

Condoning Corrupt Behavior at Work: What Roles Do Machiavellianism, On-the-Job Experience, and Neutralization Play?

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Abstract

Corruption continues to be a considerable challenge for internationally active companies. In this article, we examine personal and socioenvironmental antecedents of corrupt behavior in organizations. In particular, we aim to illuminate the links between Machiavellianism, on-the-job experience with corrupt behavior at work, neutralization, and the attitude of business professionals toward corruption. The empirical analysis is based on the responses of 169 professionals. At first, a positive relationship between both Machiavellianism and on-the-job experience and the acceptance of corruption appears in the model. However, an in-depth mediation analysis shows that neutralization is the keystone linking both Machiavellianism and on-the-job experience to the likelihood to condone corruption. Based on these results, we offer avenues for further research and implications for practitioners.

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Corruption has become an issue of increasing importance in the literatures on economics (e.g., Mo, 2001; Svensson, 2003) and organizational behavior (e.g., Dickel & Graeff, 2018; Joshi & McKendall, 2018; Schembera & Scherer, 2017; Weber & Getz, 2004; Yu et al., 2018). Transparency International (2019) notes that corruption continues to ravage societies around the world. In the literature, corruption has been defined in several ways, and it is frequently described as the abuse of entrusted power for undue (private) gain (Hauser & Hogenacker, 2014). While some consider corruption unethical across all cultures (e.g., Bardhan, 1997), others claim that corruption is an unethical act only according to a Western definition and that in certain circumstances, it might be associated with positive effects (Dreher & Gassebner, 2013). Despite these differences in the interpretation of corruption, its destructive consequences at economic, social, and political levels are widely acknowledged (Ashforth & Anand, 2003; Frei & Muethel, 2017). Consequently, significant research has been conducted to determine the causes of corruption at the country level. Such research has considered colonial history (Treisman, 2000), lack of competition (Ades & Di Tella, 1999), degree of economic freedom (Graeff & Mehlkop, 2003), weak institutions (Leite & Weidmann, 1999), and low wages (van Rijckeghem & Weder, 1997). In addition to research at the macro level, individual-level research has also revealed some important findings. Paldam (2001), for instance, argues that an individual's beliefs can influence his or her attitude toward corruption, and he demonstrates that religious affiliation can either increase or decrease one's attitude toward corruption. Investigating the role of gender in corruption, Swamy et al. (2001) find that women behave in a less corrupt manner than men do. Köbis et al. (2015) show that descriptive social norms have a strong impact on the corrupt behavior of individuals. Specifically, they find evidence that the subjective belief of an individual regarding the frequency of corruption in a given situation highly correlates with his or her own decision to engage in corruption.

Although the practical value of corruption research is apparent (Doh et al., 2003), organizational studies have paid relatively little attention to this subject (Frei & Muethel, 2017; Habib & Zurawicki, 2002). In particular, empirical research focusing on the psychological and socioenvironmental preconditions for corrupt behavior at work is still in its infancy (Köbis et al., 2015; Lamsdorf, 1999; Spain et al., 2014). Thus, organizational scholars need to more thoroughly scrutinize personality and situational factors as

antecedents of corruption in organizations (Tonoyan et al., 2010; Zyglidopoulos et al., 2017). In the present article, we intend to fill this gap in the research literature. In doing so, we aim to enhance our knowledge of the personal characteristics and situational factors that facilitate corruption at the individual level. That is, we investigate the contributions of personal and situational factors to individuals' attitudes toward corruption. Specifically, we focus on the links between Machiavellianism (Christie & Geis, 1970), on-the-job experience with corrupt behavior at work (Ashforth & Fried, 1988), neutralization (Ashforth & Anand, 2003), and the propensity of business professionals to accept corrupt behavior.

First, we draw on personality trait theory, which suggests that individuals who hold a Machiavellian view of life are self-serving, untrustworthy, and malevolent. Machiavellianism portrays interpersonal strategies as being driven by lack of reciprocity (Gunnthorsdottir et al., 2002), emotional blackmailing, and manipulation (Chen, 2010). Furthermore, the literature indicates that individuals with higher levels of Machiavellian traits (hereafter also referred to as Machiavellians) engage in unethical (Rayburn & Rayburn, 1996) and opportunistic behavior to maximize their profits in advantageous situations (Birkás et al., 2015; Sakalaki et al., 2007). Therefore, drawing on the literature on Machiavellianism, we assume that the strategy of Machiavellians ("the end justifies the means") combined with their aspirations to power and money makes these individuals more likely to condone corruption.

Second, we apply social learning theory, which states that both personal characteristics and the environment influence the behavior of an individual (Bandura, 1969). An individual is tempted to perform certain actions based on environmental norms and peer modeling, especially if such acts are reinforced with reward consequences (N. E. Miller & Dollard, 1941). In an organization, socialization and on-the-job experience compels employees to act automatically without constantly scrutinizing their actions (Ashforth & Fried, 1988; Beugré, 2010). Through on-the-job experience, business professionals take note of and internalize behavioral patterns, which they apply in future interactions in similar situations (Langer et al., 1978). Thus, once corrupt behavior penetrates an organization, it gradually becomes normalized through, for instance, the processes of habituation and desensitization (Ashforth & Anand, 2003; Ashforth & Kreiner, 2002). Therefore, we suggest that frequent on-the-job experiences with corrupt behavior at work make business professionals more accepting of corruption.

Third, we use neutralization theory, which suggests that to be able to engage in unethical or illegal activities, including corruption, individuals need to rationalize their involvement in such practices (Anand et al., 2005; de

Klerk, 2017). Otherwise, certain values, such as the moral obligation to obey the prevailing laws and regulations, would prohibit them from engaging in such activities (Sykes & Matza, 1957). Thus, individuals use neutralization techniques as a cognitive strategy to ease feelings of remorse and to disregard the guilt and social stigma associated with engaging in unethical or illegal practices (Hauser, 2019a). Moreover, individuals use neutralization techniques to highlight the “positive” intentions underlying their unethical or illegal actions (Rabl & Kühlmann, 2009).

Note that individuals with higher levels of Machiavellian traits are described as manipulative and callous (Christie & Geis, 1970; D. N. Jones & Paulhus, 2014). However, such individuals also try to maintain a positive social reputation (Berezkei & Czibor, 2014; Berezkei et al., 2010) and behave unethically primarily when it seems safe and when they can avoid detection (Gunthorsdottir et al., 2002). This aspect differentiates Machiavellians from psychopaths. The former act strategically, build alliances, and avoid manipulating family members. Until recently, however, research has often neglected this strategic-calculating orientation of Machiavellians (D. N. Jones & Paulhus, 2014). Building on this aspect of Machiavellianism, we argue that individuals with higher levels of Machiavellian traits are more inclined toward cognitive strategies justifying or valuing corrupt practices because such strategies apparently allow them to act with selfish intentions without damaging their positive social reputations. Furthermore, individuals do not spontaneously develop neutralization techniques in a given situation. Individuals become aware of and internalize such justifications by interacting with peers and then apply them when it seems opportune and useful to do so (Copes & Cardwell, 2014). Thus, we argue that through frequent on-the-job experience with corrupt practices, business professionals take note of and internalize neutralization techniques that they may use to justify or value corrupt behavior while maintaining their positive self-image and social reputation. Based on these considerations, we suggest that neutralization is the keystone linking both Machiavellianism and on-the-job experience to the likelihood of condoning corruption. The findings of our empirical analysis provide robust support for our theoretical predictions concerning the link between Machiavellianism, on-the-job experience, neutralization, and corruption.

