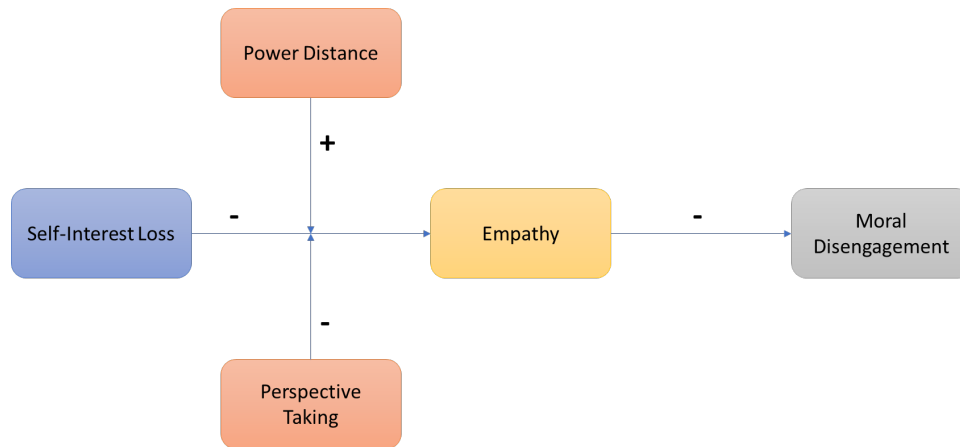
distance tend to suppress emotional response from employees in order to maintain the hierarchy and deflect possible expressions of dissent from the decision-making process and results. This allows for the displacement of moral agency to happen, for the engagement in diffusion of responsibility to happen, and ultimately impairing an empathic response in a specific situation; in a high-power distance institution individuals manifest less empathetic responses and in a low-power distance institutions individuals manifest more empathetic responses.

Similarly to what was proposed on hypothesis 4, it should be considered the causal implications of the variable nature to determine whether it is included as a mediator or a moderator in the model. In the case of perceived power distance, it is necessary taking into account that this is a contextual variable that is not present on every moral disengagement situation (for example, on a direct aggression out of an organizational context), as the main causal chain is involving automatic and subconscious processes triggered by the risk of self-interest loss. Thus, this dissertation proposes that perceived power distance can moderate the relationship between risk of self-interest loss on empathy, in such a manner that at high levels of perceived power distance, the negative effect that risk of self-interest loss triggers on empathy is stronger.

Hypothesis 5: Perceived power distance moderates the relationship between the risk for self-interest loss and empathy, such that the effect of risk for self-interest loss on empathy is weaker at high values of perspective taking.



The following image represents the graphic model that express this group of research questions and hypotheses:



Chapter three: Methodology

The methodological design for this dissertation contains two studies. The first study follows experimental parameters with the manipulation of experimental conditions in order to observe the impact of an independent variable on other dependent variables. Because ethics and morality related variables may be affected by social influence, participants responses can be tainted by social desirability bias; this is “systematic error in self-report measures resulting from the desire of respondents to avoid embarrassment and project a favorable image to others” (Fisher, 1993, p. 303). Following the methodological proposal of Fisher (1993), the current experiment measurements are mainly based on indirect questioning in order to reduce self-serving bias and socially desirable answers for ethical dilemmas.

This methodology asks participants to consider the view of a hypothetical peer and asks them to answer questions, on a projective manner, about this peer’s emotions, thoughts, and behaviors. The use of indirect questions has both, potentially positive and negative methodological implications; whereas questions implying participants’ identity tend to generate more involvement in the experiment, projective research methods allow the researcher to observe variability hidden by desirability bias.

To increase both, experiment internal and external validity, the first study follows an experimental vignette methodology. According to Aguinis and Bradley (2014), “EVM consists of presenting participants with carefully constructed and realistic

scenarios to assess dependent variables including intentions, attitudes, and behaviors” (p. 352). Presentation of scenarios allows the researcher to enhance realism and manipulate variables, which strengthen experimental consistency without diminishing the potentiality of results generalization.

Samples

Participants in the first experimental study are actual managers on sales teams working for organizations based in Bogotá – Colombia. All of them were asked to participate freely and were advised to abandon the experiment whenever they needed or wanted to; also, participants received a non-significant incentive for completing the experiment and they were informed that this incentive was not conditioned to a particular answer. Procedural conditions, such as phases and estimated time, were explained before starting the experiment. The total sample for the pre-experimental phase was of 178 participants, the total sample for the experimental phase was completed by 241 participants.

Considering that the sample per group is made by 30 participants on each condition, it was performed an ex-post power analysis. The analysis was performed by taking into account the overall standard deviation and requesting a significance of 0.05. In the Table 1 the results for such analysis are presented. This exploration was made for each of the manipulated variables; the findings suggest that the analysis has a high explanation power, as in all the cases is either 1.00 or close to 1.00.

Table 1

Power Analysis

	Power ^b	Testing assumptions			Sig.
		N ^c	SD	Effect Size ^d	
Risk of self-interest loss global test ^a	0.993	241	1.979	0.389	0.05
Power distance global test ^a	1.000	241	8.65	0.571	0.05
Perspective taking global test ^a	1.000	241	6.539	0.686	0.05

a. Test the null hypothesis that the population mean is equal across all groups.

b. It is based on the non-central F distribution.

c. Total sample size across groups.

d. Effect size measured by the standardized effect of the root mean square.

The second study in the dissertation is a correlational study with a total sample of 163 participants, who are managers on sales teams working for organizations based in Bogotá – Colombia.

Study 1 Procedure

This research involves a procedure that corresponds to a *paper people study*. Participants are presented with a written scenario (vignette) and are then prompted to share their thoughts, feelings, and behaviors. This vignette-based experimental methodology is frequently used in ethical decision-making research, as it enables researchers to tackle sensitive subjects by creating hypothetical situations (Aguinis & Bradley, 2014). The experimental design of this research investigates differences between individuals, implying that each participant is given only one condition and

participant groups in each condition are entirely independent. As a result, variable differences must be observed among participants.

The study's overall procedure consisted of a pre-experimental phase and an experimental phase. The pre-experiment was designed to create scenarios for the experiment, providing a correct manipulation of experimental conditions. During this pre-experimental phase, it was examined if experimental scenarios could be designed by employing the following variables: risk of self-interest loss, perceived power distance (high and low), and stakeholder perspective-taking (with and without). As each of independent/moderator variables were manipulated to result in two possible conditions, the complete experiment had 8 experimental conditions shown on the following table:

Table 2

Experimental Design

	With Perspective Taking		Without Perspective Taking	
	Power distance High	Power distance Low	Power distance High	Power distance Low
Risk for Self-interest loss	Condition 1	Condition 2	Condition 3	Condition 4
Risk for Self-interest loss control condition	Condition 5	Condition 6	Condition 7	Condition 8

In the preliminary phase of the experimental design, a pilot study was carried out to assess the proper construction of the scenarios. As every variable has two possible conditions, stimulus were presented by dividing both, participants and stimuli, in two groups; then, participants were asked to answer to manipulation

checks. The manipulation check determines whether the scenario text presented for each condition actually constitutes what it is meant to: a situation with a perceived risk for self-interest loss to income, a perceived high-power distance context, etc. This is concluded by exploring if there are significant differences in the manipulation checks that are explained because of the stimuli presented to each group of participants.

The scenario texts presented to build experimental conditions are the following:

Risk for Self-interest loss: A sales manager is near to the end of the quarter results and the manager is definitely not achieving the target sales goal number, which will result in a considerable diminishing of the manager's quarterly income. The manager knows that it is possible to mis-represent the number by including incorrect data, such as adding in early payments anticipated for the next quarter, which will result in the goal achievement for this quarter.

Risk for Self-interest loss control condition: A sales manager is near to the end of the quarter results and the manager is definitely not achieving the target goal number. The manager knows that there is nothing to do about it. Nonetheless, this will not have a negative impact on his/her evaluation neither his/her compensation.

Perceived high power distance: An organization where the leader is not autonomous in the decisions and plans designed by the higher managers. The relationship with his/her boss is very hierarchical, so that there is no room for conversations about the definition of goals and the procedures to achieve them.

Perceived low power distance: An organization where the leader is autonomous, so he/she can make decisions and recommend new programs and procedures.

This leader can have a lateral relationship with his/her boss, so there is always room to talk about the definition of goals and the procedures to gain them.

With stakeholder perspective-taking: Prior to concluding the decision making process, the manager deliberates on the impact of this dilemma on all the relevant stakeholders involved, which include team members, the manager's boss/manager, other departments within the organization, and the customers. When thinking about the consequences of the decision for the different stakeholders, the manager takes into account the possible harm done to them, the benefits they can get, the costs they will have to face, the magnitude of the consequences to them, among other things.

Without perspective-taking: Before making the decision, the manager cannot think about the consequences for the various stakeholders of this dilemma. A time rush deprives the manager from thinking about others involved in the decision.

The combination of these stimuli according to the experimental condition would result in a complete situation description for each participant. The situation should be presented randomly to the participant prior to measurement collection.

For an illustrative purpose, next is presented the situation description corresponding to experimental condition 8. This condition is characterized by a situation with a risk for self-interest loss control condition, low perceived power distance, and without perspective taking. The complete stimulus text would be presented to the participant as follows:

A sales manager is near to the end of the quarter results and the manager is definitely not achieving the target goal number. The manager knows that there is

nothing to do about it. Nonetheless, this will not have a negative impact on his/her evaluation neither his/her compensation. The relationship with the manager's boss is very horizontal, in such a manner that there is always space to talk about changing goals and the mechanisms to achieve them. Before making the decision, the manager cannot think about the consequences for the various stakeholders of this dilemma. A time rush deprives the manager from thinking about others involved in the decision (such as clients, the boss, suppliers, etc.).

During the experimental phase, participants were asked to read stimuli with special attention and were asked to answer a set of questionnaires following specific instructions. Experimental phase was oriented to allocate randomly 30 managers in each experimental condition. Therefore, the total sample size in the experimental phase comprised 241 managers, with 30 managers allocated to each experimental condition. To summarize, the procedure of the experimental phase was conducted as follows: 1) general instructions sharing and participants' questions resolution, 2) random allocation of participants in experimental conditions and stimulus presentation, and 3) measurements collection. After this phase, participants were debriefed and the experimental conditions were presented to them.

Study 1 Measures and Manipulation Checks

A complete description of the measures and items is presented in Appendix A. Next, a brief description is offered.

A Risk for Self-interest loss: A manipulation check of the experimental condition was measured using only one item adapted from Kish-Gephart et al. (2014). The item is a 7-point Likert scale: *“Indicate on a scale from 1 to 7 to which extent the manager is on a situation in which he/she may face undesirable personal damages. 1 indicates the manager is not facing personal undesirable damages, and 7 indicates the manager is facing personal undesirable damages”*.

Perceived Power distance: The experimental condition's manipulation was verified using 5 items from the CVSCALE validation, aimed at describing the context in terms of power distance (Prasongsukarn, 2009). Participants were requested, to rate, on a scale from 1 to 7, how well the provided sentence depicted the manager's view of the organizational culture in the case given: “People in higher positions make most decisions without consulting people in lower positions.”

Stakeholder Perspective-Taking: A manipulation check of the experimental condition was measured by asking participants to indicate the extent to which the manager took others' perspectives using a four-item scale adapted from Grant and Berry (2011). For example, participants were asked to indicate, on a scale from 1 to 7, to which extent the sentence presented describes the manager's thoughts: “In the described situation, the manager tried to take other people's perspectives”.

State Empathy: This measure is adapted from the Toronto Empathy Questionnaire (Spreng, McKinnon, Mar, & Levine, 2009), reworded to refer to the emotional dimension of the manager in the situation. For example, participants were asked to indicate, on a scale from 1 to 7, to which extent the sentence

presented describes the manager's feelings: "Other people's misfortunes do not disturb the manager a great deal".

Moral disengagement mechanisms: The mechanisms are measured with 8 items adapted from the moral disengagement questionnaire used by Detert et al. (2008). For example, participants were asked to indicate, on a scale from 1 to 7, to which extent the sentence presented describes the manager's thoughts: "Misrepresenting the number is just a way to help the people in the manager's team".

Probability to act unethically: This was measured with a single item, "indicate, on a scale from 0% to 100%, the probability of the manager acting unethically".

Study 1 Control variables

A complete description of the measures and items is presented in Appendix B. Next, a brief description is offered.

Personality: This was measured with a short measurement of personality using Big-5 personality traits model, constructed by Rammstedt and John (2007). Participants were asked to answer to what extent 10 statements presented describe their personality by using a Likert scale. An example of the statement is the following: "I see myself as someone who is reserved".

Moral Identity: This was measured with a measurement of moral identity developed by Aquino and Reed (2002). Participants were presented with a list of nine characteristics that may describe a person. Then, they were asked to visualize the kind of person that has these characteristics. After that, participants were

asked to answer 13 items, using a five-point Likert scale that ranges from 1 - strongly disagree - to 5 - strongly agree.

Trait Empathy: This was measured with the ACME (Affective and Cognitive Measurement of Empathy) self-report measure built by Vachon and Lynam (2016) and revised by Murphy, Costello, Watts, Cheong, Berg, and Lilienfeld (2020). The scale is made of three subscales that are: cognitive empathy, affective resonance, and affective dissonance. This research only uses the items referring to the affective resonance subscale, which is composed of 12 items, because the way Vachon and Lynam understand affective empathy is as a response that considers the emotional resonance developed with others or by caring for the feelings of others. This tendency is more related to trait characteristics than to dispositional characteristics, compared to cognitive empathy. Also, affective dissonance has been presented as not strongly related to other measures of empathy like the Interpersonal Reactivity Index (Murphy, et al. 2020). A five-point Likert scale is used in order to answer to the items depicted. The scale ranges from 1 strongly disagree to 5 strongly agree.

Trait Predisposition to Morally Disengage: This variable is used to know the cognitive orientation to the world that the person has, that differentiates his/her thinking in a way that strongly impacts unethical behavior (Moore, et al. 2012). The scale has 8 items, one for each mechanism of moral disengagement. The items are measured using a seven-point Likert scale that ranges from strongly disagree to strongly agree.

Gender was also considered as a control variable with male coded as 1 and female coded as 0.

Study 2 Design

In order to check for the robustness of the findings in the field, a second study was conducted. This study is based on a quantitative approach, a correlational design, and was tested with sales managers, but with a different sample than the one used in the study 1 experiment. The study variables and the control variables are the same. The measurement for the study variables change, because for this study self-report measures are used. These measurements are explained more widely in Appendix C.

This study was framed in the COVID-19 pandemic situation, in such a manner that it is possible contrasting the results obtained via experimental design, with the results of this correlational design. A discussion regarding similitudes and differences between results is presented in the next chapters of this dissertation.

Chapter four: Results

This section presents the results of the statistical analyses done to test the hypotheses. The first part will present the descriptive and inferential statistical analyses done in the pre-experimental phase, where the experimental stimuli designed was tested for its effectivity. The second part will contain the descriptive and inferential statistical analyses of the experimental phase, structured around the hypotheses proposed. Finally, the descriptive and inferential statistical analyses of the post-experimental phase will be presented to validate the results obtained in the previous phase. To understand the information in this section please use the following table to know the abbreviations that are going to be presented in the tables and texts.

Table 3

Abbreviations of Variables

Research variables	Abbr.	Control variables	Abbr.
Risk for Self-Interest Loss	RSIL	Extraversion personality trait	PERS_EXT
State Empathy	EMP	Agreeableness personality trait	PERS_AGR
Perceived Power Distance	PD	Conscientiousness personality trait	PERS_CON
Stakeholder Perspective-Taking	SHPT	Neuroticism personality trait	PERS_NEU
Moral Disengagement	MD_TOT	Openness personality trait	PERS_OPE
Moral Justification	MD1	Moral identity	MI
Euphemistic Labelling	MD2	Trait empathy	TEMP
Advantageous Comparison	MD3	Trait predisposition to morally disengage	TPMD
Displacement of Responsibility	MD4	Gender	GENDER
Diffusion of Responsibility	MD5		
Distortion of Consequences	MD6		
Attribution of Blame	MD7		

Results for the Manipulation Checks Phase

Since the first phase is done to test the designed stimuli, then the phase will only consider the scores for the Risk of Self-interest Loss (RSIL), the Stakeholder Perspective-Taking (SHPT), and the perceived Power Distance (PD) variables, as these are the ones that form the experimental vignette. In the pre-experimental phase, the sample consisted of 177 participants in total. Participants were distributed as follows: there were 90 participants in group one that read a scenario that contained a situation where the risk for self-interest loss was present, there was a high perceived power distance, and there wasn't a stakeholder perspective taking approach by the manager in the situation; there were 87 participants in group two that read the scenario that had the control condition, there was low perceived power distance, and there was a stakeholder perspective-taking approach by the manager in the situation. Participants read one scenario out of two that were tested. The descriptive statistics for these variables are shown in Table 4.

The data shows that for all three variables the stimuli behaved the way they were designed to behave; the mean for risk of self-interest loss and power distance was higher for group 1 compared with group 2, and the mean for Stakeholder perspective-taking was higher in group 2 compared with group 1. Considering that group 1 was designed to present a situation with risk of self-interest loss, with high power distance, and without Stakeholder perspective-taking, and that group 2 was

designed to present a situation without risk of self-interest loss, with low power distance, and with Stakeholder perspective taking, then the means are coherent with what was designed.

Table 4

Descriptive Statistics of the Variables in the Pre-Experimental Phase

Variables		Mean	Standard Deviation
Group 1 (n=90)	Risk of self-interest loss	1,38	0,51
	Power distance	4,66	1,05
	Stakeholder perspective-taking	2,44	0,85
Group 2 (n=87)	Risk of self-interest loss Control Condition	2,06	0,58
	Power distance	3,63	1,04
	Stakeholder perspective-taking	3,99	0,55

To validate if there were significant differences between the scenarios designed, an independent-samples t-test was performed. This test was chosen to know whether there are significant differences in the means for each of the variables between the participants in group 1 and group 2, which are independent samples. Results indicate that differences in means are statistically significant, showing that previous stimuli used are appropriate for experimental phase.

The Shapiro-Wilk test for normality was performed for all the variables and the transformed ones. It was found that none of the variables had a normal distribution (RSIL $p = 0,000$; PPD $p = 0,0057$; SHPT $p = 0,001$), but, since the sample is large, then this violation of normality may still generate accurate p values.

A Levene's test for equality of variances was done because an important assumption to do an independent-samples t-test is that the two group's variances

are equal in the population. There was homogeneity of variances for power distance ($p = 0,838$), but the assumption of homogeneity of variances was violated for risk of self-interest loss ($p = 0,02$) and Stakeholder perspective-taking ($p = 0,000$). This means that, when establishing differences for two groups for risk of self-interest loss and Stakeholder perspective-taking, the Welch t-test was used. Whereas, when establishing differences for two groups for power distance the standard independent-samples t-test was used.

There was a statistically significant difference in risk of self-interest loss mean scores between participants in group 1 and 2, with participants in group 1 scoring higher on average than participants in group 2, $M = -0,68$, $SE = 0,08$, $t(172.209) = -8,1990$, $p = 0,000$. Additionally, there was a statistically significant difference in stakeholder perspective-taking scores between participants in group 1 and 2, with participants in group 2 scoring higher than participants in group 1, $M = -1,54$, $SE = 0,10$, $t(154.282) = -14.3412$, $p = 0,000$. Finally, there was a statistically significant difference in power distance scores between participants in group 1 and participants in group 2, with participants in group 1 scoring higher than participants in group 2, $M = 1,03$, $SE = 0,16$, $t(175) = 6,5206$, $p = 0,000$. This data shows that the stimuli designed behaved the way they were designed to and thus can be used in the experimental phase.

In addition to the manipulation check described on the pre-experimental phase, it was performed an additional check with the scores obtained on the experimental phase. A One-factor ANOVA was performed to evaluate if there are differences on

the scores for risk of self-interest loss, power distance, and perspective taking, explained by the experimental groups on this design.

The results shown on Table 5 suggest that there are significant differences on the means of each of these variables, and that the observed differences can be explained by the experimental group assignment.

