

Responding Destructively in Leadership Situations: The Role of Personal Values and Problem Construction

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ABSTRACT. This study explored the influence of personal values on destructive leader behavior. Student participants completed a managerial assessment center that presented them with ambiguous leadership decisions and problems. Destructive behavior was defined as harming organizational members or striving for short-term gains over long-term organizational goals. Results revealed that individuals with self-enhancement values were more destructive than individuals with self-transcendence values were, with the core values of power (self-enhancement) and universalism (self-transcendence) being most influential. Results also showed that individuals defined and structured leadership problems in a manner that reflected their value systems, which in turn affected the problem solutions they generated.

KEY WORDS: personal values, beliefs, destructive leadership, ethical decision making

Introduction

Leadership occurs in ill-defined and ambiguous situations (Mumford and Connelly, 1991). For this reason, the potential for leaders to make destructive decisions or follow a destructive course of action is always present. Although destructive or unethical leadership has received a fair amount of theoretical attention (e.g., Bass, 1998; Brown and Trevino, 2006a; Burns, 1978; Sims, 1994), authors have observed that a clear understanding and adequate empirical research in this area are still missing (e.g., Padilla et al., 2007; Schminke et al., 2005). Responding to this inadequacy, researchers have recently directed attention towards identifying the personal characteristics underlying the motivation to be destructive (e.g., Bass and Steidlmeier, 1999; Hogan and Hogan, 2001). A common theme

throughout this research is that destructive or unethical leaders seem to pursue short-term self-interests to the detriment of long-term, shared organizational goals (e.g., Conger, 1990; Darley, 2001; House and Howell, 1992; O'Connor et al., 1995).

The purpose of the present study was to explore further the relationship between the pursuit of self-interests and the motivation to be destructive. Specifically, we explored the role personal values play in destructive leader decision making and problem solving. Using the values theory proposed by Schwartz and colleagues (Schwartz, 1992, 1994; Schwartz and Bilsky, 1987, 1990), we predicted that individuals with self-enhancement values would be more destructive when constructing and ultimately solving ethical problems than would those with self-transcendence values when placed in ambiguous leadership situations. Discussion of personal values in general has been fairly common in the leadership literature (e.g., Burns, 1978; Chan and Drasgow, 2001; Fairholm, 1998; House and Shamir, 1993; Lord and Brown, 2001; Michie and Gooty, 2005; Mitchell, 1993; Sosik, 2005), and they have specifically been connected to unethical behavior (e.g., Grojean et al., 2004; Hunt, 1991; O'Connor et al., 1995; Sims, 1994). However, little empirical research has explored how values influence a leader's destructive or unethical decision making using an established, validated theory of human values, making it difficult to establish a clear theoretical framework in this area.

Destructive leadership

Organizational leadership can be viewed as social, goal-oriented problem solving and decision making

(Fleishman et al., 1991; Mumford et al., 2000). By definition, leadership occurs in situations that require interpretation and structure, which heightens the influence of personal attributes such as beliefs and values (Hunt, 1991; Mumford et al., 1993b). A leader's choices in these complex decision environments can mean the difference between an organization following a constructive or a destructive path. Jones (1991) defined an unethical choice as one that is illegal or is viewed as immoral by society. Similarly, O'Connor et al. (1995) defined a destructive leader as an individual whose decisions "clearly harmed his or her society or organization" (p. 536). It is not easy to know in advance which leaders are going to make destructive choices. In addition, because destructive decisions are not necessarily illegal, leaders who make those decisions may not believe, let alone admit, that they behaved destructively (Anand et al., 2004; Messick and Bazerman, 2001).

Rest (1986) proposed that ethical decision making or problem solving consists of recognizing the presence of a moral issue, making a moral judgment, placing importance on moral behavior, and acting in accordance with one's moral intent. Similarly, Trevino and colleagues (Trevino 1986, 1992; Trevino et al., 2006) suggest that ethical decision making involves the encounter of an ethical situation, the moral development of the decision maker, and various individual and situation factors such as locus of control and organizational climate. Central in these theories and present in most ethical decision-making theories and discussions is the idea that there is some internal standard (influenced by many personal characteristics such as locus of control and moral development) that plays a predominant role in the willingness to follow a destructive course of action (e.g., Bommer et al., 1987; Forsyth and Nye, 1990; Hegarty and Sims, 1978; Reynolds, 2006). This internal standard is present in some form throughout the stages of responding to an ethical situation, from recognizing one is facing a problem containing a moral dilemma to ultimately responding to that problem.

The process of responding to a problem with ethical content typically begins with recognizing that one is facing an ethical dilemma (Trevino et al., 2006). Once recognized, individuals are thought to make a moral judgment about the

dilemma using a fairly rational, moral reasoning process (Monin et al., 2007; Trevino et al., 2006). Kohlberg's (1981, 1984) theory of moral development has been referenced most often to explain this reasoning approach. Based on Piaget's theory of cognitive development, Kohlberg hypothesized that moral reasoning is guided by an individual's level of moral development, with three main stages of moral development proposed (each with two levels): preconventional, conventional, and postconventional. In the preconventional stage, an individual assesses a moral or ethical dilemma based on a motivation to obey and avoid punishment. In the conventional stage, an individual considers what society would view as right and wrong – looking to others for information. Finally, in the postconventional stage, moral reasoning is based on personal principles concerning justice, considering what one believes to be right and wrong. According to Trevino et al. (2006), moral awareness and moral reasoning set the stage for ethical behavior, and although the ethical problem solving will be influenced by these initial processes, it will not be governed completely by them. In addition, Trevino et al. argued that individuals would not always engage in moral reasoning before responding in an ethical situation.

Addressing ethical leadership specifically, Brown and Trevino (2006a) argued that several individual differences and situational factors will influence how a leader will ultimately respond to a decision or problem containing an ethical dilemma. Based on past ethical decision-making research, they proposed a model of ethical leadership composed of two main predictor categories, individual factors and situational factors. When a leader is faced with a problem or decision that contains an ethical dilemma, these factors (such as personality, moral development, and the ethical context) likely play important roles from initial awareness of the ethical dilemma, to moral reasoning and judgment, to the final motivation to pursue an ethical or destructive course of action. Overall, one individual difference that has been discussed often in various forms as an important predictor of destructive leader behavior is the motivation to pursue short-term, self-interests over long-term, organizational interests (e.g., Darley, 2001; House and Howell, 1992).

Pursuing personal versus collective interests

Hamilton and Sanders (1999) argued that destructive corporate outcomes are usually traceable to a leadership decision that reflected short-term personal goals. The motivation or willingness to place self-interests ahead of shared organizational goals has been discussed throughout the leadership literature as potentially leading to destructive behavior (e.g., Conger, 1990; Hogan et al., 1990; House and Howell, 1992; Howell, 1988; Howell and Avolio, 1992). Most notably, both the transformational and charismatic theorists have argued that leaders who are motivated by internal, opportunistic motives have a higher probability of being destructive. In the charismatic leadership theory these leaders have been labeled as “personalized” and in the transformational theory they have been labeled as “inauthentic” (see Howell, 1988; Bass and Steidlmeier, 1999, respectively).

