Hierarchical Rank and Principled Dissent:

How Holding Higher Rank Suppresses Objection to Unethical Practices

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Abstract

When unethical practices occur in an organization, high-ranking individuals at the top of the hierarchy are expected to stop wrongdoing and redirect the organization to a more honorable path—this is, to engage in *principled dissent*. However, in three studies, we find that holding high-ranking positions makes people *less* likely to engage in principled dissent. Specifically, we find that high-ranking individuals identify more strongly with their organization or group, and therefore see its unethical practices as more ethical than do low-ranking individuals. High-ranking individuals thus engage less in principled dissent because they fail to see unethical practices as being wrong in the first place. Study 1 observed the relation between high-rank and principled dissent in an archival data set involving more than 11,000 employees. Studies 2 and 3 used experimental designs to establish the causal effect of rank and to show that identification is the key mechanism underlying it.

Keywords: Power; Status; Hierarchy; Ethics; Principled Dissent; Identification

It is difficult to maintain ethical behavior in an organization. Many factors common to organizations—including the prevalence of goals, the use of groups to make decisions, and the common emphasis on money—can encourage unethical behavior (Cohen, Gunia, Kim-Jun, & Murnighan, 2009; Kouchaki, Smith-Crowe, Brief, & Sousa, 2013; Moore & Gino, 2013; Pillutla & Chen, 1999; Schweitzer, Ordonez, & Douma, 2004). Often, unethical behavior proceeds without interruption because people do not perceive ethical problems (Tenbrunsel & Smith-Crowe, 2008; Warren & Smith-Crowe, 2008). For instance, people can be coopted into unethical behavior when it is embedded in organizational routines (Ashforth & Anand, 2003) or ordered by an authority (Milgram, 1963).

High-ranking individuals at the top of organizational hierarchies play an important role in stopping unethical behavior (Mayer, Nurmohamed, Trevino, Shapiro, & Schminke, 2013). The ethical standards they set trickle down to affect others' behavior (Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009). In fact, people across national cultures view those at the top of organizational hierarchies as responsible for ensuring ethical decision-making among those they oversee (Baumhart, 1961; Brenner & Molander, 1977; Hamilton & Sanders, 1995; Sims, 1992; Sims & Brinkman, 2002).

It is unclear from existing research whether occupying high-ranking positions enables or disables fulfillment of these responsibilities, however. High-ranking positions typically confer both power (i.e., control over resources) and status (i.e., respect and deference from others) (Fragale, Sumanth, Tiedens, & Northcraft, 2012; Tost, 2015; Weber, 1948). The power that accompanies high-ranking positions enables individuals to form confident moral judgments despite the fact that many ethical decisions are ambiguous (Flynn & Wiltermuth, 2010; Wiltermuth & Flynn, 2013). Additionally, powerful individuals are less easily influenced by

others and by social situations (Galinsky et al., 2008; See, Morrison, Rothman, & Soll, 2011).

Therefore, when unethical social influences emerge in organizations, they would seem less likely

to lead powerful individuals astray to the same extent as others (Pitesa & Thau, 2013). Similarly,

the status that accompanies high-ranking positions often leads to morally upstanding behavior,

such as greater fairness (Blader & Chen, 2012). Objecting to unethical practices could be another

type of morally upstanding behavior elevated by holding higher rank.

Why, then, do high-ranking individuals at the top of organizational hierarchies so often

fail to stop unethical practices in their organizations? History is full of such cases. From

accounting fraud (McCullagh, 2006; Patsuris, 2002) and the sale of harmful products (Motavalli,

2010), to health-hazardous overwork (Michel, 2011) and pervasive incivility and discrimination

(Antilla, 2002), many unethical practices persist unchecked in organizations, even when those in

high-ranking positions are likely aware of them.

In the current paper, we attempt to solve this puzzle by studying how occupying a high-

ranking position in an organization's hierarchy affects the likelihood of engaging in *principled

dissent*, which is an individual's effort to protest or change ethically objectionable practices

(Graham, 1986, p. 2). We propose that occupying a position of high rank, ironically, can make

individuals *less* likely to oppose unethical practices within the organization, as compared to

individuals who occupy positions of lower rank. We propose that this can occur in part because

those at the top of the hierarchy identify with the organization more strongly, and identification

leads them to view the organization's practices as more ethical. Consequently, although high-

ranking individuals are better enabled psychologically and politically to engage in principled

dissent, they may fail to do so because they see no problem with their organization's unethical

practices in the first place.

To test these hypotheses, we conducted three studies. Based on previous recommendations (Chatman & Flynn, 2005), we wanted to test the key relation between hierarchical rank and principled dissent in both field and laboratory settings. However, studying principled dissent in the field introduces numerous challenges. It requires an adequately sized sample of people who have observed unethical behavior, a context in which people will talk openly about their response to the unethical activity that transpired, and because we are interested in high-ranking individuals at the top of organizational hierarchies, a clear index of hierarchical position. Fortunately, we obtained access to an archival data set that met these conditions. Study 1 examines the relation between hierarchical position and principled dissent in a field setting of over 11,000 U.S. federal government agency employees. Study 2 then uses an experimental design to replicate the finding from Study 1, establish the causal role of hierarchical rank, and test identification as one possible psychological mechanism. In Study 3, we manipulated the conditions that would enable (or impede) the effects of rank on identification. Specifically, we created conditions under which participants were unlikely to identify with their group. In these conditions, we expected rank not to affect principled dissent. Additionally, the third study tests whether higher rank changes ethical views, preventing high-ranking individuals from detecting ethical problems. Together, our studies describe why and when holding a high-ranking position leads to less principled dissent. Our designs thus complement one another, in that Study 1 tests whether the key relation emerges in the real world, and later studies ensure that hierarchical rank is the causal variable and establish identification as one important intervening psychological processes.

Graham (1986) noted that principled dissent can take a variety of forms, including constructive criticism, protest expressed to others within the organization, reports to audiences

outside the organization, blocking actions, and resignation accompanied by an explanation. Our studies thus operationalize principled dissent in two ways. Study 1 examines the reporting of unethical practices. Studies 2, 3, and 4 assess whether individuals express disagreement with their group's unethical decision. Both dependent measures represent an effort to change a morally objectionable pattern of behavior going on in a group and thus are forms of principled dissent.

Our research makes at least three important theoretical contributions. First, we examine how hierarchical rank affects principled dissent. By doing so, we test a seminal idea from Graham's (1986) influential and widely cited theoretical statement on principled dissent. In contrast to our hypothesis, she predicted that holding a higher level in the organizational hierarchy would *increase*, not decrease, principled dissent. We elaborate on her position below. To date, this idea has not been directly tested. Second, we provide a rare empirical test of the idea that identification promotes acceptance of unethical behavior, as proposed in prior theoretical work (Dukerich, Kramer, & Parks, 1998). Like other scholars (e.g., Smith-Crowe & Warren, 2014), we focus on situations where unethical practices already exist in an organization. We are interested in whether high-ranking people oppose versus accept unethical practices. Third, we examine the effects of hierarchical rank on identification with the group or organization – a relationship that has received little empirical attention (for an exception, see Willer, 2009).

Hierarchical Rank

Our primary aim in this research was to understand why individuals at the top of organizational hierarchies fail to stop unethical practices as often as they do. Accordingly, our focus throughout the paper is on rank in an organizational or group hierarchy. Higher rank is

structural (Tost, 2015) and it typically involves greater power, or control over resources (Emerson, 1962), as well as higher social status, or respect and admiration (Weber, 1948). For instance, higher-ranking individuals typically have more control over valued resources such as budgets, the ability to hire and promote others, and discretion over key decisions. Additionally, higher-ranking people are prominent and typically well-respected. Others seek them out for advice, admire them, and attend closely to their opinions, for example. Consequently, high-ranking individuals typically wield a great deal of influence (Tost, Gino, & Larrick, 2013).

Scholars have rightly pointed out that different components of hierarchical rank, such as power and status, are separate constructs that can be distinguished conceptually and empirically (Magee & Galinsky, 2008). For example, sometimes people with a high level of power might not have high status in the eyes of others (cf. Anicich, Fast, Halevy, & Galinsky, 2015; Fast, Halevy, & Galinsky, 2012), and sometimes people with a high level of status might not possess a great deal of power (cf. Fragale, Overbeck, & Neale, 2011). However, hierarchical rank in most organizations and groups includes both power and status (Tost, 2015), and the two variables correlate with each other very highly (Bales, Strodtbeck, Mills, & Roseborough, 1951). Accordingly, our conception and operationalization of hierarchical rank includes power and status.

Principled Dissent

Graham (1986, p. 2) introduced the construct of principled dissent, defining it as any effort individuals make to protest and/or change the organizational status quo because of their conscientious objection to currently policy or practice. By the term "conscientious objection," she means, fundamentally, moral objection, as illustrated by her review of the moral judgment literature and her claim that principled dissent arises in response to the perception of moral

wrongs in the workplace. In one sense, the original definition seems to imply that an actor's

psychological state defines what is or is not principled dissent. However, Graham (1986, p. 2)

states that "the term *principled* applies to the issue at stake, e.g., one which violates a standard of

justice, honesty, or economy: it does not necessarily describe the ultimate motive of the person

who raises it." To clarify this point but remain true to her conceptualization of the construct, we

define principled dissent as an individual's effort to protest or change morally objectionable

practices.

Principled dissent is the first step toward improving ethical behavior in an organization

(Brief, Buttram, & Dukerich, 2001; Nemeth & Staw, 1989). It is a type of political action

(Cavanaugh, Moberg, & Velasquez, 1981; Farrell & Peterson, 1982) taken by people internal to

the organization. Relative to other approaches to correcting organizations' ethical failures, such

as free market discipline or political pressure from others external to the organization

(Hirschman, 1970), principled dissent is a relatively efficient way to stop unethical practices. It is

important to study principled dissent because it helps to rectify ethical failures before they can

damage an organization.

According to Graham (1986, p. 3), principled dissent can take a variety of forms,

including constructive criticism or protest expressed to others within the organization, reports to

audiences outside the organization, blocking actions, and resignation accompanied by an

explanation. The defining element is the effort to protest a perceived moral wrong within the

organization (Graham, 1986; Miceli, & Near, 1992). Acts need not be effective in order to

qualify as principled dissent; many factors influence whether principled dissent is effective

(Detert, Burris, Harrison, & Martin, 2013; Miceli & Near, 2002; Near & Miceli, 1995).

The Importance of Principled Dissent by High-Ranking Individuals

Without principled dissent, unethical practices can become widely accepted by organizational members. Because groups seek cohesion, people often conform in group contexts (Asch, 1956; Festinger, 1950; Janis, 1972; Nemeth & Staw, 1989). Just as people must sometimes revise their tasks to ensure optimal performance (Staw & Boettger, 1990), people sometimes must engage in principled dissent to ensure group practices are ethical. It is especially important for high-ranking people at the top of the organization to engage in principled dissent in response to unethical practices (Ashforth & Anand, 2003; Brief et al., 2001; Mayer et al., 2009; Mayer et al., 2013). From the perspective of others, those in high-ranking positions are more competent, experienced, and committed to collective goals (Magee, Kilduff, & Heath, 2011). Thus, people may trust those in high-ranking positions to provide direction, relying on their judgments as heuristics for what is ethical (Strudler & Warren, 2001).

Additionally, lower-ranking individuals may not be well positioned to oppose unethical behavior (Brief et al., 2001). Because low rank confers relatively little power, low-ranking individuals could be constrained by fear of punishment, high levels of negative affect, and stress (Anderson & Berdahl, 2002; Keltner, Gruenfeld, & Anderson, 2003; Sherman et al., 2012). Similarly, low rank confers relatively little status, and lower-status individuals are in fact punished more severely for norm violations (Becker, 1963; Bowles & Gelfand, 2010; Hollander, 1958, 1961). Thus, principled dissent could be risky for those with lower rank. Because their positions confer power and status, higher-ranking individuals are arguably better equipped psychologically and politically to engage in principled dissent.

Will High-Ranking Individuals Engage in Principled Dissent?

How likely is it that those at the top of the hierarchy will engage in principled dissent against unethical practices in their organization? The psychological consequences of hierarchical rank per se are not well known, but because hierarchical rank confers both power and status (Fragale et al., 2012; Magee & Galinsky, 2008; Tost, 2015; Weber, 1948) we can draw from those literatures to make predictions.

