Built on Stone or Sand:

The Stable Powerful Are Unethical, the Unstable Powerful Are Not

Junha Kim, Yunchul Shin, Sujin Lee

Department of Business and Technology Management

KAIST

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Corresponding Author: Sujin Lee (sujinlee@kaist.ac.kr)

Abstract

Prior studies have shown that powerful individuals are more unethical than powerless individuals. In real life, power is unstable, and multiple social interactions may cause loss of power. However, extant research has assumed the power structure to be stable and thus overlooked the potential interaction of power and stability in affecting unethicality. Using the approach-inhibition theory of power, we predicted that stability of power moderates power's effect on unethical behavior. Results from four studies revealed that powerful individuals showed more unethical behavior than powerless individuals only when power was stable, but not when it was unstable. The higher level of unethical behavior under the condition of stable power was explained by attitude toward risk. Our results highlight that the link between power and unethicality is broken when power is unstable: Powerful individuals are no more unethical than powerless individuals when they face a greater possibility of losing their power.

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Unethical behaviors—illegal or morally unacceptable behaviors with detrimental effects on others—are deemed undesirable by the larger community (Brass et al. 1998; Jones 1991). One of the antecedents of unethical behavior is power, which refers to disproportionate control over valuable resources, rewards, punishments, and outcomes of others, as well as to the capacity to influence others (Anderson et al. 2012; French and Raven 1959; Goldhamer and Shils 1939; Keltner et al. 2003; Thibaut and Kelley 1959). Substantial research has shown that powerful individuals, relative to the powerless, are more likely to lie (Lammers et al. 2010), cheat (Yap et al. 2013), engage in inappropriate behaviors (Ward and Keltner 2001), commit sexual harassment (Bargh et al. 1995), value others' performance less (Kipnis 1972), display greater racial prejudice (Guinote et al. 2010), and view others as instruments for personal gain (Gruenfeld et al. 2008), among other tendencies.

The purpose of our research is to examine a condition under which the power-unethicality link may be broken. Identifying a condition under which powerful individuals are less likely to behave unethically is important because their unethical behaviors have greater magnitude of consequences, or the sum of all harms to those affected, than such actions on the part of others; specifically, the actions of the powerful—whether in business, politics, or other domains—usually affect larger numbers of victims (Jones 1991). Despite this, only a handful of studies (e.g., DeCelles et al. 2012; Overbeck and Park 2001) have elucidated the moderators that dampen power's effect on unethicality. Our work contributes to filling this important gap further.

To the extent that power is a social-relational concept (Anderson et al. 2012; Dencker 2009; Emerson 1962; Salancik and Pfeffer 1974; Thibaut and Kelley 1959), interpersonal relationships and other dynamics may change power levels (e.g., Brass et al. 1998; Tajfel

1984); that is, power is not by definition a stable attribute or resource. Surprisingly, however, the burgeoning power and ethics literatures have largely overlooked the potential differential effects of stable versus unstable power on ethicality. Viewing power through the lens of stability will generate a better understanding of the link between power and unethicality, along with indicating a boundary (dampening) condition of this relationship. In line with this, we examine how power's stability or instability moderates the association between power and unethical behavior. Below, we use the approach-inhibition theory of power (Keltner et al. 2003) as the theoretical framework for our hypothesis.

The Approach-Inhibition Theory of Power

The possession of power has systematic effects on individuals' cognitions, motivations, and behaviors. The approach-inhibition theory of power (Keltner et al. 2003) proposes that holding power activates an approach system, leading the powerful to focus disproportionately on positive outcomes (rewards) over negative ones (punishment) (Anderson and Berdahl 2002; Anderson and Galinsky 2006). The powerful can access desired materials and social resources (e.g., group assets, friends) to a greater extent than others can (Keltner et al. 1998). They are not only able to provide and withhold resources, rewards, and punishment, but are also independent from others' control (Galinsky et al. 2008). Thus, the powerful are aware that they can access greater material and social resources with minimal interference from others when they approach potential rewards; such awareness encourages more approach-motivated behaviors (Keltner et al. 1998). In short, the powerful have a greater propensity than others to approach a goal, given their focus on positive outcomes.

In contrast, to the extent that the powerless are more sensitive to social threats and punishments (Fiske 1993), they focus on avoiding negative outcomes. The powerless are also aware of the possibility of losing favor from the powerful (Chance 1967), and of the constraints placed on them by others (Keltner et al. 2003). As such, the powerless try to meet

responsibilities and obligations that are necessary to ensure security and protection from negative outcomes. Due to their focus on negative outcomes, the powerless have a greater propensity to avoid threats.

Power, (In)stability, and Unethical Behavior

Based on the relationship between power and focus on reward, given the opportunity to act unethically, the powerful tend to behave less ethically than the powerless—because the powerful emphasize the possible rewards of unethical conduct over potential punishments, while the powerless do the opposite. Experimental research has demonstrated that participants who were given control over resources (the "powerful" group) made greater attempts to influence subordinates, valued subordinates' performance less, and were more likely to attribute subordinates' efforts to managers' control, rather than to subordinates' motivation (Kipnis 1972). In general, the powerful tend to treat the powerless as instruments for personal gain (Gruenfeld et al. 2008). Further, the approach tendency of the powerful has been shown to generate greater sexual harassment (Bargh et al. 1995), racial prejudice (Guinote et al. 2010), lying (Lammers et al. 2010), and cheating (Yap et al. 2013).

