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**A Business Frame Perspective on Why Perceptions of Top Management's Bottom-line Mentality Results in Employees' Good and Bad Behaviors**

**ABSTRACT**

Emerging research suggests that bottom-line mentalities (BLM) (i.e., a sole focus on bottom-line outcomes to the exclusion of other considerations) can have dysfunctional consequences within the workplace. However, research has yet to consider how and why BLMs may result in both beneficial and dysfunctional organizational outcomes. In the present research, we examine employees' perceptions of top management's BLM, and how these perceptions propagate employees' business frames that reflect two different cognitions. In response to top management's high BLM, employees may adopt a mental preoccupation with work (i.e., a state of ongoing work-related cognitions) that propels beneficial employee behaviors in the form of customer civility and enhanced customer service performance. Yet, also in response to top management's high BLM, employees may adopt self-interest cognitions (i.e., a cognitive state of self-interest) that instigate customer-directed unethical conduct. Across two field studies, we found general support for our hypotheses. Taken together, our findings suggest that top management's high BLM can be a mixed blessing in that it may drive employees to think about the gains of the situation (mental preoccupation with work) and the losses of the situation (self-interest cognitions), with each cognitive state predicting beneficial or dysfunctional behaviors. We discuss the implications of these findings and directions for future research.

*Keywords:* bottom-line mentality, mental preoccupation with work, self-interest cognitions, customer-oriented outcomes

*Wells Fargo's* former CEO, John Stumpf, regularly communicated the message “eight is great,” which conveyed to employees that they should sell customers at least eight products (McGrath, 2016). John Stumpf's message underscored the importance of hitting sales quotas and raising corporate profits. Some employees took Stumpf's message to the extreme by engaging in unethical practices to support bottom-line demands. In fact, 5,300 *Wells Fargo* employees were fired for opening fictitious accounts in customers' names without their permission (Egan, 2016). *Wells Fargo* employees may have perceived that Stumpf *only* cared about profits to the exclusion of other organizational considerations, a phenomenon known as having a bottom-line mentality (BLM) (Greenbaum, Mawritz, & Eissa, 2012), which may have partially contributed to employees' unethical conduct (i.e., behavior that violates society's moral expectations; Trevino, Weaver, & Reynolds, 2006).

BLM theorizing suggests that leaders may develop such a myopic focus on bottom-line outcomes that they minimize the importance of process, cooperation, and ethical adherence in the pursuit of bottom-line demands (Greenbaum et al., 2012; Shepard, 1965; Wolfe, 1988). Unfortunately, a leader's overly narrow focus on the bottom line can contribute to a range of dysfunctional outcomes, including unethical pro-leader behavior (Mesdaghinia, Rawat, & Nadavulakere, 2018), coworker undermining (Greenbaum et al., 2012), abusive supervision (Mawritz, Greenbaum, Butts, & Graham, 2017), and employees' shameful reactions (Bonner, Greenbaum, & Quade, 2017). Although extant research suggests that BLMs are largely problematic, for-profit companies are responsible for securing profits and ensuring the organization's economic viability (e.g., Carroll, 1991; Ireland & Hitt, 1999). Thus, in some regards, a narrow focus on bottom-line outcomes may seem like a reasonable strategy for focusing employees' efforts on what matters most. In this respect, some research suggests that a

singular focus on prominent outcomes can lead to enhanced productivity (Shah, Friedman, & Kruglanski, 2002; Shah & Kruglanski, 2002). To this end, research is needed that unveils why leaders' BLMs may produce drawbacks, but also why they may produce beneficial outcomes.

Our research examines employees' perceptions of top management's BLM and why these perceptions lead employees to engage in beneficial behaviors as well as dysfunctional behaviors. We rely on theoretical work pertaining to decision frames to suggest that top management's high BLM propels employees to adopt a business frame (Tenbrunsel & Messick, 1999; Tenbrunsel & Smith-Crowe, 2008). Importantly, business frames can be reflected by a range of cognitions (see March, 1995; Messick, 1999), with some cognitions resulting in beneficial behaviors that legitimately help the organization, and with other cognitions resulting in unethical behaviors that harm the organization in the long run (Tenbrunsel & Smith-Crowe, 2008).

We specifically examine perceptions of top management's BLM to employees' beneficial behaviors (i.e., customer civility, customer service performance) and unethical behaviors (i.e., customer-directed unethical behavior) through two cognitive processes. We argue that employees respond to top management's high BLM with *mental preoccupation with work* (i.e., "...a state of ongoing work-related thoughts," Eib, von Thiele Schwarz, & Blom, 2015, p. 434) as a way of prolonging their work-related efforts and maximizing outcomes that help the bottom line (Eib, Bernhard-Oettel, Magnusson Hanson, & Leineweber, 2018; Eib et al., 2015). In customer service positions, customer civility and superior customer service are beneficial to the organization's bottom-line profitability (e.g., Vickery, Jayaram, Droge, & Calantone, 2003; Zeithaml, Berry, & Parasuraman, 1996). On the contrary, employees may also respond to top management's high BLM with self-interest cognitions (i.e., "...a cognitive state of self-interest," Mitchell, Baer, Ambrose, Folger, & Palmer, 2018, p. 55) that underscore the impending threat of

not meeting bottom-line demands. In turn, these employees engage in customer-directed unethical behavior to contribute to the bottom-line and appear more successful. See Figure 1 for our theoretical model.

Through this research, we make a number of contributions to the literature. First, although research has noted the importance of decision frames to (un)ethical conduct (Kouchaki, Smith-Crowe, Brief, & Sousa, 2013; Tenbrunsel & Messick, 1999; Tenbrunsel & Smith-Crowe, 2008), empirical research has not adequately considered that a decision frame can spawn a range of cognitions and behaviors (Tenbrunsel & Smith-Crowe, 2008). Hence, we contribute to the literature by utilizing Tenbrunsel and Smith-Crowe's model of ethical decision making to understand why perceptions of top management's high BLM can spawn both beneficial and dysfunctional behaviors. Second, the BLM literature has yet to investigate perceptions of top management's BLM. We argue that an examination of these perceptions is important because they likely represent employees' interpretations of environmental cues, which has a bearing on employees' adoption of particular decision frames (Messick, 1999). When top management is perceived as only caring about profits (e.g., Pfeffer, 2013), employees are likely to espouse a business decision frame because it aligns with the demands of the environment. In this respect, we also contribute to the literature by suggesting that employees' business decision frames can be reflected by two cognitive processes (i.e., mental preoccupation with work and self-interest cognitions) that predict beneficial and dysfunctional organizational outcomes. Third, the BLM literature is still in its infancy, with most research implying that BLMs produce dysfunctional outcomes. We contribute to the literature by illustrating that BLMs can indeed lead to beneficial outcomes. We also contribute to the literature by examining mediators that explain why BLMs can be both beneficial and dysfunctional. Finally, in service-based economies, customer service

experiences are highly important to organizational success (Vickery et al., 2003; Zeithaml, 2000). Our research contributes to the literature by investigating factors that contribute to, or detract from, favorable consumer experiences.