The remainder of the article is organized as follows. The next section outlines the relevant literature and develops hypotheses grounded in the assumed links between Machiavellianism, on-the-job experience, neutralization, and the acceptance of corruption. The subsequent sections present the empirical study discussing the data, the variables, the methodology, and the results. The final section discusses the empirical findings and presents concluding remarks.

Literature Review and Hypotheses

Machiavellianism and the Acceptance of Corruption

Personality has been defined in a variety of ways in the literature. According to Allport (1961), personality is the inner-personal dynamic organization of physical and psychological systems that govern the specific patterns of thinking, feeling, and behaving in an individual. Extant research indicates that the personalities of adults are generally stable over time and across various social situations (Costa et al., 2019; Ferguson, 2010; Roberts & Caspi, 2001). Personality traits change only after specific major life events such as a severe trauma, which trigger, for example, changes in the brain (Brooks & McKinlay, 1983; Costa et al., 2019; Max et al., 2001). Thus, learning processes, such as on-the-job experiences, are not sufficient to fundamentally alter an individual's personality (Costa & McCrae, 1997; Dutton et al., 1994).

According to trait theory, personality affects human behavior. Personality traits therefore reveal the behaviors to which an individual is predisposed in various social situations (Tett & Burnett, 2003). Personality researchers have identified and made an effort to measure a variety of personality traits (Allport, 1961; McAdams & Pals, 2006). Machiavellianism is viewed as one of the three components of the so-called Dark Triad of personality (Jakobwitz & Egan, 2006), which comprises three interrelated personal characteristics: Machiavellianism, subclinical narcissism, and subclinical psychopathy (Paulhus & Williams, 2002; Smith et al., 2016). Although some scholars argue that the three factors somehow overlap, they are still distinct constructs (Furnham et al., 2013; D. N. Jones & Paulhus, 2011; O'Boyle et al., 2012). Thus, in this article, we detach the construct of Machiavellianism from the other two factors and separately explore its link to an individual's likelihood to condone corrupt behavior.

In his treatises *The Prince* and *Discourses on Livy*, Niccolò Machiavelli presents his view of people as untrustworthy, self-serving, and malevolent (Fehr et al., 1992). Based on Machiavelli's general views and recommendations, Wilson et al. (1996) define Machiavellianism as "a strategy of social conduct that involves manipulating others for personal gain, often against the other's self-interest" (p. 285). In general, Machiavellianism characterizes a person with ambiguous behavior in the social environment. The majority of relevant studies have revealed the twisted characteristics of Machiavellians. Christie and Geis (1970) find that Machiavellianism is associated with guile, deceit, and trickiness. Individuals with higher levels of Machiavellian traits are determined and calculating (W. H. Jones et al., 1979); they are materialistic and prestige-oriented (Effler, 1983) and have an acquisitive character (Sakalaki et al., 2007). Gunthorsdottir et al. (2002) demonstrate that in a trust-game

setting in which both participants could profit, Machiavellians overwhelmingly chose to defect with maximal benefits for themselves rather than reciprocate trust.

In the extant literature, specific attention is dedicated to the relationship between Machiavellianism and ethics (e.g., Mudrack & Mason, 2017). Harrell and Hartnagel (1976) state that Machiavellians conform less to conventional norms and exploit situations in which the risk of sanction is small. Further research on Machiavellianism confirms the link between Machiavellian traits and the tendency toward immoral practices and fraudulent behavior. Individuals with higher levels of Machiavellian traits are better liars (Geis & Moon, 1981), are more likely to cheat and steal (Cooper & Peterson, 1980; Fehr et al., 1992), are more likely to have a narrow view of corporate social responsibility (Mudrack, 2007), and are more likely to misreport if they have the opportunity to do so (Murphy, 2012). In an experimental laboratory study, Hegarty and Sims (1978) explored Machiavellians' unethical behavior while testing the possibility that they would pay kickbacks. In the role-play study, graduate students were supposed to choose to either pay kickbacks to the agents or undertake the risk for losing the profit. Apparently, students with higher levels of Machiavellian traits were less inclined to lose money and favored unethical business behavior in this scenario. The findings of this study are in line with Rayburn and Rayburn (1996), which shows that Machiavellians tend to be less ethically oriented than individuals with lower levels of Machiavellian traits.

Machiavellians also exhibit unethical and corrupt behavior in the workplace (O'Boyle et al., 2012). Machiavellianism is a personality trait and is thus unique to human beings (Kowalski, 2001), meaning that organizations and other such entities cannot themselves be considered Machiavellian. However, when individuals with higher levels of Machiavellian traits come together in a work environment, their Machiavellian behavior can be observed at the organizational level as a result of their conduct (Schneider, 1987; Shultz, 1993). The investigation of Machiavellians' attitude thus becomes especially important for business ethics research due to the strong tendency of Machiavellians to undermine their coworkers to achieve higher status and hierarchical positions in their organizations (Castille et al., 2017). Furthermore, literature suggests that there might be some selection effects (Allemand et al., 2013); for example, business professionals with higher levels of Machiavellian traits might tend to work in companies with looser standards and fewer controls on corruption (Gable et al., 1992). This suggestion is in line with the attraction–selection–attrition (ASA) theory, which states that individuals are attracted to organizations they identify with, they are selected because of the commonalities they share with those already at the

organization, and consequently they remain at the organization due to the close fit (Schneider, 1987; Schneider et al., 1995).

Machiavellians generally regard workplace behaviors of a dubious ethical nature to be acceptable (G. Nelson & Gilbertson, 1991). Further studies show that Machiavellians implement emotional blackmail to manipulate people to achieve their own goals (Chen, 2010), that they are less willing to share knowledge (Liu, 2008), that they bear low empathy toward others (Barnett & Thompson, 1985), and that they are less helpful (Wolfson, 1981). Finally, Bereczkei et al. (2013) suggest that Machiavellians may have cognitive heuristics that enable them to make predictions about future rewards in a fundamentally risky and unpredictable situation. Thus, the extant literature suggests that Machiavellianism is also likely to be correlated with the tendency to condone corruption. Hence, we propose the following hypothesis:

Hypothesis 1 (H1): Business professionals with higher levels of Machiavellian traits are more likely to accept corrupt practices than are those with low levels of Machiavellian traits.

On-the-Job Experience and the Acceptance of Corruption

In accordance with social learning theory, not only personality but also socio-environmental factors influence the behavior of an individual (Bandura, 1971). In line with Ashforth and Fried (1988), in everyday work life, professionals perform much of their work automatically or mindlessly based on routines learned through organizational socialization and on-the-job experience. According to Bandura (1969), four major principles drive this adapting process: cognitive processes, reciprocal determinism, vicarious learning, and differential reinforcement.

According to Bandura (2001), most external influences affect behavior through cognitive processes rather than affecting the behavior directly. Cognitive processes determine how information is stored, what meaning is attributed to it, and how it will be used in the future. Thus, cognitive processes influence individuals' judgment, decision making, and action.

