



Is good character good enough? The effects of situational variables on the relationship between integrity and counterproductive work behaviors

Saul Fine ^{*}, Ishayau Horowitz, Hanoch Weigler, Liat Basis

Midot, Ltd, 11 Ben Gurion St, Vita Towers, Ramat Gan, 51260, Israel

ARTICLE INFO

Keywords:

Integrity
Employee engagement
Security controls
Counterproductive behaviors

ABSTRACT

The literature on integrity testing in personnel selection has reported impressive validities for predicting counterproductive work behaviors (CWB), but has seldom taken into consideration the possible influences of situational variables once job applicants are hired. This study examined the main effects and interaction effects of two situational variables, employee engagement and security control norms, on the relationship between integrity and CWB admissions. Based on data collected from a census sample of job incumbents from a large international retail company, all three variables were found to be moderately related to CWB, incrementally valid when aggregated, and together led to a lower rate of false positives than that yielded by integrity alone. In addition, employee engagement and security control norms each moderated the relationship between integrity and CWB when integrity was low, but did not influence CWB when integrity was high. The implications of these findings on personnel selection methods are discussed.

© 2009 Elsevier Inc. All rights reserved.

Counterproductive work behaviors (CWB) refer to a broad set of illegal, immoral, and/or deviant employee behaviors that include such serious offenses as employee theft, fraud, and drug use (Hollinger & Clark, 1983; Sackett & Devore, 2001). Numerous studies report both the costliness and pervasiveness of CWBs to the extent that they can directly affect an organization's very survival. For example, while estimates vary greatly, the collective damages to companies due to acts of employee theft and fraud may reach as much as \$400 billion dollars a year in the US alone (Wells, 1999), with similar evidence from outside the US (Coyne & Bartram, 2000; Lumbdoff, 2007; Wimmer, 1999), indicating that CWB is problem for labor economies around the world.

In addition to the tremendous costs and damages associated with CWBs, these behaviors are also remarkably common. According to some estimates, between 33% and 75% of employees will have engaged in at least some form of deviant behavior (Harper, 1990), and these behaviors may be responsible for as much as 30% of all business failures (Murphy, 1993). In addition, recent survey evidence indicates that CWBs are becoming increasingly prevalent, with a 10% increase from 2003 to 2007 in the percentage of employees who observe violations in company ethics standards, policy or the law (Ethics Resource Center, 2007). Finally, and perhaps even more shocking than these figures is the assumption that many deviant employee behaviors go undetected, and thereby leaving the actual frequency and value of CWBs largely unknown (U.S. OTA, 1990). Clearly, CWB should be a major concern for organizations around the world.

In response to these concerns, a great deal of research has been carried out in recent years in an attempt to understand the antecedents of CWB (e.g., Bolin & Heatherly, 2001; Lau, Au, & Ho, 2003; Marcus & Schuler, 2004). In doing so, researchers have typically emphasized either personal variables (e.g., Ones, Viswesvaran, & Schmidt, 1993; Salgado, 2002) or situational variables (e.g., Greenberg, 1990; Skarlicki & Folger, 1997). Personal variables refer to individual characteristics (e.g., integrity) that indicate a preponderance towards CWBs, whereas situational variables can be thought of as events (e.g., organizational injustice) eliciting behavioral reactions, irrespective of individual differences (Sackett & Devore, 2001). Despite the general acceptance that both personal and situational variables predict CWB (Murphy, 1993), these factors are nearly always studied separately, leaving their combined effects not well understood (Martinko, Gundlach, & Douglas, 2002; Sackett & Devore, 2001). In addition, while many selection solutions assess personal variables among job applicants for predicting CWB (Camara & Schneider, 1994), very few of these solutions consider the effects of subsequent situational variables on these individuals, after they are hired. As a result,

^{*} Corresponding author. Tel.: +972 3 616 1111; fax: +972 3 616 1515.
E-mail address: saul@midot.co.il (S. Fine).

researchers and practitioners have been left with somewhat of an incomplete understanding for accurately predicting counterproductive behaviors in the workforce (Greenberg & Barling 1996; Lasso & Bass, 1997).

This study draws on previous theoretical work on CWB and uses a person–situation paradigm to empirically predict CWB from a personnel selection perspective. Specifically, we investigated the main effects and interaction effects of two *perceived* situational variables, employee engagement and security control norms, and one personal variable, integrity, in the operational prediction of CWB among job incumbents.