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Insert Figure 1 about here  
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## **Theoretical Background and Hypotheses Development**

### **Perceptions of Top Management Bottom-Line Mentality and Employees' Business Frames**

In a business context, the “bottom line” refers to financial outcomes, such as profits (Wolfe, 1988). An organization's top managers are responsible for fulfilling bottom-line expectations, as their core responsibilities involve protecting the economic viability of the firm and enhancing shareholder wealth (Ireland & Hitt, 1999). In turn, top managers are rewarded for improving the organization's financial success (David, Kochhar, & Levitas, 1998).

Top management's duties to secure bottom-line outcomes, as well as their financial incentives for doing so (David et al., 1998), may signal to employees that top management *only* cares about the bottom line. This possibility is not unfounded, as many organizations still follow the conception that “only profits count” (Pfeffer, 2013). In this respect, employees may perceive that top management possesses a high bottom-line mentality (BLM). Employees may interpret environmental cues that suggest that top management *solely* cares about bottom-line outcomes, to the exclusion of other organizational considerations (see Greenbaum et al., 2012).

People rely on their perceptions of the environment to develop decision frames, or conceptions of how people typically think and behave with respect to particular circumstances (Kay & Ross, 2003; Pillutla & Chen, 1999; Tversky & Kahneman, 1981). In turn, individuals' decision frames influence their subsequent behaviors, with these behavioral choices typically

aligning with the expectations of the environment (March, 1995; Messick, 1999). In an organizational context, environmental cues that underscore the importance of money can activate employees' business decision frames (Kouchaki et al., 2013; Tenbrunsel & Messick, 1999). When employees adopt a business decision frame, they reflect on the business components of their decisions (Tenbrunsel & Messick, 1999) and whether their actions are likely to produce gains and losses with respect to the business context (Kouchaki et al., 2013). Importantly, business decision frames can produce varying cognitions (e.g., March, 1995; Pillutla & Chen, 1999) that are likely to produce different behavioral outcomes (Tenbrunsel & Smith-Crowe, 2008). Tenbrunsel and Smith-Crowe explain that business frames can produce both good and bad organizational outcomes depending on whether a decision maker views a course of action as being the best alternative in light of the business context.

We argue that perceptions of top management's high BLM activates employees' business decision frames. When leaders appear to prioritize bottom-line, financial outcomes, above all else (Bonner et al., 2017; Mawritz et al., 2017), employees will approach decision making with respect to meeting the demands of the environment (Messick, 1999). In this case, top management's bottom-line expectations convey the significance of profits and the need to make money. Extant research has shown that environmental cues related to money activate decision-making schemata that directly support one's attainment of financially-relevant outcomes (Gino & Pierce, 2009; Kouchaki et al., 2013; Tenbrunsel & Messick, 1999; Vohs, Mead, & Goode, 2006; Vohs, Mead, & Goode, 2008). Money-related cues specifically activate business decision frames (Tenbrunsel & Messick, 1999), which provoke cognitions that are oriented towards one's financial gains and losses (Kouchaki et al., 2013).

Importantly, people's business decision frames may reflect cognitions that are oriented towards the impending *gains* of the situation, or towards the impending *losses* of the situation (Pillutla & Chen, 1999). In fact, "business" is defined as serious, focused activities that represent maximum effort (Merriam-Webster, 2018), with the anticipation of receiving gains in the form of desirable outcomes (Vohs et al., 2006). Yet, it is also defined as being associated with one's livelihood and personal concerns (Merriam-Webster, 2018), which may activate self-interest cognitions that underscore the possibility of situational losses and the need to protect one's livelihood from potential threats (Mitchell et al., 2018). Thus, "business" may be associated with working hard to *gain* desirable outcomes (Vohs et al., 2006), but it can also encourage people to focus on themselves to avoid *losses* (Kouchaki et al., 2013; Mitchell, et al., 2018). In this respect, we argue that perceptions of top management BLM activate employees' business decision frames, which is reflected by two cognitions that are oriented towards impending gains or losses: mental preoccupation with work (gain) and self-interest cognitions (losses). In the next sections, we describe why each process produces beneficial or dysfunctional behaviors.

### **The Mediating Role of Mental Preoccupation with Work**

Top management's high BLM conveys that *only* profits matter (Wolfe, 1988). In such an environment, employees are likely to focus their attention on securing bottom-line, financial outcomes and the general need to make money. By increasing their attention and work efforts towards securing financially-relevant outcomes, employees safeguard their success in an environment that prioritizes bottom-line outcomes above all else (Shepard, 1965).

In an effort to effectively contribute to top management's bottom-line expectations, employees may operate with a business decision frame that reflects cognitions that are oriented towards the gains of maximizing financial outcomes (Kouchaki et al., 2013; Tenbrunsel &



Messick, 1999; Tenbrunsel & Smith-Crowe, 2008). Mental preoccupation with work represents "...a state of ongoing work-related thoughts" that allows individuals to meet the demands of their work environment (Eib et al., 2015, p. 434). Individuals who are mentally preoccupied with work internalize work-related cognitions as a way of prolonging their work efforts and maximizing desired outcomes (Eib et al., 2018; Eib et al., 2015). By regularly ruminating about work, employees maximize the extent to which their attentional resources are devoted to top management's bottom-line demands. Indeed, past research suggests that money-related cues encourage people to work harder and to stay more focused in their pursuit of desired outcomes (Mogilner, 2010; Vohs et al., 2006; Vohs et al., 2008), which then enhances the attainment of desired outcomes (Shah et al., 2002; Shah & Kruglanski, 2002).