Table 3

One factor ANOVA for manipulation checks

		Sum of squares	df	Root mean square	F	Sig.
Risk of self-interest loss	Between groups	125.265	7	17.895	5.118	0.000***
	Within groups	814.602	233	3.496		
	Total	939.867	240			
Power distance	Between groups	5133.112	7	733.302	13.322	0.000***
	Within groups	12824.987	233	55.043		
	Total	17958.100	240			
Stakeholder perspective-taking	Between groups	4249.810	7	607.116	23.534	0.000***
	Within groups	6010.871	233	25.798		
	Total	10260.680	240			

*** p-values are significant at the level of 0.000

In addition to this, a post-hoc analysis was performed to explore in detail the differences between groups. The post-hoc approach selected was Tamhane for risk of self-interest loss, as variances are not equal among groups, and Tukey for power distance and stakeholder perspective taking, as there are not significant differences in the variances among groups. As exposed in Appendix D: Post hoc analysis for manipulation check, in all of the variables the means are different on

the expected direction, in such a manner that the scores were coherent with the intended manipulation. These differences are significant in all of the expected cases for power distance and stakeholder perspective-taking, whilst in the case of risk of self-interest loss only the differences between group 5 (control condition) and groups 1 to 4 (experimental condition) are significant.

Altogether, the pre-experimental and experimental checks suggest that the variables were successfully manipulated in coherence with the experimental design.

Results for the Experimental Phase

This section will present the results of the experimental phase, where all the hypotheses were tested. All the analysis contained in these results were performed with the coefficients obtained during the experimental phase, with a total sample of 241 participants. The statistical analyses for this phase of the study can be seen in the Table 6.

The descriptive statistics presented in the Table 6, in alignment to what was presented for the manipulation checks, show a behavior in the variables that is coherent with the experimental conditions. For example, when taking risk of self-interest loss, the condition that was manipulated presents means slightly higher in comparison to the control conditions. When studying stakeholder perspective-taking, the mean scores are higher in the conditions in which perspective taking was present in comparison with conditions in which it was absent.

Table 4*Means and Standard Deviations of Variables per Condition*

Condition	1	2	3	4	5	6	7	8
Risk of Self-interest loss	With	With	With	With	Control	Control	Control	Control
Perceived Power Distance	High	Low	High	Low	High	Low	High	Low
Stakeholder perspective-taking	With	With	Without	Without	With	With	Without	Without
	M (SD)	M (SD)	M (SD)	M (SD)	M (SD)	M (SD)	M (SD)	M (SD)
Risk of Self-interest loss (RSIIL)	6,4 (2,54)	6,26 (1,63)	6,43 (0,93)	6,2 (1,58)	4,46 (2,28)	5,1 (2,26)	5,03 (2,12)	5,16 (2,16)
Empathy (EMP)	23,3 (4,24)	23,03 (5,54)	19,6 (6,14)	18,56 (5,49)	22,3 (3,96)	24,06 (4,74)	22,8 (5,51)	19,6 (4,34)
Perceived Power Distance (PPD)	23,9 (7,82)	16,29 (7,52)	25,53 (7,55)	13,83 (6,28)	22,8 (7,68)	13,46 (6,66)	23,03 (8,50)	15,93 (7,07)
Stakeholder perspective-taking (SPT)	15 (5,31)	15,06 (5,87)	5,96 (3,96)	6,46 (5,28)	15,16 (4,44)	14,73 (5,71)	6,73 (4,52)	7,33 (5,15)
Moral Disengagement Total (MD_TOTAL)	27,6 (16,47)	24,74 (16,62)	35,3 (15,68)	34,5 (19,19)	16,83 (9,99)	15,73 (12,48)	20,4 (14,49)	17,86 (13,23)
Moral Justification (MD1)	4,2 (2,24)	3,74 (2,35)	4,8 (2,34)	4,96 (2,44)	2,03 (1,69)	2 (1,92)	2,5 (2,17)	2,53 (2,09)
Euphemistic Labelling (MD2)	3,93 (2,36)	3,64 (2,45)	4,63 (2,31)	4,9 (2,48)	1,73 (1,41)	1,83 (1,76)	2,26 (1,87)	2,4 (2,02)
Advantageous Comparison (MD3)	3,2 (2,20)	3,03 (2,34)	4,2 (2,36)	3,9 (2,80)	1,66 (1,32)	1,8 (1,71)	1,9 (1,60)	2,23 (2,07)
Displacement of Responsibility (MD4)	3,16 (2,24)	2,93 (2,32)	4,26 (2,27)	3,93 (2,74)	2,03 (1,71)	1,8 (1,62)	2,36 (2,17)	2,13 (1,96)
Diffusion of Responsibility (MD5)	3,03 (2,12)	2,93 (1,99)	4,33 (2,26)	4,33 (2,66)	2,46 (1,75)	2,46 (2,02)	2,7 (2,03)	2 (1,66)
Distortion of Consequences (MD6)	3,56 (2,43)	2,87 (2,32)	4,53 (2,34)	4,26 (2,83)	1,73 (1,43)	1,8 (1,60)	2,3 (2,08)	2,26 (2,01)
Attribution of Blame (MD7)	3,16 (2,39)	2,74 (2,19)	4,23 (2,31)	4,03 (2,68)	2,2 (1,73)	1,93 (1,64)	3,2 (2,46)	1,83 (1,41)

Finally, when considering power distance, the mean scores were higher for those conditions in which the context was described as high in power distance, and low for those conditions in which power distance was described as low.

Also, there are no apparent differences between the scores obtained for each of the different moral disengagement mechanisms between experimental conditions. Nonetheless, when looking at the total score of MD, it is possible to observe that the scores obtained in the first four conditions are higher than the ones obtained in the last four conditions based on control for risk of self-interest loss. Now, the results for each one of the hypotheses are going to be presented.

Finally, a reliability analysis was included for all multi-item measurements. Result of this analysis are reported in Table 7.

Table 5

Reliability analysis for multi-item measurements

Scale	No. Items	Av. Inter-item covariance	Cronbach Alpha
Moral disengagement	7	5.23	0.943
Empathy	5	1.4	0.661
Personality	10	0.09	0.524
Moral identity	13	0.26	0.847
Trait Empathy	12	0.13	0.664
Trait predisposition to morally disengage	8	0.28	0.639
Power Distance	5	2.59	0.867
Stakeholder Perspective-taking	3	4.31	0.909

As observed in the Table 7, most of the multi-item measurements present high levels of internal consistency, as the alpha values remain above 0.6. Also,

the only exception is personality, for which the alpha shows a moderately-high internal consistency.

Hypothesis 1: A Risk for Self-Interest Loss Increases the Usage of Moral Disengagement Mechanisms

A linear regression was done considering the control variables to see how they would interact in the relation between the risk for self-interest loss (RSIL) and moral disengagement (MD), to test if an increase in the risk for self-interest loss increases the usage of moral disengagement mechanisms. The following specification is the base model for MD used in this analysis:

$$MD = b_0 + (b_1x * RSIL)$$

Table 8 through 10 shows the results of all the linear regressions done to test this hypothesis.

When examining the linear regression considering each of the different moral disengagement mechanisms without the control variables, it was found that the risk for self-interest loss significantly predicted the engagement in all moral disengagement mechanisms. Results for each of the different mechanisms are as follows:

Table 6*Linear Regression Analysis for Moral Disengagement as a Whole, Moral Justification, and Euphemistic Labeling*

Variable	TOTAL_MD					MD1 Moral Justification					MD2 Euphemistic Labelling							
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Risk of self-interest loss without controls	2,85	5,63	0,000*****	11,35	31,72	0,000*****	0,44	6,02	0,000*****	12,80	36,23	0,000*****	0,44	6,03	0,000*****	12,83	36,32	0,000*****
Model B: Risk of self-interest loss with control variables ^a	2,73	5,36	0,000*****	12,96	4,57	0,000*****	0,41	5,67	0,000*****	15,83	5,51	0,000*****	0,42	5,69	0,000*****	13,58	4,77	0,000*****
Extraversion personality trait	1,15	1,75	0,081*				0,02	0,30	0,763				0,08	0,88	0,379			
Agreeableness personality trait	-0,17	-0,26	0,793				-0,03	-0,40	0,686				0,02	0,22	0,825			
Conscientiousness personality trait	-0,25	-0,31	0,754				-0,13	-1,12	0,265				-0,02	-0,24	0,807			
Neuroticism personality trait	2,02	2,80	0,006***				0,28	2,68	0,008***				0,27	2,65	0,009***			
Openness personality trait	0,62	0,94	0,348				0,07	0,80	0,427				0,05	0,56	0,573			
Moral identity	0,14	0,97	0,332				0,01	0,86	0,391				0,01	0,49	0,624			
Trait empathy	-0,10	-0,54	0,588				-0,02	-0,83	0,410				-0,02	-0,84	0,400			
Trait predisposition to morally disengage	-0,10	-0,54	0,586				-0,03	-1,18	0,241				-0,01	-0,47	0,637			
Gender	-2,49	-1,21	0,226				-0,68	-2,30	0,022**				-0,44	-1,48	0,140			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

***** p-values significant at the level of 0.000 *** p-values significant at the level of 0.05

Table 7*Linear Regression Analysis for Advantageous Comparison, Displacement of Responsibility, and Diffusion of Responsibility*

Variable	MD3 Advantageous Comparison					MD4 Displacement of Responsibility					MD5 Diffusion of Responsibility							
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Risk of self-interest loss without controls	0,35	4,96	0,000*****	8,96	24,62	0,000*****	0,38	5,42	0,000*****	10,57	29,37	0,000*****	0,29	4,26	0,000*****	6,68	18,17	0,000*****
Model B: Risk of self-interest loss with control variables ^a	0,32	4,64	0,000*****	10,89	3,93	0,000*****	0,36	5,22	0,000*****	12,92	4,56	0,000*****	0,28	3,99	0,000*****	8,11	3,12	0,000*****
Extraversion personality trait	0,21	2,39	0,018**				0,12	1,40	0,163				0,22	2,47	0,014**			
Agreeableness personality trait	-0,01	-0,21	0,832				-0,09	-0,98	0,326				0,03	0,39	0,700			
Conscientiousness personality trait	0,05	0,51	0,613				-0,12	-1,10	0,271				0,02	0,24	0,808			
Neuroticism personality trait	0,22	2,28	0,023**				0,22	2,19	0,029**				0,24	2,47	0,014**			
Openness personality trait	0,06	0,71	0,478				0,11	1,30	0,196				0,08	0,92	0,361			
Moral identity	0,01	0,96	0,337				0,03	1,88	0,062*				-0,00	-0,07	0,948			
Trait empathy	-0,01	-0,59	0,555				0,00	0,12	0,903				-0,01	-0,57	0,568			
Trait predisposition to morally disengage	-0,02	-1,05	0,295				-0,00	-0,32	0,752				-0,00	-0,08	0,935			
Gender	-0,37	-1,31	0,192				-0,43	-1,51	0,131				-0,29	-1,04	0,298			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

***** p-values significant at the level of 0.000

Table 80*Linear Regression Analysis for Distortion of Consequences and Attribution of Blame*

Variable	MD6 Distortion of Consequences						MD7 Attribution of Blame					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Risk of self-interest loss without controls	0,36	4,98	0,000*****	9,01	24,76	0,000*****	0,29	4,02	0,000*****	5,94	16,16	0,000*****
Model B: Risk of self-interest loss with control variables ^a	0,35	4,74	0,000*****	9,94	3,65	0,000*****	0,28	3,85	0,000*****	5,47	2,39	0,010***
Extraversion personality trait	0,18	1,90	0,059*				0,12	1,36	0,176			
Agreeableness personality trait	0,01	0,13	0,894				-0,06	-0,64	0,523			
Conscientiousness personality trait	-0,03	-0,31	0,758				0,01	0,09	0,925			
Neuroticism personality trait	0,25	2,44	0,015**				0,22	2,19	0,030**			
Openness personality trait	0,11	1,14	0,254				-0,00	-0,08	0,937			
Moral identity	0,01	0,78	0,438				0,02	1,16	0,249			
Trait empathy	-0,01	-0,53	0,598				-0,01	-0,42	0,677			
Trait predisposition to morally disengage	-0,00	-0,01	0,990				-0,01	-0,37	0,709			
Gender	-0,33	-1,10	0,271				0,03	0,12	0,908			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

***** p-values significant at the level of 0.000 *** p-values significant at the level of 0.05

- When taking into consideration the moral justification mechanism (MD1), $F(1, 239) = 36.23$ $p < 0,0000$, RSIL accounted for 13,16% of the variation in the engagement of this mechanism with adjusted $R^2 = 12,8\%$, a small size effect, according to Cohen (1988). The regression equation is: $MD1 = 0,83 + (0,44 * RSIL)$ $p < 0,000$.
- When taking into consideration the euphemistic labelling mechanism (MD2), $F(1, 239) = 36,32$ $p < 0,0000$, RSIL accounted for 13,19% of the variation in the engagement of this mechanism with adjusted $R^2 = 12,8\%$, a small size effect, according to Cohen (1988). The regression equation is: $MD2 = 0,68 + (0,44 * RSIL)$ $p < 0,000$.
- When taking into consideration the advantageous comparison mechanism (MD3), $F(1, 239) = 24,62$ $p < 0,0000$, RSIL accounted for 9,34% of the variation in the engagement of this mechanism with adjusted $R^2 = 8,9\%$, a small size effect, according to Cohen (1988). The regression equation is: $MD3 = 0,76 + (0,35 * RSIL)$ $p < 0,000$.
- When considering the displacement of responsibility mechanism (MD4), $F(1, 239) = 29,37$ $p < 0,0000$, RSIL accounted for 10,95% of the variation in the engagement of this mechanism with adjusted $R^2 = 10,57\%$, a small size effect according to Cohen (1988). The regression equation is: $MD4 = 0,67 + (0,38 * RSIL)$ $p < 0,000$.
- When studying the diffusion of responsibility mechanism (MD5), $F(1, 239) = 18,17$ $p < 0,0000$, RSIL accounted for 7,06% of the variation in the engagement of this mechanism with adjusted $R^2 = 6,68\%$, a small size effect

according to Cohen (1988). The regression equation is: $MD5 = 1,36 + (0,29 * RSIL)$ $p < 0,000$.

- When taking into account the distortion of consequences mechanism (MD6), $F(1, 239) = 24,76$ $p < 0,0000$, RSIL accounted for 9,39% of the variation in the engagement of this mechanism with adjusted $R^2 = 9,01\%$, a small size effect according to Cohen (1988). The regression equation is: $MD6 = 0,84 + (0,36 * RSIL)$ $p < 0,000$.

- When taking into consideration the attribution of blame mechanism (MD7), $F(1, 239) = 16,16$ $p < 0,0001$, RSIL accounted for 6,33% of the variation in the engagement of this mechanism with adjusted $R^2 = 5,94\%$ a small size effect according to Cohen (1988). The regression equation is: $MD7 = 1,27 + (0,29 * RSIL)$ $p < 0,000$.

In order to test if the linear regressions between all the variables in the model were significant due to a real effect of the research variables and not because of the significant relation with the other control variables, a correlation analyses was done between all the variables to test for collinearity. The result of this analysis can be seen in Table 11.

Table 11*Correlations among the variables in the model*

Variables	M	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
<i>Research variables</i>																							
1. Rsil	5,63	1,98	1,00																				
2. EMP	21,12	3,12	-0,08	1,00																			
3. PD	19,34	8,65	0,06	-0,01	1,00																		
4. SHPT	10,83	6,54	-0,13	-0,20	-0,13	1,00																	
5. MD_TOT	24,12	16,49	0,34	0,02	0,13	-0,38	1,00																
6. MD1	3,35	2,43	0,36	0,06	0,13	-0,35	0,88	1,00															
7. MD2	3,17	2,40	0,36	0,07	0,10	-0,35	0,91	0,87	1,00														
8. MD3	2,74	2,27	0,31	0,00	0,12	-0,35	0,92	0,78	0,85	1,00													
9. MD4	2,83	2,29	0,33	0,03	0,12	-0,37	0,90	0,78	0,81	0,85	1,00												
10. MD5	3,03	2,21	0,27	0,00	0,08	-0,26	0,80	0,60	0,63	0,72	0,70	1,00											
11. MD6	2,92	2,38	0,31	0,01	0,08	-0,34	0,94	0,81	0,85	0,87	0,83	0,73	1,00										
12. MD7	2,92	2,29	0,25	-0,02	0,20	-0,31	0,86	0,70	0,71	0,74	0,71	0,67	0,78	1,00									
<i>Control variables</i>																							
13. Pers_Ext	6,61	1,56	0,01	-0,01	-0,04	0,04	0,08	0,00	0,03	0,13	0,07	0,13	0,09	0,06	1,00								
14. Pers_Agr	7,09	1,57	-0,07	0,04	0,05	-0,06	-0,06	-0,08	-0,04	-0,04	-0,09	-0,01	-0,03	-0,08	0,03	1,00							
15. Pers_Con	8,77	1,32	0,04	0,05	0,07	0,01	-0,01	-0,05	-0,01	0,05	-0,03	0,01	-0,01	-0,01	-0,08	0,16	1,00						
16. Pers_Neu	4,42	1,48	0,03	0,07	0,01	-0,08	0,16	0,17	0,16	0,10	0,13	0,13	0,13	0,13	-0,20	-0,20	-0,14	1,00					
17. Pers_Ope	7,80	1,57	-0,02	0,05	0,00	-0,03	0,03	0,01	0,01	0,05	0,05	0,05	0,05	-0,02	0,07	0,14	0,26	-0,15	1,00				
18. MIM	54,97	7,24	-0,04	-0,09	-0,10	-0,05	0,02	0,01	-0,01	0,04	0,08	-0,03	0,02	0,03	-0,02	0,14	0,23	-0,14	0,09	1,00			
19. Trait EMP	52,88	5,37	-0,05	0,04	-0,02	-0,13	-0,04	-0,06	-0,06	-0,02	0,01	-0,05	-0,04	-0,04	0,01	0,19	0,23	-0,12	0,10	0,28	1,00		
20. TPMD	12,76	5,33	-0,01	-0,06	-0,04	0,15	-0,03	-0,05	-0,01	-0,07	-0,03	0,00	0,00	-0,01	-0,11	0,02	-0,13	0,19	-0,11	-0,08	-0,12	1,00	
21. Gender	0,51	0,50	-0,13	-0,14	-0,01	0,10	-0,12	-0,19	-0,14	-0,13	-0,14	-0,10	-0,11	-0,03	0,05	-0,07	-0,13	-0,04	-0,04	-0,13	-0,13	0,08	1,00

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Considering that the overall VIF is equal to 1.12, the correlation analysis shows that there is not collinearity between the variables. So, it is possible to say that the research variables can predict in an independent manner the value of the independent variable, in this case total moral disengagement and the different mechanisms.

When looking at the results without the control variables, they show that the relation between the risk for self-interest loss and moral disengagement is small, therefore it can be assumed that there are more variables that can account for the activation of moral disengagement mechanisms other than the risk for self-interest loss.

It is important mentioning that, even though the relation with all moral disengagement mechanisms taken separately into account were significant, the three moral disengagement mechanisms that accounted for the greatest percentage of variation were moral justification (MD1), euphemistic labelling (MD2), and displacement of responsibility (MD4).

When comparing the data of the linear regression done with and without the control variables for the total measurement of moral disengagement, it is observed that the RSIL coefficient doesn't change much, the relation is significant, and although the adjusted R^2 keeps having a small effect, it increases when including the control variables.

When observing the results of the linear regression considering each one of the mechanisms of moral disengagement separately with control variables, the majority of adjusted R^2 tend to increase, compared to the data obtained in the linear regression for each of the mechanisms of moral disengagement

separately without control variables. The only mechanism that tends to decrease the value of the adjusted R^2 when considering the control variables was attribution of blame (MD7). This shows that the risk for self-interest loss explains more of the variation in moral disengagement when considering all the control variables. Also, the mechanisms that are more present when there's a risk for self-interest loss were moral justification, euphemistic labelling, and displacement of responsibility.

It is important to note that not all control variables had a significant effect in the linear regression. The only variable that had a significant effect in all moral disengagement mechanisms, and when the moral disengagement measurement was taken as a whole, was neuroticism personality trait. In all linear regressions done, the coefficient for this trait was positive. Extraversion personality trait had significant effects when considering the total measure of moral disengagement and when considering the specific mechanisms of advantageous comparison, diffusion of responsibility, and distortion of consequences. The moral identity variable only had a significant effect when considering the displacement of responsibility mechanism.

So, there is statistical evidence that the risk for self-interest loss increases the usage of moral disengagement mechanisms, specifically the moral justification, euphemistic labelling, and displacement of responsibility mechanisms, confirming hypothesis 1.