We predict that the stability or instability of power will moderate the established link between power and unethicality; specifically, powerful individuals will engage in greater unethical behavior than the powerless when their power is stable, but not when the power is unstable. Positions of power can shift, such that the powerful become the powerless and vice-versa (Tajfel 1984). When power becomes unstable, the strong link between power and approach motivation breaks down (Keltner et al. 2003). While under conditions of stable power, the powerful tend to focus on benefits and take more risks because of approach motivation; instability of power can break this link and motivate the powerful to emphasize punishments (including the loss of power) over rewards and take fewer risks (Maner et al. 2007). That is, because the powerful tend to be afraid of losing power (Higgins 1997), under

an unstable power structure they are more likely motivated to maintain their power (Tetlock 1981) and less likely to commit a risky behavior that might lead to the loss of power. To the extent that unethical behavior is regarded as undesirable action in general (Jones 1991), unethical behavior can potentially disrupt the maintenance of power in the event that the actor in question is caught (Becker 1968). In this regard, attitude toward risk—i.e., the appraisal of the benefits from specific unethical behavior and the cost of potential punishment—leads one to determine whether to engage in unethical behavior (Allingham and Sandmo 1972; Becker 1968; Gino and Margolis 2011). Thus we hypothesize that the powerful will show more unethical behavior than the powerless when their power is stable, but not when it is unstable; risk attitude will mediate the combined effect of power and stability on unethical behavior.

The power-related literature offers indirect evidence for our hypothesis. Specifically, under a legitimate power structure, the powerful showed more action-oriented and goal-oriented behaviors than the powerless; however, under illegitimate power structures, the pattern reversed, with the powerful showing fewer action-oriented behaviors than the powerless (Willis et al. 2010). These findings suggest that illegitimacy of power may destabilize the power structure and thus increase the powerfuls' chances of losing power. Another study showed that under an unstable power hierarchy the powerful showed a decreased level of creativity—because their thinking became more rigid and avoidance-oriented (Sligte et al. 2011). These results suggest that stability (or instability) of power shifts the power-holder's cognition and behavior. In sum, we predict that the powerful will be more unethical than the powerless when the power in question is stable, but not when that power is unstable. This combined effect of power and stability on unethicality will be mediated by risk attitude, as explained above.

Overview of Studies

To examine the causal relationship among power, stability (or instability), and

unethical behavior and its underlying mechanism, we conducted a series of four experimental studies. We used a 2 (power: powerful vs. powerless) x 2 (stability: stable vs. unstable) between-participants design. Study 1 examined the interaction effect of power and stability on unethical behavior, as represented by a chance to over-report performance on a word scramble task for financial gain. Study 2 modified the design of Study 1 to rule out an alternative explanation that stable power facilitates cognitive functioning. Study 3 used a different measure of unethical behavior that does not involve cognitive functioning. Finally, Study 4 examined the underlying mechanism (risk attitude).

Study 1

Study 1 examined the hypothesized, combined effect of power and stability on unethical behavior. We predicted the effect of power on unethical behavior would be observed only when power is stable, but not when it is unstable.

Participants and Procedure

One-hundred-and-sixty-four US-based Amazon Mechanical Turk (see Buhrmester et al. 2011, for a description and assessment of this research platform) users whose first language is English participated in this experiment. The sample size was justified using G*Power software (Faul et al. 2009). For four groups, a power of .80, and significance level of .05, the minimum required number of participants was one-hundred-and-twenty-eight. Participants were randomly assigned to one of the four conditions in our 2 (power: high vs. low) x 2 (stability: stable vs. unstable) between-participants design. We used an instructed-response item (i.e., “Please ignore the question below about how you are feeling and instead check only the ‘none of the above’ option as your answer”) at the end of the study—to identify and exclude respondents who answered without reading questions or instructions carefully (Meade and Craig 2012). Twenty-three participants were excluded from the analysis as a result. One-hundred-and-forty-one participants (90 males, 51 females; M_{age} = 31.17, *SD*

= 9.38) were included in the analysis.

Manipulations and Measures

Power and stability manipulations. To manipulate power and stability, we modified the manipulations from prior research on power/legitimacy (e.g., Lammers et al. 2008; Willis et al. 2010) to fit our purpose. Specifically, participants received the following instructions:

> Please recall a particular incident in which you had power over another individual or individuals [in which someone else had power over you], and the power position you had was stable [unstable]. By power, we mean a situation in which you controlled the ability of another person or persons to get something they wanted, or were in a position to evaluate those individuals [in which someone had control over your ability to get something you wanted, or was in a position to evaluate you]. By stable [unstable], we mean that the power [powerless] position you had was not changeable [was changeable]. Please describe this stable [unstable] situation in which you had stable [unstable] power [in which you did not have power]—what happened, how you felt, etc.

Ethical behavior measure. Following previous research, we calculated unethicality as the number of false self-reported correct answers on a word scramble task for a financial reward (e.g., Chugh et al. 2014; Gino and Pierce 2010; Ruedy et al. 2013; Ruedy and Schweitzer 2010). After the power and stability manipulations, participants were introduced to the word scramble task: solving as many of four word scrambles as they could in two minutes. Participants were instructed that they could use scrap paper, but should not search the internet or refer to any other resource or person for help. The word scrambles were: RTEACLIS, FSNAITE, MRBTHUE, and RODCAEE. When the two minutes were up or when the participant advanced the screen, they were told that for each scramble solved correctly they would receive a bonus of $0.25. They were then asked to report their score

from 0-4 scrambles correct without providing their actual answers. The latter two scrambles above were unsolvable, so the maximum number of actual correct answers was two.