In addition, Bandura (1978) defines reciprocal determinism as a basic driver of intrapersonal development, interpersonal transactions, and the interactive functioning of social systems. The author proposes that individuals are both designers and products of their social environment and argues that personality is formed by how an individual interprets and responds to specific situations in his or her environment. At the same time, personality creates the situations to which an individual responds. Thus,

although an individual is free to choose his or her behavior, environmental norms and conditions may direct his or her actions in advance. Simultaneously, the individual is shaping his or her environment because his or her actions are leaving an impact on it. Influencing and being influenced by the environment creates a reciprocal interaction process (Bandura, 1971). Transferring the concept of reciprocal determinism to the issue of corruption, an internationally active business professional might offer a bribe to a public official because he or she expects that this is the way business is conducted in the particular country. Subsequently, public officials in that country act only if they receive additional informal payments because they know that the business professional is willing to make such payments. Consequently, the business professional finds his or her assumption confirmed: one could not do business in that country without corruption and passes his or her experience on to his or her successor.

Furthermore, individuals adopt new behaviors through vicarious learning, that is, by observing others (Bandura, 1977) or through the experiences of others (Fox, 2003). Self-experience is not the only way individuals learn. In fact, observational experience represents an important part of learning (Groenendijk et al., 2013). In many cases, observers have an advantage over participants in learning. As Rosenbaum and Hewitt (1966) indicate, vicarious learning can be more efficient, especially when witnessing others committing and being punished for errors, including immoral or illegal actions. As described by Bandura (1965), behavioral patterns are largely acquired by observing social models. Witnessing the reinforcement patterns of a model is often highly influential on the extent to which similar patterns of social behavior will later be exhibited by observers. Hence, monitoring the behavior of others can establish the mind-set for further similar activities, that is, imitation (J. S. Nelson, 2017; Pinkham & Jaswal, 2011). Transferring the concept of vicarious learning to the issue of corruption, an internationally active business professional might become cognizant of a salesperson offering kick-back incentives to physicians in exchange for prescribing certain drugs. Subsequently, the salesperson is disciplined and dismissed by the company. Consequently, the business professional might shy away from engaging in corrupt practices because he or she does not want to have his or her career progression stymied.

The concept of differential reinforcement refers to the fact that an individual will be keener to adopt or refrain from adopting certain behavior patterns depending on the positive or negative reaction of the environment, for instance, society or an organization. Lanzetta and Kanareff in sequential studies in 1958, 1959, and 1960 find that positive reinforcement increases the probability of repeating past behaviors and explain that an individual tends to

duplicate a behavior if he or she is rewarded for it. When a particular behavior is unsupported with non-reward consequences, such acts are less likely to be repeated (N. E. Miller & Dollard, 1941). Therefore, whether a behavior will be repeated heavily depends on the differential reinforcement of that behavior (Bandura, 1969); this should logically mean that if an individual experiences that an unethical or illegal behavior is not consistently condemned and punished—or is even rewarded—there is a greater likelihood that he or she will continue to engage in the behavior (J. S. Nelson, 2017). Transferring the concept of differential reinforcement to the issue of corruption, an internationally active business professional might face intense pressure for not selling enough solely through clean business practices. Subsequently, the business professional bribes a public official to win a public procurement contract, for which he or she receives a big bonus and is promoted. Consequently, the business professional concludes that conducting business using corrupt means is an acknowledged practice and continues to pay bribes to obtain contracts.

Furthermore, Ashforth and Kreiner (2002) argue that the two techniques of habituation and desensitization help to reduce reactions to otherwise aversive stimuli. In habituation, repeated exposure to the same stimulus increasingly weakens the reaction to it. However, this effect is not based on sensory adaptation or motor fatigue (Rankin et al., 2009). In desensitization, with time, people become less sensitive to the process. That is, exposure to different stimuli that intensify aversion weakens reactions to the stimuli (Ashforth & Kreiner, 2002). Thus, through habituation and desensitization, professionals can become accustomed to unethical and illegal behavior, including corruption, leading to the normalization of such behavior. Ashforth and Anand (2003) describe normalization as a process by which corrupt practices are anchored in an organization and argue that once corruption is normalized, it is essentially taken for granted and may endure indefinitely. Business professionals' corrupt acts could become so natural and routinized that they do not realize the unethical and illegal behavior that they are perpetrating. While business routines learned through organizational socialization and on-the-job experience help to save cognitive capacity, legitimize business activities, and facilitate decision making, these routines reduce the perceived need to question and reexamine the appropriateness of business practices or the outcomes they produce (Ashforth & Fried, 1988; Beugré, 2010; J. S. Nelson, 2017). Hence, existing routines and the mindlessness associated with them constrain professionals from calling business practices into question. Thus, the existing literature suggests that corresponding on-the-job experience is likely to be correlated with the probability of condoning corruption. Hence, we propose the following hypothesis:

Hypothesis 2 (H2): Business professionals who frequently experience corrupt situations in their workplace are more likely to accept corrupt practices than are those who do not experience such situations.

Neutralization and the Acceptance of Corruption

Based on the theory of differential association, Sutherland (1960) asserts that unethical or illegal behavior also involves neutralizations favorable to the violation of ethical or legal standards. Building on this key idea, one of the first attempts to explain individuals' tactics to overcome the moral hurdles associated with unethical and illegal behavior, such as shame and guilt, is described by Sykes and Matza's (1957) neutralization theory. According to the authors, individuals use cognitive defense mechanisms to neutralize the negative emotions associated with their deviant behavior, including corruption. Neutralization techniques are self-serving linguistic devices; they allow individuals who view themselves as generally committed to the prevailing social norms and rules to engage in corrupt practices without damaging their positive self-image or social reputation (Cromwell & Thurman, 2003; Dorminey et al., 2012; McKercher et al., 2008). Originally, Sykes and Matza (1957) distinguished the following techniques of neutralization: (a) denial of responsibility, (b) denial of injury, (c) denial of the victim, (d) condemnation of the condemners, and (e) appeal to higher loyalties.

Since the pioneering work of Sykes and Matza (1957), neutralization theory has been implemented with research topics concerning minor delinquency, including free riding (Schwarz & Bayer, 1989), cheating (Haines et al., 1986), and shoplifting (Agnew & Peters, 1986), and major delinquency, including rape (Bohner et al., 1998) and homicide (Levi, 1981). Furthermore, empirical research has been conducted to measure the link between neutralization and different types of white-collar infringements, including digital piracy (Smallridge & Roberts, 2013), workplace deviance (Hollinger, 1991), lying in negotiations (Aquino & Becker, 2005), and snitching on peers (Pershing, 2003). The research on engagement in unethical and illegal activities indicates the importance of neutralization techniques for explaining and justifying deviant behavior. Professionals involved in white-collar crime use different justifications to rationalize their behavior because particular neutralization techniques appear to be better adapted to certain unethical or illegal behaviors than to others (Benson, 1985; Copes & Cardwell, 2014; McKercher et al., 2008; Scott & Lyman, 1968). Consequently, over the years, researchers have identified additional techniques for neutralization, including the

metaphor of the ledger, denial of the necessity of the law, and the diffusion of guilt via a claim of normality (de Klerk, 2017; Maruna & Copes, 2005; Smallridge & Roberts, 2013). This study builds on the prevailing neutralization techniques of corrupt behavior that have been identified by the relevant literature (Hauser, 2019a).