Hypothesis 2: Stakeholder Perspective-Taking Negatively and Indirectly Affects the usage of Moral Disengagement Mechanisms

To test this hypothesis a structural equation analysis was performed in order to use bootstrapping to test the conditional indirect effect of the moderated variable on a mediator and on the dependent variable. When testing a moderated mediation from a regression-based approach, Hayes (2013) understands that a moderated mediation occurs when the moderator variable interacts with the mediator variable such that the value of the indirect effect, which is the effect produced by the mediation, changes depending on the value of the moderated variable. This produces a conditional indirect effect. The author suggests the use of bootstrapping to test this conditional indirect effect, since this method can deal efficiently with the non-normal distributions of conditional indirect effects, correct bias, and can consider the nonsymmetric percentile confidence intervals. In order to perform this bootstrapping, it is important to know the regression coefficients from two different models: one where the mediator is the response variable, and the other where the dependent variable is the response variable.

In this study is important to understand how Stakeholder Perspective-Taking (SHPT) and perceived Power Distance (PD) relates to Risk for Self-Interest Loss (RSIL) and to Empathy (EMP) to predict Moral Disengagement (MD_TOT). This will help understand how SHPT and PD moderates the relation between RSIL, EMP, and MD.

In the first model, the analysis considering EMP will show if SHPT and PD moderates the relation between EMP and RSIL. In the second model, the

analysis considering MD_TOT will show how the moderation of SHPT and PD in the relation between RSIL and EMP affects this variable. For testing hypothesis 2, the information here presented will be based on the second model.

To observe if there was a relation between SHPT, EMP and MD_TOT, and between PD and EMP, and obtain the regression coefficients, a structural equation model analysis was done.

The following specification is the base model for EMP used in this analysis:

$$m = a_0 + a_1X + a_2W_1 + a_3W_2 + a_4XW_1 + a_5XW_2$$

The following specification is the base model for MD used in this analysis:

$$y = b_0 + b_1m + b_2X + b_3W_1 + b_4W_2 + b_5XW_1 + b_6XW_2$$

y = Moral disengagement

m = Empathy

x = Risk for self-interest loss

w₁ = Perceived power distance

w₂ = Stakeholder perspective-taking

The results obtained when considering the first model can be found in table 12 and the results concerning the second model can be found in table 13.

Table 12*Coefficients Determining Empathy*

Variable	EMPATHY		
	β	Z	Sig.
Risk of self-interest loss (RSIL)	-1,39	-2,76	0,006***
Power Distance (PPD)	-0,16	-1,57	0,117
RSIL * PPD	0,02	1,49	0,136
Stakeholder perspective-taking	0,006	0,04	0,965
RSIL*SHP	0,04	1,74	0,082*

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 13*Coefficients Determining Moral Disengagement*

Variable	MD_TOT		
	β	Z	Sig.
Risk of self-interest loss (RSIL)	3,26	2,45	0,014**
Power Distance (PPD)	0,17	0,62	0,535
RSIL * PPD	-0,00	-0,11	0,913
Stakeholder perspective-taking	0,14	0,37	0,713
Empathy (EMP)	-1,18	-7,00	0,000*****
RSIL*SHP	-0,11	-1,74	0,082*

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

To test hypothesis 2, it is important to observe the results obtained when considering the second model, that is, the one where moral disengagement is being explained.

When considering the relation between SHPT and MD_TOT it was found that there was not a direct significant relation between them, $p = 0,671$.

Nonetheless, when looking at the moderation of SHPT, this variable had a

significant relation with MD_TOT, $p = 0,063$, for more information refer to table 13.

So, it is possible to state that it is not possible to confirm hypothesis 2 because there is not a significant relation between SHPT and MD. However, when considering the moderated effect of SHPT between RSIL and MD there is a significant relation. Therefore, it is possible to say that, although there is not a direct relation between SHPT and MD, there is a moderation effect of SHPT in the relation between RSIL and MD.

Hypothesis 3: Empathy Mediates the Effect of the Risk For Self-Interest Loss on Moral Disengagement.

To know whether Empathy (EMP) mediates the effect of the Risk for Self-interest Loss (RSIL) on Moral Disengagement (MD_TOT), the procedure recommended by Holland, Shore, and Cortina (2016) was performed. According to them it was first important to know if there was a significant relationship between risk for self-interest loss (RSIL) and empathy (EMP), then it was important to establish a significant relation between empathy (EMP) and moral disengagement (MD_TOT). Finally, it was important to consider how RSIL and EMP explain MD_TOT to verify if they have a total or partial mediation.

To test the relation between RSIL and EMP a linear regression analysis was done, first considering all the control variables, and then studying only RSIL and EMP (see table 14).

The following specification is the base model for EMP used in this analysis:

$$\text{EMP} = b_0 + (b_1x * \text{RSIL})$$

When taking all the control variables in the analysis, it was observed that RSIL statistically predicted EMP, $F(10, 230) = 1,65$ $p < 0,0938$. Here, RSIL accounted for 6,69% of the variation in EMP, with adjusted $R^2 = 2,64\%$, a small size effect according to Cohen (1988). The regression equation is: $\text{EMP} = 27,36 + (-0,54 * \text{RSIL})$ $p < 0,002$. The control variable that had a significant coefficient was moral identity (MI), with the following regression equation: $\text{EMP} = 27,36 + (-0,08 * \text{MI})$ $p < 0,089$.

When looking at the regression model without the control variables, it was observed that RSIL statistically significant predicted EMP, $F(1, 239) = 9,16$ $p < 0,0027$. In this model, RSIL accounted for 3,69% of the variation in EMP, with adjusted $R^2 = 3,29\%$, a small size effect according to Cohen (1988). The regression equation is: $\text{EMP} = 24,60 + (-0,51 * \text{RSIL})$ $p < 0,003$.

Table 14

Linear regression between Risk of self-interest loss and empathy

Variable	Empathy (EMP)					
	β	T	Sig.	Adj_ R^2	F	Sig.
Model A: Risk of self-interest loss without controls	-0,51	-3,03	0,003***	3,29	9,16	0,003***
Model B: Risk of self-interest loss with control variables ^a	-0,54	-3,13	0,002***	2,64	1,65	0,093*
Extraversion personality trait	-0,21	-0,94	0,347			
Agreeableness personality trait	-0,23	-1,03	0,302			
Conscientiousness personality trait	0,19	0,67	0,502			
Neuroticism personality trait	-0,09	-0,36	0,717			
Openness personality trait	-0,03	-0,15	0,879			
Moral identity	-0,08	-1,71	0,089*			
Trait empathy	0,09	1,40	0,163			

Variable	Empathy (EMP)					
	β	T	Sig.	Adj_R ²	F	Sig.
Trait predisposition to morally disengage	-0,05	-0,83	0,409			
Gender	-0,28	-0,41	0,682			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Here it is important to note that, since both regression models are significant, what this data shows is that risk of self-interest loss affects empathy, but risk of self-interest loss doesn't explain much of the variability of empathy. When looking at the coefficients, it is observed that they are negative for RSIL and MI, the only control variable with a significant effect. This shows that for every increase in RSIL and decrease in MI, there's a decrease in empathy.

To test the relation between empathy and total moral disengagement a linear regression analysis was done as well, first considering all the control variables and then considering only the research variables. The following specification is the base model for MD_TOT used in this analysis:

$$MD_TOT = b_0 + (b_{1X} * EMP)$$

The data of the linear regression analysis for the relation between EMP, MD_TOT, and MD individual mechanisms, considering all the control variables, can be seen in tables 15 to 19.

Table 15*Linear regression between EMP and MD_TOT, and between EMP and MD1*

Variable	MD_TOT						MD1 Moral Justification					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Empathy without controls	-1,57	-9,22	0,000*****	25,94	85,04	0,000*****	-0,19	-7,55	0,000*****	18,92	57,01	0,000*****
Model B: Empathy with control variables ^a	-1,58	-9,32	0,000*****	28,93	10,77	0,000*****	-0,20	-7,80	0,000*****	24,12	8,63	0,000*****
Extraversion personality trait	0,88	1,48	0,139				-0,00	-0,03	0,975			
Agreeableness personality trait	-0,71	-1,19	0,234				-0,11	-1,25	0,212			
Conscientiousness personality trait	0,23	0,31	0,753				-0,06	-0,56	0,575			
Neuroticism personality trait	1,90	2,91	0,004***				0,26	2,67	0,008***			
Openness personality trait	0,51	0,85	0,395				0,05	0,66	0,513			
Moral identity	-0,01	-0,14	0,892				-0,00	-0,16	0,877			
Trait empathy	0,00	0,04	0,965				-0,01	-0,38	0,706			
Trait predisposition to morally disengage	-0,19	-1,11	0,269				-0,04	-1,66	0,098*			
Gender	-3,97	-2,16	0,032**				-0,91	-3,26	0,001****			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 16*Linear regression between EMP and MD2, and between EMP and MD3*

Variable	MD2 Euphemistic Labelling						MD3 Advantageous Comparison					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Empathy without controls	-0,19	-7,44	0,000*****	18,48	55,42	0,000*****	-0,20	-8,30	0,000*****	22,03	68,81	0,000*****
Model B: Empathy with control variables ^a	-0,19	-7,48	0,000*****	20,72	7,27	0,000*****	-0,20	-8,40	0,000*****	25,44	9,19	0,000*****
Extraversion personality trait	0,05	0,59	0,556				0,18	2,19	0,030**			
Agreeableness personality trait	-0,05	-0,57	0,566				-0,08	-1,03	0,305			
Conscientiousness personality trait	0,04	0,35	0,726				0,11	1,13	0,258			
Neuroticism personality trait	0,26	2,63	0,009***				0,21	2,32	0,021**			
Openness personality trait	0,03	0,41	0,684				0,05	0,61	0,540			
Moral identity	-0,01	-0,51	0,609				-0,00	-0,03	0,978			
Trait empathy	-0,01	-0,42	0,676				-0,00	-0,05	0,959			
Trait predisposition to morally disengage	-0,02	-0,90	0,368				-0,03	-1,60	0,111			
Gender	-0,66	-2,37	0,019**				-0,55	-2,13	0,034**			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 17*Linear regression between EMP and MD4, and between EMP and MD5*

Variable	MD4 Displacement of Responsibility						MD5 Diffusion of Responsibility					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Empathy without controls	-0,18	-7,65	0,000*****	19,34	58,54	0,000*****	-0,17	-7,19	0,000*****	17,44	51,69	0,000*****
Model B: Empathy with control variables ^a	-0,19	-7,71	0,000*****	22,63	8,02	0,000*****	-0,17	-7,16	0,000*****	19,66	6,87	0,000*****
Extraversion personality trait	0,09	1,13	0,261				0,19	2,28	0,023**			
Agreeableness personality trait	-0,16	-1,83	0,068*				-0,02	-0,26	0,795			
Conscientiousness personality trait	-0,06	-0,59	0,559				0,07	0,75	0,453			
Neuroticism personality trait	0,20	2,17	0,031**				0,23	2,49	0,013**			
Openness personality trait	0,10	1,20	0,230				0,07	0,84	0,402			
Moral identity	0,01	0,96	0,339				-0,01	-0,98	0,326			
Trait empathy	0,01	0,63	0,529				-0,00	-0,10	0,919			
Trait predisposition to morally disengage	-0,01	-0,76	0,451				-0,01	-0,48	0,635			
Gender	-0,63	-2,37	0,018**				-0,44	-1,71	0,089*			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

* $p < 0,1$; ** $p < 0,05$; *** $p < 0,01$; **** $p < 0,001$; ***** $p < 0,0001$

Table 18*Linear regression between EMP and MD6, and between EMP and MD7*

Variable	MD6 Distortion of Consequences						MD7 Attribution of Blame					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Empathy without controls	-0,22	-9,01	0,000*****	25,02	81,10	0,000*****	-0,19	-8,12	0,000*****	21,30	65,95	0,000*****
Model B: Empathy with control variables ^a	-0,22	-8,96	0,000*****	26,72	9,75	0,000*****	-0,20	-8,06	0,000*****	21,54	7,59	0,000*****
Extraversion personality trait	0,14	1,65	0,100*				0,09	1,07	0,285			
Agreeableness personality trait	-0,06	-0,69	0,491				-0,12	-1,42	0,156			
Conscientiousness personality trait	0,02	0,27	0,791				0,06	0,62	0,536			
Neuroticism personality trait	0,24	2,52	0,012**				0,21	2,23	0,027**			
Openness personality trait	0,09	1,10	0,274				-0,02	-0,23	0,819			
Moral identity	-0,00	-0,28	0,778				0,00	0,26	0,795			
Trait empathy	0,00	0,06	0,955				0,00	0,14	0,886			
Trait predisposition to morally disengage	-0,01	-0,50	0,618				-0,02	-0,85	0,399			

Variable	MD6 Distortion of Consequences					MD7 Attribution of Blame						
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Gender	-0,52	-1,95	0,053*				-0,11	-0,44	0,657			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

* $p < 0,1$; ** $p < 0,05$; *** $p < 0,01$; **** $p < 0,001$; ***** $p < 0,0001$

Also, using structural equations model as suggested by Hayes (2013), a bootstrap analysis was implemented to test the conditional effect of the mediator as affected by the moderations proposed. The Table 18 presents the results of the mentioned bootstrapping analysis, which includes a 95% CI for indirect effects.

Table 19

Bootstrap analysis for mediated indirect effects

	Observed coef.	Bias	Bootstrap Std. Err.	[95% Conf. Interval]		
Bootstrap 1	1.76	-0.44	0.65	0.47	2,94	(P)
				0.57	3,11	(BC)
Bootstrap 2	1.43	0.40	0.53	0.40	2,5	(P)
				0.46	2,61	(BC)
Bootstrap 3	1.10	0.21	0.46	0.21	2,16	(P)
				0.33	2,22	(BC)

(P) percentile confidence interval

(BC) bias-corrected confidence interval

When observing all the control variables in the regression model, it was found that EMP statistically predicted MD_TOT, $F(10, 230) = 10,77$ $p < 0,0000$. In this model EMP accounted for 31,89% of the variation in the engagement of MD_TOT, with adjusted $R^2 = 28,93\%$, a medium size effect according to Cohen (1988). The regression equation is: $MD_TOT = 48,38 + (-1,58 * EMP)$ $p <$

0,000. The control variables that had significant coefficients were neuroticism personality trait (PERS_NEU) and gender, with the following regression equation: $MD_TOT = 48,38 + (1,90 * PERS_NEU)$ $p < 0,004$, and $MD_TOT = 48,38 + (-3,97 * GENDER)$ $p < 0,032$. In this model, when considering all the different mechanisms of MD_TOT, the following data was obtained:

- When taking into account the moral justification mechanism, it was found that EMP statistically predicted MD1, $F(10, 230) = 8,63$ $p < 0,0000$. In this model, EMP accounted for 27,28% of the variation in the engagement of MD1, with adjusted $R^2 = 24,12\%$ a medium size effect according to Cohen (1988).

Here, the regression equation is: $MD1 = 9,23 + (-0,20 * EMP)$ $p < 0,000$. When looking at the results with the control variables, it was observed that the neuroticism personality trait (PERS_NEU), gender, and the trait predisposition to morally disengage (TPMD) were the variables with a significant coefficient, with the following equations: $MD1 = 9,23 + (0,26 * PERS_NEU)$ $p < 0,008$; $MD1 = 9,23 + (-0,91 * GENDER)$ $p < 0,001$; and $MD1 = 9,23 + (-0,04 * TPMD)$ $p < 0,098$.

- When taking into consideration the euphemistic labelling mechanism, it was observed that EMP statistically predicted MD2, $F(10, 230) = 7,27$ $p < 0,0000$. In this model, EMP accounted for 24,02% of the variation in the engagement of MD2, with adjusted $R^2 = 20,72\%$ a medium size effect according to Cohen (1988). For this model, the regression equation is: $MD2 = 7,46 + (-0,19 * EMP)$ $p < 0,000$. The control variables with significant coefficients were neuroticism personality trait (PERS_NEU) and gender. The equations with the

control variables are: $MD2 = 7,46 + (0,26 * PERS_NEU) p < 0,009$; $MD2 = 7,46 + (-0,66 * GENDER) p < 0,019$.

- When considering the advantageous comparison mechanism, it is observed that the regression model is a good fit for the data, $F(10, 230) = 9,19 p < 0,0000$. Here, EMP accounted for 28,54% of the variation in the engagement of this mechanism, with an adjusted $R^2 = 25,44\%$, a medium size effect according to Cohen (1988). For this model, the regression equation is: $MD3 = 5,01 + (-0,20 * EMP) p < 0,000$. In this regression model, the control variables that had significant coefficients were extraversion personality trait (PERS_EXT), neuroticism personality trait (PERS_NEU), and gender. The equations with the control variables are: $MD3 = 5,01 + (0,18 * PERS_EXT) p < 0,030$; $MD3 = 5,01 + (0,21 * PERS_NEU) p < 0,021$; and $MD3 = 5,01 + (-0,55 * GENDER) p < 0,034$.

- When observing the displacement of responsibility mechanism, it is detected that the regression model is a good fit for the data, $F(10, 230) = 8,02 p < 0,0000$. In this model, EMP accounted for 25,86% of the variation in MD4, with an adjusted $R^2 = 22,63\%$, a medium size effect according to Cohen (1988). The regression equation for this model is: $MD4 = 4,95 + (-0,19 * EMP) p < 0,000$. The control variables that had significant coefficients in this model were agreeableness personality trait (PERS_AGR), neuroticism personality trait (PERS_NEU), and gender, with the following equations: $MD4 = 4,95 + (-0,16 * PERS_AGR) p < 0,068$; $MD4 = 4,95 + (0,20 * PERS_NEU) p < 0,031$; and $MD4 = 4,95 + (-0,63 * GENDER) p < 0,018$.

- When considering the diffusion of responsibility mechanism, it is important to note that the regression model is a good fit for the data, $F(10, 230) = 6,87$ $p < 0,0000$. Here EMP accounted for 23% of the variation in MD5, with an adjusted $R^2 = 19,66\%$, a medium size effect according to Cohen (1988). The regression equation is: $MD5 = 4,93 + (-0,17 * EMP)$ $p < 0,000$. In this model, the control variables that had significant coefficients were extraversion personality trait (PERS_EXT), neuroticism personality trait (PERS_NEU), and gender, with the following equations: $MD5 = 4,93 + (0,19 * PERS_EXT)$ $p < 0,023$; $MD5 = 4,93 + (0,23 * PERS_NEU)$ $p < 0,013$; and $MD5 = 4,93 + (-0,44 * GENDER)$ $p < 0,089$.
- When taking into account the distortion of consequences mechanism, it was observed that EMP statistically significant predicted MD6, $F(10, 230) = 9,75$ $p < 0,0000$. In this model EMP accounted for 29,78% of the variation in MD6, with an adjusted $R^2 = 26,72\%$, a medium size effect according to Cohen (1988). The regression equation for this model is: $MD6 = 5,81 + (-0,22 * EMP)$ $p < 0,000$. In this model, the control variables that had a significant coefficient were extraversion personality trait (PERS_EXT), neuroticism personality trait (PERS_NEU), and gender. The equations obtained are: $MD6 = 5,81 + (0,14 * PERS_EXT)$ $p < 0,100$; $MD6 = 5,81 + (0,24 * PERS_NEU)$ $p < 0,012$; and $MD6 = 5,81 + (-0,52 * GENDER)$ $p < 0,053$.
- When considering the attribution of blame mechanism it was found that the regression model is a good fit for the data, $F(10, 230) = 7,59$ $p < 0,0000$. In this model, EMP accounted for 24,81% of the variation in MD7, with an adjusted $R^2 = 21,54\%$ a medium size effect according to Cohen (1988). For this model,

the regression equation is: $MD7 = 6,01 + (-0,20 * EMP)$ $p < 0,000$. In this model the only control variable that had a significant coefficient was neuroticism personality trait, with the following equation: $MD7 = 6,01 + (0,21 * PERS_NEU)$ $p < 0,027$.

When considering only the research variables in the regression analysis done between EMP and MD_TOT, it was found that EMP statistically predicted MD_TOT, $F(1, 239) = 85,04$ $p < 0,0000$. In this model, EMP accounted for 26,24% of the variation in MD_TOT, with an adjusted $R^2 = 25,94\%$, a medium size effect according to Cohen (1988). For this model, the regression equation is: $MD = 58,34 + (-1,57 * EMP)$ $p < 0,000$. When looking at the different moral disengagement mechanisms, the data shows the following:

- When taking into account the moral justification mechanism, it was found that EMP statistically predicted MD1, $F(1, 239) = 57,01$ $p < 0,0000$. In this model, EMP accounted for 19,26% of the variation in MD1, with an adjusted $R^2 = 18,92\%$, a medium size effect according to Cohen (1988). For this model the regression equation is: $MD1 = 7,66 + (-0,19 * EMP)$ $p < 0,000$.
- When considering the euphemistic labelling mechanism, it was found that the model is a good fit for the data, $F(1, 239) = 55,42$ $p < 0,0000$. In this model, EMP accounted for 18,82% of the variation in MD2, with an adjusted $R^2 = 18,48\%$, a medium size effect according to Cohen (1988). For this model the regression equation is: $MD2 = 7,38 + (-0,19 * EMP)$ $p < 0,000$.
- When taking into account the advantageous comparison mechanism, it was found that EMP statistically significant predicted MD3, $F(1, 239) = 68,81$ $p < 0,0000$. In this model, EMP accounted for 22,35% of the variation in MD3, with

an adjusted $R^2 = 22,03\%$, a medium size effect according to Cohen (1988). The regression equation is: $MD3 = 7,09 + (-0,20 * EMP)$ $p < 0,000$.