Results and Discussion

We analyzed unethical behavior as continuous because it could reflect the extent to which participants could cheat; for example, they could report solving four answers correctly when they actually solved zero (Chugh et al. 2014). A 2 (power) x 2 (stability) ANOVA on cheating showed a significant interaction effect, $F(1, 137) = 5.081$, $p = .026$, $\eta_p^2 = .036$. A planned comparison showed that stability of power moderated the effect of power on unethical behavior. Specifically, as predicted, there was a significant effect of power on unethical behavior under the condition of stable power: The powerful ($M = .37$, $SD = .38$) cheated significantly more than the powerless ($M = .18$, $SD = .25$), $F(1, 137) = 8.101$, $p = .005$, $\eta_p^2 = .056$, 95% CI = [.06, .33], observed power = .807. However, under the condition of unstable power, there was no difference in cheating between the powerful ($M = .21$, $SD = .24$) and the powerless ($M = .24$, $SD = .29$), $F(1, 137) = .163$, $p > .68$, 95% CI = [-.11, .17] (see Figure 1). Moreover, *post hoc* analyses revealed the effect of stability on cheating for the powerful: The powerful cheated significantly more when the power was stable ($M = .37$, $SD = .38$) than when it was unstable ($M = .21$, $SD = .24$), $F(1, 137) = 5.069$, $p = .026$, $\eta_p^2 = .036$, 95% CI = [.02, .30], observed power = .609.

In sum, our results provide supporting evidence for our hypothesized, combined effect of power and stability on unethical behavior. The powerful showed greater unethical behavior than the powerless when their power was stable, but not when it was unstable. These findings highlight that instability of power dampens the unethical behaviors of power-holders. However, an alternative explanation for our finding is that stable power stimulates cognitive functioning, which might be responsible for better performance (Smith et al. 2008), or at least for making study participants believe they performed better. Thus, it might be that stability of

power generates not greater unethicality, as our hypothesis suggests, but better cognitive functioning. To rule out this possibility, we redesigned key elements of Study 1 as part of Study 2.

Study 2

The objective of Study 2 is to replicate the findings of Study 1 while ruling out an alternate account based on cognitive functioning. All manipulations and measures were identical to those used in Study 1, but the order of the materials presented was different. Participants first engaged in the word scramble task used in Study 1 but did not report their performance immediately. Instead, they then responded to the identical power/stability manipulations used in Study 1. Finally, they were asked to report how many word scrambles they had solved. Because participants performed the word scramble task prior to the power/stability manipulations, cheating behavior (over-reporting of their performance on the word scramble task) measured at the end of the experiment should not be ascribed to better cognitive functioning, but to unethicality induced by the power/stability manipulations.

Participants and Procedure

We recruited one-hundred-and-twenty-eight MTurkers whose first language is English. None of them had participated in Study 1. The number of participants was determined using G*Power (Faul et al. 2009), for a power of .80 and significance level of .05. Participants were introduced to the word scramble task (used in Study 1) prior to the power and stability manipulations. Then they were assigned randomly to one condition within our 2 (power: high vs. low) x 2 (stability: stable vs. unstable) between-participants design. After completing the manipulations, participants were asked to report their score on the word scramble task, with an incentive to over-report for financial gain ($0.25 per correct solution). We used the same participant-exclusion procedure as in Study 1 to rule out twenty careless participants (Meade and Craig 2012). Data of one-hundred-and-eight participants (63 males,

45 females; M_{age} = 30.9, *SD* = 9.82) were used for the analysis.

Results and Discussion

A 2 (power) x 2 (stability) ANOVA on cheating showed a significant interaction effect, $F(1, 104) = 5.444$, $p = .022$, $\eta_p^2 = .05$, replicating the findings of Study 1. Specifically, the powerful ($M = .34$, $SD = .39$) cheated significantly more than the powerless ($M = .14$, $SD = .25$) under the condition of stable power, $F(1, 104) = 5.066$, $p = .027$, $\eta_p^2 = .046$, 95% CI = [.023, .368], observed power = .606. However, there was no such difference between the powerful ($M = .14$, $SD = .29$) and the powerless ($M = .22$, $SD = .31$) under the condition of unstable power, $F(1, 104) = 1.036$, $p = .311$, 95% CI = [-.248, .08], observed power = .172 (see Figure 2). Additionally, *post hoc* analyses showed that the difference between stability and instability among the powerful was also significant: The stable powerful ($M = .34$, $SD = .39$) cheated significantly more than the unstable powerful ($M = .13$, $SD = .29$), $F(1, 104) = 5.909$, $p = .017$, $\eta_p^2 = .054$, 95% CI = [.037, .368], observed power = .673. But there was no such difference between the stable powerless ($M = .14$, $SD = .25$) and the unstable powerless ($M = .22$, $SD = .31$), $F(1, 104) = .798$, $p = .374$, 95% CI = [-.248, .094], observed power = .143.

These results replicate the findings of Study 1, while ruling out the alternative explanation that the over-reporting was due to cognitive functioning facilitated by the power and stability manipulation. Still, the limitation remains, such that we were unable to compare participants' actual performance with their reported performance. To overcome this limitation we conducted Study 3 with a different measure of unethical behavior that allows us to compare actual and reported performances. Moreover, we checked the effectiveness of our power and stability manipulations in subsequent studies.