Why might holding higher rank increase principled dissent? Because hierarchical rank confers power, holding higher rank could increase principled dissent *when an ethical problem is perceived*. Power activates an approach orientation characterized by uninhibited action and decreased sensitivity to threats (Anderson & Berdahl, 2002; Keltner et al., 2003). As a result, powerful individuals are driven more by internal states than by external constraints (Galinsky et al., 2008; Pitesa & Thau, 2013). For instance, when primed with power, communal individuals act more generously whereas exchange-oriented individuals act more self-interestedly (Chen, Lee-Chai, & Bargh, 2001). Similarly, DeCelles, DeRue, Margolis, and Ceranic (2012) found that power is associated with self-interested behavior only for those with a weak moral identity. Those with a strong moral identity act less self-interestedly following a power prime. In a field study, Pitesa and Thau (2013) found that low- but not high-power individuals conformed to organizational pressures to act ethically. Instead, high-power individuals' ethical action was driven by their moral identity strength. Together, this research suggests that high-ranking individuals act in accord with their traits and values, and might therefore engage in more principled dissent than lower-ranking individuals, when they perceive an ethical problem.

Whether high-ranking individuals will perceive an ethical problem when one exists is unclear, however. To date, this issue has not been explored empirically. Graham (1986) proposed

a positive relation between level in the organization and principled dissent because she expected higher-ranking individuals to have greater awareness of ethical problems in the organization and feel greater responsibility for attending to them. Our predictions differ from her perspective because we believe high-ranking individuals are less likely to recognize ethical problems that have emerged. We elaborate on this position below.

Why might holding higher rank decrease principled dissent? The power conferred by high-ranking positions could limit detection of ethical problems for a number of reasons. Generally, power does not promote morally upstanding behavior. It promotes a host of objectionable behaviors, including selfishness (Blader & Chen, 2012), objectification of other people (Gruenfeld et al., 2008) and a lack of empathy (van Kleef et al., 2008) and perspective-taking (Galinsky, Magee, Inesi, & Gruenfeld, 2006), all of which could prevent high-ranking individuals from seeing unethical practices as such. In the current research, we propose another reason that is perhaps more subtle but that has important implications. Specifically, we hypothesize that holding higher rank in a hierarchy will lead individuals to identify with their group more, which in turn will lead to seeing its practices as more ethical. Together, these mechanisms could prevent high-ranking individuals from perceiving ethical problems and engaging in principled dissent.

High rank and group identification. An important feature of higher rank in organizational hierarchies is that it is almost always accorded by the organization. Individuals are not randomly assigned to positions of higher rank, nor are they typically foisted upon the organization by some external party. Rather, individuals are promoted to high-ranking positions by their organization – specifically, by a committee, a supervisor, a human resources department, or other party within their organization.

Current research has not closely attended to this aspect of high-ranking positions. Studies on the related constructs of power and status often asks individuals to recall a time in which they did or did not have power or status (Galinsky, Gruenfeld, & Magee, 2003). This method has many benefits. It strips away many confounding variables that co-occur with power and status in the real world, encouraging scientific rigor. It has also allowed for prolific study of important and pervasive variables (Magee & Galinsky, 2008). However, this manipulation involves asking individuals to recall a time in which they held power in a context separate from the one in which their behavior is assessed (i.e., in the past even when their behavior is observed in the laboratory). For instance, in one study participants were randomly assigned to feel powerful or powerless by recalling a time they had power over someone or someone had power over them; then, they reacted to participants' attitudes in the current study session by cheating in a dice-rolling game (Lammers, Stapel, & Galinsky, 2010). Consequently, this method does not allow for exploring the impact of high-ranking positions on identification with the groups and organizations that accorded them, and identification as a construct has been largely neglected by the hierarchy literature to date.

After being accorded a high-ranking position in a group, individuals are likely to view their group more positively and feel more identified with it in return. Identification is "the degree to which people cognitively merge their sense of self and their evaluations of self-worth with their judgments of the characteristics and status of their group" (Tyler & Blader, 2003, p. 354). Why would higher rank elevate identification? One reason is that, by according high-ranking positions, groups and organizations meet members' psychological needs, thereby becoming more attractive to those who hold high-ranking positions than to those do not hold such positions. In addition to enhancing feelings of control (Fast, Gruenfeld, Sivanathan, & Galinsky, 2009), the

power that accompanies high-ranking positions leads to positive emotion (Keltner et al., 2003), subjective well-being (Kifer, Heller, Perunovic, & Galinsky, 2013), and lower stress (Carney, Cuddy, & Yap, 2010). Additionally, power increases self-esteem (Wojciszke, Struzynska-Kujalowicz, 2007). Similarly, higher social status confers a host of benefits including greater self-esteem, subjective well-being, and physical health (Anderson, Hildreth, & Howland, 2015). Accordingly, the desire for status is a fundamental and powerful motive (Tay & Diener, 2011). Holding a higher-ranking position therefore confers psychological and material advantages, making the group more attractive to high- than low-ranking individuals, and people identify with attractive groups that meet their psychological needs (Dutton, Dukerich, & Harquail, 1994).

Consistent with our proposition, some prior work has found positive relations between identification and holding a higher-ranking position. For example, Kreiner and Ashforth (2004) found a positive relation between being a supervisor and organizational identification, but the causal direction was unclear. The authors believed identification could help individuals achieve promotions to higher-ranked positions. Additionally, Willer (2009) found that people who were accorded higher social status identified more strongly with their group. Similarly, research has found that people identify more strongly with powerful roles, relative to less powerful ones (Joshi & Fast, 2013). Importantly, the high-ranking roles in those studies were ones in which the person was accorded higher rank or power in a specific group or organization, and then expressed identification with that specific group or organization.

Identification and principled dissent. If holding higher rank increases identification, what are the implications for principled dissent? At first glance, the answer is not obvious because dissent can be helpful to groups. Although dissent compromises shorter-term group stability goals, it promotes longer-term group change goals (Packer, Fujita, & Chasteen, 2014;

Packer, Fujita, & Herman, 2013). Highly identified group members often dissent when they

perceive doing so to help the group (Packer, 2009; Packer & Chasteen, 2010). Why, then, would

they fail to dissent against unethical practices?

We expect high levels of identification to prevent high-ranking individuals from

perceiving ethical problems. That is, high-ranking individuals could be less likely to experience

"normative conflict," or disagreement with group norms (Packer, 2009) in the first place. People

are motivated to maintain positive views of the groups with which they identify (Dutton et al.,

1994; Ellemers, Spears, & Doosje, 2002), and morality is an important dimension on which

groups are evaluated (Leach, Ellemers, & Barretto, 2007). Consequently, identification is

associated with more positive perceptions of the group's morality (Leach et al., 2007). It is

difficult for high identifiers to view their group as unethical because doing so puts them out of

balance (Heider, 1958). Viewing group norms negatively means they must also view themselves

negatively (Ellemers et al., 2002). By this logic, identifying highly with a group will motivate

people to see group practices as ethical, and to accept these practices.

To the extent that high-ranking individuals who identify highly with their group or

organization view practices as more ethical than do lower-ranking individuals, they will lack

motivation to engage in principled dissent. Experiencing normative conflict, or disagreement

with group norms, is one necessary pre-condition for high-identifiers to express dissent (Packer

& Miners, 2014). Notably, this is not to say that holding higher rank compromises individual

agency. Highly identified group members make decisions on the basis of their own judgments

about the interests of the group (Reicher, Haslam, & Smith, 2012). Holding higher rank simply

leads to more positive views of the group's decisions and practices. Then, high-ranking

individuals act on their own (more positive) ethical views. In line with this logic, Dukerich et al.

(1998) theorized that people who identify strongly could defer too readily to other group members and fail to question the ethicality of group actions.

Therefore, if individuals in high-ranking positions identify highly with their organization or group, they may see less need for principled dissent because they do not perceive their organization's or group's practice as unethical in the first place. Perceiving a practice as unethical is the first step toward principled dissent (Graham, 1986; Packer & Miners, 2014). Although existing research suggests that the power that comes with higher rank provides greater license to engage in principled dissent (Galinsky et al., 2008; Keltner et al., 2003; Pitesa & Thau, 2013), higher-ranking positions might limit individuals' ability to see when principled dissent is necessary. Organizational leaders might not engage in principled dissent simply because they see no need to do so.

Some empirical evidence provides preliminary support for these arguments. Although no research to date has tested for causal relations between hierarchical rank, identification, and principled dissent, some research shows an association between identification with a group and stronger endorsement of its goals and values (Jetten, Postmes, & McAuliffe, 2002; Sechrist & Young, 2011). In addition, people who identify highly with a group are more influenced by its norms (Binning, Brick, Cohen, & Sherman, 2015; Hertel & Kerr, 2001; Mackie & Cooper, 1984; Jetten et al., 2002; Zou, Morris, & Benet-Martinez, 2008). Similarly, high levels of identification with a group or organization produce cooperation with its goals (Dukerich, Golden, & Shortell, 2002; McDonald & Westphal, 2011; O'Reilly & Chatman, 1986). Generally, this has positive effects for organizations (Mael & Ashforth, 1992; Pratt, 2000) by leading to performance improvements (Walumbwa et al., 2011), reducing agency costs, and requiring less external

governance controls (Boivie, Lange, McDonald, & Westphal, 2011). Nevertheless, weaker

principled dissent could be one cost of stronger identification.

Research has also found that those higher in the hierarchy view their organization more

positively in general (Stouffer et al., 1949; Tannenbaum et al., 1974). For instance, Trevino,

Weaver, and Brown (2008) found that senior managers saw the internal ethical environment of

their organizations more positively than did lower level employees. Similarly, Guimond (1995)

found that cadets ranking higher in a military hierarchy endorsed military values more strongly,

and Guimond, Dambrun, Michinov, and Duarte (2003) found that upper-level students adopted

their profession's attitudes more than lower-level students. Although these studies were mainly

correlational and left the theoretical mechanisms unspecified, they provide some indirect

preliminary support for the idea that powerful, higher-ranking individuals accept their

organizations' values.

One study has examined the effect of high rank on whistleblowing, a form of principled

dissent. Miceli and Near (1984) predicted that higher-ranking individuals would report unethical

activities more than lower-ranking individuals because their greater pay and education reduce

their dependence on the organization. However, their findings were equivocal, leaving this

question open for further exploration.

In sum, we expect that individuals in high-ranking positions will be less likely to engage

in principled dissent within their organization, in part because their identification leads them to

view existing practices within the group as being more ethical. Correspondingly, even when the

practices of a group or organization are unethical, individuals in high-ranking positions will be

unlikely to engage in principled dissent against these practices.

Hypothesis 1. Individuals in high-ranking positions will be less likely to engage in principled dissent, relative to those in lower-ranking positions.

Hypothesis 2. Greater identification among high-ranking individuals will partially explain the negative relation between holding higher rank in the group and principled dissent.

We acknowledge that there are many possible reasons why individuals at the top of the hierarchy might fail to engage in principled dissent; for example, they might particularly benefit from the unethical practice (e.g., a higher year-end bonus), they might be involved in the unethical act themselves (e.g., by giving unethical orders), or they might face stiffer penalties if the practice were to become publicly known (e.g., termination or jail time). We focus on identification because we expect the effects of possessing high rank on identification to be robust across group and organizational contexts. In contrast, factors such as whether high-ranking individuals profit from unethical practices or whether they face stiffer penalties can vary more from one context to another, and might thus be less generalizable.

Study 1: Principled Dissent in U.S. Federal Government Agencies

Study 1 examined archival survey data collected from over 11,000 employees of U.S. federal government agencies. This data set was ideal for our purposes for many reasons. First, it involved a very unique survey that asked an unusually broad range of employees whether they engaged in whistleblowing, or had reported any unethical or even illegal activities by their coworkers and colleagues. Whistleblowing is one type of principled dissent. It is defined as "the disclosure by organizational members (former or current) of illegal, immoral, or illegitimate practices under the control of their employers, to persons or organizations that may be able to effect action" (Near & Miceli, 1985, p. 4). Like other forms of principled dissent, whistleblowing

protests unethical activity. Second, because it involved a very large sample size, it provided

ample statistical power. Third, holding a high-ranking position in these government agencies was

highly representative of different kinds of organizations and industries, in that it carried the role

requirements and responsibilities associated with high rank and control in real organizations.

Fourth, the survey was administered to over 22 different government agencies that were very

different from each other, further increasing the generalizability of any results. Fifth, ethical

transgressions and illegal activity in these agencies could have very serious consequences, and

could include behaviors ranging from stealing federal funds to accepting bribes to allowing a

practice that is dangerous to public safety. Sixth, many organizations have complex hierarchical

structures, making employees' hierarchical rank difficult to measure, but rank in these

government agencies is indexed in a straightforward way. Finally, the survey was completed

privately and anonymously, which minimized pressure on participants to misreport whether they

had tried to engage in principled dissent in the past.