In service-based industries, top management's high bottom-line expectations are supported by customer service initiatives (e.g., Zeithaml et al., 1996). To close sales and to encourage repeat purchases, employees are expected to treat customers with civility and to provide superior customer service performance (Jaramillo & Grisaffe, 2009). Customer civility exists when employees treat customers with dignity and respect (Rupp & Spencer, 2006). Superior customer service performance occurs when employees provide customers with helpful suggestions, timely information and feedback, and important information about products and services (Price, Arnould, & Tierney, 1995; Salanova, Agut, & Peiró, 2005). By engaging in these behaviors, employees contribute to top management's bottom-line expectations by enhancing the customer service experience, which can increase sales and profitability (Vickery et al., 2003; Zeithaml, 2000; Zeithaml et al., 1996).

In all, we suggest that employees' perceptions of top management's high BLM may encourage them to adopt business frame cognitions that are oriented towards the gains associated

with contributing to the bottom line. In this respect, employees may become mentally preoccupied with work as a way of prolonging their work efforts towards maximizing bottom-line attainment (e.g., Eib et al., 2015). In service-based industries, mental preoccupation with work directs employees' work efforts towards providing superior customer service as a way of promoting sales and profitability. Customers who are treated with civility, and who receive excellent customer service, are likely to buy more products and services, and engage in repeat purchases, thus enhancing profits (Vickery et al., 2003; Zeithaml, 2000; Zeithaml et al., 1996). Therefore, we hypothesize:

*Hypothesis 1: Perceived top management bottom-line mentality is positively related to employees' mental preoccupation with work.*

*Hypothesis 2: Employees' mental preoccupation with work positively mediates the relationship between perceived top management bottom-line mentality and (a) customer civility and (b) customer service performance.*

### **The Mediating Role of Self-Interest Cognitions**

Because business decision frames can reflect varying cognitions in terms of how to meet situational demands (March, 1995; Pillutla & Chen, 1999; Tenbrunsel & Smith-Crowe, 2008), perceptions of top management's BLM can also propel employees' cognitions that result in dysfunctional behaviors (Tenbrunsel & Smith-Crowe, 2008). In response to top management's sole focus on bottom-line outcomes, employees may develop business frame cognitions that are oriented towards the situation's impending losses (Reinders Folmer & De Cremer, 2012). In particular, employees may formulate self-interest cognitions (Mitchell et al., 2018) that underscore the potential losses associated with not securing bottom-line outcomes.

When top management solely focuses on bottom-line outcomes, to the exclusion of other considerations (Wolfe, 1988), employees are likely to recognize that their survival in this kind of environment depends on meeting bottom-line expectations (Shepard, 1965). To receive access to desirable resources, opportunities for raises and advancement, and to avoid being terminated, employees need to meet the expectations of the environment (e.g., Latham & Locke, 2007). Yet, top management's high BLM suggests that the environment operates with a myopic focus that does not provide room for error and does not consider tangential factors that affect employees' bottom-line contributions (Greenbaum et al., 2012; Mawritz et al., 2017; Wolfe, 1988). When employees interpret these cues from top management's bottom-line message, they may adopt a primitive mindset that directs their attention towards their most basic needs, including the need to survive in this environment (Shepard, 1965). In an effort to protect themselves and to better ensure their survival, employees may develop self-interest cognitions that raise self-concerns (Mitchell et al., 2018), but to the detriment of other-people concerns (Gino & Mogilner, 2014; Kouchaki et al., 2013; Vohs et al., 2006; Vohs et al., 2008). Indeed, past research suggests that individuals' self-interest cognitions come at the expense of other people (Tenbrunsel & Messick, 1999) and may even result in unethical conduct (Kouchaki et al., 2013; Mitchell et al., 2018). People's self-interest cognitions propel unethical conduct as a way of appearing successful in a threatening environment (Mitchell et al., 2018).

Additionally, top management's high BLM directs employees to think about profits and the need to make money (Wolfe, 1988). Paying attention to money-related cues propels business decision frames that are reflected by self-interest cognitions that suppress moral considerations (Gino & Mogilner, 2014; Kouchaki et al., 2013; Tenbrunsel & Messick, 1999). When money is salient, people focus on themselves and how to "get ahead" by securing their own desired

outcomes (Vohs et al., 2006; Vohs et al., 2008). Unfortunately, focusing on money activates self-concerns that may materialize into unprincipled conduct (Kouchaki et al., 2013). People's self-interest cognitions direct them to protect and support themselves (Mitchell et al., 2018; Vohs et al., 2006; Vohs et al., 2008), which in a service industry, may result in unethical conduct towards customers. In service-based occupations, employees regularly work with customers and may take advantage of customers for their own benefit. Employees engage in customer-directed unethical conduct by submitting false invoices to customers, fabricating product quality, and violating contract terms with customers (Kaptein, 2008). By engaging in these behaviors, employees are responding to top management's bottom-line expectations by focusing on their own interests as a way of surviving and appearing successful when "profits matter most." Taken together, we suggest that perceptions of top management BLM can activate employees' business frames that are reflected by self-interest cognitions, which then give way to customer-directed unethical conduct. Thus, we predict:

*Hypothesis 3: Perceived top management bottom-line mentality is positively related to employees' self-interest cognitions.*

*Hypothesis 4: Employees' self-interest cognitions positively mediate the relationship between perceived top management bottom-line mentality and customer-directed unethical behavior.*

## **Overview of Research**

We test our hypotheses in two studies using different populations (i.e., Africa and Asia) and methodologies (i.e., time-lagged and multi-source field studies). These two societal contexts provide an ideal setting for extending BLM research and for testing our hypothesized model. First, over the last decade, there has been an influx of Western multinationals in emerging,

African economies, such as Nigeria. Business operations in Nigeria are mostly influenced by Western business practices (Babalola, Stouten, Euwema, & Ovadje, 2018; George, Corbishley, Khayesi, Haas, & Tihanyi, 2016). Through our research, we will be able to reveal whether Nigerian top managers are perceived as caring about profits above all else. Second, China is witnessing an ongoing economic transformation, where the country is transitioning into a service, market-oriented economy (Ren, Wood, & Zhu, 2015). Our research will reveal whether top managers in this context are also perceived as having BLMs. By extending BLM research beyond the United States context, into developing and changing economies, our research will reveal whether this mentality is generalizable across a range of economic and social contexts.

