



Research Proposal

Moral Identity, Moral Competence, and Organizational Behavior:
Elements of a Functional Chain

Written by:

Dr. Jürgen Göbel

Ethische Organisationsberatung

Maler-Heß-Str. 8

54296 Trier

E-Mail: info@jg-pwe.org

Website: www.jg-pwe.org

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Abstract

In a given environment, a person may face options which benefit her and harm the environment. We define ethical rules as internal and voluntary rules which forbid to take such options. The main issue of this research proposal is when a person is likely to follow ethical rules in organizations. Thus, we seek to construct a new theory on the determination of ethical behavior in organizations.

We revise the relevant literature; where we find three main elements for such a theory: 1) The moral identity serves as a base for ethical rules. 2) The moral competence comprises the capacities to apply ethical rules. 3) Depending on the structure of the organization, ethical behavior can adopt different patterns. Two typical patterns are: a) ethical leadership; b) organizational citizenship behavior (OCB). Moreover, the literature suggests that organizational justice and trust take a strong influence on the organizational behavior.

Thus, we construct a new theory on the properties of and the relationships between: moral identity, moral competence, organizational behavior, organizational justice, and trust. From this theory, we derive 7 hypotheses. This proposal outlines a plan to test these hypotheses. This plan deals with validated measures, sampling, data collection, and methods of analysis. A quantitative approach is extended by some qualitative elements to improve our understanding of that functional chain.

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1) Issues

A person needs to adapt to her environment. As the environment becomes more complex, it offers her more options. Some of those options may be of a type (let us call it BH) that benefits the person but harms the environment. To protect the environment, there must be rules that prevent the person from taking options of type BH.

The rules may be of three different types:

1. external and coercive (EC);
2. external and voluntary (EV);
3. internal and voluntary (IV).

In a narrow sense, we describe those rules as ethical which are of type IV and prohibit options of type BH.

There are at least two advantages of ethical over non-ethical rules:

- They may consider a higher degree of complexity.
- They may give dignity.

According to our narrow definition, ethical rules are internal. However, these rules are not written down on any internal part of a person's body. We thus may ask where such rules are based and how they evolve. - Relevant research suggests to look at a construct called "moral identity".

In a complex environment, it can be very difficult to correctly apply ethical rules. Hence, what makes a person capable of correctly applying ethical rules? - Relevant research has worked on a construct called "moral competence".

We cannot directly observe another person's ethical rules. What we observe are patterns of behavior. Thus, we deduct a person's ethical rules from her behavioral patterns. However, these patterns may adapt to the respective environment. Relevant research has found two typical patterns of ethical behavior in organizations; namely: ethical leadership and organizational citizenship behavior (OCB).

Whether a person's behavior finally causes benefit or harm depends on the environment's response. To choose the right option, a person must therefore anticipate the environment's response. However, it might be very difficult and costly to anticipate any response in any case.

Thus, the person forms a conception about the principles of her environment. This conception may be evaluated in terms of “justice”.

In a complex environment, a person faces uncertainty. She never can exactly anticipate responses. Which option she chooses therefore depends on how much she trusts her environment. Her degree of trust may for instance depend on: her own propensity to trust; former experience with the environment; or her conception and perception of justice.

In sum, we ask the following general questions:

1. What is moral identity?
2. What is moral competence?
3. What are typical patterns of ethical behavior in organizations?
4. Which role does organizational justice play in this context?
5. Which role does trust play in this context?

2) Related Literature

2.1) Terminological Conceptions

2.1.1) Moral Identity

Aquino and Reed (2002) conceive moral identity as a self-conception which is built on a set of moral traits. These traits can be, for instance: compassion, fairness, kindness, honesty, or generosity. The self-conception serves as a schema for how the individual should think, feel, or act. This conception compares to referent social entities, as for instance: an abstracted ideal, an idealized real person, or another group member.

The moral identity is thus one of several self-conceptions. It distinguishes itself with its moral content. It is activated by moral problems that the individual faces in the environment. The whole set of self-conceptions forms a mechanism for self-control. The individual uses this mechanism to think, feel, or behave more adequately, more consistently.