Sample

The U.S. Merit Systems Protections Board conducted a survey of 11,162 employees of

U.S. federal government agencies in 1992. The participants represented approximately a 54%

response rate among a total of 20,851 people who were randomly selected. Over 22 agencies

were represented, including NASA, the Environmental Protection Agency, the Defense

Department, the State Department, and the Department of Justice. The sample consisted of 58%

men and 40% women (2% of participants did not provide demographic information) and it

exhibited a diverse age distribution. Participants reported their age category. The mean was 4.11

($SD = 1.33$), indicating the average age was approximately 40 years. The sample was 75%

Caucasian, 13% African American, 5% Hispanic, 3% Asian, 2% Native American, and 1% who reported "other" backgrounds.

Measures

Hierarchical rank. Participants' hierarchical rank was operationalized as level in the agency, of which there were five coded in the survey. The first level included trade, craft, and laboring employees; the second included supervisors of trade, craft, and laboring employees; the third included professional, technical, and administrative employees; the fourth included managers; and the fifth included executives. Dummy variables were created to represent rank, with the first level serving as the reference group. We used dummy variables because rank may not have been an interval scale, though as we report, measuring rank as a continuous variable did not change the results.

Principled dissent. Respondents indicated whether they had personally reported illegal or wasteful activity involving their agency to any of a number of parties within the last 12 months. This served as a measure of whether they had engaged in principled dissent. Response options are provided in Appendix A. We coded the reporting measure "1" if respondents reported the activity to anyone and "0" if they did not report the activity. Overall, 16% of participants reported such activity to at least one party.

Control variables. Individuals' gender, ethnicity, organizational tenure, and age can predict the individuals' hierarchical rank and might also affect whether individuals engage in principled dissent. To help rule out the possibility that these factors might act as third variables and lead to a spurious relationship between power and reporting unethical practices, we controlled for them in our analyses.

Women tend to be less represented in high-ranking positions within organizational

hierarchies than men (Catalyst, 2013), and they tend to have higher, less flexible ethical

standards (Kray & Haselhuhn, 2012; Kennedy & Kray, 2013). Individuals of minority racial or

ethnic groups also tend to attain less high-ranking positions in groups and organizations (Berger,

Cohen, & Zelditch, 1972; Berger, Webster, Ridgeway, & Rosenholtz, 1986). Members of

marginalized, disadvantaged groups might be more likely to disagree with their groups' practices

in general (Hogg, Fielding, & Darley, 2005). Therefore, we controlled for gender and ethnicity.

Similarly, education tends to correlate positively with hierarchical position (Carmeli,

Shalom, & Weisberg, 2007), in that people of lower education tend to occupy less high-ranking

positions. We included education as a control variable to rule out the possibility that less

educated employees might report practices as unethical out of feelings of marginalization.

Respondents reported their highest education level on a scale ranging from 1 (less than high

school diploma) to 7 (graduate or professional degree). The mean was 4.48 ($SD = 1.68$),

indicating that the average employee had achieved an associate's degree.

Another concern was that tenure in the organization might drive a relation between

hierarchical rank and reporting unethical practices. Tenure and rank in the organization are often

positively correlated in organizations, as people move up the hierarchy the longer they work in

the organization (Carmeli et al., 2007), and individuals tend to adopt their organizations' values

over time (Chatman, 1991). Therefore, we controlled for tenure. Respondents reported how

many years they had been a federal government employee (excluding military service) using a

scale ranging from 1 (less than 1 year) to 8 (31 years or more). The mean was 4.41 ($SD = 1.82$),

indicating the average tenure was approximately 13 years. In the same vein, age could be

positively correlated with higher rank. Prior research has found differences in ethical judgment

by age (for a review, see O'Fallon & Butterfield, 2005). Therefore, we controlled for age.

Respondents reported their age on a scale from 1 (under 20) to 8 (65 or older). The mean was

4.11 ($SD = 1.33$), corresponding to an average age of 40 to 49.

Finally, it was possible that hierarchical rank might correlate with knowledge of rules

about retaliation for reporting unethical practices; perhaps individuals lower or higher in the

hierarchy were exposed to more training, or more recent training, on this topic. Therefore we

controlled for knowledge about the rules of retaliation for reporting unethical practices. Using a

scale of 1 (a lot) to 4 (nothing), respondents reported how much they knew about the actions they

could take if they were retaliated against for reporting illegal or wasteful activity. We reverse-

scored this measure so that higher numbers indicated greater knowledge, $M = 2.08$, $SD = 0.96$.

Results

Table 1 provides descriptive statistics and correlations among all variables.

In a logistic regression analysis, we predicted principled dissent with our control

variables – gender, ethnicity, education, tenure, age, and knowledge of protections from

retaliation – as well as our primary independent variable, employees' hierarchical rank. The

results appear in Table 2.

Presented in Model 1 of the table are relations between the control variables and

principled dissent. As shown, gender significantly predicted principled dissent, with women

engaging in less principled dissent, rather than more, than men, $z = -2.46$, $p = .01$. Similarly,

those of non-Caucasian ethnicity were less, not more, likely to report such activity, $z = -4.02$, $p <$

.001. Principled dissent was positively related to education level, $z = 2.28$, $p = .02$. This suggests

more educated individuals were more likely to engage in principled dissent, perhaps because

education hones individuals' ability to think critically and independently (Tsui, 1999), giving

them the skills needed to detect when unethical activity is occurring. Tenure in the organization

was not related to principled dissent, $z = 0.02$, $p = .99$. Age related negatively to principled

dissent, $z = -4.02$, $p < .001$, suggesting individuals who were older were less likely to report

unethical practices. Finally, knowledge of protections from retaliation predicted principled

dissent, $z = 2.52$, $p = .01$. Individuals were more likely to engage in principled dissent when they

had more knowledge of the protections against retaliation.

We next examined the overall effect of hierarchical rank on principled dissent, above and

beyond the control variables. As shown in Model 2 of Table 2, a Wald test showed a significant

omnibus effect of employees' hierarchical rank, as a set of variables, on principled dissent. This

suggests that principled dissent had a robust negative relationship with holding higher rank in the

hierarchy. We also examined the relation between each step up in the power of employees'

position and principled dissent, as shown in Model 2 of Table 2. Each step up in the hierarchy

was associated with a lower likelihood of principled dissent (the step from Level 1 to Level 2

being marginally significant). Indeed, the association between employees' hierarchical rank and

principled dissent was strong: Relative to employees in the lowest ranking positions, executives

had approximately 64 % lower odds of principled dissent, $z = -4.61$, $p < .001$. Figure 1 displays

the frequency of principled dissent as a function of rank. As a robustness check, we conducted

the same analysis using hierarchical rank as a continuous variable. Again, the odds of reporting

unethical practices were lower as rank increased, $OR = 0.78$, $z = -5.94$, $p < .001$.[1] Together, these

effects provided support for Hypothesis 1 within a field setting. Holding a higher-ranking

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[1] As additional robustness checks, we tested the relation when principled dissent was operationalized differently. Including only reports to people within the organization (excluding reports to family and friends), holding higher rank still predicted lower likelihood of principled dissent, $\chi (4) = 17.56$, $p = .002$. The odds of principled dissent were 47% lower for the highest-ranking employees relative to the lowest-ranking ones, $OR = 0.53$, $z = -2.43$, $p = .02$. Including only reports to superiors at work, results were again very similar, $\chi (4) = 14.41$, $p = .006$, $OR = 0.58$, $z = -1.94$, $p = .05$. To account for culture differences across agencies, we also ran the analysis with 21 dummy variables for government agency. Results were virtually identical. Hierarchical rank had a significant negative relation with principled dissent, $\chi (4) = 32.48$, $p < .001$, $OR = 0.38$, $z = -4.29$, $p < .001$.

position in the government agencies was associated with a lower likelihood of reporting

unethical practices.

Discussion

Study 1 found a significant negative relation between employees' hierarchical rank and

the likelihood that they would engage in principled dissent, supporting Hypothesis 1. Employees

in high-ranking positions were less likely to report unethical practices than those in low-ranking

positions. This relationship held up even after controlling for a host of variables that also had a

significant relation with principled dissent, including gender, ethnicity, education, tenure with

the organization, age, and knowledge of protections from retaliation. The findings thus lend

confidence that the relation between hierarchical rank and principled dissent was not due to any

of those possible third variables. Moreover, the link between hierarchical rank and principled

dissent was strong, suggesting the highest-ranking employees had 64% lower odds of principled

dissent than those in the lowest rank.

Despite these strengths, the study did not allow us to address the direction of the effect or

other possible alternative explanations. For example, it is possible that employees in more high-

ranking positions were less likely to report unethical activity because they were more likely to

take corrective action to fix the misconduct, rather than report it to others. Alternatively, people

at different ranks may have perceived different types or frequencies of unethical practices. We

thus designed Study 2, a controlled laboratory experiment, to address the limitations of Study 1.

In Study 2 and thereafter, we explore identification as one possible mechanism underlying the

relation between hierarchical rank and principled dissent. Our studies cannot ensure that

identification is the only or most important mechanism in Study 1, however. Here, those with

high rank might have particularly benefit from the unethical practice (e.g., a higher year-end

bonus) or been involved in the unethical act themselves (e.g., by giving unethical orders), for instance. Our goal in future studies is simply to test identification as one possible mechanism.

Study 2: The Manipulation of High-Ranking Positions in Laboratory Groups

We had four primary aims in Study 2. First, to establish causality, we used an experimental design. Participants were randomly assigned to positions of high or low rank within a group. A key feature of the rank manipulation was that rank was ostensibly afforded to individuals by their laboratory group, similar to how individuals in organizations are typically afforded a high-ranking position by others in that organization – for example, a supervisor or personnel committee – rather than some external party.

Second, Study 1 aimed to test the effects of possessing high vs. low rank separately. Holding a high-ranking position might have not necessarily have the opposite effect of holding a low-ranking position. For example, holding a high-ranking position might decrease principled dissent (relative to a neutral position), holding a low-ranking position might increase principled dissent (relative to a neutral position), or both could occur.

Third, the study tested our hypothesized mechanism: identification. We expected identification to explain the negative relation between holding a high-ranking position and principled dissent.

Finally, this study sought to rule out an alternative explanation for the findings in Study 1. We have argued that holding a high-ranking position leads individuals to identify more with their organization or group, which in turn leads them to engage in less principled dissent. However, it is possible that higher rank was associated with less principled dissent in Study 1 simply because holding higher rank is associated with power, which corrupts (Kipnis, 1972). Prior research has found that the possessing power can promote unethical behavior (Georgesen

& Harris, 1998; Gruenfeld, Inesi, Magee, & Galinsky, 2008; Kipnis, 1972). Thus, it is possible

individuals in high-ranking positions might have engaged in less principled dissent simply due to

a predilection to act unethically, not because of higher identification with their organization and

subsequent acceptance of their organization's unethical practices. Said differently, high rank

might have produced a more unethical disposition.

To test this alternative explanation, Study 2 experimentally manipulated whether the

group recommended an unethical or ethical course of action. If higher rank leads to less dissent

in both conditions, it would suggest that higher rank leads to greater acceptance of group

practices in general, whether those practices are ethical or unethical. In contrast, if higher rank

led individuals to dissent less only when the group sets an unethical practice, but dissent more

when the group sets an ethical practice, it would suggest that higher rank simply corrupts and

leads people to prefer unethical actions.

Sample

Participants included 271 adults (67% women) affiliated with a West Coast university as

undergraduate or graduate students, staff, alumni, or local community members. They received

$15 for participating. The sample was 22% Caucasian, 60% Asian, 7% Hispanic, 2% African

American, and 6% who reported other backgrounds. Their ages ranged from 18 to 63 years ($M =$

21.55, $SD = 6.17$). Five (2%) participants were suspicious about the veracity of the manipulation

and were excluded from analyses. Results were virtually identical when they were included.

Design and Procedure

The experiment had a 3 (Hierarchical rank: High, low, control) x 2 (Group morality:

High, low), between-participants design. Participants reported to the laboratory in groups of six

for a 60-minute session consisting entirely of this experiment. There were 47 groups who

interacted together for one hour. If only five participants showed up for a given session, a

research assistant stood in as a confederate.[2]

The experiment had three parts: an icebreaker exercise, selection of a high-ranking group

member, and a group task that provided the opportunity for dissent. First, participants introduced

themselves to their group by stating their first name, field of study or a recent job, and favorite

thing about their city of residence. Later, in the group task, participants would believe they were

making a decision that affected another group in a separate laboratory space. To establish realism

for the upcoming inter-group exercise, the experimenter called a research assistant to ask

whether the "other group" was full and if they were ready to begin the study. In fact, there was

no other group in the other laboratory space.