- When observing the displacement of responsibility mechanism it is possible to conclude that the model is a good fit for the data, $F(1, 239) = 58,54$ $p < 0,0000$. In this model, EMP accounted for 19,68% of the variation in this mechanism, with an adjusted $R^2 = 19,34\%$, a medium size effect according to Cohen (1988). The regression equation for this model is: $MD4 = 6,94 + (-0,18 * EMP)$ $p < 0,000$.

- When considering the diffusion of responsibility mechanism it was found that EMP statistically significant predicted MD5, $F(1, 239) = 51,69$ $p < 0,0000$. Here EMP accounted for 17,78% of the variation in this mechanism, with an adjusted $R^2 = 17,44\%$, a medium size effect according to Cohen (1988). The regression equation is: $MD5 = 6,80 + (-0,17 * EMP)$ $p < 0,000$.

- When taking into account the distortion of consequences mechanism it was found that the model is a good fit for the data, $F(1, 239) = 81,10$ $p < 0,0000$. Here, EMP accounted for 25,34% of the variation in MD6, with an adjusted $R^2 = 25,02\%$, a medium size effect according to Cohen (1988). The regression equation is: $MD6 = 7,76 + (-0,22 * EMP)$ $p < 0,000$.

- When considering the attribution of blame mechanism it was found that EMP statistically significant predicts this mechanism, $F(1, 239) = 65,95$ $p < 0,0000$. In this model, EMP accounted for 21,63% of the variation in this mechanism, with an adjusted $R^2 = 21,30\%$, a medium size effect, according to Cohen (1988). The regression equation is: $MD7 = 7,23 + (-0,19 * EMP)$ $p < 0,000$.

From this data it is observed that all the adjusted R^2 s, with and without control variables, have a medium size effect with a significant statistical effect, so the statistical models examining Empathy with each Moral Disengagement mechanism has a good fit. Also, this relation was negative, which means that less empathy is associated with higher levels of moral disengagement. The regression coefficients for Empathy in the models with and without control variables were almost the same. Neuroticism is the only control variable that had a statistically significant positive coefficient when studying all the different mechanisms of moral disengagement, which denotes that more of this trait is associated with greater tendency to morally disengage.

Besides neuroticism, gender was another control variable that had a significant negative coefficient in almost all the mechanisms of moral disengagement, the only mechanism where this variable was not significant was attribution of blame. Agreeableness had a negative significant coefficient when associated with the mechanism of displacement of responsibility, and extraversion had positive significant coefficients when related with the mechanisms of advantageous comparison, diffusion of responsibility, and distortion of consequences.

The next step consists in establishing whether empathy has a total or partial mediation in the relation between the risk of self-interest loss and moral disengagement. For this a linear regression was done to know how RSIL and EMP explain MD_TOT. Table 20 shows the statistical information of the

analysis. Additionally, a linear regression analysis was done between RSIL and EMP with all the different mechanisms of moral disengagement. The data of these analyses can be seen in tables 21 to 24.

Table 20

Linear regression between RSIL and EMP with MD_TOT

Variable	MD_TOT					
	β	t	Sig.	Adj_R ²	F	Sig.
RSIL	1,94	4,88	0,000*****	36,95	18,90	0,000*****
EMP	-1,43	-9,35	0,000*****			
PERS_EXT	0,84	1,46	0,146			
PERS_AGR	-0,51	-0,91	0,362			
PERS_CON	0,01	0,02	0,981			
PERS_NEU	1,89	2,95	0,003***			
PERS_OPE	0,57	0,98	0,326			
MI	0,18	0,15	0,884			
TEMP	0,29	0,19	0,851			
TPMD	-0,18	-1,20	0,233			
GENDER ^a	-2,90	-1,63	0,105			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

When taking all the control variables in the analysis, it was observed that RSIL and EMP statistically predicted MD_TOT, $F(11, 229) = 18,90$ $p < 0,0000$. Here, RSIL and EMP accounted for 36,22% of the variation in the engagement of MD_TOT, a large size effect according to Cohen (1988). The regression equations are: $MD_TOT = 30,72 + (1,94 * RSIL)$ $p < 0,000$; $MD_TOT = 30,72 + (-1,43 * EMP)$ $p < 0,000$. The control variable that had a significant coefficient was neuroticism (PERS_NEU), with the following regression equation: $MD_TOT = 30,72 + (1,89 * PERS_NEU)$ $p < 0,003$.

Table 21*Linear regression between RSIL and EMP with MD1 and MD2*

Variable	MD1 Moral Justification						MD2 Euphemistic Labelling					
	β	t	Sig.	Adj ₂ R	F	Sig.	β	t	Sig.	Adj ₂ R	F	Sig.
RSIL	0,32	4,92	0,000* ****	33,65	18,85	0,000* ****	0,32	5,67	0,000* ****	30,78	15,0 1	0,000** ***
EMP	-0,17	-7,46	0,000* ****				-0,17	-6,68	0,000* ****			
PERS_EX T	-0,00	-0,10	0,921				0,04	0,52	0,604			
PERS_AG R	-0,08	-0,98	0,327				-0,01	-0,22	0,826			
PERS_CO N	-0,10	-0,95	0,342				0,00	0,03	0,975			
PERS_NE U	0,26	2,80	0,006* **				0,26	2,72	0,007* **			
PERS_OP E	0,07	0,76	0,450				0,04	0,54	0,590			
MI	0,00	0,14	0,892				-0,00	-0,21	0,836			
TEMP	-0,00	-0,25	0,805				-0,00	-0,30	0,762			
TPMD	-0,04	-1,76	0,080*				-0,02	-0,93	0,356			
GENDER ^a	-0,73	-2,69	0,008* **				-0,48	-1,80	0,074*			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 22*Linear regression between RSIL and EMP with MD3 and MD4*

Variable	MD3 Advantageous Comparison						MD4 Displacement of Responsibility					
	β	t	Sig.	Adj ₂ R ²	F	Sig.	β	t	Sig.	Adj ₂ R	F	Sig.
RSIL	0,22	4,23	0,000**** *	32,25	13,41	0,000* ****	0,27	5,00	0,000**** *	31,17	13,05	0,000 ****
EMP	-0,18	-7,54	0,000**** *				-0,16	-6,88	0,000****			
PERS_EXT	0,17	2,15	0,032**				0,09	1,08	0,280			
PERS_AGR	-0,06	-0,71	0,476				-0,13	-1,42	0,156			
PERS_CON	0,09	0,88	0,378				-0,09	-0,91	0,363			
PERS_NEU	0,21	2,29	0,023**				0,20	2,12	0,035**			
PERS_OPE	0,05	0,68	0,496				0,11	1,33	0,186			
MI	0,00	0,19	0,846				0,02	1,41	0,160			
TEMP	0,00	0,05	0,957				0,01	0,87	0,383			
TPMD	-0,03	-1,76	0,080*				-0,01	-0,82	0,412			
GENDER ^a	-0,42	-1,69	0,093*				-0,48	-1,85	0,066			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 23*Linear regression between RSIL and EMP with MD5 and MD6*

Variable	MD5 Diffusion of Responsibility						MD6 Distortion of Consequences					
	β	t	Sig.	Adj_R ₂	F	Sig.	β	t	Sig.	Adj_R ₂	F	Sig.
RSIL	0,19	3,65	0,000*****	25,79	9,59	0,000*****	0,24	4,26	0,000*** **	33,56	17,94	0,000** ***
EMP	-0,15	-6,60	0,000*****				-0,20	-9,35	0,000*** **			
PERS_EXT	0,18	2,39	0,018*				0,13	1,61	0,108			
PERS_AGR	-0,00	-0,03	0,978				-0,03	-0,42	0,678			
PERS_CON	0,05	0,62	0,536				0,00	0,02	0,987			
PERS_NEU	0,23	2,34	0,020**				0,24	2,50	0,013**			
PERS_OPE	0,07	0,92	0,360				0,10	1,20	0,231			
MI	-0,01	-0,82	0,414				-0,00	-0,04	0,964			
TEMP	-0,00	-0,02	0,984				0,00	0,18	0,858			
TPMD	-0,01	-0,47	0,641				-0,01	-0,46	0,643			
GENDER ^a	-0,34	-1,32	0,189				-0,39	-1,46	0,146			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 24*Linear regression between RSIL and EMP with MD7*

Variable	MD7 Attribution of Blame					
	β	t	Sig.	Adj_R ²	F	Sig.
RSIL	0,18	2,86	0,005***	27,12	17,94	0,000*****
EMP	-0,18	-8,11	0,000*****			
PERS_EXT	0,08	1,04	0,301			
PERS_AGR	-0,10	-1,08	0,282			
PERS_CON	0,04	0,44	0,660			
PERS_NEU	0,21	2,11	0,036**			
PERS_OPE	-0,01	-0,16	0,876			
MI	0,00	0,41	0,684			
TEMP	0,00	0,25	0,800			
TPMD	-0,02	-0,84	0,403			
GENDER ^a	-0,01	-0,07	0,941			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

When considering the different moral disengagement mechanisms, the following information was obtained:

- When taking into account the moral justification mechanism, it was found that RSIL and EMP statistically predicted MD1, $F(11, 229) = 18,85$ $p < 0,0000$. In this model, RSIL and EMP accounted for 33,65% of the variation in MD, a medium size effect according to Cohen (1988). The regression equations obtained are: $MD1 = 6,31 + (0,32 * RSIL)$ $p < 0,000$; $MD1 = 6,31 + (-0,17 * EMP)$ $p < 0,000$. In this model, the control variables that had a significant effect were neuroticism personality trait (PERS_NEU), with the following equation: $MD1 = 6,31 + (0,26 * PERS_NEU)$ $p < 0,006$; trait predisposition to morally disengage (TPMD), with the following equation: $MD1 = 6,31 + (-0,04 * TPMD)$ $p < 0,080$; and gender with the following equation: $MD1 = 6,31 + (-0,73 * GENDER)$ $p < 0,008$.

- When considering the euphemistic labelling mechanism, it was found that RSIL and EMP statistically predicted MD2, $F(11, 229) = 15,01$ $p < 0,0000$. In this model, RSIL and EMP accounted for 30,78% of the variation in MD2, which is a medium size effect according to Cohen (1988). The regression equations obtained are: $MD2 = 4,49 + (0,32 * RSIL)$ $p < 0,000$; $MD2 = 4,49 + (-0,17 * EMP)$ $p < 0,000$. Here, the control variables that had a significant effect were PERS_NEU, with the following equation: $MD2 = 4,49 + (0,26 * PERS_NEU)$ $p < 0,007$; and gender, with the following regression equation: $MD2 = 4,49 + (-0,48 * GENDER)$ $p < 0,074$.

- The advantageous comparison mechanism was found to have a significant relation with RSIL and EMP, $F(11, 229) = 13,41$ $p < 0,0000$. In this model, RSIL and EMP accounted for 31,25% of the variation in MD3, a medium size effect according to Cohen (1988). The regression equations obtained were:

MD3 = 2,92 + (0,22 * RSIL) p < 0,000; MD3 = 2,92 + (-0,18 * EMP) p < 0,000. In this model, four control variables had a significant effect over MD3: trait predisposition to morally disengage, neuroticism, extraversion, and gender, generating the following equations: MD3 = 2,92 + (-0,03 * TPMD) p < 0,080; MD3 = 2,92 + (0,21 * PERS_NEU) p < 0,023; MD3 = 2,92 + (0,17 * PERS_EXT) p < 0,032; and MD3 = 2,92 + (-0,42 * GENDER) p < 0,093.

- When taking into account the displacement of responsibility mechanism, it was observed that RSIL and EMP statistically significant explained MD4, $F(11, 229) = 13,05$ p < 0,0000. In this model RSIL and EMP accounted for 31,17% of the variation in MD4, a medium size effect according to Cohen (1988). The regression equations obtained are: MD4 = 2,44 + (0,27 * RSIL) p < 0,000; MD4 = 2,44 + (-0,16 * EMP) p < 0,000. In this model only neuroticism and gender as control variables had a significant effect in MD4, with the following regression equations: MD4 = 2,44 + (0,20 * PERS_NEU) p < 0,035; and MD4 = 2,44 + (-0,48 * GENDER) p < 0,066.

- When considering the diffusion of responsibility mechanism it was observed that MD5 had a significant relation with RSIL and EMP, $F(11, 229) = 9,59$ p < 0,0000. In this model RSIL and EMP accounted for 25,79% of the variation in MD5, a medium size effect according to Cohen (1988). The regression equations obtained are: MD5 = 3,17 + (0,19 * RSIL) p < 0,000; MD5 = 3,17 + (-0,15 * EMP) p < 0,000. In this model, extraversion and neuroticism were the only control variables that had a significant effect on MD5, with the following equations: MD5 = 3,17 + (0,18 * PERS_EXT) p < 0,018; and MD5 = 3,17 + (0,23 * PERS_NEU) p < 0,020.

- When pondering the distortion of consequences mechanism it was detected that RSIL and EMP explained MD6, $F(11, 229) = 17,94$ $p < 0,0000$. Here RSIL and EMP accounted for 33,56% of the variation in MD6, a medium size effect according to Cohen (1988). The regression equations are: $MD6 = 3,61 + (0,24 * RSIL)$ $p < 0,000$; $MD6 = 3,61 + (-0,20 * EMP)$ $p < 0,000$. In this model, the only control variable that had a significant effect over MD is neuroticism, with the following equation: $MD6 = 3,61 + (0,24 * PERS_NEU)$ $p < 0,013$.
- When taking into account the attribution of blame mechanism it was found that RSIL and EMP explained MD7, $F(11, 229) = 10,67$ $p < 0,0000$. Here RSIL and EMP accounted for 27,12% of the variation in MD7, a medium size effect according to Cohen (1988). The equations obtained are: $MD7 = 4,35 + (0,18 * RSIL)$ $p < 0,005$; $MD7 = 4,35 + (-0,18 * EMP)$ $p < 0,000$. In this model, neuroticism was the only control variable with a significant coefficient, with the following equation: $MD7 = 4,35 + (0,21 * PERS_NEU)$ $p < 0,036$.

According to this information it is possible to say that there's a partial mediation of EMP in the relation between RSIL and MD_TOT since both coefficients are statistically significant in all the analyses. Also, it is important to note as well that the direction of the relation when looking at RSIL and MD_TOT is positive, but when looking at EMP and MD_TOT is negative. Finally, in all cases the coefficient for RSIL is greater than the coefficient for EMP, and these are statistically significant in all cases.

When looking at the adjusted R^2 s, it is possible to say that the model is a good fit for the data. It is also possible to say that, when the model includes empathy in the relation between risk for self-interest loss and moral disengagement, the model improves its fit, since it can explain more of the variation of moral disengagement. This means that the effect size improved, since when considering the model with just risk for self-interest loss and moral disengagement the effect size was small, and when considering the model with empathy the effect size was large. This improvement is also seen when considering the different mechanisms of moral disengagement, since in the model with only risk for self-interest loss and moral disengagement the effect sizes were mostly small for the different mechanisms, but in the model including empathy the effect sizes were medium for the different mechanism.

Regarding all the mechanisms of moral disengagement, it is seen that the ones with the largest adjusted R^2 are, in this order, moral justification, followed by distortion of consequences, and advantageous comparison. When looking at the models generated by each of the different mechanisms of moral disengagement with the control variables, it is observed that the only control variable that has a significant coefficient in all mechanisms was neuroticism, and in all the models this coefficient is positive. Gender had significant coefficients when considering the mechanisms of moral justification, euphemistic labelling, advantageous comparison, and displacement of responsibility. Extraversion as a control variable only had a positive and significant coefficient with the mechanism of advantageous comparison and diffusion of responsibility. Finally, the trait predisposition to morally disengage

has a negative and significant coefficient when studying the relation with the mechanisms of moral justification and advantageous comparison.

Hypothesis 4: Stakeholder Perspective-Taking Moderates the Relationship Between the Risk for Self-Interest Loss and Empathy, such that the Effect of Risk for Self-interest Loss on Empathy is Weaker at High Values of Perspective Taking.

To test the moderation effect of SHPT in the relation between RSIL and EMP it is important to observe the structural equation results obtained for testing hypothesis 2. Table 12 shows the results obtained when testing the first model which determines empathy.

As explained previously, when testing a moderated mediation from a regression-based approach, Hayes (2013) understands that a moderated mediation occurs when the moderator variable interacts with the mediator variable such that the value of the indirect effect, which is the effect produced by the mediation, changes depending on the value of the moderated variable. This produces a conditional indirect effect. The author suggests the use of bootstrapping to test this conditional indirect effect, since this method can deal efficiently with the non-normal distributions of conditional indirect effects, correct bias, and can consider the nonsymmetric percentile confidence intervals. In order to perform this bootstrapping, it is important to know the regression coefficients from two different models: one where the mediator is the response variable, and the other where the dependent variable is the response variable.

With this information is possible to assess that, in this model, there isn't a direct significant relation between SHPT and EMP ($p = 0,822$), because the variable affects all these dependent variables through the moderation relation ($p = 0,078$).

Hence, the fourth hypothesis is supported with a p value lower than 1 (90% confidence), since it was observed that indeed SHPT moderates the relation between the risk for self-interest loss and empathy, such that at higher levels of stakeholder perspective-taking, the impact of self-interest loss on empathy becomes weaker.

Since there was a significant moderated effect of SHPT on empathy, is important to test the conditional indirect effect. The conditional indirect effect projects the value of the coefficient given approximate values of the mean of the research variable. When the analysis takes the mean and subtract one standard deviation the observed coefficient is 1,76 ($p = 0,007$); when the analysis takes only the mean the observed coefficient is 1,43 ($p = 0,008$); and when the analysis takes the mean and adds one standard deviation the observed coefficient is 1,10 ($p = 0,017$). This shows that the conditional indirect effects decreases as the value of the moderated value increases, which means that the conditional indirect effect over Moral Disengagement decreases as Stakeholder Perspective-Taking increases.

Hypothesis 5: Perceived Power Distance Moderates the Relationship Between the Risk for Self-Interest Loss and Empathy, such that the Effect of Risk for Self-interest Loss on Empathy is Weaker at High Values of Perspective Taking.

To test this hypothesis, it is important to adhere to the results obtained when using the structural equations, portrayed in table 11. The information of this table will help to realize how this variable relates to Risk of Self-Interest Loss (RSIL) and to Empathy (EMP). This will help to accept or reject the fifth hypothesis, which states that PD moderates the relationship between RSIL and EMP. When taking all control variables into consideration, the structural equation modelling analysis concluded that PD had a negative and significant relation with EMP, $p = 0,086$, but it did not have a significant effect when testing the moderation effect, $p = 0,115$. Thus, it is possible to establish that PD has a direct effect over EMP, so that the higher the PD, the lesser the engagement in EMP. However, when studying the moderation effect, it is possible to conclude that PPD doesn't moderate the relation between RSIL and EMP, rejecting the fifth hypothesis.

Results for the Second Study

This section presents the results of the second study, where a correlational design was done to reinforce the results obtained in the experimental phase. Hence, the results will be presented considering the hypothesis of the study. Table 25 shows the descriptive statistics of the variables of interest.

Table 25*Means and Standard Deviations of Research Variables*

	n	M (SD)	MIN.	MAX.
RSIL	163	8,71 (3,65)	3	17
EMP	163	23,3 (5,00)	10	35
PPD	163	14,8 (6,32)	5	35
SHPT	163	15,12 (4,37)	3	21
MD_TOT	163	13,12 (7,62)	7	42
MD1	163	1,84 (1,46)	1	7
MD2	163	1,67 (1,22)	1	6
MD3	163	1,72 (1,33)	1	7
MD4	163	1,77 (1,46)	1	7
MD5	163	2,20 (1,56)	1	7
MD6	163	1,63 (1,18)	1	7
MD7	163	2,26 (1,49)	1	7

When looking at these descriptive statistics it is possible to observe that most of the mean scores are closer to the minimum score given than to the maximum score given, suggesting a negative asymmetry for the distribution. The mean score for empathy appears to be not too close to either the minimum or maximum score given. The mean score for SHPT is closer to the maximum score given than to the minimum score given, suggesting a positive asymmetry for the distribution.

