

## The mediating role of ethical climate in the relationship between abusive supervision and unethical behaviour

### İstismarcı yönetim ve etik dışı davranış arasındaki ilişkide etik iklimin aracı rolü

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#### Abstract

This research aims to contribute to the literature on unethical behaviour by exploring the effect of abusive supervision on employees' unethical behaviour. Also, the mediating role of ethical climate in this relationship is investigated. For this purpose, data was collected through a survey of 440 people working in information technology (IT) companies in Istanbul and Kocaeli cities, Turkey. First, validity and reliability tests were applied to the collected data. After determining that validity and reliability were appropriate, hypothesis tests were carried out using regression analysis. Additionally, Hayes' PROCESS Macro model was used to test the mediating role of ethical climate. SPSS version 23 package program was used to analyze the data. According to the results obtained, it is found that i-) abusive supervision is positively related to unethical behaviour, ii-) ethical climate is negatively related to unethical behaviour, iii-) abusive supervision is negatively related to ethical climate, and iv-) ethical climate partially mediates the relationship between abusive supervision and unethical behaviours.

**Keywords:** Unethical Behaviours, Abusive Supervision, Ethical Climate

**Jel Codes:** M1, M10, M12

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#### Öz

Bu araştırma, istismarcı yönetim ve etik dışı davranış arasındaki ilişkiyi ve bu ilişkide etik iklimin ara değişken rolünü araştırarak, etik dışı davranış literatürüne katkıda bulunmayı amaçlamaktadır. Bu amaç doğrultusunda, Türkiye'de İstanbul ve Kocaeli şehirlerindeki IT firmalarında çalışan 440 kişiden, anket aracılığıyla veri toplanmıştır. Toplanan verilere, ilk olarak geçerlik ve güvenilirlik testleri uygulanmıştır. Geçerlik ve güvenilirliği uygun olduğu saptandıktan sonra ise, regresyon analizi ile hipotez testleri gerçekleştirilmiştir. Ayrıca, etik iklimin ara değişken rolünün test edilmesi için, Hayes'in PROSESS Macro modeli kullanılmıştır. Verilerin analizinde SPSS version 23 paket programı kullanılmıştır. Elde edilen sonuçlara göre i-) istismarcı denetimin etik olmayan davranışla pozitif ilişkili olduğu, ii-) etik iklimin etik olmayan davranışla negatif ilişkili olduğu, iii-) istismarcı denetimin etik iklimle negatif ilişkili olduğu ve iv-) etik iklimin, istismarcı denetim ile etik dışı davranış arasındaki ilişkide kısmi ara değişken etkisi olduğu bulgulanmıştır.

**Anahtar Kelimeler:** Etik Dışı Davranış, İstismarcı Yönetim, Etik İklim

**Jel Kodları:** M1, M10, M12

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## Introduction

Ethical and unethical behaviours occur within organizations daily. Ethical behaviours are the desired conduct that companies aim to promote for improved performance and success (Jex and Britt, 2008). On the contrary, unethical behaviour is “behaviours that harm others and is either illegal or morally unacceptable to the larger community” (Jones, 1991). It can manifest in various ways, including employees disregarding wrongdoing, failing to report misconduct, or directly engaging in unethical activities. Organizations are profoundly concerned about unethical behaviours for several compelling reasons: damaging consequences such as financial losses, reputational harm, safety risks, client loss, and declining organizational performance. Unethical behaviours significantly impact an organization's financial health, resulting in substantial annual losses (Jex and Britt, 2008). Unethical behaviours disregard corporate rules, regulations, standards, and guidelines of the organization, leading to a slowdown in performance and growth. Unethical behaviours give rise to a discord climate and diminish employee performance, motivation, and loyalty. When motivation, loyalty and performance of personnel decline, the organization experiences significant negative consequences. Therefore, it is crucial to understand the precursors of unethical actions and take the necessary precautions.

There are three main antecedents of unethical behaviour (Kish-Gephart et al., 2010). They are the organizational environment, individuals, and the ethical issue itself. Among these antecedents related to unethical behaviours, the organizational environment is paramount for organizations. While the ethical problem and individuals can be regarded as unchangeable, the organizational environment is a changeable factor that influences employees' behaviours. The ethical climate is a crucial component of the organization's environment, and leadership behaviours are a critical factor of the ethical climate in organizations. This research focuses on how these two organizational factors affect unethical behaviours.