According to Aquino and Reed (2002), moral identity has two dimensions: internalization and symbolization. Internalized traits are deeply imbedded in the self-conception. They guide the individual in the evaluation of her thoughts, feelings, or acts with respect to her own moral

norms. The way of her thinking, feeling, or acting is stressed. Symbolized traits are more strongly oriented towards the social environment. They confront the individual with the respective moral norms. Hence, the social results are stressed.¹

According to Hannah et al. (2011), moral identity includes more than just traits, as for instance: social roles or autobiographical narratives. Moreover, it does not have a general structure but is composed of several different subunits with specific, interrelated structures. In this conception, moral identity becomes more complex, more dynamic.

Hannah et al. (2001) stress the importance of social roles. Social roles develop as the individual performs them over time. Each role implies different expectations and different moral norms. The scholars thus divide between two levels of moral identity content:

1. Self-knowledge; which asks: "What do I believe in?"
2. Self-evaluation; which asks: "How well do I follow my beliefs?"

Hence, the moral identity adapts to changes of a role. It first activates a certain subunit; this subunit independently reacts, changes its structure; and finally reintegrates into the whole unit.

2.1.2) Moral Competence

Hannah et al. (2011) revise the conception of moral competence by Rest et al. (1999). In this older conception, moral competence has four components: sensitivity, judgment, motivation, and action; which are briefly characterized as follows:

1. Moral sensitivity makes aware of a moral problem and its conditions.
2. Moral judgment evaluates the given options.
3. Moral motivation generates commitment to the moral decision and the respective values.
4. Moral action supports persistence in the realization of the decision, overcoming artificial hurdles or natural temptations.

¹ This conception has been adopted or further developed by: Mayer et al. (2012); Reed/ Aquino (2003).

Rest et al. (1999) take these four components as stages in a process in which an individual tries to solve a moral problem. Thus, the description of the process is supposed to serve as a heuristic tool.

Hannah et al. (2011) seek to fill some gaps in this conception. In particular, they ask why an individual can be more or less inclined and able to effectively solve a moral problem.

To find an answer, the scholars first assign the four components to two special groups: 1 and 2 to “moral cognition processes”, 3 and 4 to “moral conation processes”. Then, they search for potential determinants of the processes. The determinants are also assigned to special groups: “moral maturation capacities” or “moral conation capacities”.

Hannah et al. (2011) emphasize three special aspects of their conception:

1. Each capacity is necessary but not sufficient for moral decision making and behavior.
2. Moral maturation capacities are more likely to drive moral cognitive processes, while moral conation capacities are more likely to drive moral conative processes.
3. Each capacity is open to development.

Lennick and Kiel (2011) offer a very different conception of moral competence. They construct it out of four virtues:

1. Integrity: a) acting consistent with principles and values; b) defending principles and values; c) telling the truth; d) keeping promises.
2. Responsibility: a) taking responsibility for personal choices; b) admitting mistakes and failures; c) embracing responsibility for serving others.
3. Compassion: actively caring about others.
4. Forgiveness: a) detaching from one’s own (irremediable) mistakes; b) detaching from others’ (irremediable) mistakes.

Lennick and Kiel (2011) maintain that moral competence is different from other competencies by its value-orientation. It thus describes an individual's mental ability to determine how she can do something right and good.²

² This conception has been adopted by Kim/ Kim (2003).

2.1.3) Organizational Behavior

2.1.3.1) Ethical Leadership

Brown et al. (2005, p. 120) define ethical leadership as:

“the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making.”

This definition describes three essential aspects:

1. An ethical leader serves as a credible role model. The followers perceive him as being fair, caring, trustworthy, honest, and so on. They accept him as a normatively appropriate and legitimate role player. The meaning of “appropriate” highly depends on the context of leadership.
2. Ethical leadership does not only require a virtuous personality. An ethical leader also sets a normative framework which supports ethical interaction. For instance, he allows his followers an effective voice and cares for fairness in the communication process.
3. An ethical leader makes fair decisions; which he explains to his followers.

Brown et al. (2005) look at leadership from a social learning perspective. From this perspective, a leader influences his followers by being a role model. The model is adopted by observation, imitation, and identification. A follower may adopt nearly any behavior by the model of her leader.