Personalized and inauthentic leaders have a tendency to use their power and influence for personal advantage. Socialized and authentic leaders, on the other hand, are other-oriented and work to empower followers in an effort to achieve collective goals (Howell and Shamir, 2005; Luthans and Avolio, 2003). Although both types of leaders can be successful (see Howell, 1988; Avolio and Locke, 2002), socialized and authentic leaders will tend to be more ethical due to their desire to treat others fairly and respectfully. Both charismatic and transformational theorists reference internal standards composed of values and beliefs when differentiating between personalized/inauthentic and socialized/authentic leaders (e.g., Avolio and Bass, 1995; Bass, 1998; Ehrhart, and Klein, 2001; Howell and Shamir, 2005; Jung and Avolio, 2000; Kuhnert and Lewis, 1987). House (1977) and House and Shamir (1993), for example, argued that charismatic leaders are able to motivate and inspire followers by drawing a connection between their own values and those of their followers. Leaders who value actions that transcend personal self-interests are likely to create organizational environments where destructive activity is not tolerated.

Though not referenced directly in the Brown and Trevino (2006a) ethical leadership model, research and theory on charismatic and transformational leadership indicate that personal value differences are

a key determinant behind a leader’s motivation to pursue self-interests. In fact, personal values in general have been cited and/or found in past research to be important predictors of ethical behavior (e.g., Finegan, 1994; Fritzsche, 1995; Schmidt and Posner, 1982). However, the exact role values play in the ethical decision-making process is still unclear, as little research has explored their effect using an establish theory of the structure and content of personal value systems.

Personal values

Rokeach (1973) defined a value as “an enduring belief that a specific mode of conduct or end state is personally or socially preferable relative to an opposite or converse mode of conduct or end state” (p. 5). Values are stable, individual characteristics (Braithwaite and Scott, 1991; Meglino et al., 1989; Rokeach, 1973; Schwartz, 1992) that serve as behavioral guides, influencing both the choices people make (Epstein, 1989; Rohan, 2000) and the problem solutions they generate (Brophy, 1998). The value systems of all individuals can be described using the same finite set of core values; people differ only in the importance placed on each value (Rokeach, 1973). Thus, depending on how their values are hierarchically structured, leaders could easily differ on whether or not they view, consciously or not, a destructive behavior as attractive.

Unlike attitudes, values reflect the desirable and not specifically what is desired (Kluckhohn, 1951). They are cross-situational guides that often influence behavior beyond one’s level of awareness. Similar to attitudes, however, before values will influence behavior, they must be activated (Williams, 1979). This activation can come from inside an individual or from the environment. Based on each individual’s value structure, certain situations will activate certain values and more powerful values will be activated more easily, causing them to be more influential (Staub, 1989). Values exert internal pressure on individuals to behave in a certain way (Rokeach, 1973), and although individuals can choose to behave in a manner inconsistent with their values, they will, over time, develop predictable behavioral

preferences that are reflective of their hierarchical value system.

Expanding on the work of Rokeach et al. (Schwartz, 1992, 1994; Schwartz and Bilsky, 1987, 1990; Schwartz and Boehnke, 2004) have developed a promising comprehensive values theory that addresses both the content and structure of value systems. They propose a value structure that incorporates 10 value types (each composed of several individual core values): (a) self-direction, (b) stimulation, (c) hedonism, (d) achievement, (e) power, (f) security, (g) conformity, (h) tradition, (i) benevolence, and (j) universalism (Schwartz, 1992). The 10 value types are organized in a circumplex structure depicting the motivational continuum that exists among them. Following this logic, values falling next to each other in this structure are viewed as compatible (e.g., power and achievement), and values lying across from each other are viewed as competing (e.g., power and universalism). Empirical data from numerous countries have supported this value structure (see Schwartz 1992; Schwartz and Boehnke, 2004).

Schwartz (1992, 1994) suggested that for descriptive purposes, the 10 value types could be further structured into four higher-order dimensions: (a) openness to change (self-direction and stimulation), (b) conservatism (tradition, conformity, and security), (c) self-enhancement (achievement and power), and (d) self-transcendence (universalism and benevolence). Hedonism was hypothesized to fall somewhere between self-enhancement and openness. In addition, these four dimensions can be conceptualized as two general motivational continua: openness to change and conservatism form the poles of one continuum and self-transcendence and self-enhancement form the poles of the other. An individual's position on each continuum is determined by the hierarchical importance that she/he assigns to the individual values comprising the continua. Although the above value dimensions were suggested, Schwartz and Boehnke (2004) emphasized that the 10 value types form a motivational continuum and aggregation of values into higher-order dimensions should be based on individual study predictions/purposes, and these aggregated dimensions should not be viewed as separate constructs with distinct boundaries.

Values and ethical leader behavior

There is not a "destructiveness" value that predisposes a leader to engage in destructive behavior when faced with a problem containing an ethical dilemma. However, certain value structures seem to promote destructive activities more than others. Based on theory and research suggesting that destructive leaders are motivated by self-interests, it seems likely that self-enhancement values will be positively related to destructive behavior and self-transcendence values will be negatively related to destructive behavior. Indirect evidence for this proposition could be found in two studies conducted by Mumford et al. (1993a, 2003).

Mumford et al. (1993a) explored destructive beliefs and motives as predictors of destructive leader behaviors. Undergraduate participants in this study completed a managerial in-basket exercise that required them to choose among decision alternatives, some of which were destructive. Based on earlier research (Mumford et al., 1992), Mumford et al. (1993a) defined destructive individuals as those scoring high on a composite measure composed of three belief-based constructs: (a) power motives, (b) myth viability (having a destructive image of the word), and (c) object beliefs (the belief that one can use others for personal gain). Results revealed that individuals scoring high on this composite made more destructive organizational decisions (hurting long-term goals or profitability) and interpersonal decisions (harming organizational members) when they had the support of an authority figure or if they had low self-efficacy. Although beliefs and not values were measured in this study, beliefs lay the groundwork for personal value systems (Rokeach, 1973), and the three destructive belief constructs measured by Mumford et al. (1993a) are reflected in the Schwartz (1992) self-enhancement value dimension.

In a related but more recent study exploring managerial integrity, Mumford et al. (2003) again had undergraduate students complete the managerial in-basket exercise assessing destructive organizational and interpersonal decision making. In this study, participants' general beliefs and values were measured using several indirect assessments (participants' scores on 21 values and 12 beliefs were inferred from choices they made in ambiguous

decision situations). Results showed that participants with values and beliefs associated with personal gain, such as status (value) and material need (belief), made more destructive organizational and interpersonal decisions than participants with values and beliefs associated with a concern for others, such as human rights (value) and fairness (belief). In addition, regression analyses revealed that personal values accounted for approximately 20% of the variability in organizational and interpersonal destructive decision making.

The present study will test if self-enhancement and self-transcendence values as defined using the Schwartz value theory will predict destructive leader behavior beyond the more specific destructive beliefs and motives constructs used in the Mumford et al. (1993a) study. In addition to using an established values theory, this study will also explore the effects of values and beliefs using a more ill-defined, open-ended problem-solving task in addition to the two-option, forced-choice decision items used by Mumford et al. (1993a; 2003). An open-ended problem is believed to be a better representation of what would be encountered by an organizational leader.

Hypothesis 1a Individuals with self-enhancement values will make more destructive decisions and generate more destructive problem solutions than will those with self-transcendence values.

Hypothesis 1b Self-enhancement and self-transcendence values will predict variability in destructive decision making and problem solving beyond what is predicted by destructive beliefs and motives.

