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Dependent leaders

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CHAPTER
3

THE ROLE OF GOAL ATTAINABILITY AND ETHICAL CLIMATE PERCEPTIONS FOR MIDDLE MANAGERS' ABUSIVE SUPERVISION

ABSTRACT [1]

The present study examines the relationship between middle managers' assigned goals and abusive supervision. It proposes emotional exhaustion as a key mechanism by which low goal attainability relates to abusive supervision. Moreover, it identifies ethical climate perceptions as a boundary condition that can either propel or limit the relationship between exhaustion and a supervisor's abusive behavior, and explores the relationship between abusive supervision and middle managers' business unit performance. The proposed model was tested using a sample of 370 middle managers and 2,659 direct subordinates. Supporting the hypotheses, assigned goals with low attainability were positively related to middle managers' abusive supervision through emotional exhaustion. Moreover, perceived ethical climate moderated the linkage between emotional exhaustion and abusive supervision, such that abusive supervision was least pronounced among non-exhausted managers who deemed the ethical climate within the organization to be strong (i.e., low in egoism). Taken together, this study advances knowledge on the potentially detrimental role of goal setting and on the antecedents of abusive supervision by identifying both mechanisms and contingency factors in the linkage between goal attainment and middle managers' abusive behavior.

Organizations use goal setting procedures (e.g. bench-marking, management by objectives) to improve organizational performance (Klein, Cooper, & Monahan, 2013; Lee, Locke, & Latham, 1989; Locke & Latham, 1994, 2002a). As long as one is committed to a goal, one has the ability to attain it, and as long as there are no conflicting goals, research shows that challenging goals can promote performance (Locke & Latham, 2002b). It is therefore unsurprising that goal setting is widely embraced in organizations. Yet, emergent empirical evidence suggests that effective goal setting might be a more precarious process than previously considered. For example, ambitious or difficult goals can initiate stress, deplete individuals of crucial resources to regulate and motivate their behavior, and potentially spark unethical acts (Barsky, 2011; Ordóñez et al., 2009; Schweitzer et al., 2004).

In practice, anecdotes on the downsides of goal setting are abundant. In American businesses, 48% of the employees claim to sometimes engage in unethical behavior to achieve company goals (Lonkevich, 1997) and deal with "pressures to excel in the annual performance reviews" (Hsieh, 2014). The potentially detrimental consequences of goal setting may affect not only employees, but also managers and their abusive behaviors towards employees (Mawritz et al., 2014; Welsh & Ordóñez, 2014). These effects of goal setting are especially relevant for middle managers in organizations. This is because middle managers are followers, and thus their goals are typically assigned by higher management (Harding et al., 2014), but they also have to achieve their assigned goals successfully by leading employees. Middle managers can thus be considered as linking pins relating assigned goals from higher management to leadership behavior, such as abusive supervision. Therefore, these managers are of pivotal importance when studying the potentially detrimental effects of goal setting.

Indeed, scarce research suggests that assigned goals that are difficult, (i.e. excessively challenging work-related goals) can spark abusive supervision (Mawritz, Folger, & Latham, 2014). These aggressive, hostile supervisory behaviors can have severe impacts on subordinates, such as lowered job satisfaction, commitment, and

well-being (Tepper, 2000), negative spill-over effects on home situations (Hoobler & Brass, 2006), more deviant behaviors at work (Mitchell & Ambrose, 2007; Chan & McAllister, 2013), and decreased organizational productivity (Hmieleski & Ensley, 2007). However, to date, research on the relationship between goals and abusive supervision is limited. In particular, little is known about the specific mechanisms underlying the negative effects of goal attainability and about potential boundary conditions in this regard.

The present study aims to address these issues by developing and empirically examining a theoretical model that illustrates how and when the attainability of assigned goals relates to middle managers' abusive supervision. The study draws from conservation of resources (COR) theory (Halbesleben, Neveu, Paustian-Underdahl, & Westman, 2014; Hobfoll, 1989) in particular to cast emotional exhaustion, "a state of depleted work-related emotional and motivational resources" (Halbesleben, Wheeler, & Paustian-Underdahl, 2013, p. 493), as a key mediating mechanism in the linkage between middle managers' assigned goals and abusive supervision.

Specifically, it is expected here that assigned goals that are difficult to attain will put more strain on a manager's available resources and, as such, will be positively associated with his or her emotional exhaustion (Bardes, 2009; Krasikova, Green, & LeBreton, 2013). Moreover, it is proposed that exhausted middle managers are bereaved from emotional and motivational resources and aim to protect their remaining resources (Halbesleben et al., 2014). Therefore, it is expected that they will exhibit little motivation to invest resources to withstand aggressive impulses common in the workplace (e.g., everyday frustrations or perceived provocations). As a result, exhausted middle managers may more frequently lash out against their subordinates with abusive behavior (Krasikova et al., 2013; Mawritz et al., 2014). This line of reasoning suggests that difficult-to-attain goals are indirectly related to middle managers' abusive supervision through heightened emotional exhaustion.

Secondly, it is proposed here that the relationship between goal attainability, emotional exhaustion, and abusive supervision is moderated by normative standards

provided by an organization's work climate (Inness, Barling, & Turner, 2005; Vardi, 2001; Victor & Cullen, 1988). Specifically, perceptions of a climate as being unethical and egoistic are expected to serve as an important boundary condition for the role of emotional exhaustion. An organizational climate perceived in this way is highly instrumental and focused on employees' self-interest, even at the expense of other individuals (Arnaud & Schminke, 2011; Martin & Cullen, 2006; Victor & Cullen, 1988). In a highly egoistic work climate, even non-exhausted managers may find little reason to withstand aggressive tendencies and frustrations (Barnes, Lucianetti, Bhave, & Christian, 2015; Hoobler & Brass, 2006b; Tepper, Moss, & Duffy, 2011), such that abusive supervision should be relatively pronounced, regardless of a manager's emotional exhaustion. When a middle manager perceives a less egoistic (i.e., more ethical) climate in the organization, however, abusive supervision may appear more clearly counter-normative (cf. Mawritz, Mayer, Hoobler, Wayne, & Marinova, 2012). It is proposed here that in this situation, non-exhausted managers are less likely to exhibit abusive supervision. For highly exhausted managers, in contrast, COR theory suggests that the motivation to preserve any remaining resources may override normative considerations (Hobfoll, 2001; Muraven et al., 2006), and they may therefore exhibit relatively highly abusive supervision despite perceiving a less egoistic work climate.