Using a method adapted from previous research (Leary, Cottrell, & Phillips, 2001; Marr

& Thau, 2014), the second part of the study involved ostensibly selecting a group member to

hold a high-ranking position in the group. Participants were separated into different computer

terminals and they completed a personal information questionnaire based on the one used in

Leary et al. (2001), which measured personality characteristics, personal behaviors and habits,

and political and moral attitudes. Then, to further establish the legitimacy of the peer-

nominations for rank, participants read a short Harvard Business School case study (Hamermesh,

Whittemore, & Sherman, 2010) and reported in three sentences how they would recommend the

protagonist handle the situation described in the case. Participants were informed in advance that

the group would see their answers to these questions. As participants submitted their answers,

their computers showed a dialogue box saying that the group members' answers were printing.

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[2] A research assistant filled in for a participant in 11 out of 47 groups. Excluding these 11 groups, results were virtually identical. High rank reduced dissent relative to the control condition, $OR = 0.20$, $z = 8.27$, $p = .004$. Similarly, when a dummy variable is entered to account for the presence of a confederate, this variable is non-significant, $z = 0.65$, $p = .42$. Together with our very low rates of suspicion (2%), these analyses give us confidence that our occasional use of confederates in place of group members did not impact our results.

After all participants had ostensibly printed their answers, a research assistant delivered a packet of responses to the experimenter. Participants believed these responses were from their fellow group members, but they were actually pre-scripted.

These materials appeared to serve as the basis for the selection of the high-ranking group member. Participants read that, because decision-making often occurs in hierarchical contexts, they would choose someone to serve as leader of the group. This high-ranking member was described as responsible for making key decisions, overseeing the group's performance, evaluating other group members, and determining whether each member should receive a bonus for their participation (see also Anderson & Berdahl, 2002). To select this person, participants reviewed the printed materials ostensibly from each fellow group member and allocated 10 points across the 5 other members of the group. They could divide these points among the other participants however they wished and were led to believe that the person with the most points would be selected as the group's high-ranking member.

***Manipulation of high-ranking positions*.** After a randomly generated wait time between 1 and 2 minutes, participants received one of three randomly determined messages. In the high rank condition, they read that the group allocated them 32 points and had chosen them to serve as the high-ranking member of the group. In the low-rank condition, participants read the group had allocated them 6 points and did not select them to be the high-ranking member. In the control condition, participants received no information regarding the distribution of points. They simply read that results would be announced later. Participants then answered a short survey with measures of identification and the manipulation check.

***Ethical decision-making task*.** In the third and final part of the study, participants engaged in the Deception Game (Gneezy, 2005), in which their group would decide whether to

lie to another group for monetary gain. Specifically, participants were told that they would participate in a task with a group down the hall. They read that two possible monetary payments were available to their group and the group down the hall: Option A, which paid the participants' group $90 and the other group $84, or Option B, which paid the participants' group $84 and the other group $90. The decision they had to make was whether to lie to the other group by sending one of two messages. Message 1 would tell the other group, "Option A will earn you more money than Option B," while Message 2 would tell the other group, "Option B will earn you more money than Option A." Message 1 was false, and Message 2 was true. To enhance the moral significance of this decision and to ensure that participants expressed genuine opinions regarding what the group should do (not, for instance, a desire to tell the truth because they thought the group down the hall would disbelieve their recommendation), participants also received a message that indicated the other group had already committed to follow their recommendation (see Cohen et al., 2009).

Separated from the rest of their group via cubicles, participants were told that their group's task was to decide, via an online chat-room, whether to send Message 1 (a lie) or Message 2 (the truth). Before viewing the chat-room, however, all participants received a message indicating they had been randomly assigned to report their recommendation to the group in the fifth slot, or after four of the other group members had submitted their recommendations. Therefore, because the group ostensibly had six members, participants believed they were reporting their recommendation second to last. Based on Willer's (2009) procedure, this helped to minimize suspicion. Over the next few minutes, participants saw four messages appear on the chat-room screen, purportedly sent from the other group members.

In the high group morality condition, the four messages indicated a unanimous preference to tell the other group the truth, forgoing $6 for the group. In the low group morality condition, the four messages indicated a unanimous preference to tell the other group members a lie, gaining $6 for the group. These messages are included in Appendix B.

Providing the key dependent measure, participants selected which message they wanted to send to the other group (Message 1 or 2). They also typed a short message to their own group regarding their individual decision. Their short explanations appeared in the chat-room. After all six group members had ostensibly reported their recommendations, the computer screen showed a message that summarized the group decision. Before leaving, participants completed a short survey to check their suspicion. Finally, participants were paid $15 (regardless of their decision), thanked for participating, and informed that additional information about the study would come by email. After data collection was complete, all participants were debriefed.

Measures

Hierarchical rank manipulation check. The manipulation check consisted of five items. Participants rated the extent to which they had control over important resources in the group as well as felt powerful, respected, admired, and high status in the group, on a scale of 1 (strongly disagree) to 7 (strongly agree). The five items correlated highly and were averaged to form a reliable scale, $\alpha = .87$, $M = 3.99$, $SD = 1.02$.

Group identification. We used four items from prior research (Packer & Chasteen, 2010; Willer, 2009) to measure group identification. Participants reported how much they identified with the group, how much they felt connected with the group, and how much they valued being a member of the group on a scale of 1 (not at all) to 6 (a great deal). They also indicated their agreement that the group's successes were their successes on a scale of 1 (strongly disagree) to 7

(strongly agree). The items correlated highly, so they were standardized and averaged to form a scale, α = .80.

Dissent. We gave participants a "1" when they disagreed with their group by choosing to send a message different from the one their group ostensibly wanted to send and a "0" when their choice agreed with their group. In the low group morality condition, the measure captured principled dissent (i.e., objection to an unethical practice). However, in the high group morality condition, it measured unprincipled dissent (i.e., objection to an ethical practice). We therefore refer to the measure as dissent, broadly. Across all conditions, 19% of participants opted to dissent against their group's decision on average.

We also measured the strength of participants' dissent. Two independent coders blind to the study conditions and hypotheses rated the strength of disagreement expressed in the messages participants sent to their group members in the online chat-room. They rated the messages on a scale of 1 (strongly agreed with the group) to 6 (strongly disagreed with the group). For instance, one participant in the high group morality condition strongly agreed with the group by writing, "I agree with the others, they trusted us and we should be honest." This received an average score of "1" indicating strong agreement. Another participant in the high group morality condition disagreed by writing, "We want to max our earnings and we should do whatever in our control that may favor that goal. So 1 [the deceitful choice]." This received an average score of 5.5, indicating strong disagreement. The two sets of ratings correlated highly, r (264) = .86, $p < .001$, and were averaged to form a continuous measure of strength of dissent, α = .92, $M = 2.48$, $SD = 1.32$.

Positive affect. One concern was that even if we found an effect of rank on dissent, it might be due to positive affect. Receiving feedback that one has been chosen by the group to

hold rank might lead to positive emotion; in turn, it is possible that positive emotion might lead

to more general satisfaction with the group and therefore, less desire to disagree with the group's

practices. To help rule out this alternative explanation we included the positive affect scale of the

Positive and Negative Affect Scales (PANAS; Watson, Clark, & Tellegen, 1988), using a scale

of 1 (very slightly or not at all) to 5 (extremely), $\alpha = .90$, $M = 2.76$, $SD = 0.82$.

Results

Table 3 provides zero-order correlations among all variables.

Manipulation check. The manipulation of rank was effective, $F(2, 263) = 42.96$, $p <$

.001, $\eta^2 = .25$. Participants assigned to the high-ranking position ($M = 4.67$, $SD = 0.94$) perceived

themselves to have higher rank than those in the control ($M = 3.90$, $SD = 0.75$), $t(173) = 6.01$, p

$< .001$, $d = 0.91$, and low-ranking ($M = 3.44$, $SD = 0.97$), $t(175) = 8.59$, $p < .001$, $d = 1.29$,

conditions. Participants in the low rank condition perceived themselves to have lower rank than

those in the control condition, $t(178) = 3.57$, $p < .001$, $d = 0.53$.

Test of Hypothesis 1. Hypothesis 1 posited a negative effect of rank on principled

dissent. In a logistic regression, we predicted the odds of dissenting with hierarchical rank (using

two dummy variables) and group morality (high or low morality). The control condition served

as the reference group for rank, and the low morality condition served as the reference group for

group morality. The frequency of dissent by condition appears in Figure 2 and the logistic

regression results appear in Table 4.

Overall, those who were given a position of high rank had 75% lower odds of dissent

than individuals in the control ($z = 8.52$, $p = .004$) and low rank ($z = 8.15$, $p = .004$) conditions.

Low rank did not affect the likelihood of dissent relative to the control condition, $z = 0.08$, $p =$

.93. Therefore, as predicted, individuals with high rank were less likely to dissent. Being accorded low rank did not increase the likelihood of dissent, however.

A main effect of the group morality condition also emerged. Individuals in the high group morality condition, in which the other group members ostensibly voted to tell the other group the truth, had 82% lower odds of dissent than those in the low group morality condition, in which the other group members ostensibly voted to lie to the other group, $z = 20.43$, $p < .001$. Therefore, participants on the whole were more likely to accept their group's decision if that decision was honest. As shown in Model 2 of Table 4, no interactions between rank and group morality emerged ($ps > .68$).

These results suggest that high-ranking individuals were less likely to dissent in general, regardless of the group majority's decision; that is, high-ranking individuals accepted the group majority's decision more than others regardless of whether the group members opted for an unethical or ethical decision.

We then tested for gender effects, as prior research has found evidence that ethical views differ for women and men (Franke, Crown, & Spake, 1997; Kennedy & Kray, 2013; Kray & Haselhuhn, 2012). For dissent, a marginally significant main effect gender emerged, such that women showed 45% *lower* odds of dissent than men, overall, $z = 2.74$, $p = .098$. No interactions with gender reached significance ($ps > .12$). However, separate logistic regression analyses found that women engaged in significantly less dissent than men in the high group morality condition ($OR = 0.21$, $z = 4.47$, $p = .03$), but not in the low group morality condition ($OR = 0.77$, $z = 0.38$, $p = .54$). That is, women were less likely to recommend lying if the group majority elected to be honest. In light of these gender effects, we controlled for gender in subsequent analyses.

We next analyzed the measure of dissent strength using ANOVA, as this dependent variable was continuous rather than dichotomous. The findings were highly similar to those above. Three main effects emerged. First, as expected, participants in the high rank condition (M = 2.05, SD = 0.96) dissented less strongly than those in the control condition (M = 2.73, SD = 1.39), p = .001, F (2, 252) = 8.89, p < .001, η_p^2 = .07. Once again, the main effect of rank on dissent was driven by the effect of high rank. Strength of dissent did not vary between the low rank (M = 2.78, SD = 1.45) and control conditions, p = .80. Second, there was a main effect for group morality, F (1, 252) = 28.92, p < .001, η_p^2 = .10. Participants dissented less strongly in the high group morality condition (M = 2.01, SD = 1.03) relative to the low group morality condition (M = 2.93, SD = 1.41), p < .001. No interaction emerged between rank and group morality, F (2, 252) = 0.41, p = .67. Third, a main effect emerged for gender, F (1, 252) = 4.63, p = .03, η_p^2 = .02. Women (M = 2.35, SD = 1.26) dissented less than men (M = 2.69, SD = 1.42). No interactions with gender emerged (ps > .29). However, separate ANOVAs found that women (M = 1.84, SD = 0.84) engaged in significantly less dissent than men (M = 2.35, SD = 1.29) in the high group morality condition (F [1, 125] = 7.64, p = .007, η_p^2 = .06), but not in the low group morality condition (F [1, 127] = 0.45, p = .50, η_p^2 = .004). Means on the strength of dissent measure appear in Table 5.