Brown et al. (2005) claim that model learning is particularly important for ethical behavior in organizations. They justify this claim as follows:

1. Ethical behavior is cognitively more demanding than unethical behavior. Thus, it takes more attention to learn ethical behavior. A leader is able to attract more attention due to his special position and his special personality.
2. Ethical demands need to be credible. A leader can strengthen the credibility of his ethical demands by complying overtly to the same referent principles. Here, in particular, actions do speak louder than words.
3. What is ethically right depends much on the given social interdependence. A leader may show and clarify interdependence.

4. Ethical behavior implies justice. In order to judge what is just or unjust, a follower needs to know which behavior is rewarded or punished. The leader has to consistently describe and explain his rewarding or his punishing behavior.

2.1.3.2) Citizenship Behavior

Lee and Allen (2002) highlight the two main characteristics of Organizational Citizenship Behavior (OCB):

1. It is not necessary for the functioning of an organization.
2. It facilitates or improves its functioning.

The authors present two main motives for OCB:

1. The actor thinks that her OCB raises overall justice.
2. The actor wants to share her positive feelings.

Finally, the authors state that it has shown to be expedient in many instances to distinguish between OCB directed to individuals (OCBI) and OCB directed to the organization (OCBO).

Podsakoff et al. (2009) present the two probably most popular conceptualizations of OCB: the first by Organ (1988), the second by Williams and Anderson (1991).

Organ (1988) conceptualizes OCB as consisting of five factors: altruism, courtesy, conscientiousness, civic virtue, and sportsmanship. Empirical research has shown that managers may have some difficulties in distinguishing between some of these factors. The main idea behind all of them seems to be that of helping behavior.

Williams and Anderson (1991) assigned the OCB-factors to an OCBI- or an OCBO-category. The expedience of the assignment depends on the object of study; and thus remains open. There may be different factors included; one certain factor may be assigned to different categories.

As Podsakoff et al. (2009) claim, the second conceptualization might outperform the first in many respects.

2.1.4) Organizational Justice

As Cohen-Charash and Spector (2001) show, research on justice very often divides between three types:

- distributive;
- procedural;
- interactional.³

Distributive justice is a norm for the distribution of the results of a social process. An individual compares her output-input relation with the output-input relation of another participant. Thus, she may think or feel that her relation is too high, too low, or fair. As a consequence, she may react in the following ways:

- She changes her output or her input.
- She pushes the other participant to change his output or his input.
- She changes the perception on outputs and inputs.
- She takes another participant into comparison.
- She changes to another social process.

Procedural justice is a norm for the rules of a social process. In general, a rule can be perceived as fair due to the following six characteristics:

- consistency;
- bias-suppression;
- accuracy;
- correctability;
- representativeness;
- ethicality.

In the assessment of procedural justice, an individual considers two aspects: the characteristics of the rules and the compliance to them.

Interactional justice is a norm for how individuals actually treat each other. An individual may assess a treatment under two aspects: an interpersonal or an informational:

- Interpersonal justice refers to courtesy, respect, or dignity.

³ For an overview, see Sturm u.a. (2011), S. 133-135.

- Informational justice refers to the quantity, the quality, and the conditions of information transmission.

2.1.5) Trust

For their meta-analysis of trust in leadership, Dirks and Ferrin (2002) use a common definition by Rousseau et al. (1998). The latter define trust as:

“a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another” (p. 395).

To structure the theories on trust in leadership, Dirks and Ferrin (2002) divide between two different theoretical perspectives:

- The one perspective focuses on how the follower understands the nature of the leader-follower relationship. It is asked how trust influences the follower's behavior. For instance, she may understand her relationship as something beyond a formal contract and thus behave as a good citizen.
- The other perspective focuses on the leader's character. It shows how the leader influences his follower's behavioral patterns. As the follower seeks to achieve her own goals, she draws conclusions about the integrity, the honesty, the fairness – for instance – of her leader.

The two authors emphasize that trust is always a belief or perception of a person with regard to another, but never a characteristic of a person herself or a relationship itself.

Colquitt et al. (2007) maintain that a conception of trust can be improved if it is combined with adequate conceptions of trustworthiness and trust propensity.