Most research on ethics has concentrated on ethical climate and ethical leadership as crucial factors influencing organizational outcomes (Brown and Trevino, 2006). The values held by managers play an immense role in shaping the work environment. Managers' ethical behaviours are critical in creating a moral framework for members of an organization and creating collective character. Consequently, ethical leaders serve as foundational elements in shaping the moral framework within an organization. Although many studies in the literature reveal how the supervisor or leader affects the unethical behaviours of subordinates, they mainly concentrate on the significance of ethical leadership in hampering subordinates' unethical conduct. In other words, as there is insufficient knowledge regarding whether leadership's dark side may impact employees' unethical actions, the current understanding of the influence of leadership on unethical behaviours has been limited. Therefore, more research is necessary to fully comprehend negative leadership's impact on employees' unethical conduct. Abusive supervision is considered the most prevalent form of negative leadership. Very few studies empirically investigate the association between abusive supervision and subordinates' unethical conduct. Scholars show growing interest in the leadership and ethical climate to reduce unethical behaviours within organizations (Kuenzi et al., 2020; Demirtas and Akdogan, 2015; Peterson, 2002; Askew et al., 2015; Antunez et al., 2023; Rui and Qi, 2021). The studies on abusive supervision, especially, have provided significant insights into the impact of abusive managers on unethical conduct in organizations (Al Halbusi et al., 2021; Liu et al., 2019; Wang et al., 2012; Mayer et al., 2010; Wang and Xiao, 2021; Javed et al., 2019).

This study aims to analyze how abusive supervision influences unethical behaviours by focusing on the mediating influence of ethical climate. Although early research on abusive supervision is hopeful, there is a lack of research examining this relationship. The present research is theoretically important since it offers valuable insights into the concrete actions undertaken by abusive managers to impact employees' behaviours. This study has practical implications for improving organizational environments by reducing unethical behaviours that occur through the harmful effects of abusive managers by creating a positive ethical climate.

The present study makes several contributions. Firstly, although much of the literature has focused on ethical leadership as an antecedent of unethical behaviours, this study extends recent work by examining one form of unethical leadership, abusive supervision, as an antecedent. Secondly, a few empirical studies hypothesize and relate abusive supervision to employee behaviours. In order to address this deficiency in the current literature, an ethical climate is added as a mediator and introduces a more holistic approach. Thirdly, to our knowledge, there is only a limited amount of research testing empirically the mediating effect of ethical climate between abusive supervision and unethical behaviours, and this study is one of them.

Moreover, although theories provide a framework for the relationship among variables, the present research empirically tested this theoretical relationship. Finally, since there are not enough empirical studies addressing the issue of ethical behaviours in the information technology (IT) sector, this study targeted the IT sector to fill this gap. It is also one of the few papers to examine unethical leadership styles and behavioural outcomes in employees in the IT industry.

## Theoretical background

### Unethical behaviours

Unethical behaviour is “harmful behaviours which are illegal or unacceptable to most of society” (Jones, 1991). In this context, dishonesty, corruption, deception, theft, disclosing confidential information, or engaging in interpersonal aggression are illustrative of unethical behaviours. Although there is a legal dimension of ethical behaviours, it does not simply mean that because an action is not illegal, it is necessarily ethical. For instance, the actions of an employee who prolongs their work unnecessarily or makes personal phone calls during work hours might not be unlawful, but several individuals would regard some of these actions as unethical. Gino et al., (2011) define unethical behaviours as “the acts that harm others”. Trevino et al. (2015) define unethical behaviours as “behaviours that violate moral rules commonly accepted by people.” These behaviours lead to organisational inefficiency. Behaviours such as harming weak people, bullying, lying, and stealing are all considered unethical behaviours.

Research on the precursors of unethical behaviour found that individual differences, including personality traits, cognitive moral development, and demographic characteristics, increase the probability of individuals engaging in unethical conduct. (e.g., Vardi and Weitz, 2004; Treviño and Weaver, 2001). Researchers have also highlighted the significant impact of the organizational context on unethical behaviours, including factors like ethical climate, supervisory style, ethical leadership, organizational culture, organizational structure, and job characteristics. (Brown et al., 2005; Bennett & Robinson, 2003; Rusaw, 2001; Treviño et al., 1998).