Study 3

Study 3 aims to garner converging evidence for our hypothesis—that stability of

power moderates the effect of power on unethicality—across measurement types, using a different measure of unethical behavior. Specifically, in this study we replaced the word scramble task with a forecasting task.

Participants and Procedure

One-hundred-and-twenty-eight MTurkers whose first language is English participated in this study. None of them participated in our prior studies. The sample size was calculated with G*Power (Faul et al. 2009). Participants were assigned randomly to one of the conditions in our 2 (power: high vs. low) x 2 (stability: stable vs. unstable) between-participants design. The same power and stability manipulations were used as in Studies 1 and 2. After the manipulations, participants were introduced to a coin-toss forecasting task, which involves predicting the outcomes (heads or tails) of each of 10 trials. Participants were told that they would receive an additional $0.10 for each correct guess. After the coin-toss task, they were asked to report how many of their predictions were correct, from 0 to 10. We followed prior research (Atanasov and Dana 2011; Peer et al. 2014) to compute a cheating ratio: We divided the number of over-reported predictions by the number of *possible* over-reported predictions to create a cheating-ratio score. For example, if a participant actually made 5 correct guesses, and thus could claim up to 5 more correct guesses (for a total of 10), but instead reported 8 total correct guesses (i.e., over-report by 3), the participant received a cheating ratio of 0.6 (i.e., 3 over-reported guesses divided by 5 maximum over-reported guesses). The cheating ratio thus ranged from a value of 0 (no cheating) to 1 (cheating to the fullest degree possible). Finally, participants answered the manipulation check items for power and stability, respectively: “To what extent did you have power over others in the situation?” (1 = not at all, 7 = very much) and “To what extent was the situation stable?” (1 = not at all, 7 = very much). Same procedure (Meade and Craig 2012) was used to eliminate careless responses. Participants who under-reported their performance in the coin-toss task

were also excluded. In total, responses of fifty participants were excluded and those of seventy-eight participants (46 males, 32 females; M_{age} = 35.56, *SD* = 10.77) were used.

Results and Discussion

Manipulation checks. A 2 (power) x 2 (stability) ANOVA on the power manipulation check item showed that participants in the powerful condition reported a perception of higher power (*M* = 4.27, *SD* = 2.20) than those in the powerless condition (*M* = 1.71, *SD* = 1.42), *F*(1, 74) = 41.35, *p* < .001, η_p^2 = .358, 95% CI = [1.749, 3.319], observed power = 1.00. Thus, our power manipulation was successful. The same ANOVA on the stability manipulation check item showed that participants in the stable condition reported a perception of higher stability (*M* = 5.18, *SD* = 2.00) than those in the unstable condition (*M* = 2.92, *SD* = 1.82), *F*(1, 74) = 24.88, *p* < .001, η_p^2 = .252, 95% CI = [1.261, 2.939], observed power = .998. Thus, our stability manipulation was also effective.

Hypothesis testing. A 2 (power) x 2 (stability) ANOVA revealed a significant interaction effect of power and stability, *F*(1, 74) = 5.839, *p* = .018, η_p^2 = .073, observed power = .665. A planned comparison showed that, as predicted, the powerful (*M* = .15, *SD* = .24) cheated significantly more than the powerless under the condition of stable power (*M* = .02, *SD* = .07), *F*(1, 74) = 7.502, *p* = .008, η_p^2 = .092, 95% CI = [.034, .215], observed power = .771. However, there was no such difference between the powerful (*M* = .03, *SD* = .06) and the powerless (*M* = .06, *SD* = .14) under the condition of unstable power, *F*(1, 74) = .498, *p* = .483, 95% CI = [-.126, .06], observed power = .107 (see Figure 3). Additionally, *post hoc* results showed that the difference between the stable powerful and the unstable powerful was also significant: The stable powerful (*M* = .15, *SD* = .24) cheated significantly more than the unstable powerful (*M* = .03, *SD* = .06), *F*(1, 74) = 5.962, *p* = .017, η_p^2 = .075, 95% CI = [.022, .22], observed power = .674. However, there was no such difference between the stable powerless (*M* = .02, *SD* = .07) and the unstable powerless (*M* = .06, *SD*

= .14), $F(1, 74) = .745$, $p = .391$, 95% CI = [-.121, .048], observed power = .136.

These results further replicate the findings of our prior studies, providing converging evidence for our hypothesis that stability of power moderates the link between power and unethicality. That is, power leads to unethical behavior when that power is stable, but not when it is unstable. Having garnered evidence supporting our hypothesis, we performed an additional study to identify the underlying mechanism (risk attitude) for the combined effect of power and stability on unethical behavior.

Study 4

Study 4 attempts to examine our mechanism-related hypothesis that risk attitude would mediate the combined effect of power and stability on unethical behavior. Given that we have successfully demonstrated the hypothesized, combined effect with different experimental designs, tasks, and measures, we returned to our original method from Study 1.

Participants and Procedure

One-hundred-and-twenty-eight MTurkers whose first language is English participated. None of them participated in our prior experiments. The sample size was computed using the same procedure as the previous studies. Participants were randomly assigned to one of the conditions in our 2 (power: high vs. low) x 2 (stability: stable vs. unstable) between-participants design. Thirty-six participants failed the same attention check item used in the previous studies (Meade and Craig 2012). The remaining ninety-two participants' (46 males, 46 females; $M_{age} = 33.24$, $SD = 11.92$) data were analyzed.