Normally, the quality of an interaction depends on the amount of trust involved. When a person decides who to interact with, she first evaluates her potential partners by their trustworthiness. Trustworthiness has three bases:

1. Ability: The partner has the knowledge and the skill to make the interaction successful for both.
2. Benevolence: The partner thinks, feels, and acts in the interest of the other.
3. Integrity: The partner consistently adheres to moral principles.

A decision on trust has to be made on a limited quantity and quality of information. People differ in how much they claim in quantity and quality in order to make a decision; which means that they differ in their trust propensity. The trust propensity of a person depends on her personality and her previous relevant experience.

2.2) Theory and Empirical Results

In a model by Hannah et al. (2001), an individual's moral capacity consists of six factors:

- Moral complexity (moral maturation capacity);
- Metacognitive ability (moral maturation capacity);
- Moral identity (moral maturation capacity);
- Moral ownership (moral conation capacity);
- Moral efficacy (moral conation capacity);
- Moral courage (moral conation capacity).

The moral process includes four components:

- Moral sensitivity (moral cognition process);
- Moral judgement (moral cognition process);
- Moral motivation (moral conation process);
- Moral action (moral conation process).

Moral identity is a factor that may determine both, the cognition and the conation process.

The scholars derive 8 propositions from their model. Most relevant in our context are:

Proposition 3: “Higher overall levels of moral identity complexity will be associated with higher levels of (a) moral sensitivity and (b) elaborative moral judgments across situations.”

Proposition 5: “Dimensions of moral identity with higher levels of unity will be related to higher levels of (a) moral sensitivity, (b) elaborative moral judgments, (c) moral motivation, and (d) moral action concordant with those core dimensions.” (p. 673)

Mayer et al. (2012) examine the relationship between moral identity internalization/ symbolization and ethical leadership. Based on previous research, they expect the following:

Hypothesis 1a: “Leader moral identity symbolization is positively related to ethical leadership.”

Hypothesis 1b: “Leader moral identity internalization is positively related to ethical leadership.” (p. 153)

In two own studies, the scholars find the two hypotheses supported. Nonetheless, hypothesis 1a reaches a clearly higher level of significance. The scholars conclude that moral identity internalization can make a leader behave more authentically. He influences his followers more strongly by symbolizing his moral identity since they mainly learn from model behavior.

Kim and Kim (2013) look at the relationship between a leader’s moral competence and the organizational citizenship behavior of his follower toward him (OCBF). According to their model, the relationship is positive, mediated by the follower’s psychological empowerment (PEF) and moderated by the leader-follower fit (LF fit). In this sense, the relationship becomes stronger for dyads with higher LF fit.

To test the model, Kim and Kim (2013) took 163 leader-follower dyads into their sample. They measured the relevant variables, using validated inventories; where moral competence contained 40 items, OCBF 7 items, PEF 12 items, and LF fit 3 items. The analysis offered the following correlations:

- OCBF and moral competence: 0.49;
- OCBF and LF-fit: 0.19;
- OCBF and PEF: 0.40.

Overall, the empirical results confirm the theoretical model to a high degree.

Cohen-Charash and Spector (2001) emphasize the subjective character of justice. They adopt the distinction between distributive, procedural, and interactional justice. In their model, there exist three main influences on perceived justice and four main outcomes.

The influences are:

- Perceiver characteristics;
- Organizational practices;
- Organizational outcomes.

The outcomes of perceived justice are:

- Attitudes and emotions;
- Counterproductive work behavior;
- Extra-role behavior (OCB);
- Performance.

Cohen-Charash and Spector (2001) meta-analyzed these relationships, using 190 studies, totally including around 65 000 participants. The main findings in our context are:

- OCB is a bit more strongly related to distributive justice (weighted mean $r = 0.25$) than to procedural justice (wm-r = 0.23).
- As a component, altruism (wm-r = 0.18) has the strongest relationship with interactional justice.
- Trust in organization is the most influenced by procedural justice (wm-r = 0.48) and the least by interactional justice (wm-r = 0.35).
- Trust in supervisor also gets the highest influence from *procedural* justice (wm-r = 0.65).