Unethical behaviours harm the organization and its members by ignoring guidelines and rules. It negatively affects performance and growth. Unethical actions create a conflict environment, minimize employees' enthusiasm, performance, and commitment, and disrupt organizational culture (Tonus and Oruç, 2012). When employee performance, motivation and commitment decrease, the organization suffers serious financial and moral damages. Multiple studies have demonstrated that unethical behaviours can harm an organization's overall well-being and lead to decreased performance (Dunlop and Lee, 2004).

### Abusive supervision

Abusive supervision is “subordinates' perceptions of the extent to which supervisors engage in the sustained display of hostile verbal and nonverbal behaviours excluding physical contact” (Tepper, 2000). Ashforth (1997) defined abusive supervisors as people who use their authority to treat subordinates arbitrarily and badly. When employees seek assistance, these leaders lack empathy and respond with coldness. Abusive supervisors employ derogatory language, intimidation, the withholding of crucial information, yelling, ridicule, and humiliation directed at their subordinates. Furthermore, according to Zellars et al. (2002), abusive management is a leader's destructive behaviours, such as putting pressure on employees, hiding important information, and threatening employees in public. Behaviours such as taking credit for the success of subordinates, undermining subordinates, shouting, emotional outbursts towards them, mocking, intimidating, publicly humiliating, and attributing negative outcomes to subordinates can be cited as abusive management behaviours.

Two main categories in which the precursors of abusive supervision may be classified are those related to the supervisor and the subordinate (Zhang et al., 2022). The supervisor's characteristics and experiences are factors related to the supervisor. Negative experiences that supervisors encounter at or outside the workplace can increase their stress and perceptions of injustice, which can lead to abusive supervision (Lam et al., 2017). Supervisors' character traits also affect their behaviours (Camps et al., 2016). Impatient people tend to exhibit more aggressive behaviours. Factors related to subordinates are subordinates' low performance and inefficient work behaviours, and these behaviours can lead supervisors to engage in abusive behaviours (Tepper et al., 2017).

The outcomes of abusive supervision can be divided into three categories. The first is the consequences at the organisation level. Abusive supervision negatively affects the justice climate within the organization and may cause employees to quit. The second is the consequences at the team level within the organization. The third is the consequences at the individual level. Furthermore, various studies have revealed that abused employees encounter physical, psychological and behavioural

problems (Liang et al., 2018; Lian et al., 2014). Commonly examined behavioural problems are negative behaviours towards the organization, supervisor, and co-workers.

### **Ethical climate**

The ethical climate is “the prevailing perceptions of typical organizational practices and procedures that have ethical content” or “those aspects of work climate that determine what constitutes ethical behaviours at work” (Victor and Cullen, 1988). The concept of ethical climate is centred on determining appropriate standards of conduct and serves as a crucial tool for addressing ethical concerns. It significantly influences both the process of decision-making and the resulting actions of individuals when confronted with ethical dilemmas. Furthermore, it not only shapes the scope of what is deemed morally acceptable by members within an organization but also establishes moral principles (Cullen et al., 1989).

The antecedents of ethical climate are grouped into three: environmental, organizational and individual. Individual factors relate to the characteristics of both employees and leaders, including demographic features and cognitive moral development (Weeks et al., 2006; Forte, 2004; Herndon et al., 1999). Organizational factors affecting ethical climate encompass aspects like the type of department, organizational characteristics such as firm newness and organizational age, structural elements like a code of ethics, and firm size. Environmental factors influencing an organization's ethical climate include institutionalized societal norms, such as the type of industry, national culture, and regional differences (Mayer et al., 2009).

Research in the literature has revealed increased job satisfaction, psychological well-being, organisational commitment, ethical behaviours and a decrease in turnover intentions as the results of ethical climate (Mayer et al., 2009). The ethical climate created by organizational management plays a significant role in preventing unethical conduct among organizational members (Martin and Cullen, 2006). Creating an ethical climate can be achieved by adopting and implementing ethical codes and policies in an organization (Schwepker, 2001).

## **Hypotheses development**

### **The relationship between abusive supervision and unethical behaviours**

The employees in an organization care about how managers treat them. Respectful and fair treatment leads to feeling valued and increased satisfaction. Abusive supervision frequently encompasses actions like impoliteness, antagonism, public censure, and emotional eruptions. The mistreatment by supervisors may cause employees to feel worthless and have a lower perception of justice. Abusive supervision may lead employees to psychological distress, negative attitudes towards both the job and the organization, and higher turnover (Tepper, 2000).