Drawing on neutralization theory, Ashforth and Anand (2003) describe neutralization as a process through which self-serving stories or myths are developed to justify corruption. According to the authors, neutralization is an important process favoring the normalization of corruption in organizations. Rabl and Kühlmann (2009) suggest that neutralizations not only address a denial of the negative implications of corrupt behavior, but also highlight the “positive” intention underlying the corrupt action. Anand et al. (2005) argue that in organizations where corruption has been supported by neutralization techniques for some time, corruption can become embedded in the organizational structures and processes. Neutralization allows corrupt business professionals to believe that they are moral and ethical individuals, thereby enabling them to continue engaging in corrupt practices without feeling pangs of conscience. Hence, neutralization serves as a mental strategy that allows business professionals to view their corrupt acts as acceptable business practices (de Klerk, 2017; Hauser, 2019a).

In a similar line of reasoning, psychological research shows that ethically grounded people, that is, those who regard themselves as having superior principals and attitudes and would not rationally undertake corrupt behavior, have also been found to engage in unethical practices (Bazerman & Tenbrunsel, 2012). The concept of *ethical blind spots* seeks to explain this phenomenon. Antecedents of ethical blind spots include implicit biases, a temporal lens, and a failure to recognize the unethical behavior of others (Sezer et al., 2015). Managers can use such ethical blind spots to justify their corrupt behavior.

Moreover, those who break the law use neutralization techniques to deny their criminality and maintain a legitimate persona. Thus, the rationalization of corrupt behavior neutralizes the guilt or shame of the violator, and consequently, the individual does not feel remorse for his or her corrupt acts. Therefore, he or she is detached from moral boundaries while committing corrupt acts (Moore, 2008). Thus, the extant literature indicates that neutralization is likely to be correlated with the likelihood to condone corruption. Hence, we propose the following hypothesis:

Hypothesis 3 (H3): Business professionals who neutralize corruption are more likely to accept corrupt practices than are those who do not neutralize corruption.

Machiavellianism, Neutralization, and the Acceptance of Corruption

Building on a comprehensive review of Machiavellianism, Kessler et al. (2010) point out that Machiavellians typically show harsh, manipulative, dishonest, and malevolent behaviors only when it is advantageous for achieving a desired goal. In other words, Machiavellians are comfortable with engaging in unethical or illegal behavior only as necessary and when it is in their best interest to do so. The findings of Bereczkei et al. (2010) show that the number of Machiavellians volunteering for charity work increases disproportionately when the proposals are made publicly compared with when they are made anonymously. This finding indicates that Machiavellians hide their selfishness and fake altruism when it seems socially advantageous to do so; nevertheless, they pursue their self-interest when they feel unobserved. Similarly, Spitzer et al. (2007) report that Machiavellians made the highest profit by the end of a social dilemma game involving two players. The reason for this result is that Machiavellians adapted their strategy in accordance with the rules of the game. In the phase of the game in which the counterparts were unable to react, Machiavellians retained a higher portion of the money for themselves. However, in the phase of the game in which the counterparts were allowed to fine the other player if they judged he or she transferred too little money to them, Machiavellians increased their amounts to avoid sanctioning. In line with this result, and based on their findings, Bereczkei and Czibor (2014) conclude that Machiavellians seem to be more sensitive to contextual factors, which may help them to be efficient in the exploitation of others. In a social interaction, Machiavellians can show themselves as attractive people (Wilson et al., 1998). Indeed, individuals scoring higher on the Machiavellian scale are generally well integrated into society and are perceived as likable (Gunnthorsdottir et al., 2002). Machiavellians endeavor to keep their positive image and pretend to conform to social norms, although they have an opportunistic standpoint toward conventional social norms (Mudrack & Mason, 1995). For instance, Machiavellians are more likely to cheat if given reasons in favor of cheating (Gunnthorsdottir et al., 2002).

Neutralization techniques are self-serving stories or myths that individuals and groups create to justify deviant behavior (Ashforth & Kreiner, 1999). According to neutralization theory, neutralization techniques allow individuals to remain ostensibly committed to the prevailing social norms and rules while engaging in deviant practices (de Klerk, 2017). Thus, the use of such techniques helps deviant individuals maintain their positive social reputation (Cromwell & Thurman, 2003; Dorminey et al., 2012; McKercher et al., 2008). Hence, based on the extant literature, we assume that individuals with

higher levels of Machiavellian traits are also more prone to using neutralization techniques to justify corrupt behavior. Consequently, these individuals also become more likely to condone corrupt behavior. Based on these considerations regarding the strategic-calculating orientation of Machiavellians (D. N. Jones & Paulhus, 2014), we suggest that neutralization is an important keystone linking higher levels of Machiavellian traits to the probability of condoning corruption. Accordingly, we propose the following hypothesis:

Hypothesis 4 (H4): The relationship between Machiavellianism and the acceptance of corruption is positively mediated by neutralization.

On-the-Job Experience, Neutralization, and the Acceptance of Corruption

Organization theorists argue that an individual's behavior is influenced by the organizational cognitive image he or she bears in mind (Dutton et al., 1994) and that the organizational environment affects the behavior of the individuals working for the organization (Bandura, 1971). Individuals are tempted to follow certain actions directed by organizational norms and conditions, especially if they are reinforced with reward consequences (N. E. Miller & Dollard, 1941). In an organization, socialization and on-the-job experience compels employees to act automatically without constantly reexamining their actions (Ashforth & Fried, 1988; Beugré, 2010). Through on-the-job experience, business professionals take note of and internalize patterns, which they apply in future interactions in similar situations (Langer et al., 1978).

Neutralization theory suggests that to be able to engage in unethical or illegal activities, including corruption, individuals need to justify their involvement in such practices (Anand et al., 2005; de Klerk, 2017). Otherwise, certain values, such as the moral obligation to obey the prevailing laws and regulations, would prohibit them from engaging in such activities (Sykes & Matza, 1957). Thus, individuals use neutralization techniques as a cognitive strategy to ease the feeling of remorse and to disregard the guilt and social stigma associated with engaging in unethical or illegal practices. Moreover, individuals use neutralization techniques to highlight the "positive" intention underlying their unethical or illegal actions (Rabl & Kühlmann, 2009). However, individuals do not spontaneously generate justifications in a given situation; they learn these neutralization techniques by interacting with peers and then apply the techniques when it seems opportune and useful to do so (Copes & Cardwell, 2014). Thus, we postulate that through frequent on-the-job experience with corrupt practices, business professionals take note of and internalize neutralization techniques that they may use to justify or value

corrupt behavior while maintaining their positive self-image and social reputation. Therefore, we expect that neutralization is an important keystone linking on-the-job experience and the acceptance of corruption. Thus, we propose the following hypothesis:

Hypothesis 5 (H5): The relationship between on-the-job experience and the acceptance of corruption is positively mediated by neutralization.

Data and Method

The Sample

To test our hypotheses, we collected data using an online survey that targeted business professionals in Germany and Switzerland. We applied simple random sampling methods and the snowball sampling method. The former approach involved the use of headhunters, international employers, and relocation companies as multipliers. For our analysis, we used 169 complete responses. Before the data collection, which took place between June 2012 and February 2013, we ensured the suitability of our questionnaire by employing well-tested scales. Moreover, we consulted independent experts in survey design and methodology and carried out pretests on a reduced sample. Generally, we collected data regarding personal information about the surveyed business professionals (e.g., education, professional career path, stays abroad) and the companies for which the professionals work (e.g., location, industry classification).