Using a sample of employees in Nigerian organizations in Study 1, we first use a multi-wave, survey study design to examine the effects of perceived top management BLM on employees' customer-directed civility via mental preoccupation with work. We then expand our investigation in Study 2 by testing our full theoretical model using a multi-wave, multisource sample of service employees and their customers in China.

## **Method**

### **Study 1**

#### **Participants and Procedure**

We invited 298 working adults enrolled in a part-time Master of Business Administration (MBA) program at a large Nigerian university to participate in this study. As part of formal requirements for enrollment in the program, these professionals were required to have post-graduation work experience and full-time employment. As such, all of our participants worked full-time and attended the program on the weekends. Participants also indicated that they interacted frequently with their clients/customers. They were told that the data collection would

occur across three waves and that data collected would be used for research purposes only and would not be made available to their workplaces or MBA programs. Through this briefing, participants were assured of the confidential and voluntary nature of their participation and were encouraged to be as open as possible while responding to the surveys. All questionnaires were administered in English and returned to the research team in a sealed envelope. As a token of appreciation, participants who fully completed each of the three surveys received a mobile recharge card valued at 500 Naira (approximately \$1.40 USD at the time of the data collection).

At Time 1, participants were asked to rate their perceptions of top management BLM. At Time 2 (two weeks after Time 1), participants received a survey to assess their mental preoccupation with work, and at Time 3 (two weeks after Time 2), they completed measures of customer civility.

A total of 202 participants completed all three waves of surveys, yielding a response rate of 67.7%. The participants consisted of 57.9% males. Approximately 87.7% of them were between 30 and 39 years old. Participants' average organizational tenure was 4.6 years, and they worked in a variety of occupations including banking and finance (27.2%), hospitality (24.8%), marketing and sales (21.8), consulting (10.9%), telecommunications (8.9%), and human relations and administrative support (6.4%).

## Measures

Except where noted, all variables were measured using a Likert-type scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*).

**Perceived top management bottom-line mentality.** At Time 1, participants rated their perceptions of top management BLM using Greenbaum et al.'s (2012) 4-item BLM scale, except

with “Top Management” as the referent. A sample item is “In my organization, top management is solely concerned with meeting the bottom line” ( $\alpha = .85$ ).

**Mental preoccupation with work.** At Time 2, mental preoccupation with work was measured using Eib et al.'s (2015) 5-item scale. Participants were instructed to reflect on their experience over the past few weeks. A sample item was “As soon as I get up in the morning I start thinking about work problems” ( $\alpha = .90$ ).

**Customer civility.** At Time 3, we measured customer civility using the six-item scale developed by Van Jaarsveld, Walker, and Skarlicki's (2010). A sample item was “You were derogatory to a customer” (reverse coded) (1 = *not at all* and 5 = *many times*;  $\alpha = .93$ ). Similar to past research on interpersonal (in)justice (e.g., Kickul, 2001; Umphress, Simmons, Folger, Ren, & Bobocel, 2013), we reverse-coded customer incivility items to represent customer civility.

**Control variables.** We controlled for neuroticism in light of research suggesting that it may account for biases related to common method variance (Podsakoff, MacKenzie, & Podsakoff, 2012). Neuroticism was measured at Time 1 using a 4-item scale from the Mini International Personality Item Pool (Mini-IPIP scale; Donnellan, Oswald, Baird, & Lucas, 2006). A sample item was “I have frequent mood swings” ( $\alpha = .89$ ). We tested our model with and without neuroticism as a covariate; it *did not* affect our hypothesized relationships.

## Results

### Preliminary Analyses

We first conducted confirmatory factor analyses (CFA) to assess the discriminant validity of the variables in our hypothesized model. The results showed that our hypothesized three-factor model ( $\chi^2(87) = 187.86$ , CFI = .95, TLI = .94, RMSEA = .076, SRMR = .04) fit the data well and better than alternative nested models at  $p < .01$ . Alternative models tested were a two-

factor model in which indicators of perceived top management BLM and mental preoccupation were loaded on a single factor ( $\chi^2(88) = 205.01$ , CFI = .94, TLI = .93, RMSEA = .081, SRMR = .09), another two-factor model in which indicators of mental preoccupation and customer civility were loaded on a single factor ( $\chi^2(88) = 265.16$ , CFI = .91, TLI = .89, RMSEA = .100, SRMR = .22), and a model in which all indicators were loaded on a single factor ( $\chi^2(90) = 306.13$ , CFI = .88, TLI = .87, RMSEA = .109, SRMR = .28)—all of which showed worse fit. These results support the discriminant validity of all measures included in our model.

Furthermore, even though we conducted our research in three waves—which reduces common-method variance (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003; Podsakoff et al., 2012)—we also empirically examined the extent to which our results may be susceptible to such bias. To detect the presence of common method variance (CMV), we follow the recommendations of Podsakoff and colleagues using the common latent factor test. The result of the test revealed that the average variance extracted from the items by the common latent factor was 3.9%, which is far below the median of 25% often reported in previous studies (Williams, Cote, & Buckley, 1989). These results confirm that the measures are not likely contaminated by common method bias.

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### **Hypothesis Testing**

Descriptive statistics and intercorrelations among the Study 1 variables are presented in Table 1. The main effect and mediation hypotheses were tested with structural equation modeling using Amos 24.0, which was used to compute estimates of indirect effects as well as bias-corrected bootstrapped estimates of the standard errors and confidence intervals of the indirect effects ( $k = 5000$ ). We estimated a mediation model pertaining to the indirect



relationship between perceived top management BLM and customer-directed civility, which showed adequate fit ( $\chi^2(147) = 342.56$ , CFI = .92, TLI = .91, RMSEA = .081, SRMR = .057). Hypothesis 1 proposed that perceived top management BLM is positively related to mental preoccupation with work. Consistent with the prediction, we observed a positive, statistically significant relationship between perceived top management BLM and mental preoccupation with work ( $B = .46$ ,  $SE = .08$ ,  $p < .001$ ). Hypotheses 2a predicted that mental preoccupation with work mediates the relationship between perceived top management BLM and customer civility. As expected, we observed a positive relationship between mental preoccupation with work and customer civility ( $B = .19$ ,  $SE = .06$ ,  $p < .001$ ), and a statistically significant positive indirect effect of perceived top management BLM through mental preoccupation with work on customer civility (*indirect effect* = .09,  $SE = .04$ , 95% CI [.03, .18]). Both hypotheses were supported (see Figure 2 for a summary).