Finally, although the ramifications of abusive supervision for direct subordinates are well established (e.g., Chan & McAllister, 2014; Tepper, 2007), its broader consequences for overall organizations or business units are under-addressed in the literature and have been identified as an especially promising research area (Hmieleski & Ensley, 2007; Krasikova et al., 2013; Mackey, Frieder, Brees, & Martinko, 2015). Therefore, to corroborate the relevance of examining middle managers' abusive supervision, the present study also investigates the relationship between this abusive supervision and different indicators of business unit performance (i.e., employee turnover, customer satisfaction, and financial performance). Figure 3.1 summarizes the overall conceptual model examined in this study.

FIGURE 3.1

The Proposed Conceptual Model of Antecedents of Abusive Supervision
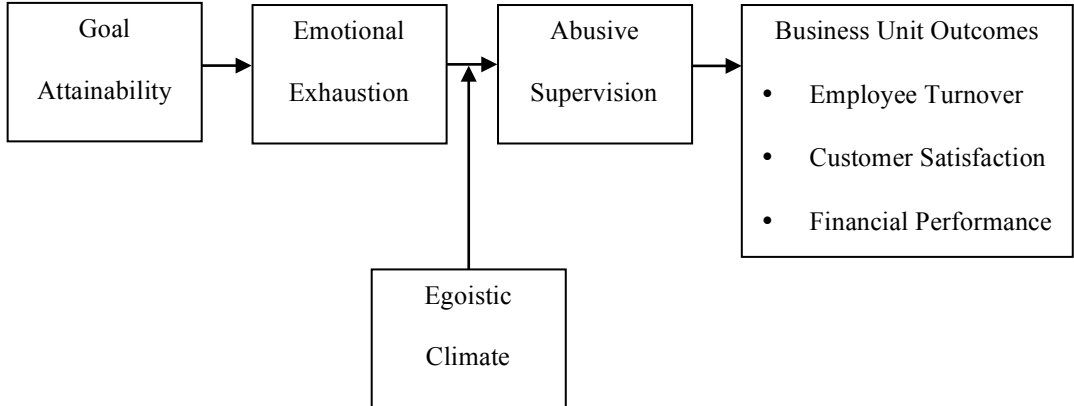
This study aims to make several contributions. First, it empirically addresses calls to further examine mechanisms underlying the relationship between assigned goals and (abusive) supervisor behavior by investigating the mediating role of emotional exhaustion (Klein, Cooper, & Monahan, 2013; Mawritz et al., 2014). Moreover, it clarifies the boundary conditions for the detrimental relationship between exhaustion and abusive supervision by considering the moderating role of egoistic work climate perceptions. This is an important theoretical contribution since it further pinpoints not only how assigned goals can relate to abusive supervision through exhaustion, but also specifies conditions that might strengthen or buffer the relationship between emotional exhaustion and abusive supervision. Lastly, the study contributes empirical evidence for the consequences of abusive supervision for business unit performance. From a practical perspective, it is believed that this study can help organizations to optimize potentially precarious goal setting procedures and work climates to minimize the occurrence of abusive supervision, and thereby avoid its wide-ranging, detrimental impacts.

THEORY AND HYPOTHESES DEVELOPMENT

Goal Attainability and Emotional Exhaustion: A Conservation of Resources Perspective

According to COR theory, a threat to current resources, the actual loss of resources, and an unbalanced or inadequate return on resource investments can all induce emotional and motivational depletion (Hobfoll, 1989). As such, COR theory has been extensively applied to the work context, for example to describe the prevalence of burnout (Halbesleben, 2006), lowered job performance (Halbesleben et al., 2013), and behavioral strains (Penney, Hunter, & Perry, 2011).

Building on COR theory, it is proposed here that goal attainability relates to middle managers' emotional exhaustion in such a way that low attainability relates to high levels of exhaustion. First, it is likely that striving to achieve assigned goals with low attainability will result in a tangible *loss of resources*. Although goal setting theory emphasizes the positive performance effects of setting challenging goals (compared to "just do your best" goals; Locke & Latham, 1990), scholars have recently indicated the potential hazards of setting overly ambitious goals (Mawritz et al., 2014; Ordóñez et al., 2009). In particular, striving to achieve highly difficult-to-attain goals requires substantial focus, motivation, effort, and persistence, thus necessitating pronounced resource investments (Halbesleben & Bowler, 2007). Second, in a similar vein, it is proposed in this study that middle managers' expected *return on the investment of resources* will be low if they feel their assigned goals are unfeasible (Hobfoll, 2001). This is because even putting in a high level of effort is unlikely to lead to successful goal attainment and its associated benefits (e.g., organizational rewards) if goals are exceedingly difficult. COR research suggests that "failure to gain valued resources despite significant investments" can result in exhaustion and burnout (Hrabluik, Latham, & McCarthy, 2012, p. 10). Third, assigned goals that are perceived to be hardly attainable can form a direct *threat to current resources*. If one's expected performance is low with regard to specific work-related goals, it is likely that even the mere outlook of having to aim for such goals will put more strain on one's emotional

and motivational resources (Bardes, 2009; Krasikova et al., 2013; Locke & Latham, 2013).

Supporting this theoretical argumentation, empirical evidence shows that unrealistic job demands and work overload, which may be a common occurrence when employees face difficult-to-attain goals (Mawritz et al., 2014), relate to exhaustion and lowered motivation (Bakker, 2012; Bakker, Demerouti, & Euwema, 2005; Hrabluik et al., 2012; Schaufeli & Bakker, 2004; van Woerkom, Bakker, & Nishii, 2016). More specifically, research has illustrated that exceedingly difficult or unattainable goals can promote absenteeism (van Woerkom et al., 2016), the hindrance of stress perceptions (Mawritz et al., 2014), burnout (Bakker et al., 2005), and resource deprivation (Hrabluik et al., 2012; Welsh & Ordóñez, 2014). In contrast, well-set, attainable (although not necessarily simple) goals have been shown to be positively associated with employee well-being (Brunstein, Schultheiss, & Maier, 1999; Ingledew, Wray, Markland, & Hardy, 2005) and job satisfaction (Maier & Brunstein, 2001).

To conclude, based on COR theory, this study proposes that difficult goals require more resource investment from middle managers, form a greater threat to their current resources, and have a lower estimated return on resource investments, as compared to more attainable goals. Hence, goals that are difficult to attain should result in higher emotional exhaustion (Halbesleben et al., 2014; Hobfoll, 1989, 2001; Hrabluik et al., 2012).

Hypothesis 1: Middle managers' perceptions of goal attainability negatively relate to their emotional exhaustion.

