

Employees' intention to blow the whistle: The role of fairness and moral identity

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Abstract

In this study we focused on key concepts – moral identity and fairness – in order to explain whistleblowing intention. We examined the relationship between intention to blow the whistle and moral identity, and explored the moderating effect of perceived supervisor procedural fairness in this relationship. Our results showed that employees (N = 278) with a strong moral identity were more likely to blow the whistle on wrongdoing of which they had become aware of, and employees who were low in moral identity were less likely to blow the whistle. Furthermore, we found that the impact of moral identity on the intention to blow the whistle is increased by high procedural fairness, and that low procedural fairness leaves this relationship insignificant. These findings represent new insights into the study of whistleblowing.

Keywords: intention to whistleblow, moral identity, organizational justice

Resumé

Dans cette étude, nous nous sommes concentrés sur des concepts que nous croyons importants afin d'expliquer les intentions de dénonciations, soit ceux d'identité morale et d'équité. Nous avons examiné la relation entre les intentions de dénonciations et l'identité morale, ainsi que l'effet modérateur de la perception d'équité procédurale du supérieur immédiat dans cette relation. Nos résultats ont montré que les employés (N = 278) avec un score élevé d'identité morale étaient plus susceptibles de dénoncer les actes répréhensibles dont ils avaient pris connaissance, et que les employés qui avaient un score faible d'identité morale étaient moins susceptibles de dénoncer ces mêmes actes. En outre, nous avons constaté que l'impact de l'identité morale sur l'intention de dénoncer est augmenté par une forte perception d'équité procédurale; une faible perception d'équité procédurale rend toutefois cette relation non significative. Ces résultats jettent un éclairage nouveau sur l'étude de la dénonciation et ouvre la voie à des perspectives novatrices sur l'étude de ce phénomène.

Mots clés: intention de dénonciation, identité morale, justice organisationnelle

Rezumat

În acest studiu ne-am concentrat pe concepte cheie - identitate morală și corectitudine - cu scopul de a explica intenția de a denunța neregulile din organizație. Am examinat relația dintre intenția de a denunța neregulile din organizație și identitatea morală, precum și efectul de moderare al percepției corectitudinii procedurale a sefului direct în această relație. Rezultatele noastre au arătat că în cazul angajaților (N = 278) cu un nivel înalt de identitate morală se întâlnește o probabilitate mai mare de a raporta din proprie inițiativă neregulile pe care le-au identificat, în timp ce acest lucru este mai puțin probabil în cazul angajaților cu un nivel scăzut de identitate morală. În plus, am constatat că impactul identității morale asupra intenției de a denunța neregulile este amplificat de un grad ridicat de corectitudine procedurală, în timp ce un grad redus nu influențează semnificativ relația. Aceste constatări aduc perspective noi în studiul intenției de a denunța neregulile din organizație.

Cuvinte cheie: intenția de a denunța neregulile; identitate morală, corectitudine organizațională

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Introduction

Dishonest practices within organizations exist in every form and every field, covertly or even publicly in the arrogance of power. According to the Association of Certified Fraud Examiners (ACFE, 2012), the typical organization loses five percent of its revenues every year due to frauds committed within organizations, leading to more than \$3.5 trillion of global fraud loss. This statistic clearly shows that organizations should put more effort into monitoring unethical practices within the organization in order to prevent such enormous losses. One way to do this is to encourage employees to reveal their suspicions before they become a serious issue leading to unpleasant consequences for the organization. Reporting unethical behavior – generally known as ‘whistleblowing’ - is important to avoid organizational wrongdoing.

The phenomenon of whistleblowing has been defined in different ways. A quarter of a century ago, Near and Miceli (1985) defined whistleblowing as a “disclosure by organization 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” (p. 4). It was also described as an act of dissidence (Elliston, 1982), a type of prosocial behavior (Brief & Motowidlo, 1986; Dozier & Miceli, 1985), a result of a process (Somers & Casal, 1994), a type of informing (Jubb, 1999), but generally, it was perceived as a process including several steps rather than an event (Dozier & Miceli, 1985; Jubb, 1999; Near & Miceli, 1985; Somers & Casal, 1994). Sexty (2011) defined whistleblowing as “an act of voluntary disclosure of inappropriate behavior or decisions to persons in positions of authority in the organization” (p.126).