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## Study 2

### Participants and Procedure

Data were collected from a large financial group in the insurance and banking industry located in Southern China under the help of a consulting firm. Three hundred saleswomen and salesmen (hereafter employees) who had been working in the group for more than 12 months were randomly chosen from the group's database. They were informed that the data collection would occur across multiple waves and that data collected would be used for research purposes only. They were also assured of the confidential and voluntary nature of their participation and

were encouraged to be as open as possible while responding to the surveys. The questionnaire was translated from English to Chinese by a professional and then translated from Chinese to English by another professional (Brislin, 1970). The questionnaire in Chinese was then validated with 10 randomly selected graduate students before being administered to the employees.

During the first wave of data collection, employees completed a questionnaire asking about their perceptions of top management BLM. Out of 300, 171 employee surveys were returned (approximately 57% response rate). During the second wave of data collection (four weeks after Time 1), employees completed a Time 2 questionnaire, which included measures of mental preoccupation with work and self-interest cognitions. We received 166 completed surveys. After this wave of data collection, we followed Chen, Zhu, and Zhou's (2015) approach for creating employee-customer dyads for survey research. Specifically, we randomly selected two customers who had dealt with the focal employee for at least 12 months. These customers were asked to fill out a survey that captured the focal employee's customer-directed civility, service performance, and customer-directed unethical behavior. Finally, 297 customer surveys were returned, of which 282 matched 142 employee surveys. Consistent with previous research (e.g., Garcia et al., 2018), we averaged the two customer's scores together to capture the focal employee's customer-directed civility, service performance, and customer-directed unethical behavior. We found no significant differences between the respondents and non-respondents in terms of age (-1.78, *ns*) and gender (-.036,  $p > 0.05$ ). The average ages of employees and of customers were 33.96 and 41.59 years respectively. The ratios of female employees and customers to their male counterparts were 0.42 and 0.54 respectively. The average organizational tenure of employees was 2.49 years. The average tenure between customers and employees was 1.63 years.

## Measures

Except where noted, all variables were measured using a Likert-type scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*). Perceived top management BLM (Time 1) ( $\alpha = .89$ ) and mental preoccupation with work (Time 2) ( $\alpha = .90$ ) were rated by employees using the same items used in Study 1, except that mental preoccupation with work specifically asked about their experiences since the first survey. At Time 2, customers rated the focal employee's customer civility using the same items used in Study 1 ( $\alpha = .93$ ).

**Self-interest cognitions.** At Time 2, employees responded to 3 self-interest cognition items from De Dreu and Nauta (2009). A sample item is "At work, I am concerned about my own needs and interests" ( $\alpha = .93$ ).

**Customer service performance.** At Time 2, customers rated the focal employee's customer service performance using the three-item Service Provider Performance Scale (Price et al., 1995; Salanova et al., 2005). A sample item is: As a customer, "This employee "surprises" you with his or her excellent service" ( $\alpha = .93$ ).

**Customer-directed unethical behavior.** At Time 2, customers rated the focal employee's unethical behavior using the 8-item scale developed by Kaptein (2008). A sample item is: "This employee engages in false or deceptive sales and marketing practices (e.g., creating unrealistic expectations)" ( $\alpha = .95$ ).

**Control variables.** We controlled for employee conscientiousness using a 4-item scale from Donnellan et al. (2006). We included this control because prior research has shown that conscientiousness affects employees' reactions to bottom-line mentalities (Greenbaum et al., 2012) and may affect employees' moral reactions (e.g., Moon, 2001). A sample item is "I like order" ( $\alpha = .73$ ). Furthermore, to account for possible cultural effects in our model, we controlled

for individualism-collectivism cultural orientation using Ilies, Wagner, and Morgeson's (2007) three-item scale. Individualism-collectivism reflects fundamental differences in how the relationship between individuals and societies is construed and whether the needs and interests of individuals or groups [others] are seen as most important (Ilies et al., 2007; Oyserman, Coon, & Kemmelmeier, 2002). A sample item is "Given the choice, I would rather do a job where I can work with others in a group rather than do a job where I can work alone" ( $\alpha = .89$ ). The results for our hypothesis tests remained the same with or without these control variables.

## Study 2 Results

### Preliminary Analyses

As in Study 1, we conducted confirmatory factor analyses (CFA) to assess discriminant validity. The hypothesized six-factor model showed adequate fit ( $\chi^2 (362) = 662.82$ , CFI = .93, TLI = .92, RMSEA = .077, SRMR = .05) and better fit than alternative nested models at  $p < .01$ . Alternative models tested were: a five-factor model in which indicators of perceived top management BLM and mental preoccupation with work were loaded on a single factor ( $\chi^2 (363) = 710.98$ , CFI = .92, TLI = .91, RMSEA = .082, SRMR = .12); a five-factor model in which indicators of customer service performance and customer civility were loaded on a single factor ( $\chi^2 (363) = 740.25$ , CFI = .91, TLI = .90, RMSEA = .086, SRMR = .16); a five-factor model in which indicators of customer-directed unethical behavior and customer civility were loaded on a single factor ( $\chi^2 (363) = 780.95$ , CFI = .90, TLI = .89, RMSEA = .090, SRMR = .30); a five-factor model in which indicators of mental preoccupation and self-interest cognitions were loaded on a single factor ( $\chi^2 (363) = 707.09$ , CFI = .92, TLI = .91, RMSEA = .082, SRMR = .14); and a four-factor model in which indicators of perceived top management BLM, mental preoccupation, and self-interest cognitions were loaded on a single factor ( $\chi^2 (365) = 733.42$ , CFI

= .91, TLI = .90, RMSEA = .085, SRMR = .19)—all of which showed worse fit. These results support the discriminant validity of the measures in Study 2.

Just as in Study 1, we conducted a common latent factor test (Podsakoff et al., 2003) to assess the extent of common method variance in Study 2. The average variance extracted from the items by the common latent factor was 11.7%, which is well below the median of 25% in previous studies (Williams et al., 1989). Consequently, there appears to be minimal common method variance among the variables.