Values and problem construction

The ambiguous situations in which organizational leaders work requires a high degree of interpretation. When encountering a problem in one of these situations, a leader must first define and construct the problem before directing and/or engaging in solution generation and implementation (Reiter-Palmon and Illies, 2004). Problem construction is a critical initial stage of ill-defined problem solving where the problem solver interprets and structures a problem, identifying the opportunities, objectives, and restrictions associated with solving it (Mumford et al., 1994; Runco and Chand, 1994). Isenberg (1991),

for example, observed that successful managers are able to redefine and represent problems in more realistic and practical ways, which allow them to produce better solutions. Although problem construction is often skipped or completed too quickly due to it being an effortful and time-consuming activity (Reiter-Palmon and Illies, 2004), research has shown that problem construction is important and can enhance effective problem solving when completed adequately (e.g., Chand and Runco, 1992; Fontenot, 1992; Mumford et al., 1996; Okuda et al., 1991; Redmond et al., 1993; Reiter-Palmon et al., 1997; Rostan, 1994).

During problem construction, attended cues from a problem situation activate alternative problem representations from memory (Mumford et al., 1994). As a problem becomes more complex and ambiguous, it will present more cues that will, in turn, activate more problem representations (Mumford et al., 1994). These representations are developed throughout a person's life and reflect past experiences and dispositional characteristics, including beliefs and values. Hamilton and Sanders (1999) argued that there is a congruence between an individual's predisposition and how one views a situation. Similarly, Maclagan (1998) noted specifically that values will influence how a problem environment is perceived, and empirically, Reiter-Palmon et al. (1998) demonstrated that values do play a role in the problem-construction process.

Theory and research has traditionally taken the perspective that ethical decision making and problem solving is a fairly rational process. However, Monin et al. (2007) observed that attention has recently been devoted to the more immediate reactions individuals have to ethical dilemmas. Most ethical issues will produce a quick emotional reaction of some sort as these issues are moral-laden and tend to activate strong attitudes and opinions. This initial reaction will influence early problem-solving processes and can have a strong influence on moral judgment, possibly even determining the outcome of this judgment before any rational reasoning has occurred. Monin et al. argued that although emotional reactions will have a stronger influence when considering quick responses to moral violations, they will also likely play a role when facing a more "sophisticated" ethical problem that requires a high level of reasoning. The emotional effect in these

situations will be much more immediate than the reasoning effect as value-laden and affect-laden opinions will immediately be activated, affecting how the person ultimately responds to the problem (Illies and Reiter-Palmon, 2004).

Based on the above, it would appear that the reactions leaders have when first encountering a problem with ethical content will influence how these problems are defined and constructed. As noted earlier, an individual's internal disposition will in part determine the nature of his or her initial reaction to an ethical problem and will influence his or her problem construction. A leader with self-enhancement values will likely perceive or immediately look for the potential for personal gain existing in a problem whereas a leader with self-transcendence values will be more likely to have the collective good of the organization in mind when encountering that problem. This difference is expected to manifest itself in the problem constructions produced to a problem with ethical content, and ultimately, in the solutions generated. Thus, the present study will explore the possibility that problem-construction outcomes mediate the relationship between personal values and destructive problem solving.

Hypothesis 2 Individuals with self-enhancement values will develop problem constructions that reflect a desire for personal gain, whereas those with self-transcendence values will develop problem constructions that reflect a concern for others. In turn, the degree to which problem constructions reflect self-enhancement goals over self-transcendence goals will be positively related to the destructiveness of resultant problem solutions.

Method

Participants

Data were collected from 160 undergraduate students (107 females, 53 males), resulting in 80 participants each in the problem-construction and no problem-construction conditions. The average age of participants was 22.30 years ($SD = 4.27$), and year in college was fairly evenly distributed: 55 first-year, 38 second-year, 32 third-year, 20 fourth-year, and 15 fifth-year or higher. Approximately half of

the participants (53%) had at least 1 year of managerial experience.

Procedure

Data collection materials were incorporated within a larger managerial role-play exercise where participants were asked to assume the role of a leader in a midsize organization. Participants first read through introductory information, which included background information and general directions for completing the various assessment exercises. All participants were asked to assume the role of Kris Johnson, the District Manager of Readers Book-sellers, a fictitious retail bookstore chain. The introductory materials included background information on the company (products, market, and recent sales performance) and organizational structure charts depicting Kris Johnson's location in both the corporate and district hierarchies.

The assessment measures for this study consisted of four exercises: an in-basket exercise, a problem-solving exercise, a divergent-thinking exercise, and a questionnaire packet. The in-basket exercise, designed to assess destructive decision making, was a modified version of an in-basket developed and validated by Mumford et al. (1993a). It composed of 24 items (memos, notes, letters, and phone messages). Each item was followed by a short paragraph that provided more detail on the people and situation depicted in that item. At the end of this paragraph was a one-sentence recommendation for responding to that in-basket item. Participants were required to decide whether or not they agreed with the recommendation (yes or no), and after responding, were asked to assess their belief in the future effectiveness of their choice and their satisfaction with that choice (both assessed on 5-point scales).

For the problem-solving exercise, participants were presented with an ill-defined business problem where they had to decide if and/or in what capacity they would do business with a (fictitious) morally controversial client (APL – the Association for the Protection of Liberty) who was planning a conference in their city. Although the problem contained several aspects, the main dilemma was between boosting needed short-term sales versus maintaining consistent long-term profit. After reading the

problem, half of the participants (randomly assigned) were immediately asked to generate their solution to the problem and the other half received the problem-construction manipulation. Patterned after Redmond et al. (1993), the problem-construction manipulation consisted of asking participants to restate the problem in their own words and to list all the problem-related factors that, in their opinion, would be important to consider when developing a solution. A no-problem-construction condition was included to ensure that forcing participants to engage in problem construction did not alter the willingness to generate a destructive solution. For example, it is conceivable that during the time taken to record their problem-construction activities, participants might devote more thought than they would normally towards how their solution might affect others. Similar to the in-basket exercise, participants were also prompted to rate the likely effectiveness of their solution and their satisfaction with their solution.

After recording their problem solutions, participants completed a divergent-thinking exercise, where they were asked to generate ideas their store could use to market books written by local authors. After generating these marketing ideas, participants were given a questionnaire packet. The questionnaire packet was placed at the end of the session to ensure that answering questions about values and beliefs would not alter how participants responded to the destructiveness measures. Participants were asked to complete the questionnaires as themselves, no longer assuming the role of Kris Johnson. The questionnaire packet contained the personal values measure, a demographics questionnaire, and the destructive motives and beliefs measure. Participants were not allowed to return to the problem-solving and decision-making exercises once they began the questionnaire packet. The entire assessment required approximately 1.5 hours to complete.