Emotional Exhaustion and Abusive Supervision

The work environment can entail many aggressive impulses, including frustrations and perceived provocations from various sources such as customers, coworkers, superiors, subordinates, and job tasks themselves (Marcus & Schuler, 2004; Spector et al., 2006). In general, it is normative to inhibit these impulses and to use

self-control to comply with common behavioral standards and avoid openly aggressive reactions (Baumeister & Vohs, 2007; Thau & Mitchell, 2010). However, COR theory suggests that individuals' resource deprivation may aggravate this inhibition or self-control (Hagger, 2015; Halbesleben et al., 2014; Muraven et al., 2006; Tyler & Burns, 2009). According to COR theory, when suffering from resource shortages, individuals are highly motivated to conserve their remaining resources and/or recuperate lost resources (Halbesleben et al., 2013; Muraven et al., 2006). In doing so, individuals will often exhibit a protective, even defensive motivational attitude, refraining from any further resource investment wherever possible (Halbesleben et al., 2014; Hobfoll, 2001).

In this vein, it is suggested here that middle managers who experience high emotional exhaustion will lack the motivation to invest resources into the effortful self-control required to withhold aggressive action tendencies elicited by everyday workplace frustrations and provocations. With subordinates representing relatively easily, readily available targets for aggressive outbursts (Aasland, Skogstad, Notelaers, Nielsen, & Einarsen, 2010; Einarsen, Skogstad, & Glasø, 2013), exhausted middle managers may be more likely to lash out towards their direct reports. Indeed, research has shown that resource depletion is related to increased interpersonal aggression (Kamphuis, Meerlo, Koolhaas, & Lancel, 2012). Managers' resource deprivation resulting from a lack of sleep has also been linked to abusive supervision (Barnes et al., 2015). In a similar vein, Mawritz et al. (2014) have shown that managers' stress relates to their anxiety and anger, which can subsequently enhance abusive supervision. Moreover, Byrne et al. (2014) have found that different indicators of resource shortages (i.e., depressive symptoms, alcohol consumption, and anxiety) are positively associated with managers' abusive behavior.

All in all, both theoretical and empirical considerations regarding the antecedents of abusive supervision indicate that resources are of pivotal importance to withholding such behavior (Byrne et al., 2014; Mackey et al., 2015; Mawritz et al., 2014; Zhang & Bednall, 2015). With emotional exhaustion representing a condition of severe resource

deprivation (cf. Hrabluik et al., 2012; Wright & Cropanzano, 1998), higher emotional exhaustion is therefore expected to be associated with middle managers' increased tendency to exhibit abusive actions towards their subordinates.

Hypothesis 2: Middle managers' emotional exhaustion is positively related to their abusive supervision.

As outlined above, Hypothesis 1 predicts a negative relationship between goal attainability and emotional exhaustion. Hypothesis 2, in turn, predicts a positive relationship between middle managers' emotional exhaustion and their abusive supervision. In combination, emotional exhaustion is proposed to act as a key mediating mechanism, such that higher goal attainability will negatively relate to middle managers' abusive supervision by reducing their emotional exhaustion. With lower goal attainability, in contrast, middle managers are expected to be more exhausted and, consequently, to more frequently lash out towards their subordinates.

Hypothesis 3: Middle managers' emotional exhaustion mediates the negative, indirect relationship between goal attainability and abusive supervision.

The Moderating Role of the Perceived Work Climate

Research has shown that besides individuals' personal availability of resources, the motivation to deploy resources or conserve them also depends on contextual factors, such as work structures (Aryee & Chen, 2007) and normative and cultural standards (Baumeister & Vohs, 2007). In organizations, the perceived work climate is an important source of these standards (Arnaud & Schminke, 2007b; Barnett & Vaicys, 2000; Vardi, 2001; Wimbush, Shepard, & Markham, 1997). In particular, an organization's (un)ethical climate represents employees' perceptions about moral and ethical behavioral norms and conventions that apply within the organization (Arnaud & Schminke, 2011; Martin & Cullen, 2006). This type of work climate perception can

influence attitudes and motivation (Barnett & Vaicys, 2000) as well as actual behavior by providing guidelines or normative pressure regarding which actions are acceptable or unacceptable (Arnaud, 2010; Bulutlar & Öz, 2009; Kish-Gephart, Harrison, & Treviño, 2010; Lange, 2008). Hence, perceived normative standards may provide external motivation for middle managers to either mitigate their abusive supervision even when emotionally exhausted, or to follow aggressive behavioral tendencies in this situation.

Scholars have conceptualized organizational work climates in multiple ways (see Arnaud & Schminke, 2007, 2011, for overviews). For the present purposes, the degree to which an organization's work climate is perceived as unethical or egoistic seems particularly relevant. In a highly egoistic work climate, the dominant source of moral reasoning is self-interest (Bulutlar & Öz, 2009; Vardi, 2001). As Cullen, Parboteeah, and Victor (2011 p. 130) note, "an egoistic climate implies that employees perceive that the organization generally promotes self-interested decisions at the expense of other constituents. In such climates, employees may feel that the organization is operating outside acceptable ethical limits and not conforming to societal ethical expectations." Accordingly, an egoistic climate has been associated with unethical and otherwise dysfunctional employee behaviors, whereas perceptions of a less egoistic climate may mitigate such acts (Barnett & Vaicys, 2000; Bulutlar & Öz, 2009; Peterson, 2002; Vardi, 2001).

On this basis, it is proposed here that middle managers' perceptions of a more or less egoistic climate serve as normative standards that influence the relationship between emotional exhaustion and abusive supervision. On the one hand, with highly egoistic climate perceptions, relatively high levels of abusive supervision are anticipated irrespective of a manager's emotional exhaustion. Under these circumstances, a middle manager will consider the organization to explicitly or implicitly endorse selfish, unethical, and antisocial behavior towards others (Arnaud & Schminke, 2007b; Cullen, Victor, & Bronson, 1993). In other words, the organization will be perceived as tolerating or even encouraging aggressive, hostile actions (e.g. bullying; Bulutlar &

Öz, 2009). Hence, in this case there should be little motivation for middle managers to actively withstand aggressive impulses. For highly exhausted managers, it is clear that this type of egoistic climate perception should strengthen their tendency to conserve scarce resources (Halbesleben et al., 2014; Muraven et al., 2006), and thus to lash out when experiencing hostile inclinations. However, even for less exhausted managers, such behavioral standards are expected to provide little reason to put effort into avoiding abusive supervision, as there is little disincentive against this behavior (cf. Gino, Schweitzer, Mead, & Ariely, 2011; Inness et al., 2005). Therefore, although these managers possess the resources necessary to counteract abusive tendencies, it seems unlikely that they will proactively invest these resources to avoid unethical, antisocial behavior. Hence, their abusive supervision should remain relatively pronounced.