Hypothesis 1: A Risk for Self-Interest Loss Increases the Usage of Moral Disengagement Mechanisms

To test this hypothesis a linear regression was done considering the control variables to see the effect on the relation between the risk for self-interest loss (RSIL) and moral disengagement (MD_TOT), and to test if an increase in the

risk for self-interest loss increases the usage of moral disengagement mechanisms. Table 26 through 29 shows the results of all the linear regressions done to test this hypothesis.

Table 26

Linear regression analysis for Moral Disengagement as a whole and Moral Justification

Variable	TOTAL_MD						MD1 Moral Justification					
	β	t	Sig.	Adj_R ²	F	Sig.	β	T	Sig.	Adj_R ²	F	Sig.
Model A: RSIL without controls	0,56	3,55	0,001****	6,68	12,60	0,0005****	0,44	6,02	0,000****	2,47	5,10	0,025**
Model B: RSIL with control variables ^a	0,31	2,21	0,028**	32,62	8,84	0,000****	0,32	1,11	0,270	19,95	5,04	0,000****
PERS_EXT	0,24	-0,83	0,410*				0,01	1,24	0,814			
PERS_AGR	0,21	-0,65	0,516				0,08	1,31	0,191			
PERS_CON	0,02	-0,06	0,954				0,07	0,91	0,364			
PERS_NEU	0,34	1,01	0,313				0,01	0,27	0,789			
PERS_OPE	0,24	-0,80	0,427				0,00	0,00	0,997			
MI	0,17	-2,25	0,026**				0,02	1,69	0,093*			
TEMP	0,06	-0,64	0,524				0,01	0,81	0,420			
TPMD	0,42	5,72	0,000****				0,08	5,36	0,000****			
GENDER ^b	0,30	-0,29	0,771				0,10	0,49	0,625			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 27

Linear regression analysis for Euphemistic Labelling and Advantageous Comparison

Variable	MD2 Euphemistic Labelling						MD3 Advantageous Comparison					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: RSIL without controls	0,04	1,89	0,06*	1,55	3,56	0,06*	0,35	4,96	0,000****	4,80	9,18	0,002****
Model B: RSIL with control variables ^a	0,01	0,63	0,530	17,80	4,51	0,000****	0,04	1,78	0,077*	17,69	4,48	0,000****
PERS_EXT	0,00	0,11	0,914				0,00	0,17	0,866			
PERS_AGR	-0,10	1,87	0,064*				0,07	1,26	0,209			
PERS_CON	0,00	0,06	0,953				0,05	0,76	0,446			

Variable	MD2 Euphemistic Labelling						MD3 Advantageous Comparison					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
PERS_NEU	0,00	0,01	0,993				-	-	0,576			
PERS_OPE	0,01	0,24	0,814				-	-	0,162			
MI	-0,04	2,99	0,003**				0,08	1,41				
TEMP	0,00	0,56	0,579				0,01	1,10	0,272			
TPMD	0,05	4,38	0,000*****				0,00	0,34	0,735			
GENDER ^b	0,08	0,45	0,656				0,06	4,51	0,000*****			
							0,19	0,95	0,343			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 28

Linear regression analysis for Displacement of Responsibility and Diffusion of Responsibility

Variable	MD4 Displacement of Responsibility						MD5 Diffusion of Responsibility					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: RSIL without controls	0,10	3,52	0,001*****	6,55	12,36	0,0006*****	0,00	1,42	0,158	0,62	2,01	0,158
Model B: RSIL with control variables ^a	0,07	2,56	0,011***	22,64	5,74	0,000*****	0,02	0,72	0,470	17,54	4,45	0,000*****
PERS_EXT	-	-	0,193				-0,07	-1,17	0,244			
PERS_AGR	0,07	1,31	0,925				0,07	1,08	0,281			
PERS_CON	0,00	0,09	0,488				-0,00	-0,09	0,927			
PERS_NEU	0,05	0,70	0,537				-	-	0,001*****			
PERS_OPE	0,04	0,62	0,684				0,26	3,48				
MI	0,02	0,41	0,212				-0,06	-0,93	0,353			
TEMP	0,01	1,25	0,236				-0,00	-0,35	0,727			
TPMD	0,02	1,19	0,061*				-0,04	-1,89	0,061*			
GENDER ^b	0,06	3,93	0,000*****				0,03	1,89	0,061*			
	-	-	0,381				-0,20	-0,85	0,399			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 29*Linear regression analysis for Distortion of Consequences and Attribution of Blame*

Variable	MD6 Distortion of Consequences						MD7 Attribution of Blame					
	β	t	Sig.	Adj. R ²	F	Sig.	β	t	Sig.	Adj. R ²	F	Sig.
Model A: RSIL without controls	0,09	4,09	0,000*****	8,83	16,69	0,000*****	0,29	4,02	0,000*****	5,81	11,00	0,001****
Model B: RSIL with control variables ^a	0,06	2,72	0,007***	31,59	8,48	0,000*****	0,05	1,94	0,054*	24,24	6,18	0,0000***
PERS_EXT	-0,01	-0,32	0,751				-0,05	-0,86	0,391			
PERS_AGR	0,01	0,38	0,705				-0,02	-0,41	0,685			
PERS_CON	0,01	0,21	0,832				0,14	1,93	0,056*			
PERS_NEU	0,02	0,38	0,703				0,15	2,19	0,030**			
PERS_OPE	0,06	1,28	0,204				-0,02	-0,34	0,737			
MI	-0,02	-2,02	0,045**				-0,03	-2,39	0,018**			
TEMP	0,01	0,75	0,455				-0,01	-0,88	0,383			
TPMD	0,06	5,63	0,000*****				0,06	3,96	0,000*****			
GENDER ^b	-0,07	-0,46	0,643				-0,00	-0,04	0,969			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

* $p < 0,1$; ** $p < 0,05$; *** $p < 0,01$; **** $p < 0,001$; ***** $p < 0,0001$

From the information above it can be stated that RSIL statistically significantly explains variation in MD_TOT and including each one of the different mechanisms. This means that the model, considering only RSIL and MD_TOT with the control variables, has a good fit, since the proportion of variation in MD_TOT explained by RSIL is significant in all cases. Also, it is important to note that, when looking at the model without the control variables, all the adjusted R²s have a small size effect, but when introducing the control variables, all the adjusted R²s get to have a medium size effect, suggesting that the control variables improve the fit of the model. When examining the different moral disengagement mechanisms, it is observed that the ones that have the

best fit are distortion of consequences, attribution of blame, and displacement of responsibility, in this order.

When interpreting the coefficients, it is important to note that in all the models there were variables with significant coefficients, but not in all models RSIL had a significant coefficient. When considering the models that examined MD_TOT, and the mechanisms of advantageous comparison, displacement of responsibility, distortion of consequences, and attribution of blame, RSIL had a significant coefficient.

Nonetheless, when considering the mechanisms of moral justification, euphemistic labelling, and diffusion of responsibility, the model has a good fit but not due to RSIL. In the case of the moral justification mechanism, the model has a good fit due to the moral identity variable and the trait predisposition to morally disengage variable; in the case of the euphemistic labelling mechanism, the model has a good fit based on the moral identity variable, the trait predisposition to morally disengage variable, and the agreeableness personality trait; finally, in the case of the diffusion of responsibility mechanism, the model has a good fit due to the neuroticism personality trait variable, the trait predisposition to morally disengage variable, and the trait empathy variable.

In order to understand how the control variables and the independent variable can be related so as to accurately explain the dependent variable a correlation analysis was performed, see table 30.

Table 30*Correlation Analysis for Risk of Self-interest Loss and the Control Variables*

Variable	1	2	3	4	5	6	7	8	9	10
1. RSIL	1,00									
2. PERS_EXT	0,02	1,00								
3. PERS_AGR	-0,05	0,19	1,00							
4. PERS_CON	0,11**	0,13	0,16	1,00						
5. PERS_NEU	0,01	-	-0,16	-0,22	1,00					
6. PERS_OPE	-0,10	0,02	-0,01	0,20	-0,07	1,00				
7. MIM	-0,05	0,11	0,07	0,28	0,07	0,28	1,00			
8. TEM	-0,11***	0,18	0,22	0,27	-0,03	0,18	0,55	1,00		
9. TPMD	0,23	-	-0,10	-0,09	0,20	-0,13	-0,13	-0,30	1,00	
10. GENDER ^a	0,05	0,10	0,02	0,05	0,25	0,11	0,13	0,17	-0,10	1,00

^a Male = 1 and female = 0

* $p < 0,1$; ** $p < 0,05$; *** $p < 0,01$; **** $p < 0,001$; ***** $p < 0,0001$

The correlation analysis shows that there isn't collinearity between the variables. Even though there are statistically significant correlation coefficients between RSIL, and conscientiousness and trait empathy, the size of the coefficients are very small, so their values are very close to zero. So, it is possible to say that these variables can predict in an independent manner the value of the independent variable, in this case MD_TOT.

This information points out that, even though RSIL has a significant relation with MD_TOT, so that the risk of self-interest loss increases the usage of moral disengagement mechanisms, when taking a more detailed examination, the only mechanisms where RSIL has a significant effect are distortion of consequences, attribution of blame, and displacement of responsibility. These findings support hypothesis 1.

Hypothesis 2: Stakeholder Perspective-Taking Negatively and Indirectly Affects the Usage of Moral Disengagement Mechanisms

To analyze this hypothesis, it is important to understand how Stakeholder Perspective-Taking relates to Moral Disengagement. To observe if there was a relation, and since this analysis is a part of the analysis of moderated mediation proposed by Hayes (2013), then a structural equation analysis and bootstrap analysis was done, the same as with the experimental phase. The analysis considering MD_TOT as the dependent variable tests how the moderation of SHPT and PD in the relation between RSIL and EMP affects this variable (see table 31). The same specifications for the base model of the analysis of the experimental study were used:

For when predicting MD_TOT:

$$y = b_0 + b_1m + b_2x + b_3w_1 + b_4w_2 + b_5xw_1 + b_6xw_2$$

y = Moral disengagement

m = Empathy

x = Risk for self-interest loss

w₁ = Power distance

w₂ = Stakeholder perspective-taking

Table 31*Coefficients of RSIL, PD, SHPT, and EMP predicting MD_TOT*

Variable	MD		
	β	Z	Sig.
EMP	-0,28	-2,81	0,005***
RSIL	1,31	2,24	0,025**
PD	0,19	0,94	0,346
PD * RSIL	-0,01	-0,61	0,541
SHPT	0,40	1,52	0,129
SHPT * RSIL	-0,05	-1,82	0,069*
PERS_EXT	0,18	-0,68	0,495
PERS_AGR	-0,22	-0,73	0,465
PERS_CON	0,07	0,21	0,837
PERS_NEU	0,36	1,17	0,242
PERS_OPE	0,28	-0,97	0,333
MI	-0,14	-1,94	0,053*
TEMP	-0,00	-0,01	0,995
TPMD	0,38	5,34	0,000*****
GENDER ^a	-0,76	-0,77	0,444

^a Male = 1 and female = 0

* $p < 0,1$; ** $p < 0,05$; *** $p < 0,01$; **** $p < 0,001$; ***** $p < 0,0001$

When examining the results of the structural equation considering MD_TOT it is observed that the interaction between SHPT and RSIL is significant when explaining MD ($p = 0,069$) but the direct relation between SHPT and MD is not significant ($p = 0,129$). So, it is not possible to confirm the second hypothesis completely, as there is not a statistically significant relation between SHPT and MD. Nonetheless, there is a significant relation between the interaction of RSIL and SHPT when explaining MD. So, even though there is not a direct effect, there is a moderated effect of SHPT in the relation between RSIL and MD.

Since there was a moderated effect of SHPT over the relation between RSIL and MD, then a bootstrap test was used to test this conditional indirect effect. When considering only the moderating effect of the SHPT variable in the conditional indirect effect, the results show that when the analysis takes the mean and subtract one standard deviation the observed coefficient is 1,80 ($p = 0,009$); when the analysis takes only the mean the observed coefficient is 1,47 ($p = 0,008$); and when the analysis takes the mean and adds one standard deviation the observed coefficient is 1,14 ($p = 0,012$). This shows that the conditional indirect effect decreases as the value of the moderated value increases, which means that the conditional indirect effect over Moral Disengagement decreases as Stakeholder Perspective-Taking increases.

Hypothesis 3: Empathy Mediates the Effect of the Risk for Self-Interest Loss on Moral Disengagement.

The next step consists in testing whether Empathy (EMP) mediates the effect of the risk of self-interest loss (RSIL) on moral disengagement (MD_TOT). For this, as with the analysis of the experimental phase, the procedure recommended by Holland, et al. (2016) was performed; it is important to know first if there is a significant relation between the risk for self-interest loss and empathy, then it is important to establish a significant relation between empathy (EMP) and moral disengagement (MD), and finally it is important to know how RSIL and EMP explain MD_TOT to verify if they have a total or partial mediation. To test the relationships a linear regression analysis was conducted. The results of these analyses can be seen in table 32.

Table 32*Linear regression between RSIL and EMP*

Variable	Empathy (EMP)					
	β	T	Sig.	Adj_R ²	F	Sig.
Model A: RSIL without controls	-0,23	-2,16	0,032**	2,23	4,69	0,031**
Model B: RSIL with control variables ^a	-0,16	-1,54	0,127	11,65	3,14	0,001****
PERS_EXT	0,17	0,81	0,421			
PERS_AGR	-0,21	-0,87	0,385			
PERS_CON	0,26	0,97	0,334			
PERS_NEU	-0,00	-0,03	0,973			
PERS_OPE	-0,25	-1,08	0,282			
MI	0,05	1,00	0,317			
TEMP	0,18	2,38	0,019**			
TPMD	-0,10	-1,79	0,075*			
GENDER ^b	-1,07	-1,34	0,182			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

* $p < 0,1$; ** $p < 0,05$; *** $p < 0,01$; **** $p < 0,001$; ***** $p < 0,0001$

Here it is important to note that the model has a good fit when considering the relation between RSIL and EMP since the relation is statistically significant with and without the control variables. Also, the model improves its fit when considering the control variables since the adjusted R² increases when considering the control variables in the model. Although, according to Cohen (1988) the increase in the adjusted R² is not sufficient for it to change from having a small size effect to a medium size effect, the change between one and the other represents an increase of almost 10 units.

When examining the coefficients, it is important to note that the coefficient of RSIL is significant when not considering the control variables but becomes not significant when considering the control variables. This may be interpreted as follows: when the model considers the control variables, RSIL ceases to have a

relation with empathy, and what explains empathy are the trait variables (trait empathy and trait predisposition to morally disengage). Also, given that the RSIL coefficient is not statistically significant, it means that this coefficient is not different from zero, so it is not possible to influence empathy given any value of RSIL.

To test the relation between EMP and MD_TOT a linear regression analysis was done as well as testing the model with and without the control variables. The data of the linear regression analysis for the relation between EMP and MD_TOT considering all the control variables can be seen in tables 33 to 36.

Table 33

Linear regression between EMP and MD_TOT, and between EMP and MD1

Variable	MD_TOT						MD1 Moral Justification					
	β	t	Sig.	Adj_R ₂	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Empathy with no controls	-0,55	-4,92	0,000*****	12,54	24,2 3	0,000*****	-0,09	-4,59	0,000*****	11,01	21,0 4	0,000*****
Model B: Empathy with control variables ^a	-0,32	-3,06	0,003***	34,48	9,53	0,000*****	-0,07	-3,36	0,001*****	24,87	6,36	0,000*****
PERS_EXT	-0,16	0,57	0,572				0,00	0,00	0,998			
PERS_AGR	-0,31	-0,99	0,326				-0,10	-1,64	0,104			
PERS_CON	0,17	0,50	0,619				-0,04	-0,56	0,574			
PERS_NEU	0,32	0,97	0,335				-0,02	-0,31	0,760			
PERS_OPE	-0,38	-1,27	0,206				-0,02	-0,37	0,710			
MI	-0,15	-2,05	0,042**				-0,02	-1,48	0,141			
TEMP	-0,01	-0,18	0,859				0,02	1,41	0,161			
TPMD	0,42	5,80	0,000*****				0,07	5,25	0,000*****			
GENDER ^b	-0,46	-0,45	0,657				-0,17	-0,80	0,427			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 34*Linear regression between EMP and MD2, and between EMP and MD3*

Variable	MD2 Euphemistic Labelling						MD3 Advantageous Comparison					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Empathy with no controls	-0,07	-4,08	0,000*****	8,80	16,63	0,000*****	- 0,06	-2,96	0,004***	4,58	8,77	0,003***
Model B: Empathy with control variables ^a	-0,04	-2,63	0,009***	21,17	5,35	0,000*****	- 0,03	-1,58	0,117	17,33	4,39	0,000*****
PERS_EXT	0,01	0,29	0,769				- 0,00	-0,01	0,996			
PERS_AGR	-0,11	-2,11	0,037**				- 0,09	-1,46	0,145			
PERS_CON	0,02	0,32	0,747				- 0,02	-0,38	0,705			
PERS_NEU	-0,00	-0,01	0,994				- 0,03	-0,61	0,545			
PERS_OPE	-0,00	-0,02	0,984				- 0,10	-1,71	0,089			
MI	-0,03	-2,84	0,005***				- 0,01	-0,99	0,323			
TEMP	0,01	1,03	0,304				0,01	0,53	0,596			
TPMD	0,05	4,20	0,000*****				0,06	4,65	0,000*****			
GENDER ^b	0,03	0,20	0,840				0,19	0,93	0,355			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

* $p < 0,1$; ** $p < 0,05$; *** $p < 0,01$; **** $p < 0,001$; ***** $p < 0,0001$

Table 35*Linear regression between EMP and MD4, and between EMP and MD5*

Variable	MD4 Displacement of Responsibility						MD5 Diffusion of Responsibility					
	β	t	Sig.	Adj_R ²	F	Sig.	β	T	Sig.	Adj_R ²	F	Sig.
Model A: Empathy with no controls	-0,07	- 3,51	0,001****	6,52	12,30	0,000*****	-0,07	- 3,07	0,003***	4,93	9,41	0,002***
Model B: Empathy with control variables ^a	-0,03	- 1,70	0,091*	20,81	5,26	0,000*****	-0,03	- 1,57	0,117	18,59	4,70	0,000*****
PERS_EXT	-0,06	- 1,09	0,277				-0,06	- 1,05	0,294			
PERS_AGR	-0,02	- 0,35	0,725				0,06	0,95	0,345			
PERS_CON	-0,01	- 0,17	0,866				0,00	0,12	0,904			
PERS_NEU	-0,04	- 0,68	0,498				0,26	3,48	0,001*****			
PERS_OPE	-0,05	- 0,79	0,429				-0,07	- 1,13	0,259			
MI	-0,01	- 1,13	0,260				-0,00	- 0,23	0,818			
TEMP	-0,02	- 0,98	0,329				-0,03	- 1,61	0,110			

Variable	MD4 Displacement of Responsibility						MD5 Diffusion of Responsibility					
	β	t	Sig.	Adj_R ²	F	Sig.	β	T	Sig.	Adj_R ²	F	Sig.
TPMD	0,06	4,17	0,000*****				0,03	1,80	0,073*			
GENDER ^b	-0,18	0,83	0,409				-0,23	0,97	0,335			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

* $p < 0,1$; ** $p < 0,05$; *** $p < 0,01$; **** $p < 0,001$; ***** $p < 0,0001$

Table 36

Linear regression between EMP and MD6, and between EMP and MD7

Variable	MD6 Distortion of Consequences						MD7 Attribution of Blame					
	β	t	Sig.	Adj_R ²	F	Sig.	β	t	Sig.	Adj_R ²	F	Sig.
Model A: Empathy with no controls	-0,08	-4,82	0,000*****	12,08	23,25	0,000*****	-0,08	-3,54	0,001*****	6,64	12,52	0,000*****
Model B: Empathy with control variables ^a	-0,05	-3,11	0,002***	32,56	8,82	0,000*****	-0,04	-1,81	0,073*	23,99	6,11	0,000*****
PERS_EXT	-0,00	-0,03	0,978				-0,04	-0,67	0,501			
PERS_AGR	0,00	0,02	0,981				-0,04	-0,63	0,527			
PERS_CON	0,04	0,86	0,391				0,18	2,38	0,018**			
PERS_NEU	0,01	0,31	0,755				0,14	2,13	0,035**			
PERS_OPE	-0,08	-1,80	0,073*				-0,04	-0,67	0,502			
MI	-0,02	-1,81	0,072*				-0,03	-2,25	0,026**			
TEMP	-0,00	-0,30	0,763				-0,01	-0,63	0,532			
TPMD	0,06	5,77	0,000*****				0,06	4,09	0,000*****			
GENDER ^b	-0,09	-0,58	0,566				-0,01	-0,07	0,945			

^a Indicates that the values for this variable are the ones obtained with the control variables in the analysis.