1. Counterproductive work behaviors

CWB can be formerly defined as a “voluntary behavior that violates significant organizational norms and in so doing threatens the well-being of an organization, its members, or both” (Robinson & Bennett, 1995, p.556). As a wide variety of specific behaviors may fall under this broad definition, researchers have investigated the dimensionality of these behaviors to better understand the nature of CWB. In their seminal work on CWB, Hollinger and Clark (1983) conceptualized CWBs into two dimensions, targeting either physical property such as merchandise and cash theft (known as *property deviance*), or policies and procedures such as rule-breaking and withholding effort (known as *production deviance*). Robinson and Bennett (1995) added to these dimensions, seeing property and production deviances as both targeting the organization, and labeling this *organizational deviance*, and considering the former to be more serious offenses than the latter. They also differentiated organizational deviance from behaviors targeted against other members of the organization, known as *interpersonal deviance*. Notwithstanding the dimensions of CWB, a number of more recent studies have found high correlations between these and other dimensions of CWB in favor of one overarching latent construct of organizational deviance (Berry, Ones, & Sackett, 2007; Dalal, 2005; Sackett, 2002), which is arguably a more robust criterion for operational models aimed at predicting CWBs in a range of situations.

In terms of predicting CWB, a variety of reasons have been suggested as to why individuals may engage in such behaviors, among which are both personal and situational variables (Murphy, 1993). Robinson and Greenberg (1998) describe these antecedents as stemming from three broadly defined sources: individual factors (e.g., personality and demographics), social and interpersonal factors (e.g., in reaction to normative deviant behavior and unfair interpersonal treatment), and organizational factors (e.g., in response to problematic job characteristics). Building on this and other models, Sackett and Devore (2001) presented six narrower CWB antecedent categories: personality variables (e.g., integrity, personality), job characteristics (e.g., autonomy, task identity), work group characteristics (e.g., normative deviant behaviors), organizational culture (e.g., informal security controls), injustice (e.g., perceived unfairness), and controls systems (e.g., physical security controls).

Further to these two frameworks, and based upon our own review of the literature, we offer a simple alternate typology of predictors, which conceptually categorizes the above antecedents according to the nature by which they associate with CWB, rather than in terms of their own general characteristics. Specifically, we agree that personal variables are individual characteristics affecting one's propensity to engage in CWB, but suggest that: job characteristics, injustice, and interpersonal factors are antecedents of CWB via the negative job attitudes they elicit; and that work group characteristics, security controls, and organizational culture are associated with CWB through socially learned normative organizational behaviors that pertain to perceived security controls. We therefore suggest three broad types of CWB predictors: 1) personal variables, 2) job attitudes, and 3) organizational norms, and briefly describe each below.

2. Personal variables

2.1. Integrity

Personal antecedents of CWB include two main types of variables: personality-based variables and demographic variables. The relationship between personality-based variables and CWB can be described in terms of individual traits and attitudes which have been empirically correlated with CWB. In addition, since personality variables are generally considered to be stable over time and across situations (Costa & McCrae, 1988; Terracciano, Costa, & McCrae, 2006), they are appropriate for the selection of job applicants. Perhaps the most widely used personal assessment tools to predict CWB among job applicants and employees are integrity tests (Ones et al., 1993; U.S. OTA, 1990; Wimbush & Dalton, 1997). According to estimates made in the early 1990's, up to 5 million integrity tests are administered annually in the US alone (Camara & Schneider, 1994), and 10–15% of all US retailers, banking and food service organizations use integrity tests for personnel selection (O'Bannon, Goldinger, & Appleby, 1989).

Integrity tests are designed to predict CWBs, and are typically available in one of two formats: Either as *overt* tests, directly measuring opinions towards CWB, or as personality-based tests, measuring personality traits that are inferentially related to CWB (Sackett et al., 1989). Overt integrity tests are based on the rationale that individuals who have fantasies, leniencies, justifications, or loyalties towards CWBs are more likely to engage in such behaviors (Terris & Jones, 1982). Personality-based integrity tests are less explicit, and tap broad personality traits, particularly conscientiousness, which are empirically related to CWB (Hough, 1992; Salgado, 2002). Overt and personality-based integrity tests are moderately inter-correlated (Hogan & Brinkmeyer, 1997), and both have significant (and largely similar) operational validities for predicting overall CWB in the workplace ($\rho = .39$ and $.29$ for overt and personality, respectively; Ones et al., 1993). The use of integrity tests in operational situations has shown promising outcomes, with reportedly reduced thefts and inventory shrinkage rates in several cases where integrity tests were used for hiring (Joy, 1991; Miner & Capps, 1996; Werner, Joy, & Jones, 1991). Moreover, integrity tests have been shown to not adversely discriminate against minority groups for race, gender or age to any significant degree (Ones & Viswesvaran, 1998a), as well as not to elicit negative

Download English Version:

<https://daneshyari.com/en/article/879758>

Download Persian Version:

<https://daneshyari.com/article/879758>

[Daneshyari.com](https://daneshyari.com)