Dependent measures

Destructive decision making

Destructive decision making was assessed using an in-basket exercise containing four decision types: (a) eight potentially destructive interpersonal decisions, (b) eight potentially destructive organizational decisions, (c) four filler interpersonal decisions with no

destructive choice, and (d) four filler organizational decisions with no destructive choice. Interpersonal in-basket items presented decisions concerning the well being of coworkers, clients, and/or customers. Organizational in-basket items presented decisions addressing the long-term profitability and performance of the organization. The 24 items were presented in random order. Each in-basket item was developed to match the underlying organizational or interpersonal issue of an item originally developed and validated by Mumford et al. (1993a). The organizational setting was changed for this study in an effort to place participants in an industry with which they would have some familiarity (a large retail bookstore chain vs. the electrical/lighting division of a large Fortune 500 company). A review of each modified in-basket item by an industrial-organizational psychology Ph.D. and two industrial-organizational psychology doctoral students revealed that one interpersonal item became ambiguous after translation to the new organizational setting (the item appeared to force a choice between a destructive interpersonal decision and a destructive organizational decision). This item was dropped, resulting in seven in-basket items assessing destructive interpersonal decision making and eight items assessing destructive organizational decision making.

The average number of destructive choices a participant selected served as the final score for each decision type (interpersonal vs. organizational). As discussed by Mumford et al. (1993a), an average score across all participants of .5 for each decision type would indicate that alternatives (destructive vs. nondestructive) were equally attractive and that socially desirable responding was minimized. Means from each scale approached this level (organizational $M = .42$, $SD = .19$, and interpersonal $M = .51$, $SD = .18$). The two scales were moderately correlated ($r = .30$) and were not related to academic achievement (average $r = .03$ with the average of high school GPA and college GPA). These results were very similar to those found by Mumford et al. (organizational $M = .35$, $SD = .20$, interpersonal $M = .45$, $SD = .18$, intercorrelation = .30, and average $r = .05$ with a verbal reasoning measure), providing evidence that the translation to a new organizational settings did not alter the psychometric properties of the two scales.

Solution destructiveness

Two industrial-organizational psychology doctoral students familiar with the leadership literature independently assessed the destructiveness of each problem solution using a 5-point scale. Destructiveness was defined as the degree to which the solution was unethical, immoral, harmed organizational members, and/or negatively affected long-term organizational goals or performance (Mumford et al., 1993a; Sims, 1994). Judges participated in approximately 1 hour of training before assigning ratings. Training included presentations and discussions of the theory and research associated with destructive leadership. In addition, sample solutions and in-depth discussions were used to ensure judges understood the definition of destructiveness, the rating scale, and the nature of the business problem. Before assigning ratings, judges were instructed to read through all solutions (presented in random order). Interrater reliability was .80 (intraclass correlation (3,2), Shrout and Fleiss, 1979). Examples of

destructive and non-destructive solutions are presented in Table I.

Problem-construction goals

Two judges (also industrial-organizational psychology graduate students) rated the problem constructions on the degree to which they reflected self-enhancement goals (low rating) or self-transcendence goals (high rating). Similar to the solution ratings, judges were trained for approximately 1 hour on problem-construction theory and research and on the Schwartz values theory and research, including in-depth discussions focused on the core values that comprised the self-enhancement/self-transcendence value continuum and how these core values might translate into different goals when individuals are faced with various ill-defined problems. Similar to the solution ratings, sample problem constructions were used to ensure an adequate understanding. Interrater reliability was .75. Examples of problem constructions reflecting

TABLE I
Examples of problem solutions rated as high and low on destructiveness

Problem solutions rated high on destructiveness	Problem solutions rated low on destructiveness
<p>I say go ahead with the deal. Personal feelings do not help in the field of business. Only a small amount of loyal customers will even notice that the deal was made and if they need an explanation we will explain to them that in order to keep serving them the way we have in the past we must sometimes catch up in the day season. Whether we like it or not, ideologists don't pay the bills.</p>	<p>As a district manager I will not make a deal with APL since APL only gives Readers benefit in a short run, while the public, loyal customers will give Readers a permanent benefit in the long run. Since the public goes against APL, Readers should go with the public because the public is what Readers needs to survive.</p>
<p>I believe that the contract should be signed. The couple hundred people who may possibly boycott the store won't matter. They are not the ones who buy books from you in bulk. Those customers you would lose would be outweighed with the customers from that organization as well as the recognition the company would receive from the press, even if it is negative.</p>	<p>Despite the fact that working with APL might be what we need for a turnaround, I think that the reputation of our company is the most important in this situation. APL supports many controversial practices that I and the executives of this company do not condone. It is important for Readers to maintain their honor rather than searching for a fast buck in this situation. We, as a company, seek to serve the average consumer rather than a small number of national organizations such as APL. We will not work with APL for this reason: We will not compromise the morality of our company. We have our own standards and company goals that do not include those held by the APL organization. Our company's image and outlook will remain untouched.</p>

self-enhancement and self-transcendence goals are presented in Table II.

Individual difference measures

Personal values

Personal values were measured using the 56-item Schwartz (1992) values inventory. Consistent with the recommendation of Schwartz and with the definition of a value, participants were asked to rate each value “as a guiding principle in my life” using a nine-point rating scale ranging from *opposed to my values* (−1) to *of supreme importance* (7). Descriptive statistics revealed that 20 out of the 56 values had scores ranging from −1 to 7 and none had a range of less than 5 scale points, indicating socially desirable responding was minimal.

Before computing the 10 value types (power, achievement, hedonism, universalism, benevolence, stimulation, self-direction, tradition, conformity, and security), individual value scores were centered for each individual using his/her total score on all the value items to correct for individual differences in scale use (Schwartz et al., 1997). The 10 value types were then computed by averaging the centered scores (see Schwartz and Boehnke (2004) for a list of the individual values used to represent each value type). A self-enhancement value dimension composed of power, achievement, and hedonism and a self-transcendence value dimension composed of benevolence and universalism were then constructed using the value-type scores. Finally, a transcendence-enhancement value continuum was constructed by subtracting one-dimension pole from the other (S. H. Schwartz, personal communication,

TABLE II

Examples of problem constructions rated as reflecting self-enhancement goals and self-transcendence goals

Problem constructions rated as reflecting self-enhancement goals	Problem constructions rated as reflecting self-transcendence goals
<p>I have to decide whether or not to sell APLs books or not during their conference (1) how can I sell books to APL without ruining my reputation (2) how can I make the most money (3) how can I sell the books and keep the public happy (4) how can I not sell the books (5) how can I benefit the most</p>	<p>Abide by the requests of APL or no longer be at the top of competition. (1) we will be financially recharged if deal (2) we will outsell BookBarn if make deal (3) we will be supporting an organization that contrasts our own moral belief if make deal (4) sales goal will not be met if don't deal (5) BookBarn will overcome us if don't deal (6) we will be supporting what is right if don't deal</p>
<p>The problem is whether or not to help the APL with its meeting and to carry some of their books for when their meeting is in town. (1) giving books away at a cheaper price (2) APL is a bad group, supports militant group (3) extra profit (4) loose deal with BookBarn (5) I will look good for my superior (6) will loose some of loyal customers</p>	<p>Quarterly sales are going to be below the anticipated goal, and there is an opportunity to make a deal with a questionable organization. If the deal is made it could potentially boost sales to the point of exceeding the quarterly goal. However, word has gotten out about the possibility of Readers doing business with an organization that is suspected of supplying militant groups with weapons, and people are already protesting in front of the three store locations. (1) are raising sales more important than maintaining a clean image? (2) what long-term effects will result from this short-term deal? (3) what if this deal creates a negative image of us for the public and sales decrease further? (4) are the numbers more important than my own ethical and moral standards? (5) how can I justify doing business with people I wouldn't associate with (6) employee turnover is already high and this may make it more difficult to find new employees.</p>

August 22, 2004). Internal consistency estimates for the 10 value types ranged from .55 to .79 (average = .65, see Table III). Although some internal consistency estimates were low to moderate by conventional standards, they are consistent with past research using this measure and are considered adequate given the small number of values used to represent each value type (see Schwartz, 1992). In addition, all individual item-total correlations were higher than .23, with most (87%) higher than .30.