According to Transparency International (2019), in Germany and Switzerland, corruption is perceived to be a minor issue compared to most other countries in the world. In the organization's Corruption Perceptions Index (CPI) for, 2018, Switzerland is ranked #3 and Germany is #11, with #1 being the least corrupt. We acknowledge that due to the comparatively lower levels of corruption in the two main countries of our sample, there may be some limitations to the generalizability of the study findings to countries with higher levels of corruption. Nevertheless, when considering the extent of these limitations, the following points should be considered: First, as discussed by Kaufmann et al. (2007), macro-level indices of corruption—such as the CPI—refer specifically to the extent of corruption within the public sector. Thus, these indicators neglect the particularities of the private sector. Second, the CPI indicator refers to the overall perception of corruption in a country, but not to real experience with corrupt behavior (Donchev & Ujhelyi, 2014). Thus, based on the CPI or any other country-level indicator alone, the socioenvironmental factors influencing individuals to act unethically at work

cannot be accurately determined. Both Germany and Switzerland are highly export-oriented; therefore, professionals from German and Swiss companies have a high degree of interaction in an international setting. The results of Hauser and Kronthaler (2013), for example, indicate that more than one fifth of internationally active Swiss companies make informal payments abroad, highlighting that while the macro domestic environment may not present a hospitable setting for corruption, a significant proportion of companies, and subsequently their executives and employees, nevertheless engage in corrupt acts when operating abroad. Third, the CPI score values for both Switzerland (85 out of 100) and Germany (80 out of 100) indicate that even these countries are not completely free of corruption (Transparency International, 2019). It can therefore be concluded that despite a macro environment that generally does not facilitate corrupt behavior, certain individuals in this environment nevertheless do engage in corruption at the workplace. Last but not least, to mitigate country-specific effects on corrupt behavior, we included a number of organizational and environmental control variables in our regression models to mitigate such influencing factors. For example, we control for anti-corruption training, which, according to Hauser (2019a), is an effective measure to curb antecedents of corrupt behavior at the organizational level in firms, which are very sensitive to issues related to corruption.

Measurement Issues and Descriptive Statistics

As discussed in the previous section, the mediation model consists of the following set of variables: the outcome variable (*corruption*), the independent variables (*Machiavellianism*, *experience*), and the mediating variable (*neutralization*).

Dependent variable

Corruption. Drawing on Truex (2011) and Becker et al. (2013), this variable was measured by self-estimated evaluations of four case studies that described the corrupt behavior of individual actors. That is, the respondents were asked to read four short case studies (for details, see the appendix) incorporated into the questionnaire. Then, the participants were asked to indicate how they personally assessed the behavior of the individual actors in these case studies on a scale from 1 (*totally unacceptable*) to 7 (*completely acceptable*). The respondents' scores on the total of nine items (one to assess the behavior of all nine actors mentioned in the four case studies) were aggregated, and the average score was used in the analysis. The Cronbach's alpha coefficient was .73 for the accepting corrupt behavior variable, which exceeded the recommended minimum of .70 and indicated very good

reliability (Hair et al., 2010). The average value for accepting corruption was 3.27 with a standard deviation of 1.01.

Independent variables

Machiavellianism. Research on Machiavellianism generally emerged following the seminal work of Christie and Geis (1970), who designed a scale of normative statements to measure an individual's tendency toward Machiavellian behavior. The questions were based on items chosen to reflect Machiavelli's general views and recommendations. Over the years, this scale has been revised and adjusted (B. K. Miller et al., 2015; Rauthmann, 2012). To comprehensively capture the varied aspects of this construct, we drew on a short scale based on Cloetta (2014) and Henning and Six (2014), who developed, tested, and validated a measure to capture Machiavellianism. In sum, the respondents were asked whether they *strongly disagreed*, *disagreed*, *slightly disagreed*, *were indifferent*, *slightly agreed*, *agreed*, or *strongly agreed* (7-point scale) with the following statements: "Care for the self comes first"; "In order to implement a good idea, it does not matter what means are used"; "One should show one's true intentions only if this is useful to one"; "Someone who lets himself be exploited for the purposes of others without realizing it deserves no pity"; "A far-reaching goal can be achieved only if one sometimes pushes the limits outside of what is permitted"; "One can break a promise if it's beneficial to oneself"; "One should choose one's acquaintances from the point of view of whether they can be of use"; and "Principally, it is better to keep your true intentions to yourself." Again, the respondents' scores on these eight items were summed, and the average score was used in the analysis. The Cronbach's alpha coefficient was .81 for Machiavellianism, which also clearly exceeded the recommended minimum of .70 and indicated very good reliability. The average Machiavellianism value was 2.40 with a standard deviation of 1.07.

Experience. To comprehensively capture the varied aspects of experience with corrupt behavior, we asked the respondents "When you think about your own professional activity, which of the following situations have you never, rarely, sometimes, frequently or always experienced in your firm in the context of (a) tendering and award of contracts (six situations/items), (b) dealing with business partners (five situations/items) and (c) dealing with public institutions (four situations/items)?" In the same fashion as described above, the respondents' scores on the total of these 15 (5-point scale) items were summed, and the average score was used in the analysis. The Cronbach's alpha coefficient was .84 for the experience with corruption index, which again clearly exceeded the recommended minimum and indicates very good

reliability. The average experience-with-corruption value was 1.21 with a standard deviation of .29.

Moderating variable

Neutralization. To capture the varied aspects of neutralization of corrupt behavior, the respondents were asked whether they *strongly disagreed*, *disagreed*, *slightly disagreed*, *were indifferent*, *slightly agreed*, *agreed*, or *strongly agreed* with the following six statements based on Smallridge and Roberts (2013) and Hauser (2019a): “Making informal under-the-table payments or gifts in business operations is justified if (a) this serves a good cause, (b) this safeguards jobs, (c) this does not harm anyone, (d) competitors are doing the same, (e) this conforms to the cultural conventions of the respective country, and (f) one is able to circumvent bureaucratic obstacles by doing so.” Again, the respondents’ scores on these six (7-point scale) items were summed, and the average score was used in the analysis. The Cronbach’s alpha coefficient was .88, and the average neutralization value was 2.35 with a standard deviation of 1.49.

Control variables. In our regression models, we include several control variables that might affect employees’ likelihood to condone corrupt behavior, Machiavellianism, experience, or neutralization. Drawing on Hauser (2019a), these variables include factors at the individual level and factors related to the organization with which the individual is associated. The former category includes sociodemographic attributes such as professional qualification, occupational status, organizational level, working experience, and international experience as well as prior participation in training on corruption avoidance. The latter category included organization-specific attributes such as business sector and location of the organization’s headquarters.