Several separate studies proved whistleblowing to be the most effective way of detecting dishonest practices in organizations (ACFE, 2012; Brown, Mazurski, & Olsen, 2008; PricewaterhouseCoopers, 2011). However, there still is a high percentage of cases where employees who observed misconducts, opt not to blow the whistle but to stand idly by or ignore them instead (Ethics Resource Center, 2012; Wortley, Cassematis, & Donkin, 2008).

This study focuses on antecedents of employees' intentions to blow the whistle.

Imagine a potential situation for whistleblowing: you unexpectedly disclose the data fudging of your colleague, and you feel that you should go and report it to the boss or management. Would you be likely to blow the whistle? You may deem it a moral duty or a display of loyalty towards your supervisor to blow the whistle (Beauchamp & Bowied, 1988). However, this is not always the case. The personal sense of moral duty or loyalty should be incorporated in the employee's identity. The theory of identity-based motivation (Blasi, 1984; Oyserman, 2007) suggests that personal identities have an influence on judgment, decision-making and behavior of an individual. Therefore, we believe that besides variables such as loyalty (Corvino, 2002; Lewis, 2011; Varelius, 2009), altruism (Arnold & Ponemon, 1991; Vinten, 2000) or offered reward (Carson, Verdu, & Wokutch, 2007; Miceli & Near, 1985; Paul & Townsend, 1996), it is moral identity that plays an important role with respect to whistleblowing intention, since it can predict many types of morally relevant behavior (Aquino & Reed, 2002). The relationship between moral identity and intention to blow the whistle, however, has only received limited attention in the literature (Vadera, Aguilera, & Caza, 2009).

Another aspect that is considered in this study is fairness. Cropanzano and Greenberg (1997) and Tyler (1988) pointed out the relevance of the concept of organizational fairness and showed that it is of decisive importance to employees that procedures that are followed when making organizational decisions are fair. Recent studies also showed a positive relationship between organizational fairness and whistleblowing (Goldman, 2001; Rothschild & Miethe, 1999; Seifert, 2006; Seifert, Sweeney, Joireman, & Thornton, 2010). In this study, we focus on perceived supervisor procedural fairness as procedures are often enacted by the supervisor. As such, this variable has been found to influence a range of employee attitudes and behaviors at the workplace (Cohen-Charash & Spector, 2001; Colquitt et al., 2001). We aim to find an answer to the question on how moral identity and procedural fairness affect employees' intention to blow the whistle. Specifically, we suggest that moral identity is related to intention to blow the whistle but that this relationship is moderated by perceptions of supervisor procedural justice.

Intention to Blow the Whistle and Moral Identity

Employees are in a unique position to influence the occurrence of dishonest practices within organizations by blowing the whistle. In order to understand the complexity of whistleblowing, we distinguish between internal and external whistleblowing (Donkin, Smith, & Brown, 2008; Jubb, 1999; Dworkin & Baucus, 1998). The former reflects a situation in which the employee discovers or learns about inappropriate behavior of someone from within the organization and discloses that fact within the organization. The latter occurs when an employee becomes aware of information about the activities of the organization regarded as morally wrong, and decides to disclose it outside the organization by, for example, going public, informing the government or the mass media. Researchers argued that internal whistleblowing occurred more frequently than external whistleblowing (Brown, Latimer, McMillan, & Wheeler, 2008).

With respect to employees who blow the whistle, a difference can be made between role and non-role reporters. Role reporters are employees whose job or organizational role anticipates reporting misconducts. Examples are internal auditors who disclose and formally report a questionable activity in accordance with standard procedures to the boss or top management, or supervisors who detect a wrongdoing made by an employee and formally pass it on to their own superior. Non-role reporters are those employees who report unethical practices without being obliged to do so. These employees are somehow motivated to blow the whistle and are regarded as actual whistleblowers (Brown, et al., 2008). In this study, we are only interested in internal whistleblowing by non-role reporters since it has been shown that this group of employees is in the best position to reduce the occurrence of unethical behaviors (Miceli & Near, 2005). Specifically, a study of ACFE (2006) showed that 'tips' from employees was the most common mean to detect fraud within organizations.