Moreover, abusive supervision makes subordinates emotionally disconnected from the organization and makes them likely to act in a manner that goes against the rules, procedures, and policies set by the organization. Recent studies indicate that abusive supervision results in an increased incidence of negative workplace behaviours (Liu et al., 2019). Tepper et al. (2008) suggested that subordinates who have been treated unfairly and had their psychological contract breached at work are more inclined to act unethically as a way to cope with the emotional distress caused by these experiences. Abusive supervision creates negative psychological experiences and pressure for employees, which can lead them to behave unethically as a response.

Social exchange theory (Blau, 1964) helps reveal abusive supervision's impact on employees' unethical behaviours. The fundamental concept within social exchange theory is reciprocity, involving the repayment of treatment in kind (Wang et al., 2012). While reciprocity is often associated with positive exchanges, negative reciprocity, wherein the negative treatment is met with a corresponding negative response, is also possible (Cropanzano and Mitchell 2005). This theory proposes that individuals can alter their attitudes and actions based on their perception of their treatment and the desire for reciprocity. Abusive supervisors mistreat employees, publicly berate them, employ aggressive body language, withhold vital information, mock subordinates, and use silent treatment as a form of intimidation. According to this theory, abused employees are more likely to exhibit negative behaviours due to the principle of reciprocity in theory. In line with these arguments, the following hypothesis is proposed:

**H<sub>1</sub>:** *Abusive supervision is positively related to unethical behaviours.*

### **The relationship between abusive supervision and ethical climate**

Abusive supervision, characterized by hostile or demeaning behaviours from supervisors, creates a toxic work environment. In such an environment, ethical values and norms may be compromised or overshadowed by the negative behaviours of supervisors. Abusive supervision can lead to employees perceiving a negative ethical climate characterized by fear, mistrust, and a lack of ethical role modelling (Tepper, 2000). When supervisors engage in abusive behaviours, it sets a negative atmosphere and may lead employees to perceive the organization as less committed to ethical principles. Previous studies have investigated the correlation between ethical climate and leadership and have indicated that leaders influence the workplace atmosphere, specifically how employees perceive the climate (Antunez et al., 2023, Yang et al., 2023; Kuenzi et al., 2020; Schneider et al., 2011).

Social cognitive theory highlights the importance of observational learning, cognitive processes, and the social context in shaping behaviours (Bandura, 1986). In this context, abusive supervision serves as a negative model, influencing employees' perceptions and behaviours, while ethical climate represents the social context that can reduce or amplify the impact of abusive supervision. In the social cognitive theory context, employees may observe and learn from the behaviours of abusive supervisors. Abusive supervisors can affect their ethical judgments, decision-making, and behaviours. Abusive supervision can set a negative example, leading employees to question the ethical values and norms within the organization. Abusive supervision leads to negative outcomes in the workplace, including lower job satisfaction, decreased organizational commitment, and increased counterproductive work behaviours (Tepper et al., 2017). The emotional and psychological distress caused by abusive supervisors may compromise employees' ability to make ethical choices and adhere to ethical standards, thus further contributing to a negative ethical climate. These negative outcomes are often indicative of a deteriorating ethical climate. Based on these arguments, the following hypothesis is proposed:

*H<sub>2</sub>: Abusive supervision is negatively related to ethical climate.*

### **The relationship between ethical climate and unethical behaviours**

Ethical climate is the set of values, practices, and procedures within an organization associated with moral attitudes and behaviours (Victor and Cullen, 1988). In other words, it reflects shared beliefs about what constitutes ethical behaviours (Deshpande et al. 2000). As such, the ethical climate in an organization can greatly influence employees' ethical values and actions.

Social information processing theory (Salancik and Pfeffer, 1978) and social cognitive theory (Bandura, 1986) help to understand the connection between ethical climate and unethical behaviours. These theories highlight the impact of social surroundings on an individual's perception in influencing an individual's perception of inappropriate behaviours.

According to social information processing theory, people are influenced by their social context and adapt their attitudes and actions accordingly (Trevino, 1986). In other words, individuals look for environmental cues to understand situations and determine appropriate conduct. The organizational setting serves as a source of information about the norms for suitable and acceptable behaviours. The ethical climate in an organization serves as a guide for its members, informing them of what behaviours are deemed acceptable. This theory can be utilized to elucidate how employees perceive and make sense of this ethical climate, ultimately impacting their behaviours.