According to an eclectic theory by Chiaburu and Lim (2008), a member of an organization seeks to reciprocate in interaction with other members. One way of reciprocation can be OCB. However, it is not always clear what the impact of an action is. Thus, the member attends to salient and accessible characteristics of the actions and assesses them in a narrow and in a wide organizational context. In specific, the narrow context may be represented by interactional justice, the wide context by propensity to trust, procedural, or distributive justice.

Chiaburu and Lim (2008) derive the following two hypotheses from this theory:

Hypothesis 1: “Interactional justice is positively related to OCBs after controlling for the effect of (a) propensity to trust and (b) [procedural and distributive justice].” (p. 456)

Hypothesis 2: “Manager trustworthiness will be positively related to OCBs after controlling for the effect of (a) [propensity to trust] and (b) [procedural and distributive justice].” (p. 457)

The authors took a sample from a single business unit with 18 supervisors and 142 subordinates. Their analytical results overall support the two hypotheses. They got, for instance, the following correlations:

- Manager trustworthiness and OCB: 0.36;
- Manager trustworthiness and interactional justice: 0.57;
- Manager trustworthiness and procedural justice: 0.37.

The two authors conclude that organizations should not only care about justice, in general, but also about trustworthiness of managers, in specific.

Dirks and Ferrin (2002) used in total 106 samples to search for antecedents and outcomes of trust in leadership. In particular, they analyzed different leadership styles, types of justice, and propensity to trust as potential antecedents; and components of OCB as potential outcome. Thus, they yielded the following correlation coefficients:

- Transformational leadership: 0.72;
- Transactional leadership: 0.59;
- Distributive justice: 0.50;
- Procedural justice: 0.61;
- Interactional justice: 0.65;
- OCB-altruism: 0.19;
- OCB-conscientiousness: 0.22.

In a qualitative study, Marsh (2013) tried to find out how ethical leadership is conceived by those who consider themselves to be ethical leaders. More precisely, she asked two main questions:

1. "What aspects of ethical leadership are valued by those who consider themselves ethical leaders?"
2. "In what ways do the life experiences of those who perceive themselves to be ethical leaders inform the understanding of the process of ethical leadership development?"
(p. 567)

To answer these questions, the scholar interviewed 28 business executives. She asked each of them to recall and describe a critical incident in which the executive could demonstrate his capacities as ethical leader. An emphasis was to be put on the values developed in the course of the incident.

In the analytical part, the scholar compared the 28 stories with each other. From this comparison, she developed two models: the first on the content of ethical leadership, the second on its development:

According to the first model, ethical leadership contains four main values:

- Authenticity;
- Mindfulness;
- Sustainment;
- Engagement.

According to the second model, there are three main drivers of its development:

- Experiences with supportive community;
- Encounters with differences;
- Experiences with trauma.

One employee may have several leaders at a time. This given, Ruiz et al. (2011) examine how followers respond to different leaders and how these different relationships influence each other.

First, the authors review some traditional and the relational approaches on leadership. Then, they set up their hypotheses, as for instance:

“Top Manager’s ethical leadership has a positive influence on employee organizational citizenship.” (p. 591)

“Supervisor’s ethical leadership has a positive influence on employee organizational citizenship.” (p. 592)

“Supervisor’s ethical leadership partially mediates the relationship between Top Manager’s ethical leadership and employee job response.”

“Top Manager’s ethical leadership positively influences Supervisor’s ethical leadership.” (p. 593)

Ruiz et al. (2011) sent a questionnaire to 4 500 employees, of which around 12 % responded properly. The analysis yielded – above all – the following correlations:

- Top Manager's ethical leadership and OCB: 0.57;
- Supervisor's ethical leadership and OCB: 0.42;

- Top Manager's ethical leadership and Supervisor's ethical leadership: 0.55.

Overall, the hypotheses could be confirmed by the empirical results. The authors concluded that ethical leadership does “trickle down” on followers' responses.