There are various organizational, personal and situational variables affecting individuals' intention to blow the whistle. Three categories of antecedents of intentions to blow the whistle have been defined (King, 1999; Miceli & Near,

1988; Near & Miceli, 1985): organizational structure (e.g., power relations between the organization and employees who report the wrongdoing), personal characteristics of a whistleblower (e.g., motivation, the employee's level of moral development), and the situational context (e.g., circumstances that surround the questionable activity). In their review article, Vadera et al. (2009) further classified all known variables into two groups, namely individual and situational antecedents of whistleblowing. They argued that besides individual variables such as age, gender, education, job satisfaction, or tenure, an identity focus might help to explicate the inconsistent findings within whistleblowing studies.

According to the theory of identity-based motivation (McFerran, Aquino, & Duffy, 2010), "the more central a particular identity is to the person, the more likely this identity is to influence thoughts, emotions and behavior" (p. 40). An identity is a self-definition or a self-conception (Erikson, 1964). The focus in this study is on a person's moral identity that, similarly to other identities, may be related to certain views, attitudes and behaviors (Shih, Pittinsky, & Ambady, 1999). Moral identity has been specified as a type of self-regulatory mechanism motivating action that is moral (Blasi, 1980; Damon & Hart, 1992; Erikson, 1964; Hart, Atkins, & Ford, 1998). Based on these studies, Aquino and Reed (2002) developed the measure of moral identity, measuring nine properties associated with moral behavior (i.e., fair, honest, hardworking, kind, caring, generous, compassionate, friendly and helpful). According to this measure, a person is high on moral identity when centering his/her identity on moral virtues such as fairness, honesty, kindness, etc. Therefore, the notion of moral identity was redefined as a self-conception organized around a set of moral virtues (Aquino & Reed, 2002). Hardy (2006) empirically supported the idea that the centrality of moral virtues to a person's identity is a relevant source of motivation of moral behavior, as well as the fact that moral identity offers unrivalled information about moral functioning. It has been shown that moral identity is a predictor of different forms of moral behaviors such as volunteering, food donation, not lying to a job candidate during a salary negotiation, contribution to a public good or willingness to minimize harm (Aquino & Reed, 2002; Aquino,

Freeman, Reed, Lim, & Feips, 2009; Pratt, Hunsberger, Pancer, & Alisat, 2003; Reed & Aquino, 2003; Reynolds & Ceranic, 2007).

The term moral or ethical behavior can relate to many kinds of behaviors. Reynolds and Ceranic (2007) defined moral behavior as „behavior that is subject to (or judged according to) generally accepted moral norms of behavior“ and thus “occurs within the context of larger social prescriptions” (p. 1610). They further clarified that this broad definition explains behaviors that are opposite to moral norms and are normally considered to be immoral (e.g., when somebody lies, cheats or steals), as well as behaviors that touch or outreach some minimal moral standards and are typically deemed ethical (e.g., when somebody obeys the law or blows the whistle). A four-step model has been developed to enhance the understanding of the decision-making process leading to moral behavior (Rest, 1986). The first step is moral recognition: the awareness of the existence of an ethical problem, which requires people to recognize how behavior affects other people, identify possible courses of actions, and determine the consequences of each course of action. The second step is moral judgment in choosing among the action courses that were identified in the first step, that is the ability to base the decision on a moral ideal. The third step is moral intention: forming an intent to act morally. The last step is moral behavior: engaging in moral action (Rajeev, 2011). Zhang and colleagues (Zhang, Chiu, & Wei, 2008) applied this four-step model in the whistleblowing context and outlined a conceptual framework of the whistleblowing decision-making process consisting of the same four steps: recognition that wrongdoing is happening and that somebody's interests are being hurt, judgment that whistleblowing is the ideal moral option, formulating the intention to blow the whistle by means of balancing different values, and finally, implementation of the moral option into behavior – blowing or not blowing the whistle. We believe that employees with different levels of moral identity might have different views on what is ethical or not. Provided that employee's moral identity motivates moral behavior, which includes whistleblowing behavior, we believe that moral identity influences employees' intention to blow the whistle.

This line of research proposes that moral identity is likely to influence employees'

intention to blow the whistle, hence employees high in moral identity will be more likely to blow the whistle and employees low in moral identity will be less likely to blow the whistle. As such, we formulated hypothesis 1:

Hypothesis 1: Moral identity is positively related to the intention to blow the whistle.