We include these control variables because studies have shown that professionals in top management positions as well as professionals with a higher degree of international business experience may be more susceptible to corrupt business practices (Zahra et al., 2005). We also control for possible influences from the amount of work experience (Ashforth & Fried, 1988) and level of professional qualification (Hauser, 2019a). Furthermore, we include occupational status because this variable captures different aspects of the typical working conditions of individuals. Typically, entrepreneurs have a wider range of work tasks than paid employees do (May, 1997). To control for possible industry-specific factors, a dummy variable for the manufacturing industry is also included (Hauser & Kronthaler, 2013). Moreover, to control for possible institutional differences between countries, such as in formal legislation as well as in social norms and values, we added the country of the

organization's head office to our models (Hauser & Hogenacker, 2014). Finally yet importantly, we control for anti-corruption training as this variable was shown to have a strong effect on the neutralization of corrupt behavior (Hauser, 2019a).

Table 1 presents a comprehensive overview of the definition for each variable included in the analysis. The descriptive statistics for all the variables in our analysis and the corresponding Bravais–Pearson pairwise correlations are provided in Table 2.

Estimation Strategy

The most common method for testing hypotheses about mediation is the causal steps strategy (Baron & Kenny, 1986). This simple mediation model investigates the paths a , b , c , and c' —as shown in Figure 1—by using ordinary least squares (OLS) regression.

The variable M acts as a *mediator* in the model if the direct effect of X to Y substantially decreases considering M . According to this approach, paths a , b , and c should be statistically significant. However, c' must be smaller than c if mediation exists, and c' should become insignificant (e.g., MacKinnon et al., 2000; Shrout & Bolger, 2002).

According to Baron and Kenny (1986), simple mediation can be established by executing four steps. First, the explanatory variables (*Machiavellianism/experience*) must be correlated with the outcome (*corruption*). Second, the explanatory variables (*Machiavellianism/experience*) must be correlated with the mediator (*neutralization*). Third, the mediator (*neutralization*) has to affect the outcome variable (*corruption*). Fourth, to test that the mediator (*neutralization*) fully mediates the X - Y relationship, the effect of X on Y controlling for M (path c') should be zero (i.e., c' is smaller than c and insignificant). In the case of partial mediation, c' is also smaller than c but still significant. Note that the effects in both steps 3 and 4 are estimated in the same equation.

Mediation Results

All the results of the regression analysis can be found in Table 3. In Models 1 to 3, we test the mediation hypotheses of neutralization as a mediator between Machiavellianism and corruption as well as between on-the-job experience and corruption. As shown in Model 1, individuals with higher levels of Machiavellian traits are also more likely to accept corrupt behavior ($\beta = .166$; $p < .05$) without considering neutralization. Moreover, as the results of Model 3 show, neutralization techniques are more frequent among business

Table 1. Variable Overview.

Variable	Question	Scale
Corruption	Constructed mean scale of nine items (Cronbach's alpha = .73) [min = 1, max = 7]	7-point Likert-type scale ranging from 1 (totally unacceptable) to 7 (completely acceptable)
Machiavellianism	Constructed mean scale of eight items (Cronbach's alpha = .81) [min = 1, max = 7]	7-point Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree)
Experience	Constructed mean scale of 15 items (Cronbach's alpha = 0.84) [min = 1, max = 5]	5-point Likert-type scale ranging from 1 (never experienced) to 5 (always experienced)
Neutralization	Constructed mean scale of six items (Cronbach's alpha = .88) (min = 1, max = 7)	7-point Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree)
Professional qualification ₁₋₃	N = 3 dummy variables for the highest professional qualification achieved	Bachelor/master degree; PhD/habilitation; other [reference category]
Occupational status	Dummy variable for occupational status	1 = self-employed; 0 = dependent employed [reference category]
Organizational level ₁₋₅	N = 5 dummy variables for the position in company hierarchy	Assistant position; specialist position; lower management; middle management; top management [reference category]
Working experience	Working experience [min = 1, max = 47]	In years
International experience	Dummy variable for work-related international experience	1 = yes; 0 = no [reference category]
Training	Dummy variable for prior participation in training on corruption avoidance	1 = yes; 0 = no [reference category]
Industry	Dummy variable for branch of industry	1 = manufacturing sector; 0 = other [reference category]
Country	Dummy variable for country where headquarters is based	1 = Germany; 0 = other [reference category]

Table 2. Correlation Matrix (N = 169).

Variable	M	SD	1	2	3	4	5	6	7	8	9	10	11	12
Corruption	3.27	1.01	1.000											
Machiavellianism	2.40	1.07	.196	1.000										
Experience	1.21	0.29	.180	.165	1.000									
Neutralization	2.35	1.49	.392	.326	.203	1.000								
Professional qualification	0.76	0.43	.032	-.027	.038	-.033	1.000							
Occupational status	0.24	0.43	-.006	.097	.048	.158	-.010	1.000						
Organizational level	0.53	0.5	.053	.068	.111	.021	.072	.500	1.000					
Working experience	21.6	11.52	.045	.082	.130	-.003	-.102	.284	.512	1.000				
International experience	0.75	0.44	-.049	.012	.023	-.158	.176	-.090	-.091	-.052	1.000			
Industry	0.34	0.47	-.003	-.055	.028	-.063	.170	-.191	-.000	.098	.072	1.000		
Country	0.43	0.50	-.184	-.070	-.134	.006	-.015	-.142	-.501	-.400	.036	-.007	1.000	
Training	0.22	0.42	-.131	-.060	-.064	-.219	.166	-.126	-.129	.108	.145	.167	.152	1.000

Note. Professional qualification—1 = bachelor/master degree, 0 = other; organizational level—1 = top management, 0 = other. Italicized values are significant at $p \leq .05$.

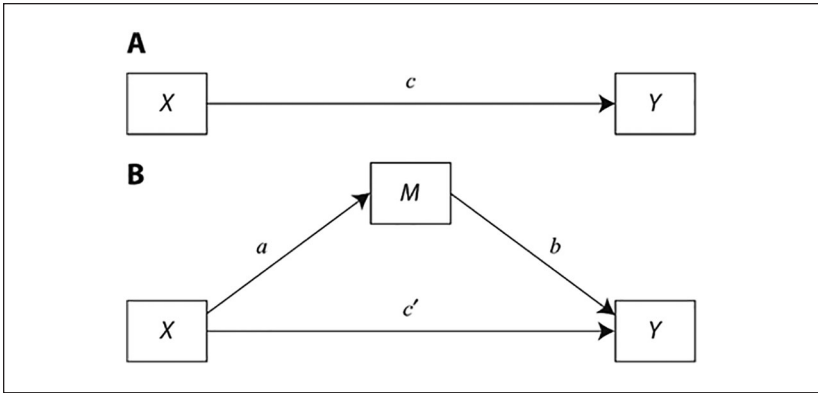


Figure 1. Simple mediation.

professionals with higher levels of Machiavellian traits ($\beta = .297; p < .05$). Finally, and in line with Baron and Kenny (1986), the original contribution of our Machiavellianism variable is reduced and insignificant ($\beta = .059; n.s.$) when incorporating neutralization simultaneously (Model 2), which indicates that neutralization has a mediating effect on the acceptance of corrupt behavior. Thus, these results confirm our mediation hypothesis H4.

Moreover, the same effect is at work with regard to on-the-job experience; that is, business professionals who frequently experience corrupt situations in their workplace are more likely to accept corrupt practices than are those who do not experience such situations (Model 1, $\beta = .160; p < .05$). Furthermore, as the results of Model 3 show, neutralization is more frequent among business professionals who frequently experience corrupt situations in their workplace than among their counterparts who do not experience such situations (Model 3, $\beta = .156; p < .05$). When adding neutralization to the regression equation, the on-the-job experience variable is reduced and insignificant (Model 2, $\beta = .102; n.s.$). These results confirm our mediation hypothesis H5.