2.3) Open Questions

Let us get back to our main general questions⁴ and summarize what answers we have got:

RE 1.) In the related literature, moral identity is conceived as a self-conception which bases on values, traits, social roles, or narratives. It differs from other self-conceptions by its moral content. The moral identity gets its input in the process of internalization; it offers its output in the process of symbolization. The moral content is treated on two levels: self-knowledge and self-evaluation. The first asks: “What do I believe in?”; the latter asks: “How well do I follow my beliefs”. The moral identity has a dynamic structure which adapts to changes of its input. - So far, it seems not clear enough how the moral identity works on the level of self-knowledge in comparison to the level of self-evaluation.

RE 2.) Moral competence can be conceived as the capacity: a) to solve moral problems, or b) to act consistent with moral principles or values. This capacity requires sensitivity, judgement, motivation, and action. It thus refers to an individual's thinking, feeling and behavior. It can be extended in a process of maturation. - But, the related literature tells us little about the conditions under which moral competence is activated.

RE 3.) There are still few (empirical) studies on the relationships of moral identity. One study⁵ deals with the relationship between moral identity and moral competence. It pays great attention to the distinction between different dimensions and different degrees of complexity. Its conclusions still remain tentative. Another study⁶ examines the relationship between moral identity and ethical leadership. It finds it to be significantly positive. - This study shows a promising way for further research.

RE 4.) As specific meta-studies⁷ demonstrate, organizational justice has been intensively examined and discussed. There exists a widely shared conception. It divides between: distribu-

4 See chapter 1.

5 This alludes to Hannah et al. (2001).

6 This alludes to Mayer et al. (2012).

7 One example is Cohen-Charash/ Spector (2001).

tive, procedural, and interaction justice. Many antecedents and consequences have been identified and quantified, as for instance: ethical leadership, OCB, and trust. - However, two potentially related variables still seem to miss: moral competence and moral identity.

Ad 5.) Trust is commonly conceived as a psychological state in which a person perceives and accepts a risk which an interaction implies. Scholars have intensively examined how trust determines behavior under complex, intransparent conditions. Moreover, they try to find out what trust is determined by. They suggest for example: propensity to trust and trustworthiness. - Until now, the relationship between trust and moral identity or moral competence has apparently attracted little attention.

Thus, the main specific question of this research proposal are:

1. How can the conception of moral identity be improved with respect to self-knowledge and self-evaluation?
2. When and how is moral competence actually used?
3. What are the connections between moral identity, moral competence, and moral behavior in a functional chain?
4. How does perceived justice in an organization influence this functional chain?
5. How does trust between organizational members influence this functional chain?

3) Own Theory and Hypotheses

A person's moral identity is a self-conception which describes, explains, and evaluates who she is as a moral being. Thus, the moral identity works with moral values, norms, rules, and traits. It contains two entities: the ideal moral self and the real moral self. The ideal moral self describes the person as she should be, the real moral self as she really is. Thus, the two can be more or less consistent and coherent. It is the task of the moral identity to make them as consistent and coherent as possible. However, a person has also other selves, with different tasks. The different tasks may sometimes conflict with each other. Then, it depends on the relative strength of the moral identity to what extent it can prevail.

The moral competence comprises a person's capacities to solve moral problems. Typically, the most relevant capacities are:

- **sensitivity:** to recognize a moral problem;
- **judgement:** to derive an optimal solution;
- **coordination:** to adapt the optimal solution to the real internal or external conditions;
- **motivation:** to get the energy for action in view of various obstacles;
- **action:** to put the solution into practice.

All these capacities refer to the person's moral values, norms, rules, and traits – the ideal and the real ones. A solution of a moral problem may make them appear as rather right or wrong. The moral competence and the moral identity are thus interrelated.

We may state:

Hypothesis 1a: Moral identity coherence is positively related to moral competence.

Hypothesis 1b: Moral identity strength is positively related to moral competence.

An organization assigns each member a certain position. The positions are horizontally or vertically connected to each other. The organization offers specific means for interaction. It guides the interactions by specific rules. Thus, depending on her position, a member may adopt some specific behavioral pattern. One pattern in a vertical connection is called “ethical leadership”; another in any connection is called “organizational citizenship behavior (OCB)”.

An ethical leader sets and follows ethical rules. He uses his special power to organize constructive interactions and to make good decisions. He thereby shows good moral traits and serves as a role model.