The Role of Supervisor Procedural Fairness

When thinking of fairness, we generally refer to the idea that something is morally right. Already in 1979, it was claimed that “fairness is a moral standard which applies to relations within the organization” (Weinstein, 1979, p. 30). In his study on fairness, Mikula (1986) affirmed that most unfair events occur at the workplace. While unfair treatment induces tensions, marginality, negative work attitudes or disrespect, fair treatment induces respect and reciprocity in the form of pro-organizational behavior and stronger loyalty (Beugré, 1998; Parzefall, 2007; Tekleab, Takeuchi, & Taylor, 2005).

Organizational fairness or an employee's perception of and response to fairness at the workplace has been an important research topic in the study of organizational behavior (Cohen-Charash & Spector, 2001; Colquitt, Conlon, Wesson, Porter, & Ng, 2001; Nowakowski & Conlon, 2005). The notion of organizational fairness has also captured the attention of researchers dealing with whistleblowing (Bruns, Jackson, & Zhang, 2012; Goldman, 2001; Near & Miceli, 1985; Rothschild & Miethe, 1999; Seifert, 2006; Seifert et al., 2010) and was categorized as a situational antecedent of whistleblowing (Vadera et al., 2009). It has been argued that fairness perceptions play an important role since they are negatively related to external whistleblowing (Goldman, 2001), and they increase the internal whistleblowing intention (Seifert, 2006).

Two general types of organizational fairness have been defined: distributive and procedural. Distributive fairness reflects the fairness in decision outcomes, e.g., the distribution of rewards in accordance with the effort invested, in comparison with others within the organization. Procedural fairness considers the perceived fairness of the processes by which outcomes are achieved (Adams, 1965; Leventhal, 1980). Thibaut and Walker (1975) pointed out that

employees evaluate procedures as fair when having a chance to voice their opinions and being treated with respect and dignity. Later findings showed that resource distribution was not always as critical to employees as the process of its allocation, since employees were more willing to accept negative outcomes when they perceived the procedures leading to these outcomes as fair (Lind & Tyler, 1988; Tyler, 1988). This argument was confirmed especially when a crisis was expected and the organization was striving to avoid negative outcomes such as organizational downsizing or reorganization (Brockner, 2006; Kernon & Hanges, 2002). Moreover, the authors of the fairness heuristic theory (van den Bos, Lind, Vermunt, & Wilke, 1997) argued that employees are usually not informed about the outcomes received by colleagues (e.g., employees are usually not informed about pay levels of colleagues) and therefore evaluate the fairness of outcomes through procedural fairness.

Procedures within an organization are often enacted by the supervisor. Recent meta-analyses showed the important influence of supervisor procedural fairness on various employee attitudes and behaviors at the workplace (Cohen-Charash & Spector, 2001; Colquitt et al., 2001). Several studies showed that if a supervisor treats the employee in a procedurally fair manner, the employee considers the employer to be trustworthy (Konovsky, 2000; van den Bos, Wilke, Henk, & Lind, 1998). Other studies showed that fair procedural treatment was positively associated with employees' satisfaction, their commitment to the organization (Cobb & Frey, 1996; Korsgaard, Schweiger & Sapienza, 1995) and engagement

in helpful behavior (Naumann & Bennett, 2000), and negatively associated with job insecurity (Loi, Lam, Chan, 2012). With regard to whistleblowing, it has been empirically supported that perceived procedural fairness was positively associated with the intention to blow the whistle (Victor et al., 1993).

Aquino and colleagues (2007), however, showed that not all employees react equally strong to a (un)fair treatment and that specifically employees who are high on moral identity are more sensitive to a fair treatment, and therefore are more likely to adapt their workplace behavior accordingly. Especially when a person high on moral identity is treated unfairly, s/he will be motivated to behave less morally because of a need to restore a sense of balance (Folger, 2001; Skarlicky & Folger, 1997). Accordingly, we argue that employees act in accordance with their moral identity, especially when treated fairly by their supervisor. We assume that when they feel respected by their supervisor and they reveal someone's wrongdoing, they are more likely to follow their own moral identity and blow the whistle. On the contrary, if their supervisor does not treat them in a fair manner, they are less likely to follow their own moral identity and to report the wrongdoing (see Figure 1 for a conceptual model of the proposed relationships). Hence, we formulated the second hypothesis:

Hypothesis 2: Perceived supervisor procedural fairness moderates the relationship between moral identity and intention to blow the whistle, in the sense that the relationship will be stronger for employees with high perceived procedural fairness and weaker for those with low perceived procedural fairness.