The same power/stability manipulations were used as in the prior studies here. Then participants completed items from the domain-specific risk-attitude (DOSPERT) scale (Weber et al. 2002), which assesses domain-specific likelihood of engaging in a risky behavior. Risk taking is domain-specific (Hanoch et al. 2006), and the DOSPERT has been shown to be one of the most valid measures of risk propensity (Harrison et al. 2005). We

focused especially on the instrument's ethics subscale (adapted from Gino and Margolis 2011). Participants indicated the likelihood of engaging in five activities on a scale from 1 (extremely unlikely) to 5 (extremely likely). Items included: "Cheating on an exam," "Forging a friend's signature," and "Using office supplies for your personal needs." Next, participants were introduced to the same word-scramble task used in Studies 1 and 2. Lastly, they answered the same manipulation check items for power and stability used in Study 3.

Results and Discussion

Manipulation checks. A 2 (power) x 2 (stability) ANOVA on the power manipulation check item showed that participants in the powerful condition reported a perception of higher power (M = 5.09, SD = 1.72) than those in the powerless condition (M = 2.23, SD = 1.75), $F(1, 88) = 62.18$, $p < .001$, $\eta_p^2 = .409$, observed power = 1.00. Thus, our power manipulation was successful. The same ANOVA on the stability manipulation check item showed that participants in the stable condition reported a perception of higher stability (M = 5.42, SD = 1.38) than those in the unstable condition (M = 2.90, SD = 1.82), $F(1, 88) = 54.81$, $p < .001$, $\eta_p^2 = .378$, observed power = 1.00. Thus, our stability manipulation was also effective.

Risk attitude. A 2 (power) x 2 (stability) ANOVA revealed a significant interaction effect of power and stability on risk attitude, $F(1, 88) = 4.063$, $p = .047$, $\eta_p^2 = .044$, observed power = .513. A planned comparison showed that the powerful (M = 2.33, SD = .82) were more likely to take risks than the powerless (M = 1.80, SD = .59) under the condition of stable power, $F(1, 88) = 6.581$, $p = .012$, $\eta_p^2 = .070$, 95% CI = [.119, .941], observed power = .718. However, there was no such difference between the powerful (M = 1.80, SD = .64) and the powerless (M = 1.84, SD = .66) under the condition of unstable power, $F(1, 88) = .043$, $p = .836$, 95% CI = [-.424, .344], observed power = .055. Additionally, the difference between the stable powerful and the unstable powerful was also significant: The stable

powerful (*M* = 2.33, *SD* = .82) were more likely to endorse risk-taking than the unstable powerful (*M* = 1.80, *SD* = .64), $F(1, 88) = 6.711$, $p = .011$, $\eta_p^2 = .071$, 95% CI = [.123, .937], observed power = .726. But there was no such difference between the stable powerless (*M* = 1.80, *SD* = .59) and the unstable powerless (*M* = 1.84, *SD* = .66), $F(1, 88) = .042$, $p = .838$, 95% CI = [-.428, .348], observed power = .055 (see Figure 4). These results provide evidence that the stable powerful are more likely to take risks than the stable powerless, but instability of power has no effect on risk attitude.

Unethical behavior. Unlike the findings in our previous studies, the interaction effect of power and stability from a 2 (power) x 2 (stability) ANOVA was not significant, $F(1, 88) = 1.597$, $p = .210$, $\eta_p^2 = .018$, observed power = .240. But finding that interaction was not a prerequisite for conducting *a priori* hypothesized comparisons (Wilcox 1987). Indeed, a planned comparison showed that, as predicted, the powerful (*M* = .34, *SD* = .37) cheated more than the powerless (*M* = .14, *SD* = .20) under the condition of stable power, $F(1, 88) = 5.953$, $p = .017$, $\eta_p^2 = .063$, 95% CI = [.036, .356], observed power = .675. There was no such difference between the powerful (*M* = .18, *SD* = .23) and the powerless (*M* = .12, *SD* = .24) under the condition of unstable power, $F(1, 88) = .577$, $p = .450$, 95% CI = [-.092, .206], observed power = .117 (see Figure 5). These results replicate our prior studies, providing further evidence that the effect of power on unethical behavior was manifest when power was stable and attenuated when it was unstable.

Mediation. A bootstrapping procedure (Hayes 2012, Model 8; Preacher and Hayes 2008; Shrout and Bolger 2002) showed the conditional indirect effect of power on unethical behavior through risk attitude. When power was stable, the confidence interval for the indirect effect did not include zero, 95% CI = [.0007, .1477], indicating that under the condition of stable power, the effect of power on unethical behavior was mediated by risk attitude (see Figure 6). In contrast, when power was unstable, the confidence interval

included zero, 95% CI = [-.0545, .0285], indicating that under that condition, risk attitude did not mediate the effect of power on unethical behavior. In sum, these findings offer evidence for our hypothesized mechanism underlying the combined effect of power and stability on unethical behavior. That is, the stable powerful engage in more unethical behavior because they tend to be more risk-taking than the stable powerless.

General Discussion

The link between power and unethicality has been established in the literature. Our research demonstrates a condition under which this link is broken: when the power in question is unstable. Experimental results from a series of four studies consistently confirmed our hypotheses, revealing that the powerful show more unethical behavior than the powerless when their power is stable, but not when it is unstable. When there is a possibility of losing power, the powerful are as ethical as the powerless. Further, the combined effect of power and stability on unethicality was mediated by risk attitude. The current research contributes to the approach-inhibition theory of power and the power and business ethics literatures.