Social cognitive theory posits that individuals' behaviours and decision-making are influenced by cognitive processes and the social context (Bandura, 1986). Within an ethical climate, employees' behaviours are shaped by their cognitive processes and perceptions of the organization's ethical environment. As a part of the organizational context, ethical climate plays a critical role in guiding employees' ethical decision-making and behaviours. A positive ethical climate fosters ethical standards and norms, making unethical behaviours less likely, while a negative ethical climate may encourage unethical actions by creating an environment that tolerates or even encourages such behaviours (Mayer et al., 2009).

Formal regulations and codes of ethics do not solely determine individuals' ethical conduct but are also heavily influenced by informal factors and societal expectations (Victor & Cullen, 1988). People learn by observing, identifying with, and imitating others and through their interactions and experiences with those around them (Peterson 2002). Individuals tend to repeat, reinforce and exhibit behaviours that seem valued by others more frequently. On the contrary, subordinates who are made aware of the consequences and sanctions for unethical conduct are more inclined to abstain from engaging in such behaviours (Brown et al. 2005). In addition, A few studies in the literature have investigated the effect of ethical climate on unethical behaviours and found a negative relationship (Aryati et al., 2018; Birtch

and Chiang, 2014). Thus, a positive ethical climate is more likely to increase desirable behaviours. Accordingly, the following hypothesis is posited:

**H<sub>3</sub>:** *Ethical climate is negatively related to unethical behaviours.*

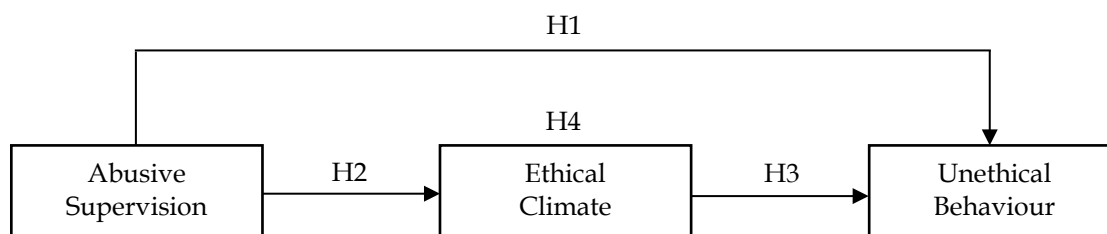
**The mediating role of ethical climate**

An ethical climate serves as a mediator between abusive supervision and unethical behaviours. The social cognitive theory aids in clarifying the role of this mediating process. Theory underscores the role of cognitive processes, social context, and observational learning in shaping human behaviours (Bandura, 1986). Employees subjected to abusive behaviours by their supervisors undergo cognitive processes influenced by their perceptions related to their work environment. These perceptions, particularly regarding the ethical climate within the organization, have a crucial impact on shaping their ethical decision-making and behaviours (Tepper, 2017).

Abusive supervision can create a hostile and negative work environment that affects employees' cognitive processes and decision-making. Abusive supervision can erode trust, fairness, and ethical standards within an organization, creating a negative ethical climate. This negative ethical climate informs employees about how ethics should be handled to pursue organizational objectives, making it more or less likely that they will engage in unethical behaviours (Reichers and Schneider, 1990). In essence, abusive supervisors interpret, put into action, and enforce practices that contribute to employee perceptions of an unethical climate, which, in turn, influences employees to engage in unethical behaviours.

There is a notable dearth of literature concerning the intermediary function of ethical climate in the correlation between abusive supervision and ethical conduct. Past research has demonstrated that ethical climate is a mediator in the link between ethical behaviours and ethical leadership, which is an exemplary leadership approach. (Al Halbusi et al., 2021; Kuenzi et al., 2020; Aryati et al., 2018; Elçi et al., 2013; Mayer et al., 2010). In sum, by creating a hostile and unethical work environment, abusive supervision can negatively affect ethical climate perceptions, which, in turn, influence people to act unethically. These arguments suggest the following hypothesis.