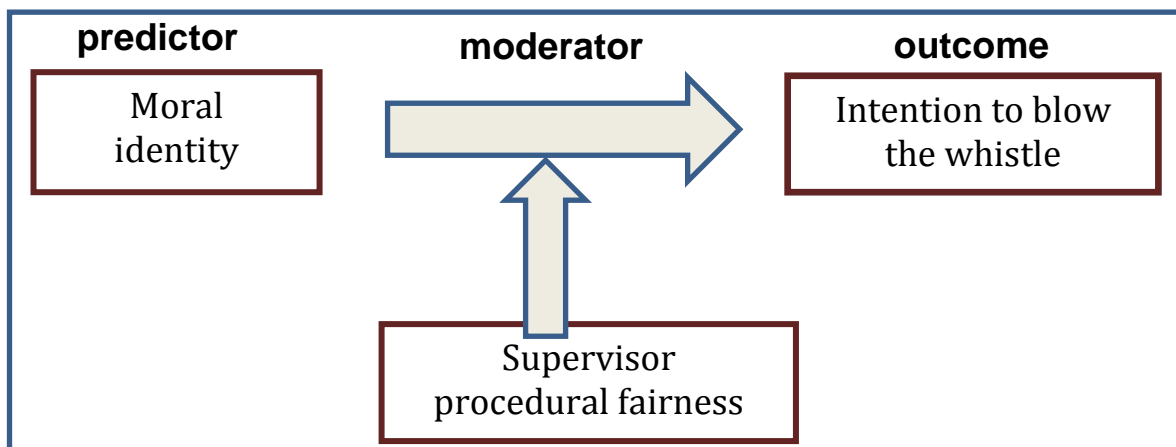


Figure 1: Conceptual framework of the moderating effect in the relationship between moral identity and intention to blow the whistle.

The Role of Supervisor Procedural Fairness

Dutch researchers (Schaufeli and Bakker, 2003) have generally agreed that workaholism can be either “good” or “bad”. Thus, in order to obtain a conceptual clarification, it has been suggested to replace the concept of “good” workaholism with that of engagement and the concept of “bad” workaholism with that of workaholism (Schaufeli and Bakker, 2003). Employees engaged in their activity work more intensely, are happy and absorbed in their tasks, and may seem a lot similar to the workaholics. However, in contrast to the latter, employees engaged in their activity work hard because they like it, or due to external factors such as financial rewards, career perspectives etc., and not because they are driven by an inner impulse they cannot resist (Bakker, Schaufeli, Leiter, and Taris, 2008).

Gorgievski and Bakker (2010) consider that both work engagement and workaholism refer to being passionate about work, the major difference between the two residing in the motivation that drives each of them. Thus, on one hand, there is the “harmonious passion”, when an individual is in control of the activities, and feels rewarded by his/her work. On the other hand, there is the “obsessive passion”, when an individual is controlled by his/her work and only thinks about avoiding guilt, frustration, and other negative emotions (Vallerand, 2008).

Method

Participants and Procedure

An anonymous online questionnaire was administered to employees in organizations in the Slovak Republic between March and August 2012. Since all the items were initially formulated in English, we used the translation back-translation method (Brislin, 1968) to translate them into Slovak. The survey was distributed to employees who were asked to spread it further in their organization through various methods (e.g., word-of-mouth, social and media networks such as Facebook, e-mails, Network Slovakia). Data collection was part of a larger survey on work-related behavior and feelings. Participants were asked to fill in the questionnaire, consisting of several parts measuring supervisor procedural fairness, intentions to blow the whistle and moral identity, as well as biographical questions. The sample

comprised 278 employees of various occupations and organizations in the private (47 %) and public (53 %) sector.

The majority of employees were white-collar workers (77 %), while 71 % had a university degree. 67 % of the participants were female and 33 % were male, and their average age was 31.43 ($SD = 10.04$). Participants employed in their company for five years or less made up 67 % of the sample, 33 % worked for the company more than five years.

Measures

Intention to blow the whistle. Intention to blow the whistle was measured by using a scenario developed by Zhang et al. (2008), in which an employee observes a colleague's wrongdoing and reports it, i.e. blows the whistle. Four items were formulated, answered on a 7-point Likert-type scale ranging from 1 (= *strongly disagree*) to 7 (= *strongly agree*). After a careful reading of the scenario, participants were asked to respond to the questions with respect to reflection of their beliefs about the whistleblowing action of the employee (i.e., whether it was wise and sensible what the employee did), and behavioral intention (i.e., whether they would advise him to do so, and whether they would act in the same way if they were in the same situation). The reason for asking them to imagine the behavioral intention of their peers was to avoid any social desirability response bias that could occur (Watkins & Cheung, 1995). Cronbach's alpha for this scale was .94.