Test of Hypothesis 2. Hypothesis 2 stated that identification with the group would mediate the negative effect of rank on dissent. We tested this hypothesis first using the binary measure of dissent. When identification (p = .02) was entered into the logistic regression, the effect of high rank (p = .004) on dissent was reduced (p = .03) (see Model 5 of Table 4). A bootstrapping analysis of mediation (Preacher & Hayes, 2008) with 10,000 re-samples with replacement estimated the indirect effect to be -.33 and provided a 95% bias-corrected

confidence interval of [-.06, -.69]. This suggests that increased identification mediated the effect

of rank on dissent. Participants placed into the high-ranking position were less likely to dissent

because they identified more with their group

Next, focusing on the measure of dissent strength, we conducted a linear regression

analysis. The effect of high rank ($b^* = -.22$, t [259] $= -3.47$, $p = .001$) was reduced ($b^* = -.17$, t

[258] $= -2.52$, $p = .01$) when identification ($b^* = -.13$, t [258] $= -2.16$, $p = .03$) was entered as a

predictor. The bootstrapping analysis estimated the indirect effect of identification to be -.15,

with a 95% bias-corrected confidence interval of [-.02, -.32]. This interval excluded zero,

suggesting that increased identification also mediated the effect of rank on the strength of

dissent. In other words, participants placed into the high-ranking position were not only less

likely to dissent but also dissented less strongly because they identified more with their group.[3]

Positive affect. One alternative explanation for our results is that placing individuals into

high-ranking positions might have simply made them happier and thus, less likely to disagree

with anyone, including their group. Consistent with existing theory, being placed into a high rank

position increased positive affect, F (2, 260) $= 40.18$, $p < .001$, $\eta_p^2 = .24$. High-ranking

participants ($M = 3.32$, $SD = 0.80$) felt more positive affect than those in the control condition (M

$= 2.46$, $SD = 0.74$, $p < .001$). Low-ranking ($M = 2.52$, $SD = 0.63$) and control condition

participants did not differ in their positive affect, $p = .57$.

However, positive affect did not explain the effect of rank on dissent. We predicted

dissent with rank, group morality, gender, and positive affect in a logistic regression. Rank

predicted less dissent, $OR = 0.29$, $z = 5.77$, $p = .02$, but positive affect did not, $z = 1.12$, $p = .29$.

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[3] We also conducted mediation analyses excluding gender as a control. The effect of high rank ($p = .004$) on dissent
remained significant ($OR = 0.31$, $z = 5.50$, $p = .01$) when identification ($OR = 0.65$, $z = 3.63$, $p = .057$) entered the
logistic regression analysis. However, the bootstrapping interval bridged zero [-.64, .02]. For strength of dissent,
identification ($b^* = -.11$, t [261] $= -1.71$, $p = .088$) again somewhat reduced the effect of high rank ($p < .001$) on
dissent ($p = .01$), but the bootstrapping interval bridged zero [-.28, .02]

Predicting strength of dissent with rank, group morality, gender, and positive affect in a linear regression, higher rank again predicted less dissent, $b* = -.19$, $t (258) = -2.64$, $p = .01$, but positive affect did not, $t (258) = -1.07$, $p = .29$. Thus, increased positive affect did not explain why holding rank reduced dissent.

Discussion

Study 2 provided further support for Hypothesis 1. Holding a position of higher rank in the group reduced the likelihood of disagreeing with the group's unethical decision. It complemented the field setting in Study 1 by using a controlled laboratory setting. The laboratory setting also enabled us to test for a causal relation between rank and dissent.

This effect occurred across two courses of action recommended by the group – one ethical, another unethical. Therefore, high-ranking individuals were less likely to disagree with practices chosen by their group, regardless of whether the practices were unethical or ethical. This helps rule out the alternative explanation that high rank simply corrupted, leading individuals to opt for the unethical decision, regardless of the group's preference. Rather, individuals holding high rank accepted the group's decision be it ethical or unethical. This finding also suggests that high rank might lead to other forms of conformity beyond the domains we examine here (a topic we return to in the General Discussion).

Low rank did not affect dissent relative to the control condition. This suggests that the link between rank and dissent is due to high-ranking individuals dissenting less as opposed to low-ranking individuals dissenting more. This asymmetric effect of high rank (but not low rank) is consistent with prior research (e.g., Anderson & Galinsky, 2006; DeWall, Baumeister, Mead, & Vohs, 2011; Goldstein & Hays, 2011; Mast, Jonas, & Hall, 2009).

Study 2 also provided support for Hypothesis 2, suggesting that an increase in identification with the group among high-ranking individuals helped to explain why they dissented less than individuals who did not hold high-ranking positions.

Study 3: Manipulating the Conditions that Enable (or Impede) Identification

Study 2 found that holding a high-ranking position led to less principled dissent because it caused individuals to identify more strongly with their group. Another way to examine identification as a mechanism underlying the effects of hierarchical position is to manipulate experimentally the conditions under which identification might emerge – that is, to show that the negative effects of high rank on principled dissent disappear when rank no longer affects identification with the group or organization.

To do so, we randomly assigned participants to conditions that would enable (or impede) the effects of rank on identification. Specifically, we created conditions under which participants would be likely (or unlikely) to identify with a laboratory group. We also randomly assigned positions of high or low rank. Then, we assessed how participants reacted to an unethical practice. We predicted that high-ranking individuals would engage in less principled dissent than lower-ranking individuals in conditions where they might identify highly with the group, but not in conditions where identification was unlikely no matter their rank. If supported, this hypothesis could further establish identification as one important mechanism underlying the effects of hierarchical position on principled dissent.

Study 3 had two additional aims. First, it tested another aspect of the theoretical model: the impact of rank and identification on ethical views. We measured perceptions of ethicality, expecting high-ranking individuals – in conditions where they might identify highly – to engage in less principled dissent because they perceive the group's actions as being more ethical (or at

least less unethical). Second, this study examined principled dissent in a new context: price

gouging, a practice related to fairness, rather than deception (Kahneman, Knetsch, & Thaler,

1986).

Sample

Participants ($N = 170$) were undergraduates at a private, Southeastern university. They

received course credit for participating. The sample contained 80 women and was 72%

Caucasian, 11% Asian, 10% African American, 3% Hispanic, 2% Indian, 1% Middle Eastern,

and 2% "other" backgrounds. The average age was 19.76 years ($SD = 1.08$). In two of the 35

groups, a participant foiled the study procedure.[4] We excluded data for those two groups ($n = 10$),

and for eight participants (5%) who expressed suspicion regarding the study procedure, resulting

in a final sample of 152 observations.

Design and Procedure

The experiment had a 2 (Hierarchical rank: High, Low) x 2 (Identification: Enabled,

Impeded), between-participants design. Participants reported to the laboratory in groups of five

people. There were 35 groups who interacted together for 45 minutes. If only four participants

showed up for a given session, a research assistant stood in as a confederate.[5]

The experiment had four parts: introductions, selection of a high-ranking group member,

a manipulation of conditions that would enable or impede group identification, and a group task

that provided the basis for principled dissent. First, the experimenter gave the group five minutes

to prepare for introductions. To introduce themselves, participants stated their first name,

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[4] In one group, a participant looked at another person's computer screen during the chatroom portion of the study. In the other group, participants discussed their hierarchical rank feedback aloud.

[5] A research assistant filled in for a participant in 3 out of 35 groups. Excluding these 3 groups, results were virtually identical. When identification with the group was enabled, holding higher rank reduced principled dissent, $OR = 0.29$, $z = 5.39$, $p = .02$. When identification with the group was impeded, the relation between rank and principled dissent was non-significant, $OR = 1.44$, $z = 0.46$, $p = .50$.

hometown, major, favorite thing about their city of residence, biggest achievement to date, how they would describe themselves in three words, and how often they read the *Wall Street Journal*. This information served as an ostensive basis for the leader selection procedure that followed. Then, participants completed the leader selection procedure from Study 2 by privately allocating 10 points among the four other members of the group. The experimenter collected the surveys and appeared to tally up the points allocated to each person.

Manipulation of rank. Participants were randomly assigned to receive one of two messages. In the high-ranking condition, participants read that the group allocated them 27 points and had chosen them to hold a high-ranking position in the group. In the low-ranking condition, participants read the group had allocated them 5 points and they would hold a low-ranking position in the group.

Manipulation of conditions enabling or impeding identification. Participants were then randomly assigned to complete a manipulation drawn from prior research (Greenaway et al., 2015) which varied how likely they were to identify with the laboratory group. In both conditions, participants read a set of five negative statements and a set of five positive about their school. After each set, they tallied how many of the negative and positive statements they agreed with. Greenaway et al. (2015) found that tallying agreement with these positive and negative items helped shape participants' views of how strongly they identified with their school. In one condition, the negative statements were difficult to agree with (e.g., I feel no real affiliation with [school]; There is no sense of community spirit at [school]), and the positive statements were easy to agree with (e.g., In general, I like attending [school]; At [school], there are many recreational activities in which people can become involved), leading participants to believe they identified highly with their school. In the other condition, the negative statements were easy to

agree with (e.g., I think it is good to have some friends who don't attend [school]; There are some things I don't like about [school].), and the positive statements were difficult to agree with (e.g., After I graduate, it will be essential for me that all my friends went to [school]; I don't understand people wanting to attend universities other than [school]), leading participants to feel they did not identify very highly with their school.

After everyone had completed the survey, the experimenter collected the surveys and appeared to tally up responses. Then, the experimenter distributed a sheet that appeared to summarize the group's opinions. Across all conditions, participants received information that the other group members identified highly with the school (i.e., strongly agreed with the positive statements and disagreed with the negative statements, on average). Therefore, we expected that feeling identified with their school would enable participants to identify with their group members more easily (to a varying degree, depending on rank), whereas not identifying with their school would impede identification with the other group members (no matter the participant's rank).

Ethical decision-making task. Participants then sat at computers separated by dividers, ostensibly to complete a business decision-making task as a virtual group. Participants wore headphones playing white noise in order to block out others' typing patterns, which could create suspicion during the chat-room portion of the study. They imagined themselves as employees at Plasma International, a company in the business of supplying blood to hospitals. The scenario was based on a business school case study of ethics (Zimmerer & Preston, 1976). After reading some background information on the company, participants read that Plasma faced the following business problem:

Plasma's typical fee to blood donors is $5/pint—that is, Plasma pays people $5/pint for their blood. After having the blood tested for disease and sanitized, Plasma typically re-sells the blood to hospitals for $50/pint. Recently, there was a hurricane in the southern United States that resulted in a great deal of injuries. As a result, demand for blood is unusually high. Hospitals need more pints of blood than usual. However, supply of blood has not increased enough to meet this need. There are not many more donors than usual. Plasma International must decide whether to raise the price of blood to $100/pint or whether to continue selling the blood at $50/pint. This will be the price charged to hospitals.

Participants then read a short description of the benefits to each possible approach:

Each approach has its advantages. If Plasma sells the blood at $100/pint, demand for blood will decrease to the point that Plasma will be able to fulfill all the orders that are placed. Plasma will not have to make difficult and arbitrary decisions about who should get the blood. Those who are willing to pay the most will receive it. In addition, Plasma will maximize returns to shareholders, making more profit than usual. However, it will be very expensive for hospitals to treat people and the hurricane's many victims are not wealthy. If Plasma sells the blood at $50/pint, it will be more affordable for hospitals and hurricane victims. But Plasma will not be able to fulfill all the orders that are placed. In addition, Plasma will not maximize returns to shareholders, making less profit than would be possible.

Finally, participants were told their group's task was to make this decision together, as an internal committee at Plasma. Participants were asked to decide as a group, via an online chat-room, whether or not to raise the price of blood. Before viewing the chat-room, participants all

received a message that they had been randomly assigned to report their recommendation to the group in the fourth slot, after three other group members had made their recommendations. In all conditions, the three messages indicated a unanimous preference to raise the price of blood. Based on participants' real responses in a separate study, the responses read: "[First response] Our obligation is to our shareholders and to this company, by raising the price to $100/pint we are on track to fulfill both of those obligations. So option 1; [Second response] 1 – I am in agreement. It's a higher priced without going too crazy on the consumer; [Third response] I say we choose 1. By raising the price, demand would drop, and supply would be enough to meet the demand." (We included typos and grammatical errors in order to enhance realism.)

To provide a measure of principled dissent, participants selected which option they preferred (Option 1: Raise the price to $100/pint or Option 2: Keep the price at $50/pint). They also typed a short explanation, which appeared in the chat-room. After all five participants had ostensibly reported their recommendations, the computer advanced to a survey measuring views of the group's decision, the rank manipulation check, demographic characteristics, and suspicion. Participants were debriefed via email after data collection was complete.

Measures

Table 6 provides descriptive statistics and correlations among variables. Participants responded using a scale from 1 (strongly disagree) to 7 (strongly agree), unless noted otherwise.

Rank manipulation check. The rank manipulation check consisted of seven items. Participants rated the five items from Study 2 and two additional items: whether they had control over the group's decision and the extent to which they felt they were held in high regard in the group. The seven items correlated highly and were averaged to form a reliable scale, $\alpha = .92$.