**H<sub>4</sub>:** *Ethical climate mediates the relationship between abusive supervision and unethical behaviours.*



**Figure 1:** Research Model

**Methodology**

**Sampling and data collection**

The participants of the research were employees of IT enterprises in the cities of Istanbul and Kocaeli, Turkey. Data collection was preferred from these two cities because they are located in the Marmara Region, the most industrially developed region of Turkey, and there is a high employment rate of IT personnel in the enterprises and technoparks in these cities. The research population is all employees of IT enterprises in Istanbul and Kocaeli. The research sample was selected from these cities by simple random sampling method. 440 IT employees from 146 enterprises constitute the sample of the research. The survey was applied to IT company personnel and different level managers (lower, middle, upper). Most of our sample (90%) comprises IT employees in Istanbul. Before the data collection phase, a pre-test study involving 60 IT employees was carried out. After the pre-test, the survey was finalized. In the data collection phase, the survey was sent to 600 people, and 471 of them responded to the survey. A total of 31 surveys were disqualified from the data set due to invalid responses. As a result, 440 surveys were included in the analysis. The research model was then analysed using the SPSS 23 software.

250 participants in our sample are men, and 190 are women. 42% are between the ages of 25-35, 32.5% are between the ages of 35-45, 20.7% are between the ages of 18-25, and 4.8% are over 45. So, it can be stated that our sample consists of mostly young participants. 50.9% of the participants had a bachelor's

degree, 25.5% had a master’s degree, 12.7% had an associate degree, 8.9% had a high school degree, 1.8% had a doctoral degree, and 0.2% had a primary school degree. In this respect, it can be stated that most participants are highly educated. 74.1% of participants have worked in the same institution for 1-5 years, 14.3% for 5-10 years, and the rest for at least 10 years. 62% of the survey participants work as personnel, 20% as middle-level managers, 10% as upper-level managers, 8% as lower-level managers. 40% of the companies they work with have over 250 employees, 27.3% have 50-250 employees, 23.2% have 10-50 employees, and 9.5% have less than 10 employees.

**Measures**

To test our hypotheses, we used multi-item scales from previous studies. The “Abusive Supervision” scale was adapted from Tepper, B. J. (2000). For the "Ethical Climate" scale, the scale of Schwepker Jr, C. H. (2001) was used. The "Unethical Behaviours" scale was adapted from Robinson and Kelly's (1998) antisocial behaviours scale. The initially produced were professionally translated into Turkish by an expert and subsequently re-translated into English by another expert. The study used a 5-point Likert scale in which 1 = “strongly disagree” and 5 = “strongly agree”.

**Results**

**Measure validity and reliability**

After data collection, the validity and reliability of the measures were assessed. The KMO value was calculated as 0.884, and Bartlett’s test of sphericity was found statistically significant ( $\chi^2(406) = 9649.408, p = 0.00$ ). Explanatory Factor Analysis was executed using principal component analysis with varimax rotation. Two questions from the abusive supervision dimension were deleted because their factor loadings were less than 0.50. The final factor analysis is shown in Table 1.

**Table 1:** Explanatory Factor Analysis Result

	Items	1	2	3
1- AS	AS-4	0.830		
	AS-12	0.799		
	AS-8	0.727		
	AS-6	0.716		
	AS-2	0.714		
	AS-10	0.705		
	AS-14	0.686		
	AS-11	0.666		
	AS-13	0.647		
	AS-7	0.619		
	AS-1	0.593		
	AS-3	0.581		
	AS-5	0.540		
2- UB	UB-3		0.842	
	UB-9		0.829	
	UB-7		0.822	
	UB-5		0.819	
	UB-8		0.812	
	UB-4		0.790	
	UB-6		0.784	
	UB-2		0.779	
	UB-1		0.740	
3- EC	EC-4			0.848
	EC-2			0.841
	EC-3			0.811
	EC-5			0.785
	EC-1			0.740
	EC-7			0.717
	EC-6			0.690

AS: Abusive Supervisor, UB: Unethical Behaviours, EC: Ethical Climate

KMO: 0.884

Bartlett’s test of sphericity:  $\chi^2(406) = 9649.408, p = 0.00$

Total Variance Explained: %59.38

After the explanatory factor analysis, the correlation matrix was created by calculating all variables' standard deviations, means, reliability coefficients (Cronbach Alpha) and correlation values (See Table 2). All calculated Cronbach Alpha reliability coefficients are higher than the value of 0.70 recommended by Nunnally (1978) for social sciences (Abusive Supervision: .906; Ethical Climate: .902; Unethical

Behaviours: .935). In line with the results obtained, it can be stated that the measurement is valid and reliable.