Supervisor procedural fairness.

Supervisor procedural fairness was measured with a seven-item scale adapted from Colquitt (2001). Items referred to the procedures that the supervisor used to base important decisions on. Participants indicated on a five-point Likert-type scale (1 = *not at all*, 5 = *completely*) their level of agreement on particular procedural fairness items. A sample item is „To what extent were you able to express your views and feelings during these procedures?“. Cronbach's alpha for this scale was .84.

Moral identity. In order to measure moral identity, participants were provided with a list of nine traits defining a moral person (Aquino & Reed, 2002), and asked to take some time to picture such person in their mind. Adapted ten scale items with the answers given on a 7-point Likert-type scale (1 = *strongly disagree*,

7 = *strongly agree*) were presented to the participants, who indicated for each of the items the extent to which it applied to them. A sample item is „It would make me feel good to be a person who has these characteristics“. Cronbach's alpha for this scale was .79.

Control variables. Since it has been suggested that the intention to blow the whistle may be influenced by gender (Mesmer-Magnus & Viswesvaran, 2005; Miceli & Near, 1984;

Seifert, 2006; Wortley et al., 2008), the sector employees work for (i.e., public versus private sector, see Rothschild & Miethe, 1999) and whether they work as blue-collars or white-collars (Masser & Brown, 1996), we controlled for gender (0 = *male*, 1 = *female*), the sector the employee worked for (0 = *public*, 1 = *private*), and occupational status (0 = *blue-collar worker*, 1 = *white-collar worker*).

Analysis

Data gathered from respondents were analyzed with SPSS. We tested our hypotheses with moderated hierarchical regression analysis. The control variables were entered in the first step, followed by moral identity and supervisor procedural fairness in the second step and the interaction term between moral identity and procedural justice in the third step. Variables were standardized before creating the interaction term (Aiken & West, 1991).

Results

Table 1 shows the descriptive statistics and the intercorrelations between the variables used in this study.

Table 1. Descriptive statistics and intercorrelations between the variables in this study

	<i>M</i>	<i>SD</i>	2	3	4	5	6
1. Gender	1.33	.47	-.10	.01	-.16**	.03	-.05
2. Sector	1.53	.50		.13*	-.11	-.06	.03
3. Occupational status	1.77	.42			.11	.15*	-.07
4. Moral identity	4.79	.84				.07	.11+
5. Supervisor procedural justice	3.37	.69					-.01
6. Intention to blow the whistle	5.29	1.46					

+: $p < .06$; *: $p < .05$; **: $p < .01$

The results of the regression analysis are reported in Table 2. Hypothesis 1 stated that intention to blow the whistle was positively related to moral identity. This hypothesis was supported by the data. We found a significant

positive relationship between these two variables, although the amount of variance explained in the dependent variable by moral identity was not significant.

Table 2. Results of the moderated hierarchical regression analysis for intention to blow the whistle.

Predictors	Step 1	Step 2	Step 3
Gender	-.05	-.02	-.02
Sector	.03	.05	.05
Occupational status	-.08	-.09	-.09
Moral identity (MI)		.13*	.11
Supervisor procedural fairness (SPF)		-.01	-.00
MI x SPF			.12*
R ²	.01	.02	.04
R ² adjusted	-.00	.01	.02
R ² change	.01	.01	.02
F change	.80	2.04	4.01*
Df 1	3	2	1
Df 2	274	272	271

Note. All entries are standardized regression coefficients. *: $p < .05$.

In line with the second hypothesis suggesting that perceived supervisor procedural fairness had a moderating effect on the relationship between intention to blow the whistle and moral identity, a significant interaction was found between procedural fairness and moral identity on the intention to blow the whistle. Subsequent simple slopes analyses (Aiken & West, 1991) supported this

hypothesis (see Figure 2) and showed that when procedural fairness was high, moral identity was significantly positively related to intention to blow the whistle, $\beta = .22, t = 2.84, p < .01$. However, when perceived procedural fairness was low, this relationship was clearly weaker and insignificant, $\beta = .01, t = .06, p = .95$. None of the control variables had a significant relationship with the dependent variable.