Identification manipulation check. The identification manipulation check consisted of

six items: the four items from Study 2 and the number of positive and negative (reversed)

statements participants agreed with regarding their school. Note that although we manipulated

whether participants were presented with either positive or negative statements, the number of

positive or negative statements they endorsed still varied across participants. The six items were

standardized and combined, $\alpha = .74$.

Principled dissent. To provide a measure of principled dissent, participants indicated

whether they recommend raising the price of blood to $100/pint (Option 1) or keeping the price

of blood at $50/pint (Option 2). We coded this measure "1" if participants disagreed with their

group by selecting Option 2, and "0" otherwise. On average, 32% of participants dissented.

Strength of dissent. As in Study 2, two independent coders rated the strength of

participants' principled dissent using a scale from 1 (*strongly agreed*) to 6 (*strongly disagreed)*.

The set of ratings correlated highly, $r\,(150) = .93$, $p < .001$. We thus averaged the ratings to form

one measure, $\alpha = .96$.

Ethical views. Participants reported their ethical views by indicating their agreement that

their group's decision was ethical, their group's decision was moral, their group is an ethical

group of people, and overall, their group has high ethical standards, $\alpha = .92$. We embedded these

items among two filler items (e.g., "my group's decision was rational").

Results[6]

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[6] In contrast to Study 2, we did not find an effect for gender on principled dissent ($OR = 1.72$, $z = 2.24$, $p = .13$). Nonetheless, to be consistent with Study 2 we examined our results after controlling for gender. The results are similar to those excluding it. When identification was enabled, holding higher rank reduced principled dissent ($OR = 0.31$, $z = 4.77$, $p = .03$), and gender was non-significant, $OR = 0.85$, $z = 0.10$, $p = .75$. When identification was impeded, no effect of rank emerged ($OR = 1.25$, $z = 0.18$, $p = .67$), and women engaged in more principled dissent than men, $OR = 3.64$, $z = 5.51$, $p = .02$. When identification was enabled and ethical views were entered into the logistic regression, more positive ethical views predicted less principled dissent ($OR = 0.16$, $z = 17.17$, $p < .001$), and rank ($p = .03$) became non-significant ($p = .89$). In a bootstrapping analysis (Preacher & Hayes, 2008), ethical views (-3.51, -0.52) still mediated the effect of high rank when identification was enabled.

We conducted analyses using ANOVA with rank and the manipulation of identification conditions as between-participant factors, unless otherwise indicated.

Rank manipulation check. We first tested that our rank manipulation was effective. A main effect emerged for hierarchical rank, $F(1, 148) = 54.31$, $p < .001$, $\eta_p^2 = .27$. Participants in the high rank condition ($M = 4.20$, $SD = 1.15$) perceived themselves to have higher rank in the group than did participants in the low-rank condition ($M = 2.84$, $SD = 1.19$), confirming that our manipulation of hierarchical rank was effective.

Identification manipulation check.[7] For identification, two main effects emerged. Under the conditions enabling identification, it was stronger ($M = 0.30$, $SD = 0.59$) than under conditions impeding it ($M = -0.29$, $SD = 0.59$), $F(1, 148) = 39.01$, $p < .001$, $\eta_p^2 = .21$. In addition, those who held a position of high ($M = 0.10$, $SD = 0.63$) rather than low ($M = -0.09$, $SD = 0.67$) rank identified more strongly, $F(1, 148) = 4.27$, $p = .04$, $\eta_p^2 = .03$. Most important, however, were the simple effects of rank within each of the identification conditions. As expected, high-ranking participants identified more with their group ($M = 0.44$, $SD = 0.51$) than low-ranking participants ($M = 0.16$, $SD = 0.63$) when identification was enabled, $t(74) = 2.14$, $d = 0.49$. However, high-ranking participants did not identify with their group ($M = -0.24$, $SD = 0.56$) more than low-ranking participants ($M = -0.35$, $SD = 0.62$) when identification was impeded, $t(74) = 0.80$, $p = .43$, $d = 0.19$. This suggests the manipulation was effective, in that in

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[7] We also conducted a pre-test measuring identification. Pre-test participants ($n = 103$) completed one of two surveys: either the one allowing or the one precluding identification with the group. That is, they read a set of five positive and five negative statements about their school and tallied their agreement with each set. Paired-samples t-tests indicated that, when identification was impeded, participants agreed with fewer positive ($M = 1.27$, $SD = 0.90$) than negative ($M = 3.80$, $SD = 0.90$) items, $t(50) = -11.35$, $p < .001$. When identification was enabled, participants agreed with more positive ($M = 3.94$, $SD = 1.30$) than negative ($M = 0.87$, $SD = 1.12$) items, $t(51) = -11.00$, $p < .001$. To form a measure of identification, we standardized and averaged the four items used in Study 2 with the number of positive and negative (reversed) statements selected, $\alpha = .91$. After imagining their reactions to a group of people who identified highly with the school, participants reported less identification with the group when identification was impeded ($M = -0.46$, $SD = 0.65$) relative to when it was enabled ($M = 0.45$, $SD = 0.74$), $t(101) = 6.62$, $p < .001$, $d = 1.31$, providing additional evidence that our manipulation effectively enabled and impeded identification.

the *identification = enabled* conditions, rank affected identification. However, in the

identification = impeded conditions, rank did not affect identification. The rank X identification

interaction was non-significant, $F(1, 148) = 0.84$, $p = .36$, $\eta_p^2 = .01$.

      Ethical views. We then examined how rank and identification affected views of how

ethical the group's decision was. A marginally significant main effect emerged for rank, $F(1,$

$148) = 3.15$, $p = .078$, $\eta_p^2 = .02$. A main effect emerged for identification as well, $F(1, 148) =$

4.21, $p = .042$, $\eta_p^2 = .03$. Again, however, most important were the simple effects: When

identification was enabled, high-ranking participants ($M = 3.87$, $SD = 1.20$) saw the group's

decision as significantly more ethical than low-ranking participants ($M = 2.88$, $SD = 1.41$), $t(74)$

$= 3.27$, $p = .002$, $d = 0.76$. When identification was impeded, no effect of high ($M = 3.72$, $SD =$

1.19) relative to low ($M = 3.93$, $SD = 1.59$) rank emerged, $t(74) = -0.65$, $p = .52$, $d = 0.15$. These

findings provided support for the idea that high-ranking individuals view the group's decisions

as more ethical than do lower-ranking individuals, but only when identification with the group is

likely to emerge. The rank X identification interaction was also significant, $F(1, 148) = 7.38$, $p =$

$.007$, $\eta_p^2 = .05$.

      Principled dissent. To examine principled dissent, we used logistic regression, which is

appropriate for binary dependent measures. The main effects for rank ($OR = 1.35$, $z = 0.36$, $p =$

$.55$) and identification ($OR = 2.11$, $z = 2.37$, $p = .12$) were non-significant. Most relevant to our

hypotheses was the fact that holding higher rank reduced principled dissent, $OR = 0.32$, $z = 4.69$,

$p = .03$, when identification was enabled. When identification was impeded, no effect of rank

emerged, $OR = 1.35$, $z = 0.36$, $p = .55$. These findings were consistent with Hypothesis 2. An

interaction between rank and identification also emerged, $OR = 0.24$, $z = 3.92$, $p = .048$. Figure 3

displays the frequency of principled dissent by condition.

We then examined strength of dissent. The main effects of rank (F [1, 148] = 0.85, p = .36, η_p^2 = .01) and identification (F [1, 148] = 0.52, p = .47, η_p^2 = .004) were non-significant. Similar to the above findings, when identification was enabled, high-ranking participants (M = 2.41, SD = 1.66) dissented less strongly than low-ranking participants (M = 3.34, SD = 2.00), t (74) = -2.18, p = .03, d = 0.51. When identification was impeded, no difference in dissent strength emerged between those of high (M = 2.86, SD = 1.78) and low (M = 2.47, SD = 1.73) rank, t (74) = 0.96, p = .34, d = 0.22. A rank X identification interaction again emerged, F (1, 148) = 5.02, p = .03, η_p^2 = .03.

Mediation analysis. Finally, we explored whether ethical views could help to explain why high-ranking individuals engaged in less principled dissent than low-ranking individuals when they were more likely to identify with the group, but not when they were less likely to do so. When identification was enabled, the effect of high rank on principled dissent (p = .03) dropped to non-significance (p = .92) when ethical views (OR = 0.20, z = 17.20, p < .001) entered the logistic regression analysis. A bootstrapping analysis of mediation (Preacher & Hayes, 2008) with 10,000 resamples produced a 95% confidence interval of (-3.37, -0.59), providing evidence of significant mediation by ethical views. When identification was impeded, the 95% confidence interval for ethical views included zero (-1.01, 2.29). These findings support the notion that changes in ethical views help to explain why high- ranking individuals engage in less principled dissent than low-ranking individuals when the effect of rank on identification is likely to emerge.

Discussion

Study 3 examined our theoretical mechanism via moderation. That is, alongside hierarchical rank, we manipulated conditions that would enable (or impede) identification with

the group to emerge. Consistent with Hypothesis 1, high-ranking individuals engaged in less principled dissent when conditions enabled them to identify highly with the group that proposed the unethical practice. No effects of hierarchical rank on principled dissent emerged when the effect of rank on identification was impeded. Together, these findings support identification as one reason that high-ranking leaders engage in less principled dissent than the people they are responsible for overseeing.

Moreover, holding higher rank changed individuals' attitudes toward the decisions within the groups where they held higher rank. High-ranking individuals viewed the group's decision as more ethical than did lower-ranking individuals when identification with the group was enabled. As a result, higher-ranking individuals may not desire to dissent on principled grounds, compared to lower-ranking individuals.

General Discussion

Summary of Findings

Across three studies, holding a high-ranking position reduced principled dissent against unethical practices. Increased identification partially explained the negative relation between higher rank and principled dissent. That is, high-ranking individuals engaged in less principled dissent in part because they identified with the group more than those with low-ranking. Identification allowed high-ranking individuals to perceive the group's practices as more ethical, which hindered their ability to detect an ethical problem.

Strengths of the Research

This research has a number of strengths. First, its multi-method approach to examining rank and principled dissent lends confidence that the relation emerges in the real world, as well as within controlled settings. Second, it measures principled dissent using real behavior, not only

self-reports. Third, our findings explore principled dissent under two important conditions: when high-ranking individuals are likely to identify with the group, and when they are not.

Contributions to Theories of Principled Dissent

We provide the first direct empirical test of an idea in Graham's (1986) seminal theory paper. She had predicted that being of higher level in the organization would increase (not decrease) principled dissent. Our results diverge from her prediction due to a variable she saw as central to principled dissent: awareness of an unethical practice. Holding higher rank prevented people from perceiving an ethical problem, instead leading people to view the group's decisions as more ethical. Our findings highlight the importance of understanding how an unethical practice is perceived.

To date, most research has studied principled dissent as whistleblowing (e.g., Miceli & Near, 1984; Miceli, Near, & Dworkin, 1993). Graham (1986) recognized other forms of principled dissent, such as actions taken to block unethical behavior and protest expressed to others within the organization. Our results in Study 1 show that our effects emerge using a reporting measure. Then, in Studies 2-4, we initiate attention to the latter form of principled dissent. Protest or disagreement expressed to others may be a more common type of principled dissent among high-ranking individuals, who have fewer people to report unethical activity to and are responsible overseeing others' decisions and leading committees that make collective decisions. Expressing protest or disagreement could be an important form of principled dissent under a variety of other conditions, such as when the ethical problem is ambiguous. Conversations about the morality of a practice may be necessary to align perceptions because individuals often overestimate the degree to which others share their ethical views (Flynn & Wiltermuth, 2010).

By examining principled dissent, we contribute to a broader literature on corruption controls (for a review, see Lange, 2008). Notably, most controls are implemented by high-ranking individuals and directed at lower-ranking individuals. Our research suggests low-ranking individuals may be better situated to perceive and act against unethical practices. Seminal research attributed unethical practices to constraints acting on lower-ranking individuals, such as immoral orders (Milgram, 1963; for a review, see Hamilton & Sanders, 1992) or organizational processes (institutionalization, rationalization, and socialization) that prevent newcomers from intervening (Ashforth & Anand, 2003). We document an additional explanation for unethical practices. Unethical practices may persist in organizations because people charged with stopping such practices identify too highly to carry out this responsibility.