^b Male = 1 and female = 0

* $p < 0,1$; ** $p < 0,05$; *** $p < 0,01$; **** $p < 0,001$; ***** $p < 0,0001$

When considering the fit of the model, the adjusted R²s indicate that empathy explains a significant amount of variance in the engagement in moral disengagement mechanisms, since in all analyses it was significant. The mechanisms of moral disengagement that had the largest effect size were distortion of consequences, moral justification, and attribution of blame, in this

order. The mechanisms of advantageous comparison and diffusion of responsibility had the lowest adjusted R^2 s and p values. Also, the values of the adjusted R^2 s indicate all a medium size effect, according to Cohen (1988), when considering the models with the control variables. On the other hand, the adjusted R^2 of the models without the control variables have a small size effect, according to Cohen (1988).

Regarding the interpretation of the coefficients, it is important to note that in most moral disengagement mechanisms, empathy is predictive to a certain degree. Yet, when looking at the models with the control variables, empathy does not explain the mechanisms of advantageous comparison and attribution of blame. Moreover, the trait predisposition to morally disengage is significant in all the moral disengagement models, except for the model that has the diffusion of responsibility mechanism. Moral identity is another control variable that is significant in three of the mechanisms of moral disengagement: euphemistic labelling, distortion of consequences, and attribution of blame. Neuroticism is significant when considering the diffusion of responsibility mechanism, and the attribution of blame mechanism. Agreeableness is significant when studying the euphemistic labelling mechanism. Openness is significant when explaining the distortion of consequences mechanism. Conscientiousness is significant when considering the attribution of blame mechanism. Finally, when examining the total score of moral disengagement, the two control variables that are significant, besides empathy, are moral identity and trait predisposition to morally disengage. Additionally, when examining the directionality of the coefficients, it can be said that when there is empathy and a neurotic and

conscientiousness personality trait, with a trait predisposition to morally disengage, then there's an increase in the activation of moral disengagement mechanisms. Nonetheless, when empathy is present, openness personality trait, agreeableness personality trait, and moral identity, then there's a decrease in the activation of moral disengagement mechanisms.

The next step consists in determining whether EMP has a partial or a total mediation between RSIL and MD_TOT. For this, a linear regression was done to understand how RSIL and EMP explain MD_TOT (see table 37). Additionally, a linear regression analysis was done between RSIL and EMP with all the different mechanisms of moral disengagement (see tables 37 to 41).

Table 37

Linear regression between RSIL and EMP with MD_TOT

Variable	MD_TOT					
	β	t	Sig.	R ²	F	Sig.
RSIL	0,26	2,02	0,045**	39,95	8,68	0,000*****
EMP	-0,29	-2,47	0,015**			
PERS_EXT	-0,18	-0,73	0,464			
PERS_AGR	-0,27	-1,02	0,309			
PERS_CON	0,05	0,13	0,898			
PERS_NEU	0,33	0,96	0,336			
PERS_OPE	-0,32	-1,02	0,309			
MI	-0,15	-1,90	0,059*			
TEMP	-0,01	-0,09	0,930			
TPMD	0,39	4,78	0,000*****			
GENDER ^a	-0,62	-0,58	0,565			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 38*Linear regression between RSIL and EMP with MD1 and MD2*

Variable	MD1 Moral Justification						MD2 Euphemistic Labelling					
	β	t	Sig.	R ²	F	Sig.	β	t	Sig.	R ²	F	Sig.
RSIL	0,02	0,69	0,488	29,76	7,19	0,000*****	0,00	0,35	0,730	26,08	3,79	0,000*****
EMP	-0,07	-3,04	0,003***				-0,04	-2,44	0,016**			
PERS_EXT	-0,00	-0,04	0,969				0,01	0,30	0,763			
PERS_AGR	-0,10	-1,73	0,085				-0,11	-2,15	0,033			
PERS_CON	-0,05	-0,62	0,539				0,01	0,20	0,841			
PERS_NEU	-0,01	-0,23	0,818				0,00	0,00	0,999			
PERS_OPE	-0,01	-0,27	0,789				0,00	0,02	0,988			
MI	-0,02	-1,54	0,125				-0,03	-2,20	0,029**			
TEMP	0,02	1,18	0,240				-0,01	0,93	0,354			
TPMD	0,07	5,01	0,000*****				0,05	3,85	0,000***			
GENDER ^a	-0,18	-0,80	0,425				0,03	0,17	0,867			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 39*Linear regression between RSIL and EMP with MD3 and MD4*

Variable	MD3 Advantageous Comparison						MD4 Displacement of Responsibility					
	β	t	Sig.	R ²	F	Sig.	β	t	Sig.	R ²	F	Sig.
RSIL	0,04	1,81	0,072*	23,72	3,33	0,000*****	0,06	2,41	0,017**	28,38	6,47	0,000*****
EMP	-0,02	-1,30	0,197				-0,03	-1,08	0,283			
PERS_EXT	-0,00	-0,08	0,933				-0,07	-1,46	0,147			
PERS_AGR	-0,08	-1,62	0,107				-0,01	-0,22	0,828			
PERS_CON	-0,04	-0,57	0,570				-0,04	-0,51	0,609			
PERS_NEU	-0,03	-0,53	0,595				-0,04	-0,73	0,464			
PERS_OPE	-0,09	-1,59	0,114				-0,03	-0,60	0,551			
MI	-0,01	-0,88	0,380				-0,01	-1,25	0,213			
TEMP	0,01	0,53	0,595				-0,01	-0,82	0,415			
TPMD	0,06	3,98	0,000*****				0,05	3,68	0,000*****			
GENDER ^a	0,16	0,83	0,406				-0,22	-1,01	0,313			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 40*Linear regression between RSIL and EMP with MD5 and MD6*

Variable	MD5 Diffusion of Responsibility						MD6 Distortion of Consequences					
	β	t	Sig.	R ²	F	Sig.	β	t	Sig.	R ²	F	Sig.
RSIL	0,01	0,64	0,524	23,76	4,95	0,000*****	0,05	2,43	0,016**	39,07	7,47	0,000*****
EMP	-0,03	-1,65	0,101				-0,04	-2,48	0,014**			
PERS_EXT	-0,07	-1,15	0,251				-0,00	-0,16	0,872			
PERS_AGR	0,07	1,16	0,250				0,00	0,22	0,830			
PERS_CON	0,00	0,02	0,982				0,02	0,38	0,701			
PERS_NEU	0,26	3,00	0,003***				0,01	0,32	0,746			
PERS_OPE	-0,07	-1,10	0,272				-0,07	-1,45	0,148			
MI	-0,00	-0,20	0,838				-0,02	-1,70	0,092*			
TEMP	-0,03	-1,45	0,149				-0,00	-0,17	0,865			
TPMD	0,02	1,52	0,132				0,06	4,10	0,000*****			
GENDER ^a	-0,24	-0,96	0,339				-0,12	-0,71	0,480			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

Table 41*Linear regression between RSIL and EMP with MD7*

Variable	MD7 Attribution of Blame					
	β	t	Sig.	R ²	F	Sig.
RSIL	0,05	1,62	0,108	30,09	6,71	0,000*****
EMP	-0,03	-1,72	0,087*			
PERS_EXT	-0,04	-0,84	0,405			
PERS_AGR	-0,03	-0,61	0,543			
PERS_CON	0,15	1,91	0,058*			
PERS_NEU	0,15	2,04	0,043**			
PERS_OPE	-0,03	-0,47	0,641			
MI	-0,03	-2,31	0,022**			
TEMP	-0,01	-0,49	0,626			
TPMD	0,05	3,53	0,001****			
GENDER ^a	-0,04	-0,20	0,844			

^a Male = 1 and female = 0

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

It is possible to say that the model has a good fit, because when examining the relation between RSIL and EMP with MD_TOT, the R^2 is statistically significant and indicates a large size effect according to Cohen (1988). Also, all the R^2 s, in all mechanisms, are statistically significant, yet there are some moral disengagement mechanisms with greater size effects than others. In this case, besides the score of MD_TOT, the other mechanism that had a large size effect was distortion of consequences. The other two R^2 s that follows are of the attribution of blame and moral justification mechanism, in this order, both with medium size effects according to Cohen (1988).

Nevertheless, it is important to point out that not in all models the coefficients of the variables RSIL and EMP were significant. When observing the R^2 s and their coefficients, it is possible to point out that the mechanism of distortion of consequences (the one with the highest R^2), besides the score of MD_TOT, are the ones that have significant RSIL and EMP coefficients, but from then on, all the models have one variable in which its coefficient is not significant. The mechanisms of moral disengagement where RSIL is significant, but not EMP, are advantageous comparison and displacement of responsibility. On the other hand, the mechanisms of moral disengagement where EMP is significant, but not RSIL, are moral justification, euphemistic labelling, and attribution of blame.

When looking at the control variables, the TPMD is statistically significant in all models except for the one that includes the mechanism of diffusion of responsibility. MI is statistically significant in the mechanisms of euphemistic labelling, distortion of consequences, and attribution of blame. Neuroticism personality trait is significant when considering the mechanism of diffusion of

responsibility and attribution of blame, and Conscientiousness is significant when studying the mechanism of attribution of blame.

With all this information it is possible to say that EMP indeed mediates partially the relation between RSIL and MD, so much so that the effect size improves when considering both variables, in comparison to considering only one of the two variables. Even though MD_TOT can be explained by RSIL and EMP, when reflecting on the different MD mechanisms it is possible to state that the mechanism that can be explained better is distortion of consequences, and the mechanism that cannot be explained is diffusion of responsibility. Finally, regarding the control variables, it is observed that characteristics of the individual, like its moral identity and its trait predisposition to morally disengage, can explain better the triggering of moral disengagement mechanisms, in comparison with personality traits.

Hypothesis 4: Stakeholder Perspective-Taking Moderates the Relationship Between the Risk for Self-Interest Loss and Empathy, such that the Effect of Risk for Self-interest Loss on Empathy is Weaker at High Values of Perspective Taking.

To test this hypothesis, it was important to observe if there was a relation between SHPT, RSIL and EMP, so a conditional indirect effect analysis was done, using bootstrapping and structural equations, like in the experimental phase. The analysis considering EMP as the dependent variable tests if SHPT and PD moderates the relation between EMP and RSIL (see table 42).

The same specifications for the base model of the analysis of the experimental study were used:

For when predicting EMP:

$$m = a_0 + a_1X + a_2W_1 + a_3W_2 + a_4XW_1 + a_5XW_2$$

m = Empathy

x = Risk for self-interest loss

w₁ = Power distance

w₂ = Stakeholder perspective-taking

Table 42

Coefficients of RSIL, PD and SHPT predicting EMP

Variable	EMP		
	β	Z	Sig.
RSIL	0,15	0,35	0,724
PD	-0,30	-1,92	0,054*
PD * RSIL	0,01	1,19	0,234
SHPT	0,42	2,11	0,034**
SHPT * RSIL	-0,03	-1,63	0,104
PERS_EXT	0,10	0,49	0,621
PERS_AGR	-0,31	-1,35	0,178
PERS_CON	0,20	0,79	0,427
PERS_NEU	-0,03	-0,13	0,899
PERS_OPE	-0,13	-0,59	0,553
MI	0,03	0,59	0,552
TEMP	0,17	2,39	0,017**
TPMD	-0,09	-1,71	0,087*
GENDER	-1,03	-1,38	0,166

*p < 0,1; ** p < 0,05; ***p < 0,01; ****p < 0,001; *****p < 0,0001

The table shows that SHPT does have a direct relation with EMP (p = 0,034).

Nonetheless, there was not a statistically significant moderation effect of SHPT

in the relation between RSIL and EMP ($p = 0,104$). So, it is not possible to confirm hypothesis 4.

Hypothesis 5: Perceived Power Distance Moderates the Relationship Between the Risk for Self-Interest Loss and Empathy, such that the Effect of Risk for Self-interest Loss on Empathy is Weaker at High Values of Perspective Taking.

In this section it is important to observe if there is a conditional indirect effect of PD over the relation between RSIL and EMP. The same methodology used in the previous hypothesis was done for this hypothesis, so the results are shown in table 46.

The table shows that there is a significant direct relation between PD and EMP ($p = 0,054$) but the moderation effect of PD was not statistically significant ($p = 0,234$). So, this hypothesis cannot be confirmed, since there was not an evident moderation effect of PD in the relation between RSIL and EMP.

Chapter five: Discussion

This chapter is intended to synthesize results to test the hypotheses proposed. As explained in the methodology, this research compares results between an experimental and a correlational designed study, each of them, with clear advantages and limitations. Also, the experimental design's main characteristic is that participants are asked about the responses projected on a hypothetical peer, whilst the correlational study is exploring personal self-reported moral disengagement behavior in the context of the COVID-19 pandemic.

Hypothesis 1. A risk for self-interest loss increases the usage of moral disengagement mechanisms.

As explained in the literature review, moral disengagement can be explained as a consequence of self-interest (Reinders & DeCremer, 2012; Huang et al. 2019; Jackson & Gaertner, 2010; Kish-Gephart et al. 2014; Leidner, et al. 2010; Sharma, 2020). The results presented in the previous section indicate that in both cases, experimental and correlational design, risk of self-interest loss is explaining some of the variation in moral disengagement mechanisms.

The research is intended to contribute to moral disengagement research by showing which mechanisms are activated in the sales management context. In the experiment, moral justification and euphemistic labeling are the mechanisms better explained (with the higher adjusted r square) by RSIL. Also, these are the mechanisms that are considered more likely to be used by peers (with the highest mean). Thus, when using indirect questioning by asking

participants to consider the view of a hypothetical peer, unethical behavior triggered by risk to self-interest is justified by avoiding the loss of a job and labeled as part of the “sales game”.

In the correlational study, displacement of responsibility, distortion of consequences and attribution of blame are the mechanisms with higher effect sizes. At the same time, attribution of blame is the mechanism with the highest mean score. These results indicate that when thinking about the pandemics situation, unethical behavior is justified by transferring responsibility to high power pressures, by considering that consequences “don’t mean any real harm for a particular Stakeholder”, and mainly by attributing responsibility of unethical decision making to “the system”.

This difference can be explained by the fundamental attribution error (Miller & Lawson, 1989) and the self-service bias (Hepper, Gramzow, & Sedikides, 2010): when the individual is explaining undesirable results in a hypothetical peer, internal aspects (such as protecting their own job or playing the sales game) are more relevant. In contrast, when asked about their own behavior, aspects out of their own control (like others’ power or the system’s pressures) are more likely to be invoked.

Hypothesis 2. Stakeholder perspective-taking negatively and indirectly affects the usage of moral disengagement mechanisms.

In both cases, the experiment and the correlational study, perspective taking appears not to be related with the usage of moral disengagement mechanisms. Nonetheless, the interaction between Stakeholder’s perspective taking and risk

of self-interest loss diminishes the likelihood of using moral disengagement mechanisms. These results indicate that both conditions (risk of loss and perspective taking) need to be considered to explain the appearance of moral disengagement mechanisms. The above results are consistent with the literature review, in such a manner that perspective taking is mainly acting as a moderator of the usage of moral disengagement mechanisms (Batson et al. 2003; Stanger, et al. 2018, Illies, et al. 2019; Cojuharenco & Sguera, 2015). They are also consistent with Bandura, Barbaranelli, Caprara & Pastorelli (1996) comments about how mechanisms related to empathy influence academic processes such as academic efficacy, or emotional processes such as the regulation of the aggressive response. The authors state that empathy related variables, such as empathic concern, prosocial behavior, and perspective-taking moderate the response people have on variables related to emotional regulation or ethical behavior. Nonetheless, results in this research do not support hypothesis 2.

Hypothesis 3. Empathy mediates the effect of the risk for self-interest loss on moral disengagement.

Regarding this hypothesis, the results in the experimental and correlational study are consistent between them. In the experimental design, empathy moderates partially the effect of self-interest loss in each of the moral disengagement mechanisms; that is, variability in moral disengagement mechanisms is explained by variability in both self-interest loss and empathy, but the influence of self-interest loss decreases when including empathy.

In the correlational study there are three groups of effects. The first one is total mediation: in the case of moral justification (is to protect the people you care about), euphemistic labeling (is not stealing but borrowing), and attribution of blame (it's their fault they need to be treated roughly) were initially explained by self-interest loss; but when including empathy, risk of self-interest loss effect becomes non-significant. In this case, the effect of self-interest loss in moral disengagement mechanisms is fully mediated by empathy. The second group of effects is partial mediation: this occurs in the case of the aggregated measure of moral disengagement and in respect to distortion of consequences (it's not such a big deal). The third group of effects is no mediation: advantageous comparison (is not as bad as what others do) and displacement of responsibility (they were ordered to do so) are only explained by risk of self-interest loss; also, diffusion of responsibility (considering that the manager plays a very small role in a large organization) is not explained by risk of self-interest loss, neither by empathy, when both variables are included in the linear regression model.

Overall, results indicate that empathy is mediating the effect between risk of self-interest loss and moral disengagement mechanisms. The discrepancies between the experimental and correlational design can be explained in terms of the high control of variables that is made through the experiment; Risk of self-interest loss in not losing effect in the experiment because the strong manipulation has this impact. Also, the discrepancies can be explained due to the context of each study, with the experimental phase asking for the thoughts and feelings of someone else, and the correlational study asking directly for the participant's thoughts and feelings.

Hypothesis 4: Stakeholder perspective-taking moderates the relationship between the risk for self-interest loss and empathy, such that the effect of risk for self-interest loss on empathy is weaker at high values of perspective taking.

In the experiment, the results indicate a negative effect of risk of self-interest loss on empathy. Nonetheless, an interaction between risk of self-interest loss and stakeholder perspective taking is observed, in such a manner that when engaging in a perspective taking exercise, empathy becomes activated. These results are indicating that stakeholder perspective taking is moderating the effect of risk of self-interest loss on empathy.

The previous effect is not observed in the correlational study. This can be explained by methodological design: whereas in the experiment participants in stakeholder perspective taking condition were asked to write about the hypothetical peer's thoughts, in the correlational study they were asked to indicate at what extent the presented phrases represented their thoughts. This finding is relevant at the extent that is indicating that active exercises considering Stakeholder's perspective are likely to increase empathy, as an organizational or managerial practice, reduce the usage of moral disengagement mechanisms, and, therefore, reduce the likelihood of engaging in unethical behavior.

Hypothesis 5: Perceived power distance moderates the relationship between the risk for self-interest loss and empathy, such that the effect of

risk for self-interest loss on empathy is weaker at high values of perspective taking.

Results of both the experimental and the correlational study are consistent, and show no support for this hypothesis. It appears that perceived power distance has a direct effect on empathy, in such a manner that perceptions of higher power distance reduce the likelihood of feeling empathy, and this occurs regardless of whether the individual is facing or not a situation of risk of self-interest loss. However, the interaction between perceived power distance and risk of self-interest loss has no significant effect on empathy. This appears to be consistent with the research done by Xu, Bolton, and Winterich (2021) showing that people with lower power distance perceptions tended to feel more empathetic towards the other person compared to people with high power distance perceptions. It appears that power distance belief has a direct and negative relation with empathy. On the other hand, the review of the literature explains power distance with unethical behavior, but the results of this research showed that power distance doesn't have a direct relation with moral disengagement and doesn't function as a moderator neither. This may suggest that there are mechanisms by which power distance can influence unethical behavior other than moral disengagement mechanisms. Xu, et al. (2021) direct their attention to emotional mechanisms; Taylor and Curtis (2013) point out the responsiveness of the organization. So, when considering power distance, the suggestion is to study its influence on unethical behavior not by understanding mechanisms of moral disengagement, but regarding more emotional mechanisms or organizational factors.

Conclusions and recommendations for future research

Finally, as a general conclusion it is important to know that risk of self-interest loss does have a relation with moral disengagement regardless of who perceives the risk (if the risk is for me or for somebody else). Also, this relation is mediated by empathy, and the way empathy affects the engagement of moral disengagement mechanisms tends to depend on who perceives the risk; If I perceive that somebody else is at risk, then the mechanisms of moral disengagement that are more likely going to be used are moral justification, advantageous comparison, and distortion of consequences. However, if individuals perceive risk for themselves, the mechanisms of moral disengagement that are more likely to be activated are distortion of consequences.