On the other hand, if middle managers have low egoistic climate perceptions, their emotional exhaustion is expected here to decisively shape their abusive behavior. With organizational norms discouraging unethical, selfish, and antisocial acts (Arnaud & Schminke, 2011; Cullen et al., 1993), middle managers will experience external pressure and motivation to withhold aggression. Non-exhausted supervisors may therefore be willing to invest some of their abundant resources to inhibit hostile, abusive behavior. For highly exhausted managers, in contrast, it is predicted that abusive supervision will be relatively pronounced even if they perceive a low egoistic climate. This notion directly builds on one of COR theory's key corollaries, namely that a lack of resources will strongly motivate individuals to conserve remaining resources and shun any further resource investment wherever possible (Halbesleben et al., 2014; Hobfoll, 1989; Muraven et al., 2006). With emotional exhaustion representing an intense, continuous, and pervasive condition of resource deprivation (Maslach & Jackson, 1981; Prakash, Jaramillo, & Locander, 2006), the motivation for resource conservation is expected to be so strong among exhausted managers that it will override external, normative considerations derived from low egoistic climate perceptions. Thus, highly exhausted managers should experience little reservation against acting upon abusive impulses, even if they perceive the organization's climate to be relatively non-egoistic.

All in all, an interactive relationship of emotional exhaustion and egoistic climate perceptions with abusive supervision is therefore expected. Abusive supervision should be least pronounced for non-exhausted middle managers who also perceive a low egoistic climate in their organization. In contrast, for middle managers who are either highly exhausted or who perceive a more egoistic climate, more abusive supervision is anticipated.

> *Hypothesis 4: Middle managers' egoistic climate perceptions moderate the positive relationship between emotional exhaustion and abusive supervision. This relationship is more pronounced for middle managers with lower rather than higher egoistic climate perceptions.*

Since it is assumed that perceptions of an egoistic work climate moderate the relationship between emotional exhaustion and abusive supervision, it is plausible that these perceptions also conditionally influence the proposed indirect relationship between goal attainability and abusive supervision through emotional exhaustion (i.e., Hypothesis 3). Hence, a pattern of moderated mediation is proposed, as depicted in Figure 3.1 (cf. Preacher, Rucker, & Hayes, 2007). Since a stronger relationship is expected between emotional exhaustion and abusive supervision with low (rather than high) egoistic climate perceptions, the conditional indirect linkage between goal attainability and abusive supervision is also expected to be more pronounced when middle managers perceive a relatively low egoistic climate.

> *Hypothesis 5: Middle managers' egoistic climate perceptions will moderate the negative, indirect relationship between goal attainability and abusive supervision through emotional exhaustion. This indirect relationship will be more pronounced with low rather than high egoistic climate perceptions.*

Abusive Supervision and Indicators of Business Unit Performance

To further explore the relevance of middle managers' abusive supervision, the present study also aims to illustrate its association with key outcome variables for the respective managers' business units. As noted before, a wide body of research has shown that abusive supervision deteriorates multiple outcomes related to individual subordinates, for example resulting in increased turnover intentions and actual turnover, diminished job attitudes and well-being, and lowered job performance (for reviews and meta-analyses, see Krasikova et al., 2013; Mackey et al., 2015; Schyns & Schilling, 2013; Tepper, 2007; Tepper et al., 2009). Moreover, a smaller number of studies have linked managers' abusive supervision with lowered business unit performance (e.g., Detert, Treviño, Burris, & Andiappan, 2007; Harris, Kacmar, & Zivnuska, 2007; Hmieleski & Ensley, 2007).

In the data for the present study, information was available on overall employee turnover, customer satisfaction, and financial performance (i.e. sales) for a middle manager's business unit. In an effort to address the previously identified, promising area of research, the study explores abusive supervision's role regarding these key performance indicators. In line with previous work, abusive supervision is expected to be positively associated with employee turnover (Tepper, 2000), and negatively associated with customer satisfaction (cf. Detert et al., 2007) and financial performance (Detert et al., 2007; Harris et al., 2007; Hmieleski & Ensley, 2007).

> *Hypothesis 6: Middle managers' abusive supervision is positively related to employee turnover (H6a), and negatively related to customer satisfaction (H6b) and financial performance (H6c) within the respective managers' business units.*

METHOD

Participants

Targeted participants for the present study consisted of middle managers and their direct reports from food retail stores. The host company operated a large number of retail stores in Europe and the US through various subsidiaries. The participating middle managers operated stores within the Netherlands, and they were generally employed full-time by this company. Their responsibilities included assortment adjustments, local promotions and sponsorships, and human resource tasks such as recruitment, training, and retention (within the host company's nation-wide specifications). Moreover, store leadership was an important task for these middle managers, as they had frequent (typically daily) face-to-face contact with their direct reports (i.e., first-line supervisors who led different departments within the store).

Procedures

Data for this study were gathered in the second half of 2012, as part of a larger multi-wave study. In total, 558 middle managers were invited to participate. All of these managers were first informed about the data collection through company emails and in general meetings. In a more elaborate email, they then received further information (e.g., details on how to contact the researchers in case of technical problems), a personal invitation to participate, and a link to an online survey. In this survey, store managers self-rated the perceived attainability of their work-related goals (as set by the company's higher management) as well as their own emotional exhaustion and egoistic climate perceptions.

Subsequently, the researchers randomly selected between 7 and 12 (based on store size) direct subordinates for each middle manager. These subordinates then received an email with an invitation to participate and a link to a subordinate survey that asked them to assess their middle manager's abusive supervision. Participation was voluntary and confidentiality was assured for both middle managers and direct reports. To credibly guarantee confidentiality, all survey data were saved on an external party's server and, as such, were not accessible to company representatives. Middle managers' and subordinates'

surveys were matched based on the participants' store numbers.

Following suggestions from prior research (e.g. Bommer, Rubin, & Baldwin, 2004; Rubin et al., 2005), inclusion in the present study required that (a) a middle manager had worked in his or her current store for more than six months, (b) two or more subordinates provided ratings for that manager, and (c) the manager completed his or her questionnaire. Of the targeted participants, 370 middle managers (66%) met these criteria. Their average age of was 44 years (SD = 9.11), they had an average of 10 years' tenure as store managers (SD = 8.81), and they had worked on average for 18 years at the organization (SD = 11.86). The majority (87%) were male.

Furthermore, a total of 2,659 subordinates participated in the study out of 3,446 who were invited to participate (response rate 77%). On average, seven respondents rated an individual manager (SD = 2.47). Participating subordinates' average tenure in the company was 12 years (SD = 9.30), and their average tenure with their current manager was 2 years (SD = 1.70). Subordinates' average age was 32 years (SD = 11.81), and 57% were male.

Measures

The present research was conducted in the Netherlands, and respondents varied in their ability to comprehend English. Therefore, all survey items were translated to Dutch using a back-translation procedure.