To analyze in more detail whether and how neutralization has a mediating effect on the acceptance of corruption, we also used the path analysis part of the structural equation model (known as the structural component). Specifically, we calculated a recursive path model, that is, the effects moving in a single direction—without any feedback loops. The exogenous variables are Machiavellianism and on-the-job experience; the endogenous outcome variable is acceptance of corruption; and the endogenous mediator variable is neutralization. Figure 2 displays the results.

Table 3. Mediation Regression Results.

Variable	(1)	(2)	(3)
	Corruption	Corruption	Neutralization
Machiavellianism (mean scale)	.166** (.075)	.059 (.065)	.297** (.130)
Experience (mean scale)	.160** (.237)	.102 (.239)	.156** (.391)
Neutralization (mean scale)		.371*** (.055)	
Controls			
Professional qualification			
Bachelor/master degree	.074 (.210)	.054 (.202)	.055 (.266)
PhD/habilitation	.034 (.269)	.054 (.244)	-.056 (.413)
Occupational status	-.036 (.190)	-.086 (.190)	.135 (.289)
Organizational level			
Middle management	-.028 (.275)	-.047 (.260)	.051 (.322)
Lower management	.073 (.283)	.029 (.249)	.116 (.455)
Specialist position	.100 (.287)	.089 (.272)	.030 (.353)
Assistant position	.066 (.380)	.052 (.343)	.036 (.515)
Working experience	.029 (.009)	.035 (.009)	-.015 (.013)
International experience	-.050 (.176)	.002 (.163)	-.141* (.263)
Training	-.105 (.203)	-.031 (.194)	-.197*** (.247)
Industry	.023 (.177)	.019 (.165)	.009 (.228)
Country	-.178* (.197)	-.198** (.185)	.056 (.287)
F	1.72*	2.66***	2.96***
R ²	.112	.219	.221
Observations	169	169	169

Note. Standardized regression coefficients displayed; robust standard errors in brackets. We conducted several robustness checks to verify the results from our preferred specification (e.g., we included country of origin of the respondents as a control variable). The main results remain robust. The results of the robustness checks are available on request from the authors.

*Indicate significance at the 10% level. **Indicate significance at the 5% level. ***Indicate significance at the 1% level.

The results are similar to those of the Baron and Kenny (1986) mediation model. The coefficients (standardized path coefficients) for Machiavellianism and on-the-job experience are statistically significant, as is the coefficient for neutralization. However, the direct effects are not significant, meaning that the effect of Machiavellian traits and on-the-job experience on corruption is fully mediated by neutralization techniques. Thus, in sum, our empirical analysis finds proof for our hypotheses H3 to H5, but not for H1 and H2. In other words, we find empirical evidence that the relationship between

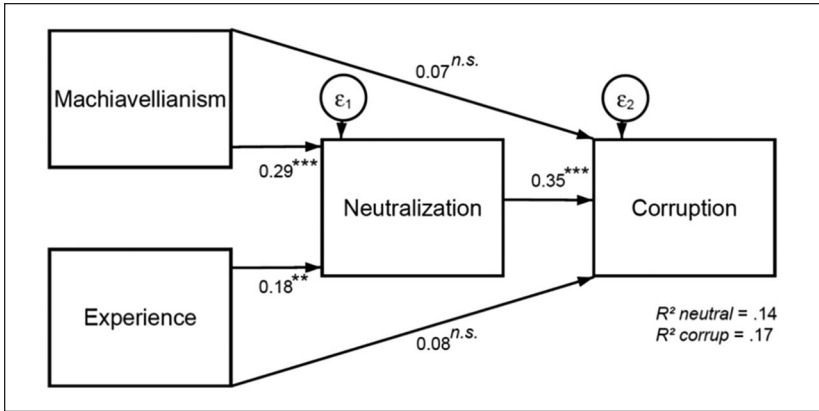


Figure 2. Recursive path model.

^{n.s.}Indicate not significant; **Indicate significance at the 5% level; ***Indicate significance at the 1% level.

Machiavellianism and corruption as well as that between experience and corruption is fully mediated by neutralization.

Discussion and Conclusion

By scrutinizing the personal and socioenvironmental antecedents of corrupt behavior in organizations, this study makes several significant theoretical and managerial contributions to the extant literature. In particular, in this article, we use individual-level data to empirically analyze the links between Machiavellianism (Christie & Geis, 1970), on-the-job experience (Ashforth & Fried, 1988), neutralization (Ashforth & Anand, 2003), and the inclination of business professionals to accept corrupt behavior.

Theoretical Contributions

At first, we find a positive relationship between Machiavellianism and the likelihood of condoning corruption. This preliminary finding is in line with previous literature stating that Machiavellians are self-serving, untrustworthy, and malevolent (Christie & Geis, 1970). However, more recent research indicates that Machiavellians also try to maintain a positive social reputation (Bereczkei et al., 2010) and behave unethically primarily when it seems safe to do so and when they can avoid detection (Gunnthorsdottir et al., 2002). This aspect differentiates Machiavellians from psychopaths. Whereas the latter act impulsively, forsake family and friends, and do not care much about

their reputation, the former act strategically, build alliances, and avoid manipulating family members (D. N. Jones & Paulhus, 2014; Smith et al., 2016). Furthermore, Machiavellians are more sensitive to situational factors and use behavioral tactics to sustain their reputations (Bereczkei & Czibor, 2014; D. N. Jones & Paulhus, 2014). Until recently, research has often neglected this strategic-calculating orientation of Machiavellians (D. N. Jones & Paulhus, 2014). In line with this aspect of Machiavellianism, our results show that Machiavellians are more prone to use cognitive strategies justifying or valuing corrupt practices because such strategies ostensibly allow them to act with selfish intentions without damaging their positive social reputation. Furthermore, when including a person's ability to rationalize corruption as a mediator in our model, the positive and statistically significant coefficient indicates that business professionals who neutralize corrupt behavior are more prone to accept corrupt activities than are business professionals who do not neutralize such behavior. This finding supports the existing literature stating that neutralization techniques support professionals in rationalizing criminality (Benson, 1985) and justifying corruption (Ashforth & Anand, 2003; de Klerk, 2017). Thus, our findings show that neutralization is an important antecedent of corrupt behavior. At the same time, our results indicate that the direct link between Machiavellianism and corruption becomes statistically insignificant when including neutralization as a mediator. Thus, our findings are consistent with the results of several former studies, which show that situational factors influence Machiavellians' behavior (Bereczkei & Czibor, 2014; Czibor & Bereczkei, 2012; Spitzer et al., 2007). Our results thereby provide a valuable contribution to the recent and ongoing scholarly discussion on the strategic-calculating orientation of Machiavellians. We provide evidence that neutralization is a supporting factor that facilitates the acceptance of corruption by Machiavellians. Machiavellians are rational and materialistic people (Christie & Geis, 1970), but, at the same time, they care about their reputation and standing in society (Gunnthorsdottir et al., 2002). Thus, by using neutralization techniques, Machiavellians can reach their selfish goals by engaging in corrupt practices and simultaneously maintain their social image. That is, we argue that individuals who have a "the end justifies the means" character and thus rationalize their deviant behavior are highly accepting of corruption. This finding supports prior research that suggests that Machiavellians seem to be particularly sensitive to situational factors that allow them to exploit a situation for their own self-serving purposes (Bereczkei & Czibor, 2014).