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 Insert Table 2 about here  
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### **Hypothesis Testing**

Descriptive statistics and intercorrelations among the Study 2 variables are presented in Table 2. Just as in Study 1, the main effect and mediation hypotheses were tested with structural equation modeling using Amos 24.0. Indirect effects as well as bias-corrected bootstrapped estimates of the standard errors and confidence intervals of the indirect effects ( $k = 5000$ ) were computed. We estimated the hypothesized parallel mediation model, which showed adequate fit ( $\chi^2(577) = 977.95$ , CFI = .92, TLI = .91, RMSEA = .07, SRMR = .076). Hypothesis 1 proposed that perceived top management BLM is positively related to mental preoccupation with work. The results replicated Study 1: we observed a relationship between perceived top management BLM and mental preoccupation with work ( $B = .52$ ,  $SE = .15$ ,  $p < .001$ ), supporting Hypothesis 1. Hypotheses 2a and 2b predicted that mental preoccupation with work mediates the relationship of perceived top management BLM with (a) customer civility, and (b) customer service performance. As expected, mental preoccupation with work was positively associated with customer civility ( $B = .13$ ,  $SE = .06$ ,  $p < .05$ ) and customer service performance ( $B = .18$ ,  $SE = .06$ ,  $p < .01$ ). We observed a statistically significant positive indirect effect of perceived top

management BLM through mental preoccupation with work on customer civility (*indirect effect* = .07, *SE* = .05, 95% CI [.01, .19]) and on customer service performance (*indirect effect* = .09, *SE* = .05, 95% CI [.02, .23]). Hypotheses 2a and 2b were both supported.

Hypothesis 3 proposed that perceived top management BLM is positively related to self-interest cognitions. As predicted, we observed a relationship between perceived top management BLM and self-interest cognitions ( $B = .39, SE = .13, p < .01$ ). Hypothesis 4 predicted that self-interest cognitions mediate the relationship of perceived top management BLM with (a) customer-directed unethical behavior. We observed that self-interest cognitions were associated with customer-directed unethical behavior ( $B = .15, SE = .06, p \leq .01$ ) and observed a statistically significant positive indirect effect of perceived top management BLM through self-interest cognitions on customer-directed unethical behavior (*indirect effect* = .06, *SE* = .03, 95% CI [.01, .15]). Hypothesis 4 was supported. SEM results are presented in Figure 3.

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 Insert Figure 3 about here  
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**Supplemental analyses.** We also estimated a parallel mediation model, which included non-hypothesized paths (self-interest cognitions to customer civility and customer service performance; mental preoccupation to customer-directed unethical behavior). This model showed an adequate ( $\chi^2(574) = 967.47, CFI = .92, TLI = .91, RMSEA = .07, SRMR = .064$ ) and better fit than the hypothesized model ( $\chi^2_{diff}(3) = 10.48, p < .05$ ). In terms of statistically significant relationships, we observed a positive path from self-interest cognitions to customer service performance ( $B = .14, SE = .07, p < .05$ ). This alternative structural model is presented in Figure 4. In our Discussion, we speculate as to why self-interest cognitions may also explain the relationship between perceptions of top management BLM and customer service performance.

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Insert Figure 4 about here  
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### **Discussion**

In light of growing concerns regarding BLMs in organizations (Greenbaum et al., 2012; Mesdaghinia et al., 2018), we sought to better understand the BLM construct by examining why perceptions of top management's BLM can produce beneficial outcomes in the form of customer civility and customer service performance, but also dysfunctional outcomes in the form of customer-directed unethical behaviors. Based on theory and research on decision frames (Tenbrunsel & Messick, 1999; Tenbrunsel & Smith-Crowe, 2008), we argued that perceptions of top management's BLM activate business frames that are reflected by two cognitive processes: mental preoccupation with work and self-interest cognitions. We predicted that the former drives customer civility and customer service performance, which are helpful to the bottom line. In contrast, we predicted that the latter motivates customer-directed unethical behaviors that may harm the organization in the long-run.

Our findings across two studies generally supported our theoretical model. Utilizing a sample of Nigerian customer service employees, our first study found that perceptions of top management BLM positively influenced employees' customer civility through employees' mental preoccupation with work. Extending these findings, our second study utilized data from Chinese customer service employees and their customers and tested our entire theoretical model. Study 2 replicated Study 1's results, but we also found that employees' mental preoccupation with work mediated the positive relationship between perceptions of top management's BLM and employees' customer service performance. Additionally, employees' self-interest cognitions mediated the positive relationship between perceptions of top management's BLM and

employees' customer-directed unethical conduct. Unexpectedly, our supplemental analyses demonstrated that employees' self-interest cognitions also explained the positive relationship between perceptions of top management's BLM and employees' customer service performance. Next, we discuss the theoretical implications of our research.

### **Theoretical Contributions**

Our research makes several important contributions to BLM research and theory. Emerging research on BLM has primarily taken the perspective that leaders' BLMs are harmful and produce dysfunctional organizational behaviors (e.g., Greenbaum et al., 2012; Mawritz et al., 2017; Mesdaghinia et al., 2018). Yet, to date, little research has investigated whether leaders' BLMs can encourage favorable organizational outcomes, and *why* leader BLMs may contribute to both types of outcomes. In this sense, our research contributes to the literature by broadening the nomological network of the BLM construct by specifically investigating employees' perceptions of top management's BLM and why these perceptions indirectly help and hurt customers' organizational experiences.

Importantly, we encourage the examination of employees' perceptions of top management BLM because employees' perceptions serve as their reality in organizational settings (e.g., Lamertz, 2002; Lee, 2001). These perceptions are likely to represent employees' interpretations of environmental cues that suggest that top management solely cares about bottom-line, financial outcomes to the exclusion of other considerations. This is important because decision frame theorizing (e.g., March, 1995; Messick, 1999) suggests that situational perceptions have a large bearing on employees' choices of particular decision frames, which then dictate people's selected courses of action (Tenbrunsel & Messick, 1999; Tenbrunsel & Smith-Crowe, 2008). As we show through our research, perceptions of top management's BLM can



influence employees' business decision frames that are reflected by two cognitions that drive both good and bad behaviors—mental preoccupation with work and self-interest cognitions. Thus, we contribute to the literature by investigating perceptions of top management's BLM as an indication of how employees' view the organization's priorities and why and how they subsequently respond to these priorities.