Middle managers' goal attainability. Middle managers provided ratings of perceived goal attainability using three items (based on DeShon & Landis, 1997; Hollenbeck, Klein, O'Leary, & Wright, 1989; Hollenbeck, Williams, & Klein, 1989). Sample items are, "it is unrealistic for me to achieve these goals" and "it is hard for me to take these goals seriously" (reverse coded; α = .78). When introducing these items, middle managers were asked to think about the official, specific goals for their respective store that they had received in the beginning of the year from the host company's higher management. Answers were given on a 5-point scale (1 = strongly disagree, 5 = strongly agree).

Middle managers' emotional exhaustion. Middle managers' emotional exhaustion was captured with the 9-item measure developed by Maslach and Jackson (1981), using a 5-point response scale (1 = to a small extent, 5 = to a large extent). An illustrative item is, "I am used up at the end of the workday" (α = .89).

Middle managers' egoistic work climate perceptions. Middle managers' egoistic work climate perceptions were captured using four items from Cullen and colleagues (Cullen et al., 2011, 1993; Victor & Cullen, 1987). An illustrative item is, "In this company, people are mostly out for themselves." Answers were given on a 5-point scale (1 = to a small extent, 5 = to a large extent; α = .76).

Middle managers' abusive supervision. Subordinates rated their direct manager's abusive supervision using Tepper's (2000) 15-item measure with a 5-point response scale (1 = I cannot remember him/her ever using this behavior with me, 5 = He/she uses this behavior very often with me). Cronbach's alpha was .93. Sample items are, "my boss ridicules me" and "my boss tells me that my thoughts and feelings are stupid." In line with previous abusive supervision research (Detert et al., 2007; Rafferty & Restubog, 2011), multiple subordinate ratings referring to the same middle manager were aggregated. The appropriateness of this aggregation was assessed by calculating common interrater agreement and interrater reliability scores (median $r_{wg(j)}$ = .99 using a rectangular reference distribution; ICC1 = .13, $p < .01$; ICC2 = .52; cf. Bliese, 2000).

Performance indicators. The host company provided archival data on core performance indicators for the sample managers' stores. Specifically, data were obtained on each store's average employee turnover for the 16 weeks after first distributing the present survey (i.e., the percentage of employees leaving a store during this period). Furthermore, similar to Detert et al. (2007), data on customer satisfaction (per store) were retrieved from the organization's online customer survey, which was conducted 2 months after the present study's survey. Individuals included in a customer panel rated each store on a 10-point scale from 1 (extremely poor) to 10 (outstanding) on 12 items (e.g., "The employees in this [brand name] store are friendly and polite").

The host company provided this data in an aggregated form (i.e., multiple customers' answers to each specific item were aggregated to the store level), with on average 34 (SD = 15.69) customer respondents per store. Cronbach's α was .98. In total, 12,552 customers evaluated the present sample of stores. Finally, the host company provided data on financial performance, namely sales (in EUR) for the 12 weeks after the present survey was conducted.

   Control variables. Store size and middle managers' gender (1 = male, 2 = female) and job tenure were considered as potential control variables (Arnold, Palmatier, Grewal, & Sharma, 2009; Detert et al., 2007; Koene et al., 2002). Store size was measured in square meters, as provided by the host company. It was included because leadership selection effects might occur, whereby leaders with a specific leadership style or success record might be promoted to larger stores (Koene et al., 2002). In addition, it is clear that absolute sales tend to be higher in larger rather than smaller stores. Since women have been found to show slightly less abusive supervision (Aryee & Chen, 2007; Mawritz et al., 2012), gender was also included. Furthermore, job tenure was considered because experience in a leadership position has been suggested to relate to both leadership behavior and performance (Avery et al., 2003; Shamir, 2011). In addition, the time spent in a current position might influence the relationship with direct reports (Liden, Wayne, & Stilwell, 1993). Hence, job tenure seems important when considering antecedents and consequences of abusive supervision.

   Lastly, the study considered middle managers' core self-evaluations (CSE; "the fundamental assessments that people make about their worthiness, competence, and capabilities"; Judge, Bono, Erez, & Locke, 2005, p. 257) as a covariate to rule out the possibility that these evaluations might distort the relationships of interest in this study (Judge et al., 2005). Twelve items from Judge, Erez, Bono, and Thoresen (2003) were used to capture CSE (α = .78). A sample item is, "In general, I'm satisfied with myself." Middle managers rated these items on a 5-point scale (1 = strongly disagree, 5 = strongly agree).

Data Analyses

OLS regression analysis was used at the middle manager (i.e. store) level of analysis to test Hypotheses 1, 2, 4, and 6. To further examine the (conditional) indirect relationships suggested in Hypothesis 3 and 5, Hayes's (2012) bootstrap procedure was employed (see also Preacher, Rucker, & Hayes, 2007). This method is considered to be superior to more traditional approaches towards (moderated) mediation analysis because it does not rely on normality assumptions (Preacher et al., 2007). In particular, it uses a bootstrap re-sampling strategy to obtain parameter estimates of a (conditional) indirect relationship as well as 95% confidence intervals around the respective association. For the moderated mediation suggested in Hypothesis 5, the respective confidence intervals were estimated at high (+1 SD), medium (mean), and low (-1 SD) levels of the moderator. All variables were standardized prior to the analyses (Aiken & West, 1991).

RESULTS

Descriptive Statistics and Bivariate Correlations

Table 1 presents descriptive statistics and bivariate correlations for the study variables. Providing some initial support for the proposed conceptual model, a negative correlation was observed between goal attainability and emotional exhaustion ($r = -.27$, $p < .01$), Moreover, emotional exhaustion was positively correlated with abusive supervision ($r = .17$, $p < .01$). Finally, abusive supervision was positively correlated with employee turnover ($r = .14$, $p < .01$) and negatively with customer satisfaction ($r = -.13$, $p < .05$) and sales ($r = -.10$, $p < .05$).