Theoretical Contributions

The approach-inhibition theory of power (Keltner et al. 2003) proposes that instability of power would reduce the freedom with which the powerful can act, leading the powerful to be more sensitive to others. Our research represents one of the first empirical tests of this proposition. We supported that theory-based assertion by showing that the powerful were as ethical as the powerless when their power was unstable.

In real life, power is not necessarily stable. A leader in a team, small company, or multinational corporation could lose their position of power. Although there is constant risk of losing power in most situations, the power-related literature has largely overlooked this reality. Our findings suggest that the effects of power on unethical behavior are not static but conditional, based on the power’s stability or instability. Specifically, our work demonstrates

that the previously established link between power and unethicality is limited to conditions in which power is stable. The present study is the first to examine the effect of stability of power on power-holders' unethical behaviors. Our findings expand the power-related literature by revealing that the instability of power curbs the positive link between power and unethicality. A closer look into conditions under which the strong link between power and unethicality is dampened or even reversed could significantly improve our understanding of power's consequences.

Our work also adds to research on the stability of power. Although previous research has examined the actual gain and loss of power (e.g., Kim et al. 2005), the role of instability, which refers to the possibility of the gain and loss of power, has not been fully investigated. Limited work on the stability of power has examined risk-taking (Jordan et al. 2011; Maner et al. 2007) and creativity (Sligte et al. 2011), suggesting that power is a dynamic concept that produces predictable behaviors that vary by the stability of the power in question. Our research adds weight to the need to observe power as a dynamic construct by highlighting that the *possibility* of power gain or loss—not just the reality of these conditions—has a measurable effect on power-holders' ethicality.

Our contribution is augmented by our demonstration of risk attitude as the underlying mechanism for the combined effect of power and stability on unethical behavior. Although previous research has shown that the powerful who aim to maintain their power take fewer risks (Maner et al. 2007), there has been no explicit demonstration of the consequences of this risk-related attitude. Our results show that differences in risk attitude due to power stability can have a significant influence on the powerfuls' subsequent unethical behaviors, providing a more comprehensive understanding of the combined effect of power and its stability on unethicality.

Moreover, our findings extend the business ethics literature by demonstrating that an

individual's unethical behavior could be determined by the interaction effect of power and stability. Previous research on the antecedents of unethical behavior has focused mostly on the main effect of individual, organizational, or issue-related factors (Craft 2013; O'Fallon and Butterfield 2005). There has been only a handful of studies examining the joint effect of more than one factor (c.f., Chugh et al. 2014). Our results add to research on ethics by illustrating the interaction effect of two situational factors: power and its stability. In so doing, our research reveals the unprecedented finding that the established link between power and unethicality is broken when the power in question is unstable. Thus, the current paper sheds light on the need to investigate the multiplicative effect of various factors on unethical behavior.

Limitations and Future Research

The current research is based on experimental studies, which invites generalization concerns. Testing whether the findings would be observed in actual business environments will be important for managers and organizations. Thus future research might include a longitudinal field survey to confirm or bound the relationship among power, stability, and unethical behavior in business settings.

In our study, participants in the stable-powerless condition and the unstable-powerless condition showed similar patterns of unethical behavior. We believe the reason may be that the avoidance-related concerns of the powerless (Keltner et al. 2003) remain even when they have the possibility of ascending within the power structure. That is, even with the possibility of gaining power, the powerless understand they are more likely to be subject to social and material threats (Fiske 1993); could lose favor from the powerful (Chance 1967) if they fail to succeed in gaining power; and could have greater constraints imposed on them (Keltner et al. 2003). Unlike the powerful, whose link between power and approach motivation is broken under a condition of unstable power, the powerless might

maintain their avoidance concern even in this context. This conjecture awaits future research.

Another potentially interesting area for future research is the relationship between the self-serving and unethical behaviors of powerful individuals. Recent work proposed that a threat to power leads to more self-serving behavior (Williams 2014), which seems to contradict our findings. However, self-serving behaviors fulfill the primary purpose of benefiting the self, and thus the behaviors' harmfulness or perceived unethicality represent orthogonal concepts (Williams 2014). In fact, the self-serving behaviors of the powerful are not necessarily detrimental, and some may even have positive repercussions for others, may be considered fair, and thus may be viewed as ethical (Camps et al. 2012). On the other hand, unethical behaviors are actions deemed undesirable and unacceptable by the norms of the larger community, often due to their harmful effects on others (Jones 1991). Moreover, unethical behaviors are not necessarily self-serving, as not all unethical behaviors benefit the self (Gino and Pierce 2009). Thus, self-serving and unethical behaviors appear to be distinct. It would be meaningful for future research to explore the mechanism underlying the link between power and self-serving behavior, shedding further light on the difference between these two constructs.

Practical Implications

With increasing global interest in business ethics, it has become even more important for organizations to promote ethical behavior at the collective and individual levels. Our results have significant implications for how stability of power can alter a powerful individual's tendency to commit unethical behaviors and, in turn, how organizations can deter such actions. Power is an inevitable and essential structure in an organization, in part because powerful individuals tend to hold the attributes businesses and other entities seek, such as creativity (Galinsky et al. 2008) and executive functioning (Smith et al. 2008). Thus, understanding the role of stability of power on unethical behaviors could help organizations

form strategies to minimize illegal and improper deeds, while still securing the benefits associated with power. Specifically, if organizations wish to include high-power individuals in their ranks, it would be wise for them to destabilize such people's power—for example, through shorter-term contracts, or by basing status/rewards on performance. Alternatively, if organizations aim for a stable organizational culture in terms of power, management should strive to create an egalitarian environment, such that managers and employees keep one another's power under check; such efforts might reduce unethical conduct while maintaining a stable organizational culture.