Destructive beliefs

Power motives, object beliefs, and myth viability were assessed using three biodata scales developed by Mumford et al. (1992). These three scales were used by Mumford et al. (1993a) to assess the "propensity for destructive acts" and have been found to be fairly reliable and valid in a number of studies (e.g., Gessner et al., 1995; Mumford et al., 1993a). In the present study, the reliabilities for the power motives (nine items, $\alpha = .68$) and object beliefs (eight items, $\alpha = .66$) scales were typical of biodata measures, which commonly show lower internal consistency but higher test-retest reliability (Mumford and Owens, 1987). As was the case in the Mumford et al. (1993a) study, myth viability was found to have a low internal consistency (six items, $\alpha = .41$). For this reason, a destructive beliefs composite was computed using only the power motives and object beliefs scale scores.

Demographic and control variables

Several variables were measured to be used as control variables. Participants were asked to report their gender, age, college GPA, and high school GPA. A composite GPA score was computed by averaging high school GPA and college GPA. Participants were also asked to report the amount of managerial experience they have using a 5-point scale (*none, less than 1 year, 1–2 years, 3–4 years, or 5 or more years*). Finally, as indicated previously, because participants completed a problem-solving exercise, we measured their divergent-thinking ability by having them generate ideas for marketing books written by local authors. The total number of ideas generated served as each individual's divergent-thinking score.

Results

Personal values and destructive beliefs

Descriptive statistics and intercorrelations for all study variables are presented in Table III. The three destructiveness measures produced low to moderate correlations with each other, indicating that each was capturing a unique aspect of destructive behavior. Supporting Hypothesis 1a, the self-enhancement value dimension was positively related to destructive decision making and problem solving, whereas the self-transcendence value dimension was negatively related to these behaviors. The core value types of power (positive correlations) and universalism (negative correlations) produced the highest correlations across the three criteria. Destructive beliefs also correlated significantly and positively with the destructiveness measures, with objects beliefs and power motives being the most strongly related.

The correlations among participants' values and beliefs and their decision/solution satisfaction and effectiveness beliefs produced consistent trends across all three destructiveness measures. Therefore, the scores were combined to form an overall satisfaction score and an overall effectiveness-beliefs score. Power values and power motives were negatively related to satisfaction ($r = -.16$ and $-.22$, respectively, $p < .05$) and universalism values were positively related to satisfaction ($r = .22$, $p < .05$). Participants' values and beliefs did not relate to their belief in the effectiveness of their chosen actions (with the one exception of myth viability ($r = .16$, $p < .05$), but given the low internal consistency of this measure, interpretation of this result would be difficult, especially considering it was the only value or belief significantly correlated with effectiveness beliefs).

Hierarchical regression analyses revealed that personal values contributed independently to the prediction of destructive behavior for two of the three destructiveness criteria when combined with destructive beliefs, partially supporting Hypothesis 1b (see Table IV). The transcendence-enhancement value continuum and the destructive-beliefs composite scores were used for these analyses. Several variables were used as controls in these analyses: (a) managerial experience, (b) age, (c) gender (dummy

TABLE III
Means, standard deviations, and correlations

Measure	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12
<i>Destructiveness criteria</i>														
1. Problem solutions	2.44	1.08	-											
2. Organizational decisions	.42	.19	.04	-										
3. Interpersonal decisions	.51	.18	.14	.30										
<i>Problem solution self-ratings</i>														
4. Satisfaction with solution	3.78	.26	-.03	-.12	-.01	-								
5. Belief in effectiveness	3.82	.45	-.01	-.11	.03	.69	-							
<i>Personal values</i>														
6. Tradition	-.62	.83	-.05	-.07	.03	-.09	-.05	(.55)						
7. Conformity	.41	.61	-.10	-.02	-.01	.05	.05	.27	(.59)					
8. Security	-.16	.73	.00	.00	-.00	-.01	-.01	.09	.16	(.63)				
9. Stimulation	-.49	1.09	.01	.07	-.01	-.06	.04	-.30	-.40	-.26	(.70)			
10. Self-directed	.42	.64	.06	-.00	.01	.06	.08	-.42	-.33	-.30	.27	(.65)		
11. Hedonism	.42	1.10	.09	.08	.12	-.06	.03	-.31	-.24	-.27	.19	.20	(.57)	
12. Power	-1.76	1.35	.28	.25	.13	-.16	-.09	.01	-.15	.06	.06	-.14	.18	(.79)
13. Achievement	.65	.58	.15	.07	.09	.09	.11	-.26	.01	-.01	.06	.04	.07	.21
14. Universalism	-.29	.73	-.14	-.27	-.23	.22	.04	-.16	-.14	-.14	-.01	.08	-.26	-.62
15. Benevolence	.88	.55	-.11	-.10	-.07	.02	.01	-.03	.32	-.19	-.36	-.16	-.10	-.33
16. Self-enhancement dimension	-.23	.69	.27	.23	.17	-.11	-.01	-.23	-.22	-.10	.16	.02	.66	.80
17. Self-transcendence dimension	.30	.48	-.17	-.26	-.21	.18	.04	-.14	.08	-.22	-.22	-.03	-.26	-.67
18. Enhance-transc continuum	.43	1.01	-.25	-.27	-.21	.15	.02	.09	.18	-.03	-.20	-.03	-.55	-.82
<i>Beliefs/motives</i>														
19. Power motives	2.55	.55	.13	.26	.14	-.22	-.14	-.02	-.31	.07	.14	.06	.23	.45
20. Object beliefs	2.66	.55	.25	.32	.28	-.07	-.07	.03	-.15	-.07	.23	.06	.17	.52
21. Myth viability	2.75	.54	.04	-.15	-.05	.09	.16	.02	-.13	-.15	.06	.09	.03	-.05
22. Composite beliefs measure	2.61	.46	.23	.34	.25	-.17	-.13	.00	-.28	.00	.22	.07	.24	.58
<i>Demographic variables</i>														
23. Managerial experience	2.07	1.23	-.10	-.11	-.01	.04	.13	-.06	-.07	.09	.06	-.06	-.01	.03
24. Age	22.30	4.27	-.12	-.25	.01	.20	.22	-.03	-.01	-.03	-.06	.03	.14	-.13
25. Gender			.17	-.12	.05	-.19	-.16	-.01	-.01	-.04	-.09	-.06	-.21	-.21
26. GPA	2.47	.93	.03	.00	.06	.01	-.11	.01	-.04	-.04	.06	.11	.10	.07
27. Divergent thinking	4.21	1.86	.12	-.09	.05	-.13	-.12	-.11	-.04	.03	-.01	.07	.03	.15