We also contribute to the literature by utilizing Tenbrunsel and Smith-Crowe's (2008) ethical decision-making framework to understand why business decision frames can garner multiple cognitions that lead to both good and bad behaviors. Tenbrunsel and Smith-Crowe note that business decision frames can yield *both* good and bad organizational outcomes depending on whether employees believe a course of action is best for the business context. Yet, Tenbrunsel and Smith-Crowe did not identify a business decision frame's specific cognitive processes that result in employees' good or bad behaviors. In this sense, we extend Tenbrunsel and Smith-Crowe's research by noting that business decision frames can be oriented towards the potential gains or losses associated with attempting to meet bottom-line demands (see Kouchaki et al., 2013). We contribute to the literature by proposing that business frame cognitions can reflect mental preoccupation with work as a strategy for producing the most gains with respect to top management's bottom-line demands. In this case, employees devote all of their attentional resources and efforts towards reaching work demands because doing so allows them to meet the expectations of the environment (Eib et al., 2018; Eib et al., 2015). We also contribute to the literature by arguing that business frames can reflect self-interest cognitions that direct employees' attention towards the potential threats, or losses, of not meeting bottom-line demands, which can activate unethical conduct. Thus, our research starts to identify the different

ways that business frames can be expressed to produce both good and bad organizational outcomes.

Further, our research extends the theoretical tenets of BLM research. Early BLM research relied on arguments related to competition and zero-sum construals of success (see Wolfe, 1988) to describe why BLMs incite dysfunctional behaviors in the workplace (Bonner et al., 2017; Greenbaum et al., 2012; Mawritz et al., 2017). We contribute to the literature by relying on decision frame arguments to understand why perceptions of top management's BLM results in a range of organizational outcomes. Importantly, we propose that top management's high BLM signals to employees the importance of enhancing profits and making money. Past research has shown that money-related cues provoke business frames (Kouchaki et al., 2013) because processing decisions with respect to potential gains and losses is important for financial prosperity and security (e.g., Nagin, Rebitzer, Sanders, & Taylor, 2002; Tenbrunsel & Messick, 2004; Vohs et al., 2006). Interestingly, past research has suggested that thinking about money, and making decisions with respect to money, can propel employees to work harder (e.g., Vohs et al., 2006; Vohs et al., 2008), but also to engage in unethical conduct (Gino & Mogilner, 2014; Kouchaki et al., 2013). Our research advances the BLM literature by combining these two perspectives to suggest that top management's BLM activates business thinking that underscores both working hard (i.e., mental preoccupation with work) and self-interested concerns related to survival (i.e., self-interest cognitions). By combining these perspectives, we contribute to the BLM literature by noting two cognitive processes that help to explain why top management's high BLM can be good and bad.

In this respect, our research also contributes to the growing call for organizational research to avoid characterizing constructs as either good or bad, and to instead understand how

constructs of interest yield both positive and negative outcomes (Alvesson & Sandberg, 2011). In particular, Alvesson and Sandberg (2011) lamented the tendency for research to be assumption affirming and urged researchers to take a more complex view of human behavior by investigating phenomena with respect to a range of outcomes. By identifying how two sets of seemingly contradictory outcomes (i.e., customer civility/service performance versus customer-directed unethical behavior) arise from a common experience (viz., top management BLM), our work helps meet this call.

Many world economies are becoming increasingly service oriented (Colquitt, LePine, & Wesson, 2017). Thus, an organization's bottom-line success often depends on securing customer sales and services and encouraging customers' repeat purchases and referrals (Knox & Walker, 1995; Kumar, Petersen, & Leone, 2010; Pettijohn, Pettijohn, & Taylor, 2004). To secure these important outcomes, customers typically expect optimal customer experiences and services. Our research contributes to the consumer behavior literature by identifying factors that influence the way employees treat customers, which may affect important bottom-line outcomes (e.g., Vickery et al., 2003; Zeithaml, 2000; Zeithaml et al., 1996). Importantly, our research demonstrates that employees' perceptions of top management's high BLM can indirectly influence employees' good and bad behaviors towards customers. Thus, our research reveals the complexity of identifying antecedents of employees' consumer-directed behaviors in that the same perceived experience can drive very different outcomes.

Finally, past BLM research has primarily tested BLM effects in well-established economies, such as the United States. We test our theoretical model using a unique sample of workers from Nigeria, which represents "...one of Africa's biggest and fastest growing economies" (Babalola et al., 2018, p. 2056). In this regard, we extend the field's understanding

of the BLM construct by applying it to a non-Western, developing society (i.e., Nigeria) and an industrialized society (China), which demonstrates the robustness of BLM effects to multiple contexts. Here, we address Johns' (2006) call to test theoretical models in contexts that are unique and understudied in management research, because doing so can increase the generalizability of particular organizational phenomena.

### **Implications for Practice**

In today's increasingly changing and highly competitive business environment, it may be common for organizations to place a premium on securing bottom-line outcomes (e.g., Mitchell, Greenbaum, Vogel, Mawritz, & Keating, 2018). In some regards, our findings suggest that a myopic focus on bottom-line outcomes can be beneficial for organizations. Employees who perceived top management's high BLM directed their cognitions towards work and thus engaged in more customer-directed civility and had better customer service performance. In light of the potential benefits of high BLMs, organization's may be receptive to promoting BLMs as a strategy for organizational success. However, perceptions of top management's high BLM can also have a dark side. Our findings indicate that perceptions of top management's high BLM can lead employees to think in a self-interested manner resulting in greater customer-directed unethical behavior. These latter findings align with the recent Wells Fargo scandal. Employees were so focused on hitting sales quotes that they ignored the ethical implications of opening fictitious customer accounts.

In light of our findings, organizations should be attentive to the way that bottom-line messages are conveyed or perceived. Although employees who interpret top management as having a high BLM might engage in beneficial behaviors, our research demonstrates that they might also engage in customer-directed unethical acts in order to meet bottom-line objectives.

Organizations that do not have processes in place to detect unethical behavior may run the risk of allowing these harmful behaviors to persist until scandals emerge and significant damage is done (e.g., the case of Wells Fargo). More problematic, the benefits of espousing a BLM may reinforce the adoption of BLMs as a successful strategy for obtaining desired outcomes.

Organizations may find it worthwhile to survey employees' perceptions of top management's BLM, as this may serve as an early warning sign for unethical behavior. At the same time, top management should aim to convey messages whereby both ethics and bottom-line financial performance are equally valued (Treviño, Brown, & Hartman, 2003).