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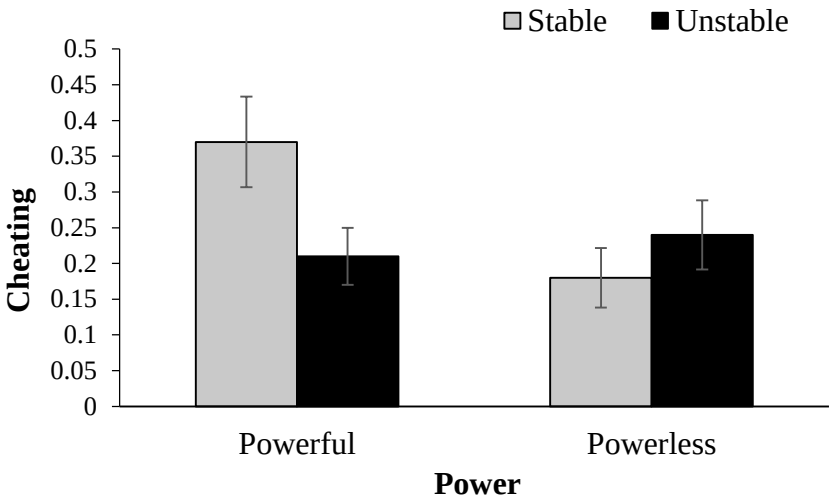

Figure 1. The interactive effect of power and stability on cheating on word scramble task (Study 1). Participants in the powerful condition cheated more than those in the powerless condition when the power was stable, but not when the power was unstable. Error bars represent standard errors.

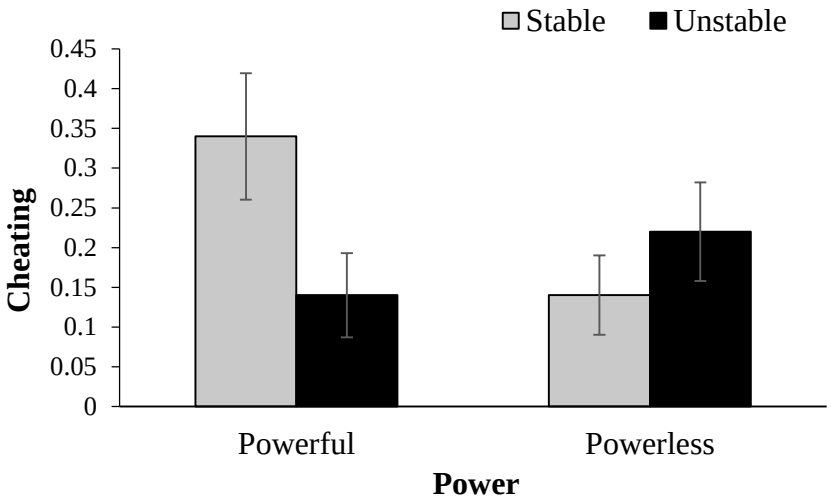

Figure 2. The interactive effect of power and stability on cheating on word scramble task (Study 2). Participants completed the word scramble task prior to the manipulations to rule out the alternative explanation that power enhances cognitive functioning. Participants in the powerful condition cheated more than those in the powerless condition when the power was stable, but not when the power was unstable. Error bars represent standard errors.

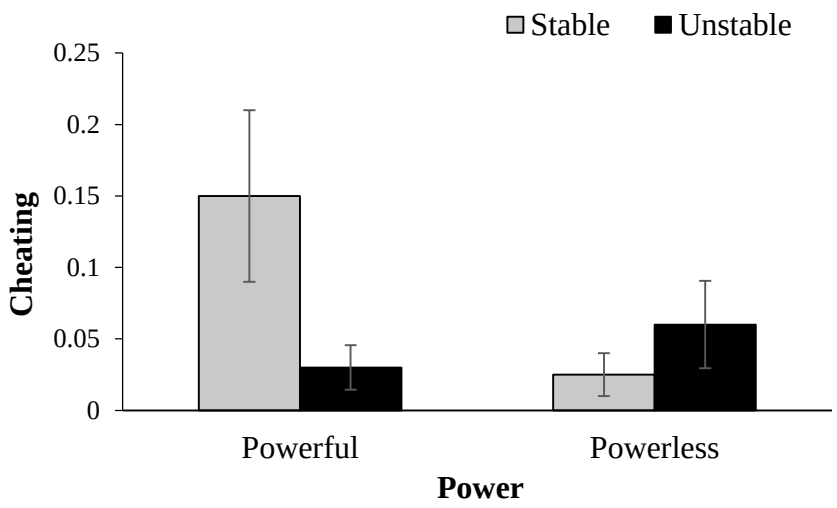

Figure 3. The interactive effect of power and stability on cheating on coin-toss forecast task (Study 3). Participants in the powerful condition cheated more than those in the powerless condition when the power was stable, but not when the power was unstable. Error bars represent standard errors.