Of the control variables, store size correlated negatively with abusive supervision ($r = -.18$, $p < .01$) and employee turnover ($r = -.15$, $p < .01$), and positively with customer satisfaction ($r = .24$, $p < .01$) and sales ($r = .82$, $p < .01$). Gender correlated negatively with egoistic climate ($r = -.10$, $p < .05$) and sales ($r = -.11$, $p < .05$). Job tenure was negatively correlated with emotional exhaustion ($r = -.10$, $p < .05$) and employee turnover ($r = -.16$, $p < .01$) and positively correlated with customer

TABLE 3.1

Means, Standard Deviations, and Intercorrelations

Variable	*M*	*SD*	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
1. Store Size (m²)	1371.23	653.52										
2. Gender	1.13	.34	-.08									
3. Job Tenure	2.87	1.97	.09	-.06								
4. CSE	4.00	.46	.05	-.05	.06							
5. Goal Attainability	3.27	.94	-.04	-.04	-.03	.23**						
6. Emotional Exhaustion	1.67	.60	.00	.03	-.10*	-.57**	-.27**					
7. Egoistic Climate	2.46	.74	.02	-.10*	.04	-.22**	-.28**	.32**				
8. Abusive Supervision	1.29	.24	-.18**	-.02	.00	-.16**	-.02	.17**	.09			
9. Employee Turnover	ND	ND	-.15**	-.01	-.16**	.02	-.02	.12*	.09	.14**		
10. Customer Satisfaction	ND	ND	.24**	.02	.21**	.04	.01	-.16**	-.11*	-.13*	-.44**	
11. Sales	ND	ND	.82**	-.11*	.08	.05	-.06	.06	.08	-.10*	-.03	.04

Note. N = 370. CSE = core self evaluations. Due to sensitivity for the organization, means and standard deviations for the three performance criteria are not disclosed and are marked "ND". Please contact the author for more information.
* $p < .05$, ** $p < .01$.

satisfaction ($r = .21, p < .01$). Finally, CSE was positively related to perceptions of goal attainability ($r = .23, p < .01$) and negatively related to emotional exhaustion ($r = -.57, p < .0$), egoistic climate perceptions ($r = -.22, p < .01$), and abusive supervision ($r = -.16, p < .01$). Following Becker (2005), the hypotheses testing only included controls that were significantly correlated with the respective dependent variable. Hence, store size and CSE were controlled for when examining the hypotheses on the antecedents of abusive supervision (Hypotheses 1-5), and store size, gender, and job tenure were controlled for when examining the hypotheses related to business unit performance (Hypotheses 6a-6c).

Hypotheses Testing

Hypothesis 1 suggested that goal attainability was negatively related to emotional exhaustion. Table 3.2 indeed reveals a negative association between goal attainability and emotional exhaustion, even after taking into account control variables ($B = -.15$, SE $= .04, p < .01$). Hence, Hypothesis 1 was supported. Next, the study examined whether middle managers' emotional exhaustion was related to abusive supervision. Consistent with Hypothesis 2, Table 3.3 (Model 2) shows that managers' emotional exhaustion and abusive supervision were positively related, even after considering relevant covariates ($B = .12$, SE $= .06, p < .05$).

The indirect relationship proposed in Hypothesis 3 between goal attainability and abusive supervision through emotional exhaustion was also further assessed. Bootstrap results corroborated the indirect relationship indicated by the pattern of linkages outlined before, such that there was indeed a negative indirect relationship between goal attainability and abusive supervision mediated by a middle manager's exhaustion (estimate $= -.020$, 95% CI $= -.048, -.001$). Hence, Hypothesis 3 received support.

TABLE 3.2

Hierarchical Regression Analysis on Emotional Exhaustion

	Emotional Exhaustion	
	Model 1	Model 2
Store Size	.02 (.04)	.02 (.04)
CSE	-.57 (.04)**	-.53 (.04)**
Goal Attainability		-.15 (.04)**
R^2 (Adjusted R^2)	.32** (.32)	.35** (.34)
ΔR^2	.32**	.02**

Note. $N = 370$. Unstandardized parameter estimates are reported, standard errors in brackets.

* $p < .05$, ** $p < .01$.

The next step was to test whether egoistic climate perceptions moderated the relationship between emotional exhaustion and middle managers' abusive supervision, as stated in Hypothesis 4. The interaction term of managers' emotional exhaustion

and egoistic climate perceptions was entered into the regression equation predicting middle managers' abusive supervision, in addition to the control variables and main effects. As indicated in Table 3.3 (Model 3), the coefficient for this interaction term was significant ($B = -.14$, SE = .05, $p < .01$). Moreover, as shown in Figure 3.2 (cf. Aiken & West, 1991), emotional exhaustion was positively related to abusive supervision among supervisors with lower egoistic climate perceptions, but not among supervisors with higher egoistic climate perceptions. Hence, Hypothesis 4 was supported. [1]

1   In addition, the study examined whether excluding goal attainability from the analysis depicted in Table 3.3 changed the patterns or relationships. This was not the case.

TABLE 3.3

Hierarchical Regression Analysis on Abusive Supervision

	Abusive Supervision			
	Model 1	Model 2	Model 3	Model 4
Store Size	-.17 (.05)**	-.17 (.05)**	-.17 (.05)**	-.16 (.05)**
CSE	-.16 (.05)**	-.09 (.06)	-.09 (.06)	-.08 (.06)
Goal Attainability	.01 (.05)	.03 (.05)	.04 (.05)	.04 (.05)
Emotional Exhaustion		.12 (.06)*	.11 (.06)	.15 (.06)*
Egoistic Climate			.04 (.05)	.04 (.05)
Emotional Exhaustion x Egoistic Climate				-.14 (.05)**
R² (Adjusted R²)	.06 (.05)**	.07 (.06)**	.07 (.06)**	.09 (.07)**
ΔR²	.06**	.01*	.00	.02**

Note. $N = 370$. Unstandardized parameter estimates are reported, standard errors in brackets. *$p < .05$, **$p < .01$.

Hypothesis 5 predicted that egoistic climate perceptions would moderate the indirect relationship of goal attainability with abusive supervision through emotional exhaustion. As depicted in Table 3.4, the findings indicated a significant conditional indirect relationship between goal attainability and abusive supervision through emotional exhaustion at lower values of egoistic climate (i.e., 1 SD below the mean: estimate = -.044, 95% CI = -.097, -.013) and at the mean value of egoistic climate perceptions (estimate = -.023, 95% CI= -.057, -.003), since the respective bootstrap confidence intervals did not include zero. In contrast, this conditional indirect relationship did not reach statistical significance among managers with higher egoistic climate perceptions (estimate = -.001, 95% CI= -.026, .028).