Additionally, one thing the organization can do to help mitigate the activation of moral disengagement mechanisms when there is a risk for self-interest loss is to promote a culture and concrete practices of stakeholder perspective-taking. In other words, the organization should promote practices of emotional empathy and cognitive empathy in their culture so that, when dealing with a tempting situation, workers have the mechanisms to deal with the situation to not engage in moral disengagement and unethical behavior.

Another aspect that should be taken for future research is the way that self-interest gain affects empathy, perspective taking, and moreover, the usage of moral disengagement mechanisms. Also, it should be explored the differential

way in which risk of loss and risk of gain affect emotional response. It is clear that risk of loss may affect emotions associated with fear, such as anger and resignation. A possibility of gain on the other hand is more associated to happiness related emotions, such as arousal or curiosity. As it was hypothesized, the risk of loss has a negative impact in empathy and perspective taking behavior, but it is not clear if a risk of personal gain would have a similar impact. Also, the moral disengagement mechanisms used might be different.

Conclusiones

Este capítulo tiene como objetivo sintetizar los resultados para probar las hipótesis propuestas. Como se explicó en la metodología, esta investigación compara resultados entre un estudio con diseño experimental y correlacional, cada uno de ellos, con claras ventajas y limitaciones. Además, la característica principal del diseño experimental es que se pide a los participantes que respondan sobre las respuestas proyectadas de un par hipotético, mientras que el estudio correlacional está explorando el comportamiento de desentendimiento moral autoinformado personalmente en el contexto de la pandemia de COVID-19.

Hipótesis 1. Un riesgo de pérdida autointeresada aumenta el uso de mecanismos de desentendimiento moral.

Como se explicó en la revisión de la literatura, el desentendimiento moral puede explicarse como una consecuencia del interés propio (Reinders & DeCremer, 2012; Huang et al. 2019; Jackson & Gaertner, 2010; Kish-Gephart et al. 2014; Leidner, et al. 2010; Sharma, 2020). Los resultados presentados en la sección anterior indican que en ambos casos, diseño experimental y correlacional, el riesgo de pérdida autointeresada está explicando como parte de la variación en los mecanismos de desentendimiento moral.

La investigación tiene la intención de contribuir a los estudios de desentendimiento moral mostrando qué mecanismos se activan en el contexto de la gestión de ventas. En el experimento, la justificación moral y la etiqueta eufemística son los mecanismos mejor explicados (con el r cuadrado ajustado

más alto) por el riesgo de pérdida autointeresada. Además, estos son los mecanismos que se consideran más propensos a ser utilizados por los pares (con la media más alta). Por lo tanto, al usar cuestionamientos indirectos al pedir a los participantes que consideren la visión de un par hipotético, el comportamiento no ético desencadenado por el riesgo de pérdida autointeresada se justifica evitando la pérdida de un trabajo y se etiqueta como parte del “juego de ventas”. En el estudio correlacional, el desplazamiento de responsabilidad, la distorsión de las consecuencias y la atribución de culpa son los mecanismos con tamaños de efecto más altos. Al mismo tiempo, la atribución de culpa es el mecanismo con la puntuación media más alta. Estos resultados indican que al pensar en la situación de la pandemia, el comportamiento no ético se justifica transfiriendo la responsabilidad a las presiones de alto poder, considerando que las consecuencias “no significan ningún daño real para un Stakeholder en particular”, y principalmente atribuyendo la responsabilidad de la toma de decisiones no éticas al “sistema”.

Esta diferencia puede explicarse por el error de atribución fundamental (Miller & Lawson, 1989) y el sesgo de autoservicio (Hepper, Gramzow, & Sedikides, 2010): cuando el individuo está explicando resultados indeseables en un par hipotético, los aspectos internos (como proteger su propio trabajo o jugar el juego de ventas) son más relevantes. En contraste, cuando se les pregunta sobre su propio comportamiento, es más probable que se invoquen aspectos fuera de su propio control (como el poder de otros o las presiones del sistema).

Hipótesis 2. La toma de perspectiva de los stakeholders se relaciona negativamente con los mecanismos de desentendimiento moral.

En ambos casos, el experimento y el estudio correlacional, la toma de perspectiva no parece estar relacionada con el uso de mecanismos de desentendimiento moral. Sin embargo, la interacción entre la toma de perspectiva de los stakeholders y el riesgo de pérdida autointeresada disminuye la probabilidad de usar mecanismos de desentendimiento moral. Estos resultados indican que ambas condiciones (riesgo de pérdida y toma de perspectiva) deben considerarse para explicar la aparición de mecanismos de desentendimiento moral. Los resultados anteriores son consistentes con la revisión de la literatura, de tal manera que la toma de perspectiva actúa principalmente como un moderador del uso de mecanismos de desentendimiento moral (Batson et al. 2003; Stanger, et al. 2018, Illies, et al. 2019; Cojuharenco & Sguera, 2015). También son consistentes con los comentarios de Bandura, Barbaranelli, Caprara y Pastorelli (1996) sobre cómo los mecanismos relacionados con la empatía influyen en los procesos académicos, como la eficacia académica, o los procesos emocionales, como la regulación de la respuesta agresiva. Los autores afirman que las variables relacionadas con la empatía, como la preocupación empática, el comportamiento prosocial y la toma de perspectiva, moderan la respuesta que las personas tienen sobre variables relacionadas con la regulación emocional o el comportamiento ético. Sin embargo, los resultados de esta investigación no apoyan la hipótesis 2.

Hipótesis 3. La empatía media el efecto del riesgo de pérdida de interés propio en el desentendimiento moral.

Con respecto a esta hipótesis, los resultados en el estudio experimental y correlacional son consistentes entre sí. En el diseño experimental, la empatía modera parcialmente el efecto de la pérdida autointeresada en cada uno de los mecanismos de desentendimiento moral; es decir, la variabilidad en los mecanismos de desentendimiento moral se explica por la variabilidad tanto en la pérdida autointeresada como en la empatía, pero la influencia de la pérdida de interés propio disminuye al incluir la empatía. En el estudio correlacional hay tres grupos de efectos. El primero es la mediación total: en el caso de la justificación moral (es para proteger a las personas que te importan), la etiqueta eufemística (no es robar sino pedir prestado), y la atribución de culpa (es su culpa que necesiten ser tratados con dureza) se explicaron inicialmente por la pérdida autointeresada; pero al incluir la empatía, el efecto de la pérdida autointeresada se vuelve no significativo. En este caso, el efecto de la pérdida autointeresada en los mecanismos de desentendimiento moral está totalmente mediado por la empatía. El segundo grupo de efectos es la mediación parcial: esto ocurre en el caso de la medida agregada de desentendimiento moral y con respecto a la distorsión de las consecuencias (no es para tanto). El tercer grupo de efectos es la no mediación: la comparación ventajosa (no es tan malo como lo que hacen otros) y el desplazamiento de responsabilidad (se les ordenó hacerlo) sólo se explican por el riesgo de pérdida autointeresada; además, la difusión de la responsabilidad (considerando que el gerente juega un papel muy pequeño en una gran organización) no se explica por el riesgo de pérdida

d autointeresada, ni por la empatía, cuando ambas variables se incluyen en el modelo de regresión lineal. En general, los resultados indican que la empatía está mediando el efecto entre el riesgo de pérdida autointeresada y los mecanismos de desentendimiento moral. Las discrepancias entre el diseño experimental y correlacional pueden explicarse en términos del alto control de variables que se realiza a través del experimento; El riesgo de pérdida autointeresada no pierde efecto en el experimento porque la fuerte manipulación tiene este impacto. Además, las discrepancias pueden explicarse debido al contexto de cada estudio, con la fase experimental pidiendo los pensamientos y sentimientos de otra persona, y el estudio correlacional preguntando directamente los pensamientos y sentimientos del participante.

Hipótesis 4: La toma de perspectiva de los stakeholders modera la relación entre el riesgo de pérdida autointeresada y la empatía, de tal manera que cuanto mayor sea la presencia de la toma de perspectiva de los stakeholders, mayor será la presencia de empatía.

En el experimento, los resultados indican un efecto negativo del riesgo de pérdida autointeresada en la empatía. Sin embargo, se observa una interacción entre el riesgo de pérdida autointeresada y la toma de perspectiva de los stakeholders, de tal manera que al participar en un ejercicio de toma de perspectiva, la empatía se activa. Estos resultados indican que la toma de perspectiva de los stakeholders está moderando el efecto del riesgo de pérdida autointeresada en la empatía. El efecto anterior no se observa en el estudio correlacional.

Esto puede explicarse por el diseño metodológico: mientras que en el experimento se pidió a los participantes en la condición de toma de perspectiva de los stakeholders que escribieran sobre los pensamientos del par hipotético, en el estudio correlacional se les pidió que indicaran en qué medida las frases presentadas representaban sus pensamientos. Este hallazgo es relevante en la medida en que indica que los ejercicios activos que consideran la perspectiva de los stakeholders son propensos a aumentar la empatía, como una práctica organizacional o gerencial, reducir el uso de mecanismos de desentendimiento moral y, por lo tanto, reducir la probabilidad de participar en comportamiento no ético.

Hipótesis 5: La distancia de poder percibida modera la relación entre el riesgo de pérdida de interés propio y la empatía, de tal manera que una percepción de mayor distancia de poder en el contexto organizacional se asocia con una menor empatía.

Los resultados de ambos estudios, el experimental y el correlacional, son consistentes y no apoyan esta hipótesis. Parece que la distancia de poder percibida tiene un efecto directo en la empatía, de tal manera que las percepciones de una mayor distancia de poder reducen la probabilidad de sentir empatía, y esto ocurre independientemente de si el individuo está enfrentando o no una situación de riesgo de pérdida autointeresada. Sin embargo, la interacción entre la distancia de poder percibida y el riesgo de pérdida autointeresada no tiene un efecto significativo en la empatía. Esto parece ser consistente con la investigación realizada por Xu, Bolton y Winterich (2021) que muestra que las personas con percepciones de menor distancia de

poder tienden a sentir más empatía hacia la otra persona en comparación con las personas con percepciones de alta distancia de poder. Parece que la creencia de distancia de poder tiene una relación directa y negativa con la empatía.

Por otro lado, la revisión de la literatura explica la distancia de poder con el comportamiento no ético, pero los resultados de esta investigación mostraron que la distancia de poder no tiene una relación directa con el desentendimiento moral y tampoco funciona como moderador. Esto puede sugerir que existen mecanismos por los cuales la distancia de poder puede influir en el comportamiento no ético aparte de los mecanismos de desentendimiento moral. Xu, et al. (2021) dirigen su atención a los mecanismos emocionales; Taylor y Curtis (2013) señalan la capacidad de respuesta de la organización. Por lo tanto, al considerar la distancia de poder, la sugerencia es estudiar su influencia en el comportamiento no ético no entendiendo los mecanismos de desentendimiento moral, sino considerando más mecanismos emocionales o factores organizacionales.

Conclusiones generales y recomendaciones para futuras investigaciones

Finalmente, como conclusión general, es importante saber que el riesgo de pérdida autointeresada sí tiene una relación con el desentendimiento moral independientemente de quién perciba el riesgo (si el riesgo es para mí o para alguien más). Además, esta relación está mediada por la empatía, y la forma en que la empatía afecta la activación de los mecanismos de desentendimiento moral tiende a depender de quién percibe el riesgo; Si percibo que alguien más

está en riesgo, entonces los mecanismos de desentendimiento moral que es más probable que se utilicen son la justificación moral, la comparación ventajosa y la distorsión de las consecuencias. Sin embargo, si los individuos perciben un riesgo para ellos mismos, los mecanismos de desentendimiento moral que es más probable que se activen son la distorsión de las consecuencias. Además, una cosa que la organización puede hacer para ayudar a mitigar la activación de los mecanismos de desentendimiento moral cuando hay un riesgo de pérdida autointeresada es promover una cultura y prácticas concretas de toma de perspectiva de los stakeholders. En otras palabras, la organización debe promover prácticas de empatía emocional y cognitiva en su cultura para que, al enfrentar una situación tentadora, los trabajadores tengan los mecanismos para lidiar con la situación y no participar en el desentendimiento moral y el comportamiento no ético.

Otro aspecto que debería ser considerado para futuras investigaciones es la forma en que las ganancias autointeresadas afectan la empatía, la toma de perspectiva y, además, el uso de mecanismos de desentendimiento moral. Además, se debería explorar la forma diferencial en que el riesgo de pérdida y el riesgo de ganancia afectan la respuesta emocional. Está claro que el riesgo de pérdida puede afectar las emociones asociadas con el miedo, como la ira y la resignación. Por otro lado, una posibilidad de ganancia está más asociada a emociones relacionadas con la felicidad, como la excitación o la curiosidad. Como se hipotetizó, el riesgo de pérdida tiene un impacto negativo en la empatía y el comportamiento de toma de perspectiva, pero no está claro si un

riesgo de ganancia personal tendría un impacto similar. Además, los mecanismos de desentendimiento moral utilizados podrían ser diferentes.

Research Strengths and Limitations

As mentioned before, according to Aguinis and Bradley (2014), laboratory studies versus field studies tend to present high internal consistency at the same time they lack of external validity. Following proposals by Aguinis and Bradley (2014), the use of experimental vignette methodology allows the researcher to achieve both internal consistency and external validity; it is important to mention that the realism in the scenarios has to match with the everyday life experience of participants. On this matter, these scenarios were designed based on a frequent situation in sales management, which is sales results reporting and the direct effect on personal income. In this aspect, the correlational study has external validity, but doesn't allow for a strict control of variables like in an experimental study. This means that with a correlational study it is not possible to know how variation in one variable generates an impact in the dependent variable. So, this lack of control generates external validity, but doesn't allow to understand the relation between variables. The fact that this research uses both study designs allows for the results to be corroborated and complemented.

One limitation, because it is circumscribed to the context of ethics and morality, is social desirability bias. This represents challenges in variability observation, because when participants are asked if they would behave on a non-ethical manner, they tend to respond they would not, under any

circumstance. Following literature experiment design recommendations, this limitation was addressed by presenting a situation in which the main character is not the participant but a hypothetical peer. Regarding this matter, it is necessary to keep into account that participants' involvement tends to decrease when responding about a hypothetical peer; nonetheless, by using this design it was possible to observe if there was any variability in the answers due to variables experimental manipulation (Aguinis & Bradley, 2014; Fisher, 1993).

On a related matter, the participants chosen to validate the stimuli used were different from the participants actually participating in the final experimental study. This was necessary because stimuli needed to be validated in such a manner that, for example, a high-power distance stimulus was perceived this way by participants. On the other hand, it was necessary to avoid the effects of learning and familiarity to the stimuli; this is, participants that perform in an experiment twice tend to adjust their responses because of familiarity gained with the stimuli and not due to variables manipulation. On a related issue, for the stimuli to function correctly in the pre-experimental stage and in the experimental stage, the samples presented a similar profile demographically. Gender and age were controlled in such a manner that pre-experiment sample (stimuli validation sample) was similar to experiment sample, thus, it is possible to assume they belong to the same population. This was important to assure that stimuli used in the pre-experiment can be used for the experiment sample without affecting validity.

Thanks to these previously mentioned characteristics of experimental design, the effects should be generalized only to the proportion of the population that

share the same characteristics as the sample of individuals who participated in the study.

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Appendix A: Study 1 Measurements

Risk for Self-interest loss measurement

Items adapted from Kish-Gephart et al. (2014)

Indicate, on a scale from 1 to 7 to which extent the manager is on a situation in which he/she may face undesirable personal damages. 1 indicates the manager is not facing personal undesirable damages, and 7 indicates the manager is facing personal undesirable damages.

The manager is not facing personal undesirable damages	1	2	3	4	5	6	7	The manager is facing personal undesirable damages
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Perceived power distance measurement

Adapted from the CVSCALE (Prasongsukarn, 2009)

Indicate, on a scale from 1 to 7, to which extent the sentence presented describes the manager's perception about the organizational culture in the case presented.

1. People in higher positions should make most decisions without consulting people in lower positions.

The sentence doesn't describe at all the organizational culture presented in the case.	1	2	3	4	5	6	7	The sentence perfectly describes the organizational culture presented in the case.
--	---	---	---	---	---	---	---	--

2. People in higher positions should not ask the opinions of people in lower positions too frequently.

The sentence doesn't describe	1	2	3	4	5	6	7	The sentence perfectly
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at all the organizational culture presented in the case.								describes the organizational culture presented in the case.
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3. People in higher positions should avoid social interaction with people in lower positions.

The sentence doesn't describe at all the organizational culture presented in the case.	1	2	3	4	5	6	7	The sentence perfectly describes the organizational culture presented in the case.
--	---	---	---	---	---	---	---	--

4. People in lower positions should not disagree with decisions by people in higher positions.

The sentence doesn't describe at all the organizational	1	2	3	4	5	6	7	The sentence perfectly describes the organizational
--	---	---	---	---	---	---	---	--

culture presented in the case.								culture presented in the case.
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5. People in higher positions should not delegate important tasks to people in lower positions.

The sentence doesn't describe at all the organizational culture presented in the case.	1	2	3	4	5	6	7	The sentence perfectly describes the organizational culture presented in the case.
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Stakeholder Perspective-taking measurement

Adapted from four-item scale adapted from Grant and Berry (2011)

Indicate, on a scale from 1 to 7, to which extent the sentence presented describes the manager's thoughts.

1. On the described situation, the manager tried to take other people's perspectives.

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

2. On the described situation, the manager makes an effort to see the world through others' eyes.

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

3. On the described situation, the manager regularly seeks to understand others' viewpoints.

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
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Empathy measurement

Adapted from Toronto Empathy Questionnaire (Spreng et al., 2009)

Indicate, on a scale from 1 to 7, to which extent the sentence presented describes the manager's feelings on the situation given.

1. Stakeholders' misfortunes do not disturb the manager a great deal.

The sentence doesn't describe at all the manager's feelings.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's feelings.
--	---	---	---	---	---	---	---	--

2. The manager enjoys making Stakeholders feel better.

The sentence doesn't describe at all the manager's feelings.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's feelings.
--	---	---	---	---	---	---	---	--

3. The manager is "in tune" with Stakeholders' moods.

The sentence doesn't describe at all the manager's feelings.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's feelings.
--	---	---	---	---	---	---	---	--

4. The manager is not really interested in how the Stakeholders feel.

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

5. When the manager sees Stakeholders being treated unfairly, he/she
doesn't feel much pity for them.

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

Moral disengagement mechanisms measurement

Adapted from Detert et al. (2008)

Indicate, on a scale from 1 to 7, to which extent the sentence presented describes the manager's thoughts on the situation given.

1. It is alright to present incorrect data to maintain job stability. (Moral Justification)

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

2. Putting incorrect data on the quarter results is just part of the sales game. (Euphemistic Labeling).

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

3. Putting incorrect data on a private organization's report is not a big deal considering governmental corruption. (Advantageous Comparison).

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

4. Considering implicit and explicit pressure from higher ranks in the company, I shouldn't be blamed for putting incorrect data on the report. (Displacement of Responsibility).

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

5. You cannot blame a person who plays only a small role in a whole organization. (Diffusion of Responsibility).

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

6. It is ok to include incorrect data on the report because money issues don't mean any real harm for a particular Stakeholder. (Distortion of Consequences).

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

7. The system is the only responsible for my actions because it is leading me to make my decisions. (Attribution of Blame).

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

8. I am not doing harm to a particular human being but acting in accordance to the system dynamic. (Dehumanization).

The sentence doesn't describe at all the manager's thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the manager's thoughts.
--	---	---	---	---	---	---	---	--

Probability to act unethically measurement.

Adapted from Ross and Robertson (2003)

Indicate, on a scale from 0% to 100% how likely the manager would misrepresent the number by including incorrect data, such as adding in early payments anticipated for the next quarter, which will result in the goal achievement for this quarter: _____

Appendix B: Control Variables Measurement

Personality Measurement

Big Five Inventory-10 (Rammstedt & John, 2007)

How well do the following statements describe your personality?

I see myself as someone who...	Disagree strongly	Disagree a little	Neither agree nor disagree	Agree a little	Agree strongly
... is reserved					
... is generally trusting					
... tends to be lazy					
... is relaxed, handles stress well					

... has few artistic interests					
... is outgoing, sociable					
... tends to find fault with others					
... does a thorough job					
... gets nervous easily					
Has an active imagination					

Moral Identity Measurement

Aquino and Reed (2002)

Listed below are some characteristics that may describe a person [list of nine traits].