An OCB-member guides her behavior towards helping other members (OCBI) or improving the functioning of the organization as a whole (OCBO). She thereby goes beyond what explicit organizational rules demand her to do and shows the following traits: altruism, courtesy, conscientiousness, civic virtue, and sportsmanship.

To become coherent, a person will seek to realize her values, norms, rules, and traits in any environment. She can use the experiences that she makes there as a feedback. An organization may be one of such environments.

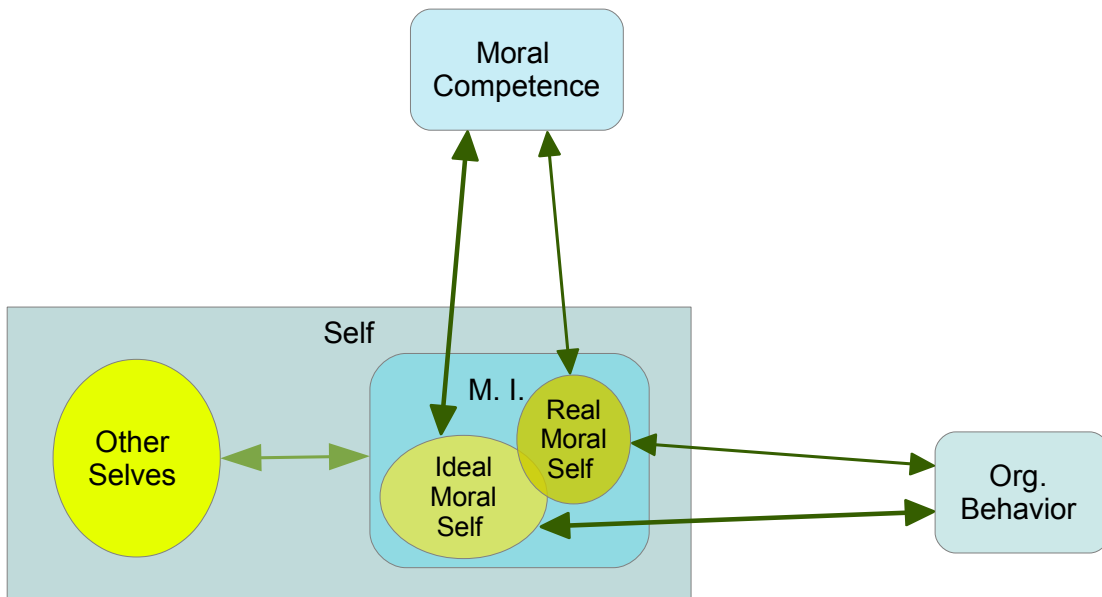
We thus may claim:

Hypothesis 2a: Moral identity coherence is positively related to ethical behavior.

Hypothesis 2b: Moral identity power is positively related to ethical behavior.

The relationships of hypotheses 1 and 2 are depicted in figure 1.

Figure 1: Own conception of and theory on moral identity



To behave ethically, a person needs an adequate moral competence. She can further develop this competence by practicing it, which means, by behaving ethically. However, certain conditions must be fulfilled so that a person really behaves in the best way that her moral competence shows her. Two of those conditions – especially important ones – could be: justice and trust.

We divide between distributive, procedural and interactional justice. In each respect, it seems easier for a person to behave ethically if the others behave in a just manner.

- In a distributively just state, the others choose a fair output-input relation.
- In a procedurally just state, they follow consistent, accurate, and correctable rules.
- In a interactionally just state, they behave courteously and respectfully towards one another and they inform one another at the right time, to the right degree.

In an interactional setting, two people (A and B) may each have two options: option 1 benefits the other person; option 2 harms her. It may be intransparent which option the other person chooses. Hence, person A needs to trust person B that she chooses option b1; otherwise there will be no interaction. Person A may build up her trust on B based on two reasons:

- positive experience with B in similar settings;
- a general climate of justice in a larger setting.

An organization offers a particular setting for interaction – with its specific structure (vertical and horizontal positions) and its specific rules. The organization thus creates a certain climate of justice and trust. It can induce specific patterns of behavior, as for instance: ethical leadership or OCB.