FIGURE 3.2

Abusive Supervision Predicted by Emotional Exhaustion, Moderated
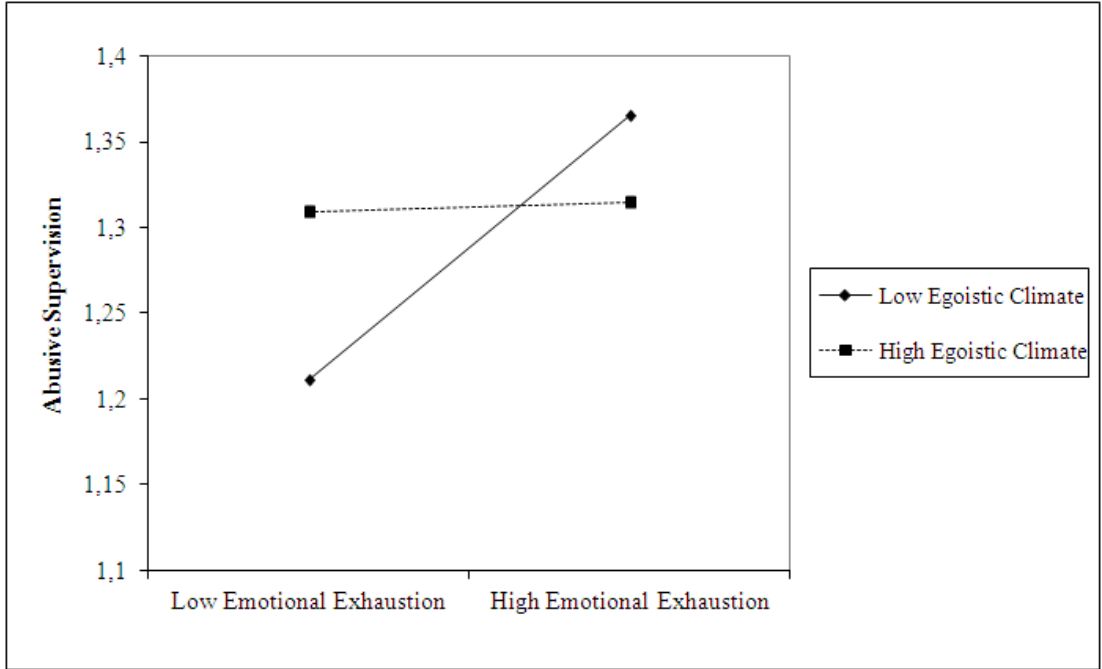
by Egoistic Climate

TABLE 3.4

Conditional Indirect Relationship of Goal Attainability with

Middle Manager Abusive Supervision Through Emotional Exhaustion,

Moderated by Egoistic Climate

Egoistic Climate	Indirect Relationship	Boot SE	Boot LLCI	Boot ULCI
-1SD	-.044	.021	-.097	-.013
Median	-.023	.013	-.057	-.003
+1SD	-.001	.013	-.026	.028

Note. N = 370. Standardized coefficients are reported. Bootstrap sample size = 5,000. SE = standard error. LL = lower limit. CI = 95% confidence interval. UL = upper limit.

Lastly, the study examined the relationship between abusive supervision and different store performance outcomes (i.e., Hypothesis 6; see Table 3.5). Hypothesis 6a predicted a positive relationship between abusive supervision and employee turnover. This hypothesis was corroborated by the analysis, even after considering relevant controls (B = .12, SE = .05, p < .05). On the other hand, the prediction that abusive supervision would negatively relate to customer satisfaction (i.e., Hypothesis 6b) could not be supported, although the respective coefficient was marginally significant (B = -.05, SE = .03, p = .055). Finally, Hypothesis 6c predicted that absolute store sales would relate negatively to abusive supervision. As shown in Table 3.5, however, this relationship was not significant (B = .04, SE = .03, p = ns); hence, Hypothesis 6c was not confirmed.

DISCUSSION

The present study empirically examined a conceptual model that illustrates how assigned goals may contribute to the development of abusive supervision by triggering middle managers' emotional exhaustion when those goals are perceived to have a low attainability. The results showed that when exhausted, middle managers were less motivated to deploy resources to inhibit abusive inclinations, and were thus more likely to display abusive supervision. Moreover, the study highlighted the relevance of an organization's perceived work climate, demonstrating that ethical climate perceptions served as a critical boundary condition for this relationship between goals, emotional exhaustion, and abusive supervision. Irrespective of a manager's emotional exhaustion, relatively high levels of abusive supervision were present under conditions of highly egoistic climate perceptions. Less exhausted middle managers, in contrast, refrained from abusive supervision if they were motivated to do so through perceptions of a climate low in egoism in the organization, but not if they perceived a relatively egoistic climate. Lastly, the study explored the relationship between abusive supervision and indicators of business unit performance, underlining the relevance of better understanding the role of abusive supervision for organizations.

TABLE 3.5

Results of Hierarchical Regression for Business Unit Outcomes

	Employee Turnover		Customer Satisfaction		Sales	
	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2
Store Size	-.14 (.05)**	-.12 (.05)*	.12 (.03)**	.11 (.03)**	.81 (.03)**	.82 (.03)**
Gender	-.03 (.05)	-.03 (.05)	.02 (.03)	.02 (.03)	-.05 (.03)	-.05 (.03)
Job Tenure	-.15 (.05)**	-.15 (.05)**	.10 (.03)**	.10 (.03)**	.01 (.03)	.01 (.01)
Abusive Supervision		.12 (.05)*		-.05 (.03)^v		.04 (.03)
R^2 (adjusted R^2)	.05 (.04)**	.06 (.05)**	.10 (.09)**	.11 (10)**	.67 (.67)**	.67 (.67)**
ΔR^2	.05**	.01*	.10**	.01^v	.67**	.00

Note: $N = 370$. Unstandardized regression coefficients are shown; standard errors are noted within parentheses.
** $p < .01$, * $p < .05$, ^{v} $p < .10$.

Theoretical Implications

The present study makes several theoretical contributions. Firstly, it illustrates the role of goal attainability for emotional exhaustion, an important resource-related concept. In doing so, it has addressed calls for additional research on the precarious practice of goal setting (Locke & Latham, 2013; Locke, Latham, & Locke, 2012) and contributes to the scarce amount of empirical evidence that relates goal characteristics to potentially detrimental outcomes (Mawritz et al., 2014; Ordóñez et al., 2009; Schweitzer et al., 2004; Welsh & Ordóñez, 2014).

Moreover, the study identifies emotional exhaustion as a key mechanism through which goal attainability can influence the occurrence of abusive supervision. Drawing from COR theory (Hobfoll, 1989, 2001), it was shown that resource depletion and the associated experiences of emotional exhaustion serve to explain why managers facing difficult-to-attain goals are more likely to lash out towards subordinates. This finding explains the relationship between goal setting and supervisors' abusive acts (Krasikova et al., 2013; Mawritz et al., 2014). Hence, this study advances theory on goal setting and abusive supervision (Bardes & Piccolo, 2010; Mawritz et al., 2014) by addressing the pivotal question of *why* these constructs may be linked (cf. Whetten, 1989).