Another noteworthy contribution is that, in a first look, business professionals who frequently experience corrupt situations in their workplace are more likely to accept corrupt practices than those who do not experience such

situations. This initial finding is in line with Bandura's (1971) social learning theory, which states that the environment influences the behavior of an individual. Cognitive processes, reciprocal determinism, vicarious learning, differential reinforcement, habituation, and desensitization help to reduce reactions to otherwise aversive stimuli (Ashforth & Kreiner, 2002), and professionals become involved in corruption following the behavior of others. However, when including a person's ability to justify corruption as a mediator in the model, the direct link between on-the-job experience and corruption becomes statistically insignificant. Thus, our results indicate that social learning processes lead to the learning and internalization of neutralization techniques, which allows professionals to remain within their moral comfort zone and maintain a positive self-image while engaging in corrupt business practices (de Klerk, 2017; Hauser, 2019a). The individual remains essentially committed to the prevailing social norms and rules while engaging in corruption without experiencing the negative emotions that would otherwise be associated with such behavior (Cromwell & Thurman, 2003; Dorminey et al., 2012; McKercher et al., 2008).

Taken together, the findings of this article make a significant contribution to the extant literature on the probability of business professionals to condone corruption by simultaneously scrutinizing different antecedents of unethical or illegal business practices. Our findings confirm and extend the existing literature indicating that both individual and situational factors are important antecedents of corrupt behavior (Kish-Gephart et al., 2010). We find that neutralization is the keystone linking both Machiavellianism and on-the-job experience to the likelihood of condoning corrupt behavior. While previous studies mostly aimed to identify the neutralization techniques used to justify or value corrupt behavior (Ashforth & Anand, 2003; Rabl & Kühlmann, 2009), we empirically show that neutralization has a strong mediating effect on the process of becoming involved in corrupt business practices. This result is also consistent with the emerging literature on ethical blind spots, which emphasizes that ethically grounded, good people might engage in unethical behavior even if they would not rationally do bad things (Bazerman & Tenbrunsel, 2012; Sezer et al., 2015).

Managerial Implications

The present research also has important practical implications for business practitioners and companies aiming to prevent corrupt practices in international business transactions. First, companies need to be careful if they hire and promote professionals with a Machiavellian, "the end justifies the means," character because if these individuals are able to justify supposedly

corrupt business practices, they seem to be more accepting of such practices. However, Machiavellians are not simply at the mercy of their personality and thus inherently corrupt. Instead, Machiavellians act in a strategically calculating manner; if they see an opportunity to reach their goals by engaging in corrupt practices and are given reasons in favor of it, they will do so. At the same time, Machiavellians can be discouraged from engaging in corruption if prevailing justifications are disabled. Recent research indicates that anti-corruption training is an effective measure for disabling prevailing neutralization techniques and provides guidelines on how such training can be made more effective in terms of promoting behavioral change (Hauser, 2019a, 2019b). Second, it is essential to closely monitor professionals who work in a corruption-related environment. If professionals are repeatedly confronted with corrupt behavior in their environment, they are more likely to neutralize that corruption as a normal part of conducting business and may believe that they need to engage in it to do business. This process is very dangerous for the integrity of the company; once corruption is accepted and practiced in the organization, it will penetrate into the organizational culture and become contagious for other employees.

Limitations and Future Research

As with all research, the findings of this study are accompanied by some caveats. First, the usual limitations of cross-sectional research designs apply to this study. Second, in this study, we used survey data to provide information on business professionals' likelihood to condone corruption. Although it is challenging to gather survey data on corrupt acts that have been committed, further research could attempt to address this issue. Third, we empirically analyzed the acceptance of corruption among individual professionals. Future research could address whether the probability of condoning corrupt business practices increases when professionals are in a network and how a professional's centrality in the organizational network influences his or her decision making and behavior in corruption-related situations (Bon et al., 2017). Furthermore, business professionals with higher levels of Machiavellian traits might tend to work in organizations with looser standards and fewer controls to fight corruption. Our data seem to indicate that this might be the case as we see that Machiavellianism and on-the-job experience correlate. Building on, for example, ASA theory (Schneider, 1987; Schneider et al., 1995), future research could address this possible selection effect. Fourth, the data used in this article were collected from respondents from Central Europe, namely, Germany and Switzerland. It is important to acknowledge that there might be clear differences between

countries where corruption is seen to be prominent and those where it is deemed to be minimal. Given that the present study investigates antecedents of business malpractice at the individual level in countries where the macro environment generally does not facilitate corrupt behavior, the possibility to generalize the results to professionals working in countries with a higher level of corruption is unclear, and so could be considered a limitation. Nevertheless, we are confident that this research is relevant and can be generalized to other countries where the level of corruption is also perceived to be low. Further research should investigate whether the study implications have a wider geographic scope, including in emerging countries such as Armenia that were part of the former Soviet Union. In these countries, on-the-job experience with corruption remains high, and professionals in the older generation largely still rationalize and justify their own corrupt behavior because it is reflected in society and continues to be regarded as the way business is conducted in these countries. It could be expected that the overall effects on corruption in a sample of individuals from these countries would be stronger, as individuals will have fewer consequences to fear if they are caught. The mediation effect via neutralization might therefore be weaker, because individuals in such an organizational environment might have to justify their corrupt behavior less frequently or strongly. Thus, it could be assumed that in countries where corruption is perceived to be higher, partial mediation is more likely to occur—so that the direct effects might remain.

Although these limitations indicate prudence, we are confident that our findings contribute in a meaningful way to the ongoing discussion regarding the antecedents of corrupt behavior in organizations. The results suggest that both personal characteristics and situational factors are important antecedents of corruption in organizations. Thus, organizations that want to prevent and tackle corruption among their executives and employees need to keep in mind and address both personal characteristics and situational factors. Particularly, organizations need to disable prevailing justifications of corrupt practices.

Appendix

Case Studies on Corruption

Case 1: “An entrepreneur wants to build an additional warehouse on his property. To be able to start construction in the current financial year, the entrepreneur asks the responsible public official to process the building application as quickly as possible. Because the desired date is kept, the

entrepreneur thanks the public official for the helpful treatment with a bottle of wine with a value of approx. EUR 30, which the public official accepts gratefully.”

Case 2: “A container with spoilable goods worth EUR 100,000 is stuck at customs abroad. The responsible customs officer informs the company that the necessary customs documents are not in order. However, this issue could be resolved quickly and non-bureaucratically by a concealed payment of EUR 250 to the customs officer personally. As a further delay in customs clearance could result in the total loss of the goods, the company decides to accept the customs officer’s request.”

Case 3: “An entrepreneur wants to become internationally active and therefore contacts an independent sales representative abroad who is active in the local foreign market for various companies. To celebrate the signature of the commission contract, the entrepreneur invites his new sales representative to an international football match in the VIP lounge.”

Case 4: “A company takes part in a public tender abroad. To influence the award decision in its favor, the company commissions a local intermediary to send a watch worth EUR 8,000 to a high-ranking foreign public official. The public official will then ensure that the company receives the contract worth approximately EUR 5 million.”

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