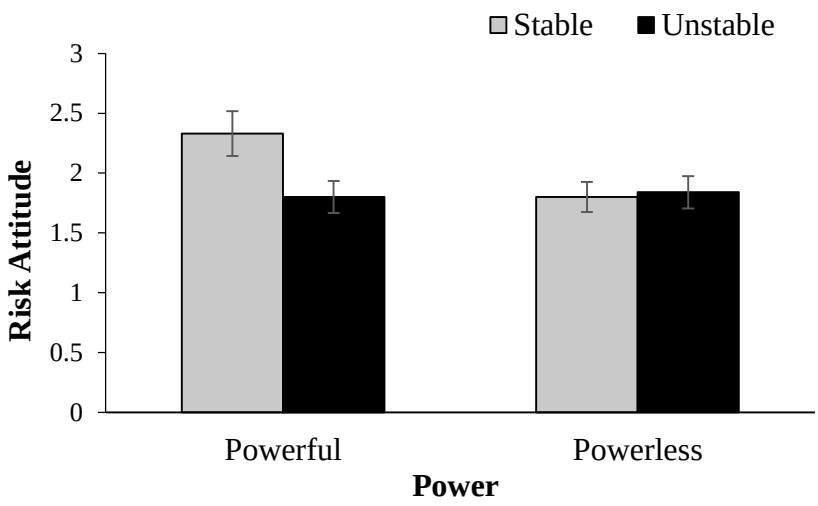

Figure 4. The interactive effect of power and stability on risk attitude (Study 4). Participants in the powerful condition were more likely to take risks than those in the powerless condition when the power was stable, but not when the power was unstable. Error bars represent standard errors.

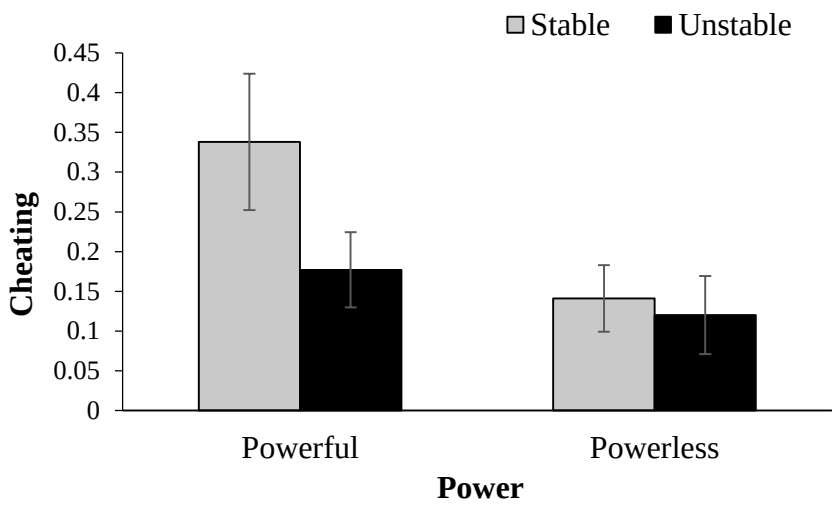

Figure 5. The interactive effect of power and stability on cheating on word scramble task (Study 4). Participants in the powerful condition cheated more than those in the powerless condition when the power was stable, but not when the power was unstable. Error bars represent standard errors.

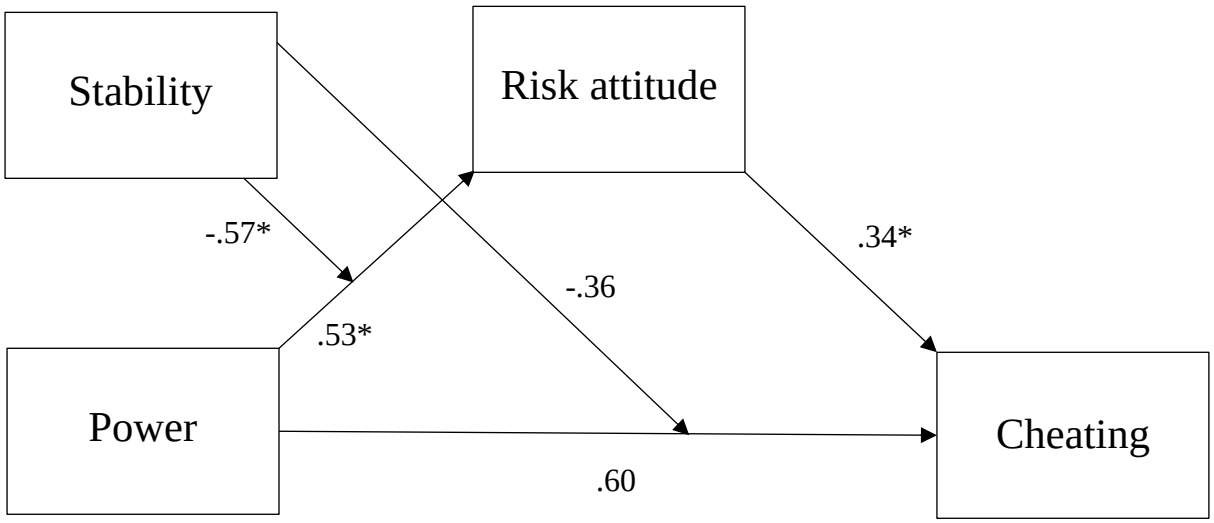

Figure 6. The interactive effect of power and stability on cheating as mediated by risk attitude. Under stable power, the effect of power on cheating was mediated by risk attitude, 95% CI = [.0007, .1477]; under unstable power, risk attitude did not mediate the effect of power on cheating, 95% CI = [-.0545, .0285].

* $p < .05$