TABLE III
continued

Measure	13	14	15	16	17	18	19	20	21	22	23	24	25	26
<i>Destructiveness criteria</i>														
1. Problem solutions														
2. Organizational decisions														
3. Interpersonal decisions														
<i>Problem solution self-ratings</i>														
4. Satisfaction with solution														
5. Belief in effectiveness														
<i>Personal values</i>														
6. Tradition														
7. Conformity														
8. Security														
9. Stimulation														
10. Self-directed														
11. Hedonism														
12. Power														
13. Achievement	(.66)													
14. Universalism	-.32	(.77)												
15. Benevolence	.06	.09	(.61)											
16. Self-enhancement dimension	.45	-.64	-.25	-										
17. Self-transcendence dimension	-.21	.82	.65	-.63	-									
18. Enhance-transc continuum	-.39	.78	.46	-.94	.86	-								
<i>Beliefs/motives</i>														
19. Power motives	.15	-.42	-.23	.46	-.45	-.50	(.68)							
20. Object beliefs	.01	-.38	-.24	.43	-.43	-.47	.41	(.66)						
21. Myth viability	-.03	.14	.05	-.03	.14	.08	.07	.12	(.41)					
22. Composite beliefs measure	.10	-.47	-.28	.53	-.52	-.58	.84	.84	.12	-				
<i>Demographic variables</i>														
23. Managerial experience	.08	.06	-.19	.03	-.07	-.05	.05	-.00	-.02	.03	-			
24. Age	-.01	.10	-.14	-.01	-.00	.01	-.11	-.18	-.06	-.17	.45	-		
25. Gender	-.07	.10	-.21	-.27	.19	-.26	.00	.18	.15	.11	-.02	.03	-	
26. GPA	-.02	.02	-.05	.09	-.01	-.06	.02	.07	-.06	.05	.11	.17	.13	-
27. Divergent thinking	.10	-.09	.01	.14	-.06	-.12	.11	.10	.08	.12	.06	-.02	.06	-.04

Note. N = 160. Correlations greater than .15 are significant at the $p < .05$ level. Internal consistency estimates (Cronbach's alpha) are in parentheses. Gender coded male = 1, female = 2. GPA is a composite of participants' high school and college GPAs.

TABLE IV

Hierarchical regression of the destructiveness measures on the transcendence-enhancement value continuum and the destructive beliefs composite

Variable	Destructiveness measures					
	Problem solutions		Organizational decisions		Interpersonal decisions	
	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2
Gender	.15	.09	-.10	-.18*	.05	.00
Age	-.05	.00	-.28**	-.19*	-.01	-.01
Managerial experience	-.08	-.12	.02	-.03	-.03	-.03
GPA	.03	.02	.05	.04	.05	.05
Divergent thinking	.12	.09				
Transcendence-enhancement values		-.17*		-.17*		-.09
Destructive beliefs		.12		.22*		.19*
R^2	.05	.11**	.08*	.19**	.01	.07***
ΔR^2	.05	.06**	.08*	.11**	.01	.06*

Note: $N = 160$. Standardized regression coefficients are reported. Gender was dummy coded. Divergent thinking was controlled only when analyzing problem solutions. For problem solutions: Step 1 $df = 5,152$; step 2 $df = 7,150$; ΔR^2 $df = 2,150$. For the two decision measures: Step 1 $df = 4,153$; step 2 $df = 6,151$; ΔR^2 $df = 2,151$. Significance tests for the predictor regression weights were one-tailed, and tests for the control variable weights were two-tailed.

* $p < .05$, ** $p < .01$, *** $p < .10$.

coded), (d) GPA, and (e) divergent-thinking ability (controlled only when analyzing the problem solutions). The ability of the value continuum and the destructive-beliefs composite to predict beyond the control variables varied depending on the specific criterion. When predicting the destructiveness of problem solutions, only the values composite ($\beta = -.17$, $p < .05$) contributed uniquely beyond the control measures ($\Delta R^2 = .06$, $F(2,150) = 5.05$, $p < .01$). For destructive organizational decision making, both the value continuum ($\beta = -.17$, $p < .05$) and the beliefs composite ($\beta = .22$, $p < .05$) contributed uniquely beyond the control measures ($\Delta R^2 = .11$, $F(2,151) = 10.05$, $p < .01$). It was also found that younger participants ($\beta = -.19$, $p < .05$), and women ($\beta = -.18$, $p < .05$, female $M = .44$, male $M = .37$) made more destructive organizational decisions. Finally, for destructive interpersonal decision making, only the beliefs composite ($\beta = .19$, $p < .05$) contributed uniquely beyond the control measures ($\Delta R^2 = .06$, $F(2,151) = 4.58$, $p < .01$). No significant interactions were found between the values continuum and the beliefs composite.

Problem construction

Solution destructiveness did not differ between those who engaged in problem construction and those who did not ($M = 2.52$ and $M = 2.36$, respectively, $t(158) = .95$), confirming that forcing participants to engage in problem construction did not alter how destructive they were willing to be with their solution. The role of problem construction was then further explored using only those participants in the problem-construction condition ($n = 80$). The transcendence-enhancement value continuum was positively related to the degree to which problem constructions reflected self-transcendence goals over self-enhancement goals ($r = .22$, $p < .05$), indicating that participants constructed the problem in a way that reflected their underlying value systems. The problem-construction scores were also correlated with solution destructiveness ($r = -.49$, $p < .01$) such that participants who constructed the problem in a manner that reflected self-transcendence goals generated solutions that were less destructive than did those who constructed the problem in a manner that reflected self-enhancement goals.

Because values were related to both the problem constructions and the problem solutions in addition to the problem constructions being related to the problem solutions, a hierarchical regression analysis was run to explore if problem construction might mediate between values and destructive problem solving (analyses were based on Baron and Kenny (1986); however, because this study was partially correlational, supportive results would only provide an indication that a mediated relationship might exist (see Stone-Romero and Rosopa, 2004)). After entering the control variables (age, gender, GPA, divergent thinking, and managerial experience), the value continuum was found to be a significant predictor of solution destructiveness ($\beta = -.22$, $t(73) = 1.88$, $p < .05$). However, when adding the problem-construction scores ($\beta = -.44$, $t(72) = 4.25$, $p < .01$), the value continuum was no longer a significant predictor ($\beta = -.13$, $t(72) = 1.25$, *ns*). The value continuum and the problem-construction scores along with the control variables accounted for 28% of the variance in solution destructiveness ($F(7,72) = 7.72$, $p < .01$). The change of the value continuum from a significant predictor alone ($\beta = -.22$) to a non-significant predictor when combined with the problem-construction goals ($\beta = -.13$) indicates that the problem-construction goals may mediate the relationship between personal values and solution destructiveness.

Discussion

The results of this study expand on the model of ethical leadership proposed by Brown and Trevino (2006a) by demonstrating that personal values have a direct and potentially indirect (through problem-construction activities) influence on ethical behavior. Participants with self-enhancement values were more destructive when placed in leadership situations than were those with self-transcendence values, with the core values of power (self-enhancement) and universalism (self-transcendence) being most influential. As evidenced in this study, personal values exert a powerful influence on the choices people make (Epstein, 1989). This influence will become stronger as the situation becomes more ambiguous, as is typically the case when facing ethical choices. For organizational leaders, the influence of values may be especially powerful, as

they must make ethical decisions in fast-paced, changing environments where solutions paths are unclear and potential outcomes are unknown.