In sum, we may state:

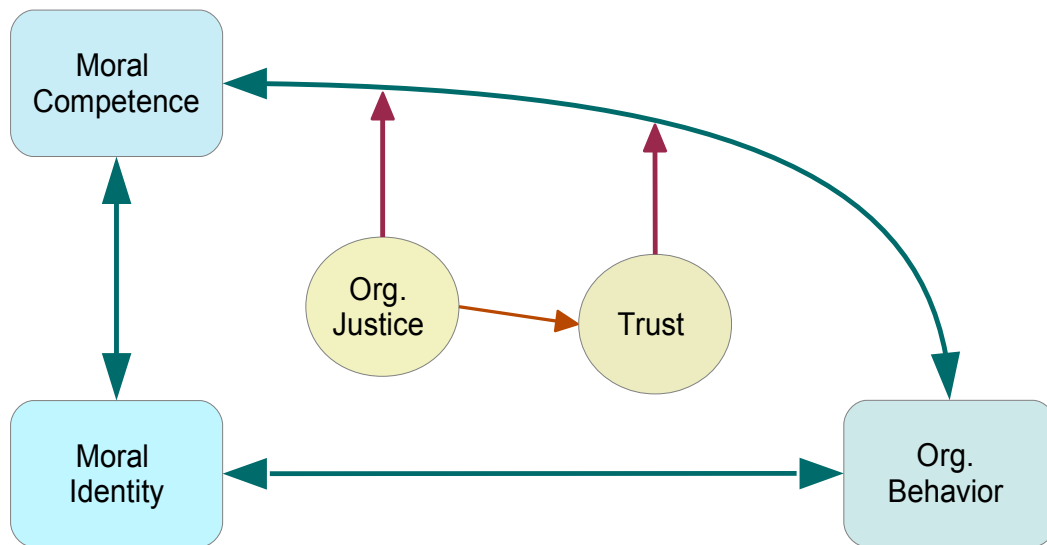
Hypothesis 3a: Moral competence is positively related to ethical leadership; this relationship is mediated by perceived justice and trust.

Hypothesis 3b: Moral competence is positively related to citizenship behavior; this relationship is mediated by perceived justice and trust.

Hypothesis 3c: Perceived organizational justice is positively related to trust.

The relationships of hypotheses 3a to 3c are depicted in figure 1.

Figure 2: Own theory on the functional chain



4) Empirical Methods

The 7 hypotheses will be empirically tested. The necessary data has to be generated. It will be generated with the help of a questionnaire.

My model contains 6 variables. For each of these constructs, a valid measure has been developed. The constructs and the main creators of their measures are shown in table 1:

Construct	Authors
Moral Identity	Reed/ Aquino (2003)
Moral Competency	Lennick/ Kiel (2011)
Ethical Leadership	Brown (2005)
OCB	Lee/ Allen (2002)
Organizational Justice	Colquitt (2001)
Trust	Zand (1972)

Table 1: Measures and their creators

All of these measures can be used with a 5-point scale.

To adapt the developed constructs to my own model, I might add a few items. To check for alternative explanations, I will include control variables; most of which are commonly used de-

mographic or organizational ones. Moreover, the questionnaire will contain some open questions. Such questions allow to better understand the specific proband and her specific social environment.

The sample population is restricted. The organizations must have, for instance:

- A minimum number of members;
- A minimum number of hierarchical levels;
- A minimum number of leaders;
- A minimum duration of existence;
- An English, German, or French speaking membership.

Basically, the test units are randomly chosen. A test unit consists of one organization with two internal leaders and two related followers for each leader. As an incentive for participation, each organization is offered some specific feedback. The final sample is supposed to contain at least:

- 5 organizations;
- 20 leaders;
- 60 followers.

The data is collected in personal interviews. The interviews are all led by myself. Two reasons for this are:

- to keep the conditions under a stricter control;
- to reach a higher qualitative understanding.

The interviews take place in an organization-specific, safe and comfortable environment. In each, I give the same introduction and use the same questionnaire.

The data will be analyzed with the help of standard methods of empirical research, concerning: description of single variables and correlations. Some more sophisticated methods might be used with regard to the moderator variables.⁸ I will use the qualitative data especially for the interpretation of the quantitative results.

8 See Baron/ Kenny (1986).

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