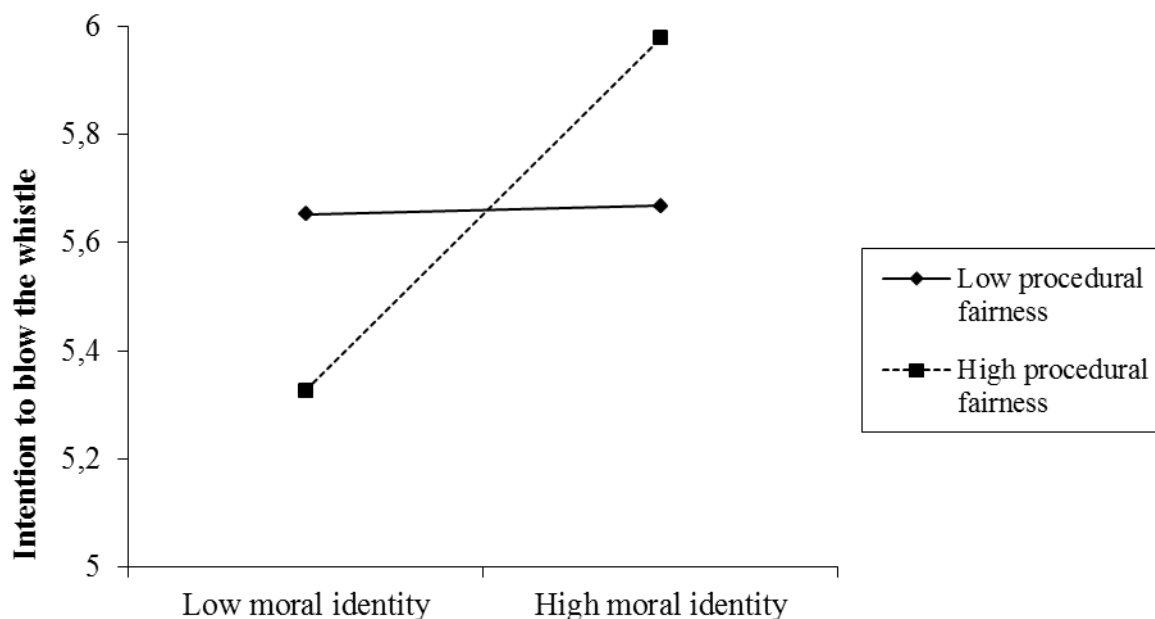


Figure 2: The relationship between moral identity and intention to blow the whistle as a function of procedural fairness.

Discussion

Main Findings and Theoretical Implications

The purpose of this study was to investigate the role of moral identity and perceptions of fairness in relation to whistleblowing intention. We examined the relationship between moral identity and intention to blow the whistle and the moderating effect of supervisor procedural fairness on this relationship. Our objective was to find out whether employees who were high on moral identity were more likely to blow the whistle, and whether the opposite was true for employees who were low on moral identity. We also considered supervisor procedural fairness as a moderator that could make this relationship stronger or weaker.

The results showed that employees'

intention to blow the whistle was positively related to their moral identity in the sense that the likelihood of engagement in whistleblowing was higher for those who were high on moral identity while those who were low on moral identity were less likely to engage in whistleblowing. This relationship, however, needs to be interpreted with caution as the model for main effects was not significant. Furthermore, the data showed that this relationship was qualified by an interaction between moral identity and supervisor procedural fairness on intention to blow the whistle. Specifically, it was found that high procedural fairness strengthened the relationship between moral identity and intention to blow the whistle in the sense that employees acted in accordance with their moral identity, only if they were treated fairly by their supervisor. Hence, employees who believed to be treated unfairly

did not follow their own moral identity and were less likely to blow the whistle. These findings point out that supervisor procedural fairness can play a role in influencing employees to follow or not to follow their moral identity and to protect the welfare of the company.

These findings are in line with prior studies on moral or ethical behavior (Aquino & Reed, 2002; Aquino et al., 2009; Pratt et al., 2003; Reed & Aquino, 2003; Reynolds & Ceranic, 2007) that demonstrated that moral behavior is affected by moral identity. An important contribution of this study to the literature on whistleblowing is that these findings provide empirical support for the conceptual notion given by Vadera and colleagues (2009) that the moral identity perspective might help to understand the whistleblowing process and explain whistleblowing behavior. We showed that moral identity, in combination with fairness, plays an important role with respect to whistleblowing intention. As such, it may be considered an individual-level variable influencing the intention to blow the whistle.