Caring

Compassionate

Fair

Friendly

Generous

Hardworking

Helpful

Honest

Kind

The person with these characteristics could be you or it could be someone else. For a moment, visualize in your mind the kind of person who has these characteristics. Imagine how that person would think, feel, and act. When you have a clear image of what this person would be like, answer the following questions; mark with an X the extent of your agreement about the statements shown, using a 5-point Likert scale (1= strongly disagree, 5 = strongly agree).

Statements	Strongly disagree	disagree	Neither disagree nor agree	Agree	Strongly agree
	disagree		disagree nor agree		agree

1. It would make me feel good to be a person who has these characteristics.					
2. Being someone who has these characteristics is an important part of who I am.					
3. A big part of my emotional well-being is tied up in having these characteristics.					
4. I would be ashamed to be a person who has these characteristics.					

(Reverse score).					
5. Having these characteristics is not really important to me. (Reverse score).					
6. Having these characteristics is an important part of my sense of self.					
7. I strongly desire to have these characteristics.					
8. I often buy products that communicate the fact that I					

have these characteristics.					
9. I often wear clothes that identify me as having these characteristics.					
10. The types of things I do in my spare time (e.g., hobbies) clearly identify me as having these characteristics.					
11. The kinds of books and magazines that I read identify me as having these characteristics.					

<p>12. The fact that I have these characteristics is communicated to others by my membership in certain organizations.</p> <p>13. I am actively involved in activities that communicate to others that I have these characteristics.</p>					
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Trait predisposition to morally disengage.

Moore et al. (2012)

Indicate, on a scale from 1 to 7, to which extent you agree or disagree with the sentence presented.

1. It is okay to spread rumors to defend those you care about.

I strongly disagree with the sentence.	1	2	3	4	5	6	7	I strongly agree with the sentence.
--	---	---	---	---	---	---	---	-------------------------------------

2. Taking something without the owner's permission is okay as long as you're just borrowing it.

I strongly disagree with the sentence.	1	2	3	4	5	6	7	I strongly agree with the sentence.
--	---	---	---	---	---	---	---	-------------------------------------

3. Considering the ways people grossly misrepresent themselves, it's hardly a sin to inflate your own credentials a bit.

I strongly disagree with the sentence.	1	2	3	4	5	6	7	I strongly agree with the sentence.
--	---	---	---	---	---	---	---	-------------------------------------

4. People shouldn't be held accountable for doing questionable things when they were just doing what an authority figure told them to do.

I strongly disagree with the sentence.	1	2	3	4	5	6	7	I strongly agree with the sentence.
--	---	---	---	---	---	---	---	-------------------------------------

5. People can't be blamed for doing things that are technically wrong when all their friends are doing it too.

I strongly disagree with the sentence.	1	2	3	4	5	6	7	I strongly agree with the sentence.
--	---	---	---	---	---	---	---	-------------------------------------

6. Taking personal credit for ideas that were not your own is no big deal.

I strongly disagree with the sentence.	1	2	3	4	5	6	7	I strongly agree with the sentence.
--	---	---	---	---	---	---	---	-------------------------------------

7. Some people have to be treated roughly because they lack feelings that can be hurt.

I strongly disagree with the sentence.	1	2	3	4	5	6	7	I strongly agree with the sentence.
--	---	---	---	---	---	---	---	-------------------------------------

8. People who get mistreated have usually done something to bring it on themselves.

I strongly disagree with the sentence.	1	2	3	4	5	6	7	I strongly agree with the sentence.
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Trait empathy measurement.

Vachon and Lynam (2016)

Indicate, on a scale from 1 to 5, to which extent you agree or disagree with the sentence presented.

1. It makes me feel good to help someone in need.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
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2. I get excited to give someone a gift that I think they will enjoy.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
---	---	---	---	---	---	--

3. I don't worry much about hurting people's feelings.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
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4. I don't really care if other people feel happy.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
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5. I don't really care if people are feeling depressed.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
---	---	---	---	---	---	--

6. Other people's feelings don't bother me at all.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
---	---	---	---	---	---	--

7. I feel awful when I hurt someone's feelings.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
---	---	---	---	---	---	--

8. Other people's misfortunes don't bother me much.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
---	---	---	---	---	---	--

9. If I see that I am doing something that hurts someone, I will quickly stop.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
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10. I often try to help people feel better when they are upset.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
---	---	---	---	---	---	--

11. I enjoy making others happy.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
---	---	---	---	---	---	--

12. People have told me that I'm insensitive.

I strongly disagree with the sentence.	1	2	3	4	5	I strongly agree with the sentence.
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Appendix C: Study 2 Measurements

Risk for self-interest loss measurement

Items adapted from Kish-Gephart et al. (2014)

The COVID-19 pandemic has impacted heavily sales and revenues of different businesses around the world. This has led to different scenarios; while some businesses experienced a downturn or a complete shutdown, some others have seen an excessive demand of their products, a demand they were not prepared for. Taking into account your current situation, please answer the following questions:

1. In a scale from 1 to 7 indicate how badly the COVID-19 pandemic has impacted your sales. 1 indicates not badly at all, and 7 indicates your sales have been impacted very badly.

COVID- 19 has not had a bad impact on my sales.	1	2	3	4	5	6	7	COVID- 19 has impacted very badly on my sales.
--	---	---	---	---	---	---	---	---

2. In a scale from 1 to 7 indicate the degree to which your current situation gives you the chance to cheat or lie in order to avoid further sales losses.

I don't have the slightest chance to cheat or lie in order to avoid further sales losses.	1	2	3	4	5	6	7	I have a lot of chances to cheat or lie in order to avoid further sales losses.
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3. Indicate, on a scale from 1 to 7 to which extent you are on a situation in which you may face undesirable personal damages. 1 indicates you are not facing personal undesirable damages, and 7 indicates the you are facing personal undesirable damages.

You are not facing personal undesirable damages.	1	2	3	4	5	6	7	you are facing personal undesirable damages.
--	---	---	---	---	---	---	---	--

Perceived power distance measurement

Adapted from the CVSCALE (Prasongsukarn, 2009)

Indicate, on a scale from 1 to 7, to which extent the sentence presented describes your perception about the organizational culture in your organization.

1. People in higher positions should make most decisions without consulting people in lower positions.

The sentence doesn't describe at all the organizational culture in my organization.	1	2	3	4	5	6	7	The sentence perfectly describes the organizational culture in my organization.
---	---	---	---	---	---	---	---	---

2. People in higher positions should not ask the opinions of people in lower positions too frequently.

The sentence doesn't describe at all the organizational	1	2	3	4	5	6	7	The sentence perfectly describes the organizational
---	---	---	---	---	---	---	---	---

culture in my organization.								culture in my organization.
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3. People in higher positions should avoid social interaction with people in lower positions.

The sentence doesn't describe at all the organizational culture in my organization.	1	2	3	4	5	6	7	The sentence perfectly describes the organizational culture in my organization.
---	---	---	---	---	---	---	---	---

4. People in lower positions should not disagree with decisions by people in higher positions.

The sentence doesn't describe at all the organizational culture in my organization.	1	2	3	4	5	6	7	The sentence perfectly describes the organizational culture in my organization.
---	---	---	---	---	---	---	---	---

5. People in higher positions should not delegate important tasks to people in lower positions.

The sentence doesn't describe at all the organizational culture in my organization.	1	2	3	4	5	6	7	The sentence perfectly describes the organizational culture in my organization.
---	---	---	---	---	---	---	---	---

Stakeholder Perspective-taking measurement

Adapted from four-item scale adapted from Grant and Berry (2011)

The COVID-19 pandemic has impacted heavily sales and revenues of different businesses around the world. This has led to different scenarios; while some businesses experienced a downturn or a complete shutdown, some others have seen an excessive demand of their products, a demand they were not prepared for. Taking into account your current situation, please answer the following questions:

Indicate, on a scale from 1 to 7, to which extent the sentence presented describes your thoughts.

1. On the current situation, I have tried to take my stakeholders' perspectives.

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
---	---	---	---	---	---	---	---	---

2. On the current situation, I have tried to make an effort to see the world through my stakeholders' eyes.

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
--	---	---	---	---	---	---	---	--

3. On the current situation, I regularly seek to consider my stakeholders' viewpoints.

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes the my thoughts.
--	---	---	---	---	---	---	---	--

Empathy measurement

Adapted from Toronto Empathy Questionnaire (Spreng et al., 2009)

The COVID-19 pandemic has impacted heavily sales and revenues of different businesses around the world. This has led to different scenarios; while some businesses experienced a downturn or a complete shutdown, some others have seen an excessive demand of their products, a demand they were not prepared for. Taking into account your current situation, please answer the following questions:

Indicate, on a scale from 1 to 7, to which extent the sentence presented describes your feelings on the present situation.

1. Stakeholders' misfortunes do not disturb me a great deal.

The sentence doesn't describe at all my feelings.	1	2	3	4	5	6	7	The sentence perfectly describes my feelings.
--	---	---	---	---	---	---	---	--

2. I enjoy making stakeholders feel better.

The sentence doesn't describe at all my feelings.	1	2	3	4	5	6	7	The sentence perfectly describes my feelings.
--	---	---	---	---	---	---	---	--

3. I am "in tune" with Stakeholders' moods.

The sentence doesn't describe at all my feelings.	1	2	3	4	5	6	7	The sentence perfectly describes my feelings.
--	---	---	---	---	---	---	---	--

4. I am not really interested in how the Stakeholders feel.

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
--	---	---	---	---	---	---	---	--

5. When I see Stakeholders being treated unfairly, I don't feel much pity for them.

The sentence doesn't describe	1	2	3	4	5	6	7	The sentence perfectly
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Moral disengagement mechanisms measurement

Adapted from Detert et al. (2008)

The COVID-19 pandemic has impacted heavily sales and revenues of different businesses around the world. This has led to different scenarios; while some businesses experienced a downturn or a complete shutdown, some others have seen an excessive demand of their products, a demand they were not prepared for. Taking into account your current situation, please answer the following questions:

Indicate, on a scale from 1 to 7, to which extent the sentence presented describes your thoughts given the current situation.

1. It is alright to present incorrect data to maintain job stability. (Moral Justification)

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
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2. Putting incorrect data on the quarter results is just part of the sales game. (Euphemistic Labeling).

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
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3. Putting incorrect data on a private organization's report is not a big deal considering governmental corruption. (Advantageous Comparison).

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
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4. Considering implicit and explicit pressure from higher ranks in the company, I shouldn't be blamed for putting incorrect data on the report. (Displacement of Responsibility).

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
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5. You cannot blame a person who plays only a small role in a whole organization. (Diffusion of Responsibility).

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
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6. It is ok to include incorrect data on the report because money issues don't mean any real harm for a particular Stakeholder. (Distortion of Consequences).

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
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7. The system is the only responsible for my actions because it is leading me to make my decisions. (Attribution of Blame).

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
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8. I am not doing harm to a particular human being but acting in accordance to the system dynamic. (Dehumanization).

The sentence doesn't describe at all my thoughts.	1	2	3	4	5	6	7	The sentence perfectly describes my thoughts.
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Probability to act unethically measurement.

Adapted from Ross and Robertson (2003)

The COVID-19 pandemic has impacted heavily sales and revenues of different businesses around the world. This has led to different scenarios; while some businesses experienced a downturn or a complete shutdown, some others have seen an excessive demand of their products, a demand they were not prepared for. Taking into account your current situation, please answer the following question:

Indicate, on a scale from 0% to 100% how likely you would cheat or lie in order to avoid further sales losses: _____

Appendix D: Post hoc analysis for manipulation check

(I) group	(J) group	Mean difference (I-J)	Sig.	95% Confidence interval	
				Lower limit	Upper limit
Risk of self-interest loss - Tamhane					
1	2	0.142	1.000	-1.19	1.47
	3	-0.033	1.000	-1.12	1.05
	4	0.200	1.000	-1.12	1.52
	5	1.933*	0.010	0.28	3.59
	6	1.300	0.291	-0.35	2.95
	7	1.367	0.161	-0.21	2.94
	8	1.233	0.329	-0.36	2.83
	2	1	-0.142	1.000	-1.47
3		-0.175	1.000	-1.29	0.94
4		0.058	1.000	-1.29	1.40
5		1.791*	0.026	0.12	3.47
6		1.158	0.527	-0.51	2.82
7		1.225	0.341	-0.37	2.82
8		1.091	0.585	-0.52	2.71
3		1	0.033	1.000	-1.05
	2	0.175	1.000	-0.94	1.29
	4	0.233	1.000	-0.88	1.34
	5	1.967*	0.003	0.46	3.48
	6	1.333	0.130	-0.16	2.83
	7	1.400	0.055	-0.02	2.82
	8	1.267	0.142	-0.17	2.71
	4	1	-0.200	1.000	-1.52
2		-0.058	1.000	-1.40	1.29
3		-0.233	1.000	-1.34	0.88
5		1.733*	0.035	0.06	3.40
6		1.100	0.618	-0.56	2.76
7		1.167	0.422	-0.42	2.75
8		1.033	0.679	-0.57	2.64
5		1	-1.933*	0.010	-3.59
	2	-1.791*	0.026	-3.47	-0.12
	3	-1.967*	0.003	-3.48	-0.46
	4	-1.733*	0.035	-3.40	-0.06
	6	-0.633	1.000	-2.55	1.29
	7	-0.567	1.000	-2.43	1.30
	8	-0.700	0.999	-2.58	1.18

(I) group	(J) group	Mean difference (I-J)	Sig.	95% Confidence interval	
				Lower limit	Upper limit
6	1	-1.300	0.291	-2.95	0.35
	2	-1.158	0.527	-2.82	0.51
	3	-1.333	0.130	-2.83	0.16
	4	-1.100	0.618	-2.76	0.56
	5	0.633	1.000	-1.29	2.55
	7	0.067	1.000	-1.79	1.92
	8	-0.067	1.000	-1.94	1.80
7	1	-1.367	0.161	-2.94	0.21
	2	-1.225	0.341	-2.82	0.37
	3	-1.400	0.055	-2.82	0.02
	4	-1.167	0.422	-2.75	0.42
	5	0.567	1.000	-1.30	2.43
	6	-0.067	1.000	-1.92	1.79
	8	-0.133	1.000	-1.94	1.68
8	1	-1.233	0.329	-2.83	0.36
	2	-1.091	0.585	-2.71	0.52
	3	-1.267	0.142	-2.71	0.17
	4	-1.033	0.679	-2.64	0.57
	5	0.700	0.999	-1.18	2.58
	6	0.067	1.000	-1.80	1.94
	7	0.133	1.000	-1.68	1.94

Power distance - HSD Tukey

1	2	7.643*	0.002	1.83	13.45
	3	-1.600	0.991	-7.46	4.26
	4	10.100*	0.000	4.24	15.96
	5	1.133	0.999	-4.73	6.99
	6	10.467*	0.000	4.61	16.33
	7	0.900	1.000	-4.96	6.76
	8	8.000*	0.001	2.14	13.86
2	1	-7.643*	0.002	-13.45	-1.83
	3	-9.243*	0.000	-15.05	-3.43
	4	2.457	0.901	-3.35	8.27
	5	-6.510*	0.016	-12.32	-0.70
	6	2.824	0.814	-2.99	8.64
	7	-6.743*	0.011	-12.55	-0.93
	8	0.357	1.000	-5.45	6.17
3	1	1.600	0.991	-4.26	7.46
	2	9.243*	0.000	3.43	15.05
	4	11.700*	0.000	5.84	17.56
	5	2.733	0.844	-3.13	8.59

(I) group	(J) group	Mean difference (I-J)	Sig.	95% Confidence interval	
				Lower limit	Upper limit
4	6	12.067*	0.000	6.21	17.93
	7	2.500	0.896	-3.36	8.36
	8	9.600*	0.000	3.74	15.46
	1	-10.100*	0.000	-15.96	-4.24
	2	-2.457	0.901	-8.27	3.35
	3	-11.700*	0.000	-17.56	-5.84
	5	-8.967*	0.000	-14.83	-3.11
	6	0.367	1.000	-5.49	6.23
5	7	-9.200*	0.000	-15.06	-3.34
	8	-2.100	0.957	-7.96	3.76
	1	-1.133	0.999	-6.99	4.73
	2	6.510*	0.016	0.70	12.32
	3	-2.733	0.844	-8.59	3.13
	4	8.967*	0.000	3.11	14.83
	6	9.333*	0.000	3.47	15.19
	7	-0.233	1.000	-6.09	5.63
6	8	6.867*	0.010	1.01	12.73
	1	-10.467*	0.000	-16.33	-4.61
	2	-2.824	0.814	-8.64	2.99
	3	-12.067*	0.000	-17.93	-6.21
	4	-0.367	1.000	-6.23	5.49
	5	-9.333*	0.000	-15.19	-3.47
	7	-9.567*	0.000	-15.43	-3.71
	8	-2.467	0.903	-8.33	3.39
7	1	-0.900	1.000	-6.76	4.96
	2	6.743*	0.011	0.93	12.55
	3	-2.500	0.896	-8.36	3.36
	4	9.200*	0.000	3.34	15.06
	5	0.233	1.000	-5.63	6.09
	6	9.567*	0.000	3.71	15.43
	8	7.100*	0.006	1.24	12.96
	8	1	-8.000*	0.001	-13.86
2		-0.357	1.000	-6.17	5.45
3		-9.600*	0.000	-15.46	-3.74
4		2.100	0.957	-3.76	7.96
5		-6.867*	0.010	-12.73	-1.01
6		2.467	0.903	-3.39	8.33
7		-7.100*	0.006	-12.96	-1.24
Stakeholder perspective-taking - HSD Tukey					
1	2	-0.065	1.000	-4.04	3.91

(I) group	(J) group	Mean difference (I-J)	Sig.	95% Confidence interval		
				Lower limit	Upper limit	
	3	9.033*	0.000	5.02	13.04	
	4	8.533*	0.000	4.52	12.54	
	5	-0.167	1.000	-4.18	3.84	
	6	0.267	1.000	-3.74	4.28	
	7	8.267*	0.000	4.26	12.28	
	8	7.667*	0.000	3.66	11.68	
	2	1	0.065	1.000	-3.91	4.04
		3	9.098*	0.000	5.12	13.08
4		8.598*	0.000	4.62	12.58	
5		-0.102	1.000	-4.08	3.88	
6		0.331	1.000	-3.65	4.31	
7		8.331*	0.000	4.35	12.31	
8		7.731*	0.000	3.75	11.71	
3		1	-9.033*	0.000	-13.04	-5.02
	2	-9.098*	0.000	-13.08	-5.12	
	4	-0.500	1.000	-4.51	3.51	
	5	-9.200*	0.000	-13.21	-5.19	
	6	-8.767*	0.000	-12.78	-4.76	
	7	-0.767	0.999	-4.78	3.24	
	8	-1.367	0.967	-5.38	2.64	
	4	1	-8.533*	0.000	-12.54	-4.52
2		-8.598*	0.000	-12.58	-4.62	
3		0.500	1.000	-3.51	4.51	
5		-8.700*	0.000	-12.71	-4.69	
6		-8.267*	0.000	-12.28	-4.26	
7		-0.267	1.000	-4.28	3.74	
8		-0.867	0.998	-4.88	3.14	
5		1	0.167	1.000	-3.84	4.18
	2	0.102	1.000	-3.88	4.08	
	3	9.200*	0.000	5.19	13.21	
	4	8.700*	0.000	4.69	12.71	
	6	0.433	1.000	-3.58	4.44	
	7	8.433*	0.000	4.42	12.44	
	8	7.833*	0.000	3.82	11.84	
	6	1	-0.267	1.000	-4.28	3.74
2		-0.331	1.000	-4.31	3.65	
3		8.767*	0.000	4.76	12.78	
4		8.267*	0.000	4.26	12.28	
5		-0.433	1.000	-4.44	3.58	
7		8.000*	0.000	3.99	12.01	

(I) group	(J) group	Mean difference (I-J)	Sig.	95% Confidence interval	
				Lower limit	Upper limit
	8	7.400*	0.000	3.39	11.41
7	1	-8.267*	0.000	-12.28	-4.26
	2	-8.331*	0.000	-12.31	-4.35
	3	0.767	0.999	-3.24	4.78
	4	0.267	1.000	-3.74	4.28
	5	-8.433*	0.000	-12.44	-4.42
	6	-8.000*	0.000	-12.01	-3.99
	8	-0.600	1.000	-4.61	3.41
8	1	-7.667*	0.000	-11.68	-3.66
	2	-7.731*	0.000	-11.71	-3.75
	3	1.367	0.967	-2.64	5.38
	4	0.867	0.998	-3.14	4.88
	5	-7.833*	0.000	-11.84	-3.82
	6	-7.400*	0.000	-11.41	-3.39
	7	0.600	1.000	-3.41	4.61