An important contribution of this study to the existing literature is that it provides an empirical link between values and destructive leader behavior using a validated theory of personal values. The term "values" has arguably been overused as a label for identifying a variety of constructs or ideas in the organizational literature (Dose, 1997). As a result, it is difficult to describe the general relationship between personal values and organizational behavior. Using the Schwartz values theory, which has been validated in many studies across numerous countries, we demonstrated that there is a clear values difference between individuals who are willing to engage in destructive behavior and those who are not. Specifically, those willing to be destructive tend to fall towards the self-enhancement pole on the Schwartz (1992) circumplex value structure whereas those not willing to be destructive fall towards the self-transcendence pole. Although individuals may not always behave in a manner consistent with their values, those values will always exert an influence, consciously or not, and there appears to be a unique, definable value structure that predicts destructive behavior.

This study also revealed that values have an immediate influence when individuals are facing realistic leadership situations. Participant's initial problem interpretations or constructions reflected their value systems and ultimately had a strong influence on the type of solutions generated. By using an open-ended problem-solving task, we were able to assess participants' interpretations of problems in addition to having a more realistic test of the effect of values on ethical leader behavior. Rather than having participants simply make a judgment about a smaller ethical dilemma directly, the study embedded that dilemma into a full problem-solving situation, requiring participants to not only make an ethical or moral judgment (is this right or wrong), but to provide a solution to the larger problem at hand. Thus, they were forced to consider more than just a single ethical dilemma. In addition, the problem-solving exercise was just one exercise in a larger role-play activity where participants assumed the role of a corporate leader and made various decisions and solved various problems pertaining to

their business. Thus, overall these results provided a more complete picture of the ethical behavior process.

The finding that values have an immediate effect on problem-construction activities supports the arguments of Hamilton and Sanders (1999) and MacLagan (1998) that internal characteristics color how individuals perceive a situation, which in turn affects how they behave in that situation. These results also support the more recent argument that ethical issues in particular may produce an immediate reaction that influences how one ultimately reasons about and responds to that issue (Monin et al., 2007). Although the problem used in this study was designed to motivate a reasoned response as opposed to a quick reaction, the initial perception of the problem influenced how the problem was defined and constructed, which in turn guided the rest of the problem-solving effort. These results support Monin et al.'s (2007) suggestion that both the immediate reaction to an ethical issue and the more delayed reasoning that accompanies making an ethical judgment play important roles in influencing the resultant behavior.

The idea that problem construction may mediate between values and ethical problem solving may have important applications in organizational settings as the initial problem-solving stages may be a critical point at which to guide ethical problem solving. Engaging in problem construction requires time and effort (Reiter-Palmon and Illies, 2004), but if managed appropriately, could provide an opportunity for promoting ethical behavior by those with self-serving motives. If motivated to engage in problem construction and if surrounded by environments that promote ethical behavior and strongly convey the importance of working toward the good of the organization and its employees, leaders can be influenced to construct a problem in a non-destructive manner, which may prevent any initial self-serving thoughts stemming from self-enhancement values from translating into destructive behaviors. It was noted earlier that individuals will not necessarily behave in a manner consistent with their values, and research has shown that interventions aimed at the problem-construction stage can influence the types of solutions generated (e.g., Redmond et al., 1993). The difficulty will be finding ways to ensure that

leaders with self-serving tendencies are motivated to engage in problem construction and to consider the shared goals of the organization and its members when doing so.

Mumford et al. (2003) found that personal values were largely redundant with beliefs when predicting destructive decision making and problem solving, whereas this study revealed that values were important predictors in addition to beliefs. There are several likely reasons for this difference. First and foremost, Mumford et al. used a global assessment of beliefs, whereas this study used specific measures of destructive beliefs. A second noteworthy difference is that Mumford et al. assessed values and beliefs by developing indirect measures. Although these indirect measures have several advantages and were constructed to reflect established theories, including the Schwartz theory, exactly how they map onto the Schwartz circumplex value structure is unclear. Taken as a whole, however, the present study combined with the Mumford et al. study and the Mumford et al. (1993a) study reveal a consistent positive relationship between self-serving or self-enhancement values and beliefs and destructive leader behavior.

The suggestion that leaders with self-enhancement values may choose more destructive decision alternatives than those with self-transcendence values is consistent with past leadership theory suggesting that leaders should place more importance on the collective, long-term goals of their organizations and followers than on their own short-term personal interests (e.g., Conger, 1990; Darley, 2001; Howell and Shamir, 2005; Mitchell, 1993; Sims, 1994). Leaders determine the ethical climate of their organizations (Trevino et al., 2003). If they consistently model behaviors that show honest concern for others and for the good of the organization in general, as those with self-transcendence values are likely to do, others in the organization will follow, creating an organization that promotes non-destructive behavior and a work environment where employees feel respected and valued.

For this study, the self-enhancement value dimension was defined as a composite of the power, achievement, and hedonism value types. On the surface, it appears that several of the values that predicted destructive leadership are characteristics that are commonly associated with effective leadership,

specifically achievement and power. However, upon closer inspection, these results are consistent with extant leadership research and theory. Achievement has received limited attention in leadership research, possibly due to the fact that most conceptualizations of achievement focus on an individual's need to succeed in some or all areas of his or her own life. Because leaders must have the ability to get people to work together for a common goal (Bass, 1990), strong achievement motives that reflect a desire for personal success and ambition may be detrimental to effective leadership. This argument is consistent with Spangler and House (1991), who found negative correlations between need for achievement and presidential success and with Illies et al. (2005) and Mumford et al. (2001) who found little to no relationship between achievement values (measured directly) and the quality of solutions generated to ambiguous business problems. In addition, Ros et al. (1999) revealed that self-enhancement values correlated negatively with the social aspect of work ($r = -.32$) and positively with the prestige aspect ($r = .29$), also indicating that valuing personal achievement may impede productive social influence.

Unlike achievement, power (largely the need for power) has a much richer history in the leadership literature, having been discussed as positively relating to both effective and destructive leadership. Most often, this apparent contradiction is reconciled by viewing power as containing both positive or social aspects and negative or personal aspects (e.g., House and Howell, 1992; Tjosvold, 1985). On the social side, a leader uses power to further the interests of the entire organization and its employees whereas on the personal side, a leader uses power to satisfy personal ambitions. Expanding on this idea, McClelland and Boyatzis (1982) hypothesized that the characteristics of effective leaders form a syndrome composed of moderate to high need for power, low need for affiliation, and high activity innovation. Activity innovation is an unconscious motive to satisfy the need for power in a socially responsible manner. In a longitudinal study of leaders, McClelland and Boyatzis found that their proposed syndrome, reflecting the more socially directed need for power, predicted promotional rates for technical managers both 8 and 16 years after being hired.

The need for power associated with effective leadership, therefore, is directed at the good of the collective and not at individual gain, a view that was later developed into the distinction between personalized and socialized charismatic leadership (House and Howell, 1992; Howell, 1988;). The core values comprising the Schwartz power value type appear to focus more on personalized power or valuing power as personal control (core power values include wealth, social recognition, and authority), which is consistent with its placement within the self-enhancement portion of the Schwartz circumplex value structure. Therefore, the finding that power values were positively related to destructive leadership is consistent with past views of the leadership-power connection.