We also enriched the whistleblowing literature by showing that supervisor procedural fairness affected the relationship between moral identity and whistleblowing intention. This study supported the moderating role of supervisor procedural fairness on the whistleblowing decision-making process, and adds to the studies of organizational fairness examining the moderating role of this type of fairness on various relationships (Brockner & Wiesenfeld, 1996; Greenberg, 2004; Konovsky, 2000; Skarlicki & Folger, 1997).

Study Limitations and Suggestions for Future Research

The first limitation of this study is the cross-sectional design that was used, which makes it difficult to detect causal or reversed relationships. However, our theorizing and emerging hypotheses have followed as closely as possible the existing literature, which increases our confidence that the results accurately reflect how our constructs relate to each other. Further studies in the field of whistleblowing could benefit from using a longitudinal design, following changes over the course of time.

Second, the sample for this study consisted of Slovak employees. This might have influenced our results because Vogel (1992)

argued that whistleblowing is particularly affected by cultural context, as perceptions of what is right, wrong, fair, moral and loyal may vary in different countries.

The third limitation is that we measured the intention to blow the whistle, not the actual behavior. We chose to measure whistleblowing in this way in order to minimize social desirable responding. Based on the theory of planned behavior (Ajzen, 1991), we considered whistleblowing intention to be a good predictor of a whistleblowing action and hence a proper variable for our research. According to this theory, actual behavior can be well predicted by behavioral intentions. Behavioral intention was described as a probability that a person assigns to the likelihood that a certain behavioral option will be selected (Ajzen & Fishbein, 1972; Hunt & Vitell, 1986). Accordingly, intention to blow the whistle (i.e., the dependent variable of this research) is understood as "the individual's probability of actually engaging in whistleblowing behaviour" (Chiu, 2002, p. 582). Later empirical research proved Ajzen's theory to be also valid for explaining the intention to blow the whistle (Park & Blenkinsopp, 2009). Many studies on whistleblowing (Barnett, Bass, & Brown, 1996; Chiu, 2003; Keil, Tiwana, Sainsbury, & Sneha, 2010; Taylor & Curtis, 2010; Victor, Trevino, & Shapiro, 1993; Zhang et al., 2008) studied the intention to blow the whistle because it is practically very difficult to conduct a study on unethical behavior through observation inside the organization.

The fact that we studied intention and not behavior might also explain the relatively weak relationship that was found between moral identity and intention to blow the whistle. According to Vadera et al. (2009), moral identity may serve as a proximal variable to actual whistle-blowing but as a distal variable to intentions to whistleblowing. This suggests that the relationship between moral identity and actual whistleblowing might be stronger than the relationships observed in this study.

Also the interaction effect between moral identity and procedural justice on whistleblowing intentions was relatively small in size. However, interactions are often small in size and therefore are hard to detect in field studies due to methodological and statistical reasons (Aguinis, Beaty, Boik, & Pierce, 2005; McClelland & Judd, 1993). Hence, since interaction effects are suppressed in these

designs, it is important to consider interaction effects with such small effect sizes (Evans, 1985).

Finally, we measured moral identity in this study as an individual difference variable, suggesting that it has a constant and predictable relationship to whistle-blowing. Vadera et al. (2009) argued for a more dynamic approach that takes into account how moral identity is formed and exerts its influence as a function of environmental pressures or societal roles that the individual is in at a certain moment in time. Future research could benefit from taking into account how other identities (i.e., colleague, employer, etc.) interact with a salient moral identity in making the decision to blow the whistle or not.

Practical Implications

The results of study have implications for building and implementing effective whistleblowing mechanisms for internal control within organizations, as well as for updating whistleblowing policies to protect employees that decided to blow the whistle on frauds or wrongdoings occurring within the organization. Our findings could help supervisor and managers of organizations to understand the importance of fair procedural treatment of employees. The concept of procedural fairness is important to a successful organization. Our finding is based on the employee's perspective on the process, and we maintain that it is the behavior of the supervisor (and the working conditions he is creating), in combination with the employee's moral identity, that relates to whether or not employees will be likely to blow the whistle. This insight is important for organizations to eliminate illegal and unethical practices.

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