**Table 2:** Means, Standard Deviations, Cronbach Alpha's and Correlation Coefficients

Variables	1	2	3	Mean	Std. Deviation	Cronbach's Alpha
Abusive Supervision	1			1.2063	0.40136	0.906
Ethical Climate	-0.297**	1		3.6422	0.88306	0.902
Unethical Behaviours	0.374**	-0.259**	1	1.7652	0.78589	0.935

Note: \*\* Correlation is significant at the 0.01 level.

**Testing hypotheses**

First, we used regression analysis to test our hypotheses. According to the results (as seen in Table 3); Model-1 (F= 71.169; R2= .140; Sig=.000), Model-2 (F= 31.387; R2= .067; Sig= .000), and Model-3 (F= 42.317; R2= .088; Sig= .000) are significant as a whole. In Model-1, it is found that abusive supervision is positively related to unethical behaviours ( $\beta = .374$ ; Sig< 0.01). According to the results, **H1 is supported**. In Model 2, it is found that ethical climate is negatively related to unethical behaviours ( $\beta = -.259$ ; Sig< 0.01). According to the results, **H2 is supported**. Moreover, in Model 3, abusive supervision is negatively related to ethical climate ( $\beta = -.297$ ; Sig< 0.01). In line with the results, **H3 is supported**.

**Table 3:** Result of Testing Hypotheses

Abusive Supervision	Model-1 (DV: Unethical Behaviours)			Ethical Climate	Model-2 (DV: Unethical Behaviours)			Abusive Supervision	Model-3 (DV: Ethical Climate)		
	$\beta$	t	Sig.		$\beta$	t	Sig.		$\beta$	t	Sig.
	.374	8.436	0.000		-.259	-5.602	0.000		-.297	-6.505	0.000
	F= 71.169 R <sup>2</sup> = 0.140 Sig= 0.000				F= 31.387 R <sup>2</sup> = 0.067 Sig= 0.000				F= 42.317 R <sup>2</sup> = 0.088 Sig= 0.000		

Note: DV: Dependent Variable

The mediator analysis used the PROCESS Macro on model 4 (Hayes, 2013). 5% bias-corrected confidence interval with 5,000 bootstrapping method was utilized. In Model-1, it is found that abusive supervision is positively related to unethical behaviour ( $\beta = .7321$ ; p< 0.01). In Model 2, it is found that abusive supervision is negatively related to ethical climate ( $\beta = -.6530$ ; p< 0.01). In Model-3, both abusive supervision ( $\beta = .6380$ ; p< 0.01) and ethical climate ( $\beta = -.1441$ ; p< 0.01) is related to unethical behaviours. However, when an ethical climate is included in the analysis, the effect of abusive supervision on unethical behaviours decreases. So, these models indicated that ethical climate partially mediates the relationship between abusive supervision and unethical behaviours to Baron and Kenny (1986) procedure.

**Table 4:** Mediation Analysis Results

	Model-1 (DV: Unethical Behaviours)		Model-2 (DV: Ethical Climate)		Model-3 (DV: Unethical Behaviours)	
	$\beta$	t	$\beta$	t	$\beta$	t
Abusive Supervision	0.7321**	8.4362	-.6530**	-6.5051	.6380**	7.1121
Ethical Climate					-.1441**	-3.5336
R <sup>2</sup>	0.1398		0.0881		0.1637	
F	71.1691		42.3170		42.7608	

Note: \*\*p< 0.01

Moreover, X's indirect effect (.0317, .1659) and direct effect (.4617, .8143) on Y are significant as seen in Table 5. In line with these results, an ethical climate partially mediates the relationship between abusive supervision and unethical behaviours. So, **H4 is supported**.

**Table 5:** Mediating Effect of Ethical Climate

	Effect	SE	t	p	95% CI
Indirect Effect	0.0941	0.0346			(0.0317, 0.1659)
Direct Effect	0.6380	0.0897	7.1121	0.0000	(0.4617, 0.8143)
Total Effect	0.7321	0.0868	8.4362	0.0000	(0.5615, 0.9026)



## Conclusion

### Discussion and theoretical contributions

The findings of the study show that abusive supervision is positively related to unethical behaviours. Our results are from prior studies (Liu et al., 2019; Wang et al., 2012; Tepper et al., 2008; Cropanzano and Mitchell, 2005; Zellars et al., 2002). The results highlight that mistreatment from a supervisor may prompt employees to reciprocate with abusive actions. Such mistreatment can increase subordinates' frustration, ultimately resulting in unethical behaviours. The study underscores the urgent need for organizations to address and rectify abusive leadership practices as a measure to curb unethical conduct.