Finally, the results of this study revealed that neither beliefs about the effectiveness of chosen behaviors nor the satisfaction with those behaviors were related to level of destructiveness. In addition, none of the 10 value types related to participants' effectiveness beliefs and only the power value type (negative relationship) and the universalism value type (positive relationship) correlated with behavior satisfaction. One could speculate that participants with power values may have been less satisfied because they did not have an opportunity to see how their decisions ultimately benefited them, whereas those with universalism values may have been satisfied knowing that their decisions reflected their concern for others. Overall, however, these results suggest that leaders who act in a manner consistent with their values believe in the effectiveness of those behaviors and by in large are happy with those behaviors. People are very adept at rationalizing destructive or unethical behavior (Bandura, 1999). Corporate leaders who make destructive decisions may argue and fully believe that their actions reflect the best interests of their organizations precisely because they behaved in a manner that is consistent with their internal, value-driven motivations. Unfortunately, we do not know if participants in this study would have maintained their feelings of satisfaction and effectiveness once the long-term outcomes of their decisions become known. In addition, one should keep in mind that satisfaction and effectiveness beliefs were each assessed using one-item measures, so results should be treated cautiously.

Limitations and future directions

A central limitation of this study is that only individual differences (mainly values and beliefs) of participants placed in leadership situations were considered. Future research needs to explore how values and beliefs combine or interact with environmental variables and how a leader's beliefs and values influence the behaviors of one's followers. Most models of ethical behavior note that individual characteristics and situational factors combine to influence ethical behavior (see Trevino et al., 2006). Bartlett (2003) even specifically argued that ethical behavior is a combination of individual value systems and organizational climate, and past research has shown that personal beliefs interact with environmental variables in affecting the destructive behavior of leaders (Mumford et al., 1993a). Surrounding leaders with ethical environments might be an effective way to limit destructive behavior in organizations even when those leaders have self-enhancement values, possibly by motivating the development of problem definitions and constructions that reflect ethical goals. Future research should explore these possibilities.

Several authors have argued that leaders can influence the ethical behaviors of their subordinates by making other-oriented values salient through their visions, words, or behaviors (e.g., Grojean et al., 2004; Kirkpatrick and Lock, 1996; Lord and Brown, 2001; Schminke et al., 2005; Thomas, Schermerhorn, and Dienhart, 2004). Empirical research exploring the differential effects leaders with varying value systems have on their followers would be very informative. In addition, it is possible that certain combinations of leader and follower value systems (and likely other characteristics also) are necessary for creating ethical or other-oriented cultures. For example, Brown and Trevino (2006b) recently found that value congruence between leaders and followers may mediate the relationship between leadership and deviant behavior such that employees with a socialized charismatic leader perceived more value congruence with their leader, which resulted in less deviant interpersonal behavior at work.

Future theory and research will also benefit from a more in-depth analysis of the relationship among needs, beliefs, and values and their influence on destructive leadership and ethical behavior in gen-

eral. Needs are typically defined as physiological forces motivating us to reduce an internal disequilibrium (Murray, 1938). Up to an extent, values and beliefs are expressions of needs. However, beliefs and values are cognitive in nature and their development is affected by numerous social and personal factors. Beliefs are thought to be more general than values, representing individual propositions or assumptions about life in general, capable of being true or false, good or bad, or desirable or undesirable (Rokeach, 1968). Values, on the other hand, are comprised of those beliefs dealing with desirable or undesirable behaviors or end states (Rokeach, 1973; Schwartz, 1992). Rokeach (1973) argued that we have 1000s of beliefs, but only dozens of values, making beliefs somewhat more difficult to measure and research. More empirical work is needed to determine how values, beliefs, and needs affect destructive behavior individually and in combination (some research in this area is beginning to appear, such as Mumford et al., 2003).

The present study revealed that personal values appear to influence problem solving almost immediately by coloring how problems are perceived and constructed. This finding is consistent with a more recent line of ethics research mentioned earlier showing that the immediate emotional reactions individuals have to ethical dilemmas have a strong influence on ethical judgments (see Monin et al., 2007). Continuation and expansion of these lines of research are important. In addition to considering predictors such as emotions and values, research should continue to explore problem construction and other cognitive processes potentially important to ethical problem solving and decision making, such as information search and encoding. The potential mediating effect of problem construction between values and destructive problem solving also needs further exploration. Illies and Reiter-Palmon (2004) revealed that problems that activate powerful values in participants could have a closed-minded effect, decreasing the quality of solutions generated to those problems. However, we still do not know exactly why, how, or where this effect occurs and if it plays a specific role in destructive problem solving. Individuals may unknowingly only search for and encode information that is consistent with their values or/and they may consciously discount any information that is contrary to their values, which may promote

destructive behavior in that those with self-enhancement values are less likely to consider how their actions affect other people. By learning more about problem construction and other problem-solving processes that may play a role in ethical problem solving, we can discover interventions that can be used to promote non-destructive leader behavior.

Finally, a few limitations resulted from the use of a laboratory study. Most obviously, participants in a laboratory study have different motivations so may respond differently than individuals in actual business settings. In addition, because by necessity the individual difference questionnaires were always administered after the role-play exercise, fatigue and potential order effects cannot be ruled out. Finally, although results for several measures (notably the values and destructive decision-making measures) indicated that socially desirable responding was minimal, its influence on this study cannot be ruled out, particularly given the research topic was ethical behavior. However, despite those limitations, we believe that the results of this study add meaningfully to the ethical leadership literature. Laboratory studies in general do not produce results that are different from field studies (Campbell, 1986), and they are considered critically important for discovering important new relationships among leadership variables (Brown and Lord, 1999). In addition, we believe that the nature of the questions explored in this study were best answered using a laboratory method as it allowed for the manipulation of problem construction and for a controlled exploration of the effect of personal values on destructive decision making and problem solving.

Although internal validity carries increased weight in a laboratory study, there is reason to believe the results of this study will generalize. The experimental task in this study was an assessment center/in-basket exercise containing realistic decision scenarios, which is believed to be a successful method of studying ethical behavior in laboratory settings (Darley, 1999). In addition, and more importantly, the effect of values on ethical decision making is unlikely to differ meaningfully based on the sample used. Not only are college students only a few years away from being employees, but also because personal values represent cross-situation behavioral guides, the general tendency for individuals with self-enhancement values to prefer decisions and solutions that reflect

personal gain and those with self-transcendence values to prefer behaviors that show a concern for the collective good will exist within the lab or the field. The degree to which a leader's value-based preferences manifest themselves in behaviors may vary from situation to situation, but his or her value system is unlikely to change significantly, and he or she will continue to feel pressure to behave in a manner consistent with that system.

Conclusions

Understanding the destructive behavior of organizational leaders is critically important in today's complex, global business world. One only needs to glance at current newspapers to see the devastating effects unethical leader behavior can have within corporations in addition to the effect that behavior can have on shareholders, consumers, and in some cases, society in general. The goal for organizations is to identify in advance which leaders are likely to be destructive and which environments will be the most conducive to destructive behavior and then neutralizing those threats. Although not yet receiving significant research attention, several authors have argued that assessing the values of prospective corporate leaders may be an effective way to decrease unethical behavior (e.g., Egri and Herman, 2000; Fairholm, 1998; Hogan and Hogan, 2001). The present study provided some support for that argument by demonstrating that certain value systems are related to destructive behavior. In addition, by demonstrating that individuals will tend to construct problems in a manner consistent with their values, results of this study also suggested that even if leaders with self-enhancement values are in place, it may be possible to reduce their threat by attempting to guide their problem-construction activities when they are faced with a problem containing ethical content.

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