Contributions to Theories of Rank and Power

Our research highlights the importance of attending to social identity theories (Ashforth & Mael, 1989; Hogg & Terry, 2000; Pratt, 2001; Tajfel, 1982; Tajfel & Turner, 1985) when studying rank and power in groups. Although early research on the Tennessee Valley Authority predicted greater identification among individuals with higher rank in the organization (Brown, 1969), the idea has received only an indirect empirical test. Kreiner and Ashforth (2004) found a positive relation between being a supervisor and identification, but the causal direction was unclear. Moreover, Joshi and Fast (2013) focused on role identification, rather than group or organizational identification. Our research is the first to establish a causal relation between power and identification with a group or organization. [8] Understanding the effect of power on group identification represents a significant theoretical advance in the study of power. Although

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[8] To better understand the different components of rank, we disentangled the effects of power and status on principled dissent in Study 4 (see the Online Supplement). There, we found that principled dissent is lower for those with elevated power, but not for those with elevated status, suggesting that power in particular discourages principled dissent. Power, even without status, increased identification with the group.

interest in hierarchy has recently surged (Anderson & Kennedy, 2012), we found no other studies using group identification to predict behavior of powerful individuals.

Because power causes greater identification, blurring the boundaries between self and group, high-ranking individuals are more inclined to accept the practices of the group that accorded them power. Consequently, high-ranking individuals' behavior is a function of not only their own traits and goals, but also of the traits and goals of the groups they lead. For instance, people who are by nature cooperative may become more competitive after attaining higher power in a group with competitive norms, and vice versa.

Contributions to Theories of Identification and Ethical Behavior

High levels of identification have been theorized to lead to some negative outcomes, such as reduced creativity, flexibility, and performance and increased conformity, dependency, and vulnerability (Ashforth & Mael, 1989; Dutton & Dukerich, 1991; Michel & Jehn, 2003; Pratt, 2000). In addition, high identification (Umphress, Bingham, & Mitchell, 2010) has been suspected to cause unethical behavior (Dukerich et al., 1998; Vadera & Pratt, 2013). Yet this idea has received few empirical tests. The only empirical test we are aware of (Umphress et al., 2010) used correlational data and self-reported measures of willingness to commit unethical behaviors.

We extend knowledge in two respects. First, our experimental designs are better able to establish the causal role of identification. Second, we help to explain why identification leads to unethical behavior. We find that changes in ethical views link identification to acceptance of unethical behavior. In Study 3, identifying highly led high-ranking individuals to view an unethical practice as more ethical than did others. Highly identified people may not be setting aside their personal values to act unethically; instead, high identifiers see their group's practices

as less unethical than do others. As a result, highly identified people may be susceptible to

"unintended unethicality," (Tenbrunsel & Messick, 2004; Tenbrunsel & Smith-Crowe, 2008), or

inclined to believe they are acting ethically, even if they are not.

Limitations and Future Directions

       The scope of high-ranking individuals' conformity. Principled dissent is a form of non-

conformity (Warren, 2003), and one question then is whether high-ranking individuals conform

in other ways as well. For instance, they could engage in less dissent of other types by accepting

their groups' ethical practices, agreeing with their groups' strategic recommendations, or

rejecting creative ideas, meaning our theoretical perspective could apply more broadly.

Supporting this idea, Study 2 found holding higher rank to reduce unprincipled dissent (i.e.,

dissent against ethical practices) as well as principled dissent. Future research could examine

whether higher rank reduces of other types. Although this question is important, we focused on

principled dissent against unethical practices for a few reasons. First, the topic has applied

importance. Unethical practices have important consequences for society and are worthy of

exploration on their own accord. Second, unethical practices are often perceived as beneficial to

group outcomes. For instance, a Chief Financial Officer might over-state earnings in order to

protect her company's share price, or the Head of Manufacturing may choose to ship product to a

customer earlier than requested in order to meet a sales goal, securing a holiday bonus for his

team. To the extent that unethical practices such as these are perceived to be helpful to the group,

the effects of higher-rank on dissent may be especially important in the domain of unethical

practices, relative to other domains (e.g., ethical practices, strategic decisions), because high-

identifiers are highly motivated to help their groups .

Exploring additional mechanisms. Although the current research focused on group identification, other explanations may exist for why high-ranking individuals are less likely to engage in principled dissent, as we reviewed earlier. Future research could examine the relative importance of other factors relative to identification in reducing principled dissent. One important possibility is that high-ranking individuals fear losing their privileged position, whereas low-ranking individuals have less to lose. The prospect of losing a high status position is very threatening (Marr & Thau, 2014; Pettit, Yong, & Spataro, 2010). If principled dissent is perceived to put one's status or legitimacy at risk, these concerns could help explain why high-ranking individuals dissented less. Principled dissent could be perceived to violate the exchange relation those in elevated positions have entered into by accepting status. Groups accord greater status to those who contribute to collective goals, and higher status group members are expected to continue contributing in accord with the group's wishes (Willer, 2009). Our findings in Study 4, where principled dissent varied by level of power but not status, argue against this reasoning. However, future research should explore this possibility in contexts where the possibility of status loss is more vivid.

Additionally, rank and tenure are often highly correlated in organizations, and high-ranking individuals have often made greater investments in the organization than low-ranking individuals. Because of these investments, high-ranking individuals may feel irrational for holding negative views of the organization, or its values, practices, or goals. Seeing the need for principled dissent may then prove difficult for high-ranking individuals not only because they identify more with the group, but because they feel a need to justify their past investments in the organization (Staw, 1981). This need to justify past behavior may derive from a desire to avoid cognitive dissonance (Festinger, 1957) caused by holding negative attitudes toward the

organization after investing in its success or by social pressures to hold thoughts consistent with

one's past behavior (Staw, 1981). Cognitive dissonance is especially likely when high-ranking

individuals see the need to change policies, practices, or norms they themselves promoted

because they will feel highly responsible for any negative consequences of their past decisions

(Cooper, 1971). Thus, principled dissent may be embarrassing for high-ranking individuals.

Finally, future research could explore the relation between group and role identification.

Whereas we and Willer (2009) find that people identify more with a group when it affords higher

rank, prior research has found that people identify more with roles that afford greater power

(Joshi & Fast, 2013). Future research could clarify which form of identification precedes the

other and the consequences for behavior when the two forms of identification diverge.

Exploring additional moderators. We explored unethical practices that help the group (at

least in the short-term) because we believe this type unethical practice to be common in

organizations. However, unethical practices are sometimes harmful to the group (Vadera & Pratt,

2013). To the extent that an unethical practice is seen as harmful to a group, our proposed effects

may not hold. The normative conflict model has found that high-identifiers dissent more than

low-identifiers when they perceive a practice to be harmful to the group (Packer, 2009; Packer &

Chasteen, 2010; Packer & Miners, 2014). To the extent that an unethical practice is perceived to

harm the group, we would expect a reversal of the relationship between high-rank and principled

dissent, such that high-ranking individuals dissent *more* than low-ranking individuals against

unethical practices they perceive as harmful. When unethical practices are ambiguous with

respect to impact on the group, we would still expect our findings to hold in light of the way

identification changed ethical views in Study 3. Supporting this idea, Study 1 examined illegal

and wasteful activity, and found less principled dissent among high-ranking individuals. Illegal

and wasteful practices are likely to be harmful to the group in the long-term, but identification may have shaped perceptions of whether the practices were harmful, much like it shaped ethical views in Study 3. Future research could also explore situations where holding higher-rank does not blind individuals to ethical problems. In particular, interventions that generate higher-level construal could help to mitigate this tendency (Packer et al., 2014).

Whether unethical acts are prevalent practices, or one-off misconduct could be another important moderator. We examined principled dissent in the context of practices, and we expect our effects to be stronger for practices than for one-off misconduct. Identification may not blind high-ranking individuals to the group's problems when misconduct is one-off, rather than widely accepted.

Gender effects. Prior research has found evidence of ethical differences between women and men (e.g., Dreber & Johannesson, 2008; Gilligan, 1982; Franke et al., 1997; Haselhuhn & Wong, 2012; Jaffee & Hyde, 2000; Kennedy & Kray, 2013; Kray & Haselhuhn, 2012; Robinson, Lewicki, & Donahue, 2000). Our research only partially replicated these findings. Women did object to ethical practices less often than men, consistent with prior research. However, women did not object to unethical practices more often than men. Future research could explore why the gender effects diverged for principled versus unprincipled dissent. It could be that principled dissent is highly assertive and women fear backlash for engaging in it (cf. Rudman & Phelan, 2008), or women might fear losing their high-ranking positions to a greater extent than do men.

Conclusion

In our research, those who held positions of higher rank were less likely to engage in principled dissent against unethical practices. Higher-ranking individuals' greater identification with the group partially explained why. Consistent with prior theorizing (Ashforth & Anand,

2003; Mayer et al., 2013; Smith-Crowe & Warren, 2014; Tenbrunsel & Messick, 2004;

Tenbrunsel & Smith-Crowe, 2008; Trevino, 1986; Trevino et al., 2008; Vadera & Pratt, 2013;

Warren & Smith-Crowe, 2008), our findings suggest that unethical behavior in organizations

may have more complex origins than simply self-interest or negligent oversight. Individuals at

the top of the organizational hierarchy may be blinded by identification, constraining their ability

to discern and stop unethical behavior. Because high-ranking individuals view the group's

practices as more ethical, the common approach of allocating them responsibility for ensuring

ethical behavior in the organization may be misguided. Lower-ranking individuals who also

identify highly with the group or organization could provide better ethical guidance.

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TABLE 1

Correlations among Variables in Study 1

Variable	M	SD	1	2	3	4	5	6	7
1. Hierarchical rank	3.04	0.71	--						
2. Female gender	0.41	0.49	.03**	--					
3. Ethnicity[a]	--	--	-.09***	.14***	--				
4. Education	4.48	1.68	.41***	-.24***	-.13***	--			
5. Tenure	4.41	1.82	.15***	-.15***	-.05***	-.05***	--		
6. Age	4.11	1.33	.09***	-.14***	-.07***	-.02*	.56***	--	
7. Knowledge of protections	2.08	0.96	.12***	-.09***	-.00	.05***	.18***	.14***	--
8. Principled dissent	0.16	0.37	-.04***	-.03**	-.05***	.04***	-.02*	-.04***	.02*

$* p < .05. ** p < .01. *** p < .001.$

[a] Dummy variable coded 0 for Caucasians and 1 for other ethnicities.

TABLE 2

Logistic Regression Models Predicting Reporting Unethical Behavior in Study 1[a]

Variable	Model 1		Model 2	
Controls				
Female gender	0.87*	(.05)	0.97	(.06)
Ethnicity[b]	0.76***	(.05)	0.75***	(.05)
Education	1.04*	(.02)	1.09***	(.02)
Tenure	1.00	(.02)	1.01	(.02)
Age	0.90***	(.02)	0.91***	(.02)
Knowledge of protections	1.07*	(.03)	1.08**	(.03)
Hierarchical Rank				
Level 2			0.76†	(.11)
Level 3			0.52***	(.06)
Level 4			0.48***	(.07)
Level 5			0.36***	(.08)
Wald Test on Hierarchical Rank			41.93***	
χ^2 *(df)*	61.76	(6)	102.62	(10)
Log-likelihood	-4,732.18		-4,672.29	
N	10,669		10,576	

[a] Numbers represent odds ratios (standard errors in parentheses).

[b] Dummy variable coded 0 for Caucasians and 1 for other ethnicities.

† $p < .10$

* $p < .05$

** $p < .01$

*** $p < .001$.

TABLE 3

Correlations among Variables in Study 2

Variable	1	2	3	4	5	6	7	8	9
1. High rank	--								
2. Low rank	-.50***	--							
3. Group morality[a]	.01	-.00	--						
4. Dissent	-.19**	.09	-.29***	--					
5. Strength of dissent	-.24***	.13*	-.35***	.89***	--				
6. Identification	.42***	-.28***	.01	-.18**	-.19**	--			
7. Positive affect	.48***	-.21***	-.09	-.09	-.12†	.45***	--		
8. Female gender	.01	-.06	-.01	-.09	-.12*	-.01	-.10	--	
9. Ethnicity[b]	.07	-.04	-.05	-.06	-.04	.15*	-.02	.08	--
10. Rank manip. check	.46***	-.39***	-.01	-.12*	-.11†	.38***	.51***	-.04	.05

[a] Dummy variable coded 0 for low group morality and 1 for high group morality.

[b] Dummy variable coded 0 for Caucasian ethnicity and 1 for other ethnicities.