Finally, the study enriches the literature on abusive supervision by highlighting egoistic climate perceptions as a novel, heretofore unexplored boundary condition. In fact, it appears that an organization's work climate is of pivotal importance for abusive supervision, as even non-exhausted managers seem to have a tendency towards abusive behavior if they perceive the climate to be unethical and egoistic. Middle managers only appear to be willing to withstand aggressive impulses and curb abusive supervision when they work in an organization perceived to promote ethical, low-egoism norms and standards and, at the same time, experience limited stress at work. The present findings thus contribute to the scarce knowledge on the relationship between organizational climates and abusive supervision (see Mackey et al., 2015; Mawritz et al., 2012; Priesemuth, Schminke, Ambrose, & Folger, 2011).

Moreover, by identifying ethical climate as a contextual factor that might impact leaders' motivation, this study opens new avenues for applying this knowledge to other domains of leadership.

Limitations and Future Research

Besides its notable strengths (e.g., different measurement sources to limit common method variance; a relatively large field sample with multiple employees rating each supervisor's abusive behavior), the current study also has some methodological limitations. First, the data were collected from one single organization within one country, the Netherlands. Also, mean abusive supervision and in particular its standard deviation in the sample were both low. In their meta-analysis (k = 130), Mackey, Frieder, Brees, and Martinko (2015) found a different pattern (M =1.78, *SD* = .82, k = 130) than in the present findings. Hence, generalizability to other organizations, cultures, and industries cannot be ascertained without further constructive replication in alternative contexts. Second, the cross-sectional study design prevents causal conclusions, although the present hypotheses are predicated on a strong theoretical fundament (i.e., COR theory; Hobfoll, 1989, 2001). Third, scholars have noted that bonus payments could influence goal appraisals, such that "smart people [may] find ingenious ways to make easy goals appear difficult, so as to ensure the receipt of their bonus" (Latham & Locke, 2006, p. 336). As middle managers' assigned goals in the present study context were indeed related to organizational bonuses and rewards, there was potential for measurement distortion in this regard. However, given that participation in this study was voluntary and confidentiality assured, this risk to the measures' validity is believed to remain limited. In fact, this issue may point towards an interesting direction for future research that could explore the role of compensation and benefit procedures connected to organizational goal setting processes for the emergence of abusive supervision (cf. Welsh & Ordóñez, 2014).

Since this study draws on motivational characteristics of COR to explain the emergence of abusive supervision due to difficult goals, future research might also

address the motivational aspects of goals *themselves* in more detail. In particular, research shows that one's goal orientation might be important in shaping the detrimental effects of goal setting (Vriend, 2016). Specifically, having a performance orientation (i.e. focus on external, interpersonal standards) compared to a mastery goal orientation (based on intrapersonal standards) could determine how assigned goals relate to depletion and unethical behavior (Van Yperen & Orehek, 2013). For example, following COR, if one places great value on mastering extremely difficult goals, it is likely that such goals will initiate different patterns of depletion compared to in individuals who have a high performance orientation. A strong mastery orientation could lead to stronger persistence in achieving goals, inducing tangible *loss of resources*, and subsequent lower motivation to inhibit abusive supervision. A performance orientation, in contrast, might instigate more abusive behavior by explicitly motivating people to override ethical norms. Therefore, future research might explore how different types of goals and their motivational effects relate to leaders' resource conservation and abusive supervision.

In addition, besides studies on the cascading of transformational (see Chapter 2; Yang, Zhang, & Tsui, 2010) and ethical leadership (Mayer et al., 2009), a trickle-down effect of abusive supervision has also been explored (Aryee & Chen, 2007; Mawritz et al., 2012; Wayne et al., 2008). When investigating the underlying mechanism and conditions of this effect, scholars might also consider leaders' motivation to deploy resources, which depends on both availability of resources (i.e. exhaustion) and ethical work climate (Mawritz et al., 2012).

Finally, future research could examine the findings on the relationship between abusive supervision and performance indicators. The present results show preliminary relationships between this type of leadership behavior and some organizational outcomes, but future studies are needed to further examine the role of abusive supervision for "difficult" financial business unit goals and performance outcomes.

One final direction for future research is to consider *time* in relation to both the antecedents and consequences of abusive supervision (cf. Shamir, 2011). For example,

empirical research shows that especially consecutive (i.e. multiple successive) high goals have detrimental effects on individuals' resources (Welsh & Ordóñez, 2014). Thus, a better understanding of the emergence of abusive supervision could be gained from studying the relationship between goals and depletion considering time, which has already been identified as a research opportunity both from a goal setting and a mistreatment perceptive (Cole, Shipp, & Taylor, 2016; Fried & Slowik, 2013).

Practical Implications

The present study has important practical implications. Specifically, the findings offer several means for organizations to actively minimize occurrences of abusive supervision among their middle managers. Since middle managers are the linking pin between assigned goals and leadership behavior, one critical and straightforward measure could be to review organizational goal setting processes to ensure that middle managers' assigned goals are not exceedingly difficult, for example by using expert panels or participative goal setting procedures to proactively assess the attainability and prioritization of these goals (Anderson, Dekker, & Sedatole, 2010; Emsley, 2003; Erez & Zidon, 1984; Locke & Latham, 2015; Shalley, Oldham, & Porac, 1987).

Moreover, organizations could increase managers' goal attainability perceptions by (a) ensuring that there are no undue constraints regarding goal achievement (e.g., procedural, budgetary, or staff limitations; cf. Pomaki, Karoly, & Maes, 2009), (b) giving managers outcome control (cf. Miao & Evans, 2013), and (c) increasing managers' goal-related capabilities and competencies through training and development (DeShon & Landis, 1997; Hollenbeck, Williams, et al., 1989).

Importantly, the present study shows that organizations may curb instances of abusive supervision by facilitating middle managers' ethical, low-egoism work climate perceptions. Previous research has illustrated that superiors (in the present case, higher-level managers) have a profound influence in this respect, for example by role modeling ethical behavior and emphasizing standards of low egoism (Demirtas & Akdogan, 2015; Mawritz et al., 2012; Wayne et al., 2008; Wimbush & Shepard, 1994).

In addition, organizations could adapt their recruitment and promotion procedures to take into account new middle managers' ethical reasoning capacity (e.g., by conducting ethical assessments; Loviscky, Treviño, & Jacobs, 2007), use ethics codes to underline low-egoism norms (Kish-Gephart et al., 2010; Treviño, den Nieuwenboer, & Kish-Gephart, 2014), and explicitly incorporate ethical aspects in their employee training and development instruments (Cohen, 1995; Neesham & Gu, 2014; Warren, Gaspar, & Laufer, 2014; Watts et al., 2016) and/or reward, assessment, and accountability schemes (see (Beu & Buckley, 2004; Mahlendorf, Matejka, & Weber, 2013; Schweitzer et al., 2004).

To conclude, it is the hope that this study offers helpful recommendations for organizations striving to reduce instances of abusive supervision. It is believed that it has the potential to motivate future research on both antecedents and outcomes associated with middle managers' abusive behavior.