Moreover, abusive superiors hurt the ethical climate within an organization. This result also aligns with prior studies (Tepper, 2000; Kish-Gephart et al., 2010). Although previous studies (Yang et al., 2023; Kuenzi et al., 2020; Mayer et al., 2010) have examined the relationship between ethical climate and ethical leadership, our study extends the literature by revealing that abusive managers also affect employees' perceptions about organizational climate. Abusive supervision erodes employees' trust, fairness, and moral conduct, ultimately causing a compromising ethical framework. Abusive supervision disrupts the creation of a positive and ethical work environment, directly impacting employee perceptions of organizational ethics. The results highlight the need for interventions and leadership development programs aimed at curtailing abusive behaviours in leaders. These programs should promote ethical leadership qualities and cultivate leaders who exemplify ethical behaviours as role models within the organization.

The research also verifies the negative relationship between ethical climate and unethical behaviours. Our findings are consistent with previous studies (Mayer et al., 2009; Peterson, 2002). Organizations with a strong ethical climate can substantially reduce unethical employee behaviours. Thus, organizations should prioritize cultivating an ethical work environment to reduce unethical behaviours.

Furthermore, the study reveals that ethical climate plays a mediating role in the relationship between abusive supervision and unethical behaviours. Our results are similar to the results in the literature stating that ethical climate mediates the relationship between ethical leadership and ethical behaviours (Al Halbusi et al., 2021; Kuenzi et al., 2020; Aryati et al., 2018; Elçi et al., 2013). Unlike these studies, our research enriches the literature by addressing abusive supervision, a negative type of leadership, instead of ethical leadership, a widely studied positive type of leadership. It underscores the practical significance of fostering and upholding an ethical climate to counteract abusive leadership's possible ethical implications.

This research expands on the existing theoretical comprehension of abusive supervision, ethical climate, and unethical conduct. It uses well-established theories such as social exchange theory (Blau, 1964), social information processing theory (Salancik and Pfeffer, 1978), and social cognitive theory (Bandura, 1986) in elucidating the influence of leaders and ethical climate on employees' unethical behaviours. The findings offer a comprehensive model that helps us better understand the intricate relationships between these constructs within IT organizations.

### Practical implications

Addressing the issue of abusive supervision is crucial to organizations. Organizations should consider implementing leadership development programs emphasising ethical leadership behaviours and providing tools to prevent and respond to abusive supervision. Training programs for leaders can serve as a means to create more ethical leaders and reduce the likelihood of unethical behaviours within the workforce.

On the one hand, the IT sector is ahead of other sectors because it affects people's social lives, the business models of other sectors, and the efficiency of companies (Gök and Yasin, 2016). The biggest capital of companies in such a sector is human resources. The turnover of an experienced and knowledgeable employee can cause serious damage to IT companies. Satisfied employees are needed to gain a sustainable strategic advantage over competitors. Having satisfied employees is possible by reducing supervisors' abusive behaviours and ensuring a positive ethical climate.

Promoting a positive ethical climate within organizations is essential. Clear communication of ethical expectations, policies, and codes is fundamental. Leaders should actively engage in open discussions about ethical values and behaviours, while accountability measures should be in place to uphold ethical conduct.

### **Limitations and future research**

Although the study provides valuable insights, it also has limitations that should be acknowledged. The data for this study was collected from the IT industry in Turkey. As a result, the study's regional scope may limit the applicability of its results to varying industries and cultural contexts. It is recommended that future research be conducted in different industries. Additionally, since the study was conducted in a single geographical region, the results of the study cannot be generalized. Therefore, future studies should include companies of different sizes, sectors, regions and countries to allow generalizations on this subject. Although this study measured organizational performance through employees' perceptions, different studies can be conducted in which employers can also be included.

Future research can explore additional variables, potential moderators, and mediators in the relationships in this study. The impact of other leadership types on unethical behaviours can be investigated. Also, how organizational culture affects this relationship can be added to future research.

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### **Author Contributions:**

Idea/Concept/Design: **Y.N., M.E.** Data Collection and/or Processing: **Y.N.** Analysis and/or Interpretation: **Y.N., G.M.E., M.E.** Literature Review: **Y.N., G.M.E.** Writing the Article: **Y.N.** Critical Review: **Y.N., M.E., G.M.E.** Approval: **Y.N., M.E., G.M.E.**

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