† $p < .10$

* $p < .05$

** $p < .01$

*** $p < .001$

TABLE 4

Logistic Regression Models Predicting Dissent in Study 2[a]

Variable	Model 1		Model 2		Model 3		Model 4		Model 5	
Hierarchical Rank										
High rank	0.25**	(.12)	0.27*	(.14)	0.25**	(.12)	0.25*	(.14)	0.34*	(.17)
Low rank	0.97	(.36)	1.06	(.47)	0.94	(.36)	0.95	(.42)	0.89	(.34)
High group morality	0.18***	(.07)	0.21**	(.12)	0.16***	(.06)	0.16**	(.10)	0.15***	(.06)
Female gender					0.55†	(.20)	0.55†	(.20)	0.55†	(.20)
Hi Rank X Group morality			0.70	(.86)			0.91	(1.15)		
Lo Rank X Group morality			0.72	(.60)			0.97	(.84)		
Identification									0.57*	(.14)
Constant	0.64	(.18)	0.61	(.19)	0.94	(.36)	0.93	(.37)	0.84	(.33)
Wald test on rank	9.77**		7.60*		9.23**		7.45*		4.50	
χ^2 *(df)*	36.16	(3)	36.35	(5)	38.82	(4)	38.83	(6)	44.53	(5)
Log-likelihood	-111.92		-111.83		-107.25		-107.25		-104.40	
N	266		266		264		264		260	

[a] Numbers represent odds ratios (standard errors in parentheses).

[b] Dummy variable coded 0 for Caucasian ethnicity and 1 for other ethnicities.

† $p \leq .10$. * $p \leq .05$. ** $p \leq .01$. *** $p \leq .001$.

TABLE 5

Means and Standard Deviations of Strength of Dissent Measure in Study 2

Condition	M	SD
Low Group Morality		
Low Rank	3.23	1.54
Control	3.14	1.40
High Rank	2.35	1.05
High Group Morality		
Low Rank	2.19	1.14
Control	2.06	1.03
High Rank	1.72	0.74

TABLE 6

Descriptive Statistics and Correlations among Variables in Study 3

Variable	M	SD	1	2	3	4	5	6	7	8
1. High rank	0.49	0.50	--							
2. Identification[a]	0.50	0.50	-.05	--						
3. Rank manipulation check	3.49	1.35	.51***	-.04	--					
4. Principled dissent	0.32	0.47	-.10	.03	-.43***	--				
5. Strength of dissent	2.79	1.82	-.08	.07	-.42***	.93***	--			
6. Ethical views	3.58	1.42	.15†	-.17*	.50***	-.63***	-.64***	--		
7. Female gender	0.48	0.50	-.04	-.09	-.22**	.14†	.14†	-.16†	--	
8. Ethnicity[b]	0.30	0.46	-.03	-.01	-.13	.06	.08	-.11	.01	--
9. Age	19.78	1.09	-.15†	-.04	-.18*	.04	.03	-.19*	-.07	-.01

† $p \le .10$. * $p \le .05$. ** $p \le .01$. *** $p \le .05$

[a] Dummy variable coded 0 when identification with the group was impeded and 1 when it was enabled.

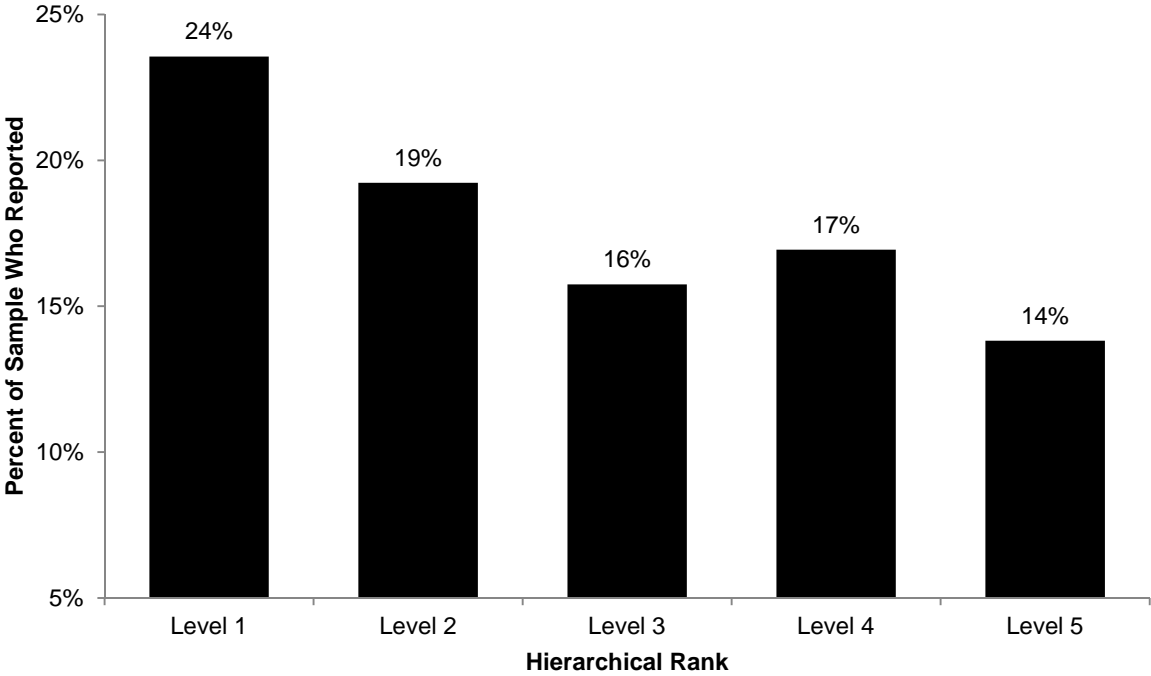[b] Dummy variable coded 0 for Caucasian ethnicity and 1 for other ethnicities.

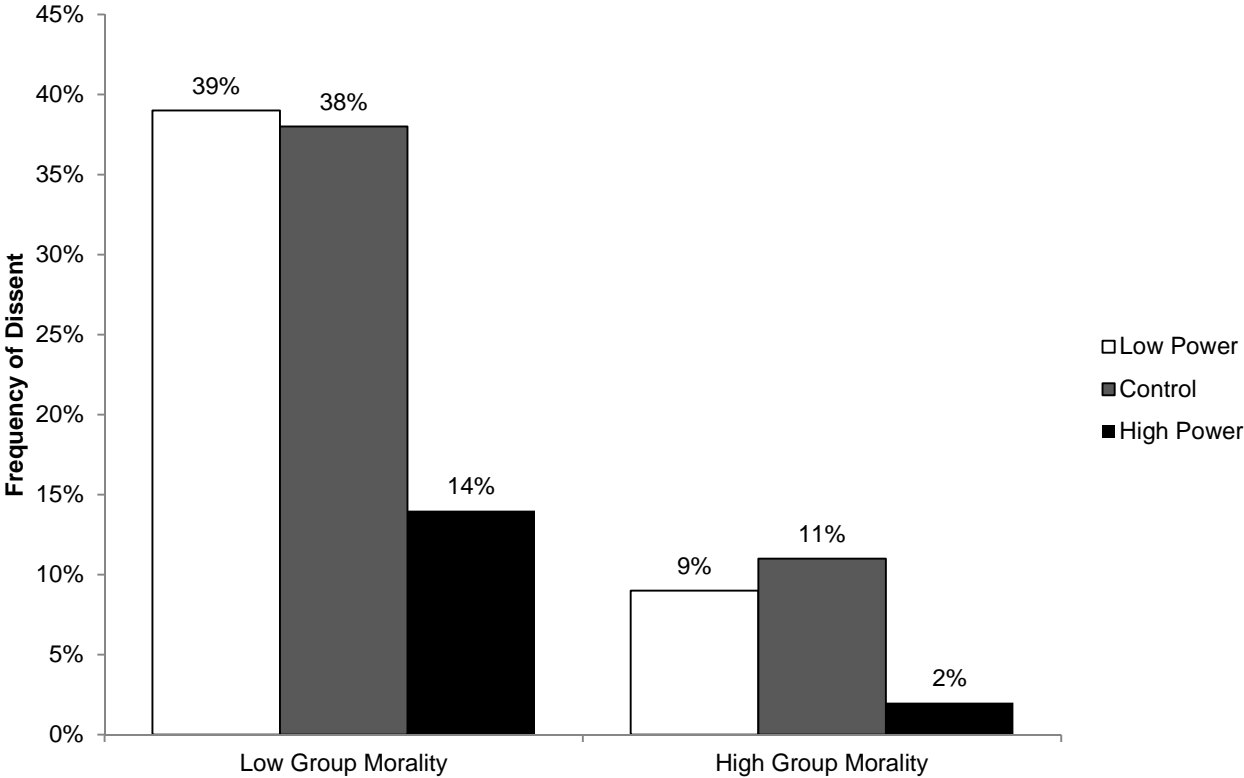*Figure 1.* Frequency of principled dissent in Study 1.

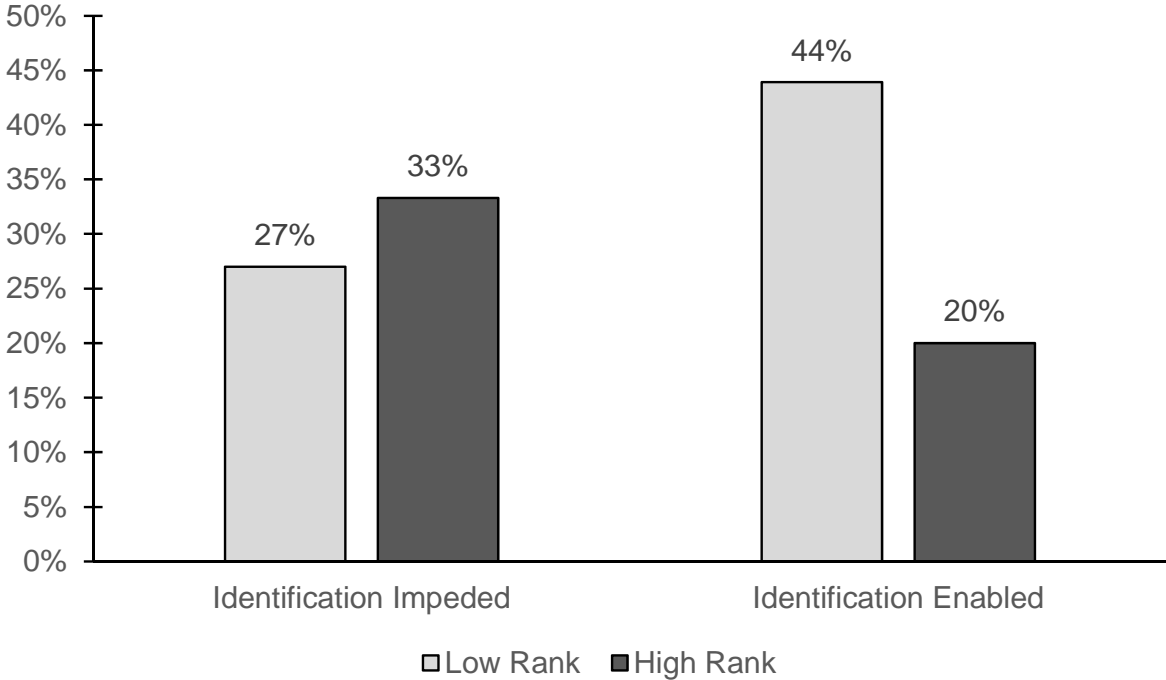*Figure 2.* Proportion of dissenting participants in Study 2.

Figure 3. Frequency of principled dissent in Study 3.

Appendix A

Measure of Reporting Unethical Behavior in Study 1

Did you report this activity to any of the following?

(Please mark ALL that apply.)

- o   I did <u>not</u> report the activity.

- o   Family member or friend

- o   Coworker

- o   Immediate supervisor

- o   Higher level supervisor

- o   Higher level agency official

- o   Agency Inspector General

- o   Office of Special Counsel

- o   Law enforcement official

- o   General Accounting Office

- o   Union representative

- o   News media

- o   Congressional staff member or member of Congress

- o   Advocacy group outside the Government

- o   Other

Appendix B

Pre-Scripted Messages from the Group in Study 2

High Group Morality Condition

Choosing 2 is more honest. Let's do that.

We should do what is right – msg 2.

i say we send 2. they trusted us obviously.

Message 2 is ok by me. They'd probably do the same.

Low Group Morality Condition

Choosing 1 is practical. Let's do that.

We should do what is best for us – msg 1.

i say we send 1. we're here to make money obviously.

Message 1 is ok by me. They'd probably do the same.