Finally, organizations should be attentive to employees' mental preoccupation with work and self-interest cognitions. As our research suggests, mental preoccupation with work can be helpful because it focuses employees' attentional resources towards work, which assists in the attainment of desired outcomes. At the same time, some research suggests that constantly thinking about work can be draining and can negatively affect employees' work-life balance (e.g., Greenhaus & Beutell, 1985). Thus, organizations can work with employees to ensure that their mental preoccupation with work remains in check. For example, organizations may be able to structure work assignments such that most, if not all, work is completed before the end of the business day. Doing so would allow workers to transition to their home responsibilities without the cognitive burden of always thinking about work. Additionally, organizations may look for signs that suggest that employees are becoming too self-focused. If employees seem to be very concerned about their own needs, organizations could emphasize that there are enough resources to satisfy all employees and that it is important to consider the big picture, and multiple constituents' needs, when operating within the organization.

### **Limitations and Future Research Directions**

Although our research has a number of strengths, it is not without limitations. Our first study uses single source data, which raises concerns regarding common method variance (CMV). To address this concern, we took the advice of (Podsakoff et al., 2012) and collected data across multiple points in time. Podsakoff et al. (2012) noted that temporal spacing in data collections can reduce consistency motifs that contribute to CMV. Additionally, we empirically tested for CMV by using a common-method latent approach. The results provide additional evidence that CMV is unlikely a concern. Any concerns regarding CMV are further assuaged by the fact that we were able to replicate our finding in a second study, which used longer time lags between surveys, multi-source, employee-customer responses, and a different cultural context. In Study 2, having customers rate employees' behaviors was particularly important because employees who are mentally preoccupied with work, or who are too focused on themselves, may be less aware of how they are treating customers. Interestingly, the relationship between top management BLM, mental preoccupation with work, and customer civility was the same across two studies, irrespective of whether employees or customers rated civility, which supports the generalizability of our model. Even so, future research may consider using objective measures of key study variables to further avoid any rater effects. Additionally, although our research utilized time-lagged study designs, causality may remain a concern. Theoretically, our model is supported by the proposed causal direction of our predictions; yet, future experimental or longitudinal study designs would provide more confidence in the causal ordering of our variables.

Also, from a measurement perspective, Study 1 asked participants to rate their mental preoccupation with work over the past few weeks, which may have been interpreted in a vague manner by participants (i.e., "few" weeks could mean three weeks or five weeks). Any confusion created by these instructions could have enhanced measurement error, thus reducing our ability

to detect effects. In spite of this concern, we were able to find support for our hypothesized relationships in Study 1, which were replicated in Study 2. Additionally, to further address this concern, Study 2's measurement of mental preoccupation with work used a more explicit timeframe for rating mental preoccupation with work, with our results remaining comparable across both studies.

Our research revealed an unexpected relationship between perceptions of top management's BLM, employees' self-interest cognitions, and employees' customer service performance. Although not hypothesized, we found that self-interest cognitions mediated the positive indirect relationship between top management BLM and customer service performance. We did not hypothesize this relationship because our understanding of self-interest cognitions is that they suppress moral considerations, including the need to consider other's needs, which encourages unethical conduct (e.g., Gino & Mogilner, 2014; Mitchell et al., 2018). We did not anticipate a relationship with between self-interest cognitions and customer service performance because service-oriented behaviors typically require employees to actively consider the needs of their customers (Salanova et al., 2005). Having found this unexpected relationship, it could be that self-interest cognitions also capture the need for self-sufficiency. Vohs et al. (2006, 2008) explained that money-related cues can activate a person's desire for self-sufficiency (i.e., being able to take care of oneself), which can encourage functional behaviors that contribute to financial success. In service-based occupations, employees experiencing self-interest cognitions may recognize that superior customer service performance will help them to succeed and survive in an organization where profits matter most. It should be noted, however, that although this mediated relationship is statistically significant, the overall relationship is relatively weak in magnitude, which may indicate that moderators are playing a role in this relationship. We

encourage future research to examine how self-interest cognitions are related to self-sufficiency, and how they are affected by moderators in predicting both good and bad employee outcomes.

Future research might benefit from more formally integrating cultural considerations into BLM research. In our research, we tested our theoretical model in two cultural contexts. We also controlled for a common cultural dimension, collectivism-individualism, when testing our theoretical model in Study 2. Our results replicated across the two studies, even when controlling for collectivism-individualism, which may suggest that BLM research is generalizable to multiple, cultural contexts. Yet, it may be interesting to investigate whether masculine versus feminine cultures are more or less likely to respond to top management's BLM with particular cognitions. In masculine cultures, that value assertiveness and money (Hofstede, 1993), employees may be more likely to respond to top management's BLM with both mental preoccupation with work and self-interest cognitions because these cognitions match the cultural context.

Future research could consider moderators that influence the extent to which employees respond to top management's BLM in ways that are beneficial versus dysfunctional. With respect to our theoretical model, employees who are highly proactive may respond to perceptions of top management's BLM with enhanced mental preoccupation with work, as these types of employees are more likely to approach work challenges with vigor (e.g., Seibert, Crant, & Kraimer, 1999). As a result, highly proactive employees may channel their mental preoccupation with work into outcomes that help top management's bottom-line demands. Conversely, employees who are insecure about their jobs may respond to perceptions of top management's high BLM with enhanced self-interest concerns, as their insecurities draw out the impending threat of not securing top management's bottom-line demands (see Shoss, 2017). In turn, these



employees may be more likely to engage in unethical conduct to appear more successful. We encourage future research to fully investigate moderators of the BLM phenomena, as this will allow the field to recognize factors that draw out the benefits of BLMs, perhaps while suppressing the drawbacks of BLMs.

### **Conclusion**

Examples from the popular press, such as the recent Volkswagen and Wells Fargo scandals, provide anecdotal evidence that a sole focus on bottom-line outcomes can be quite costly to organizations. Extant research, too, has started to demonstrate that bottom-line mentalities can have ill effects. Through our research, we investigate why perceptions of top management's high BLM can produce both good and bad outcomes. We utilize a decision frame perspective to explain why perceptions of top management's high BLM may lead employees to become mentally preoccupied with work, resulting in higher levels of customer civility and service performance, but also more self-interested, resulting in customer-directed unethical behaviors. Together, these findings provide a deeper understanding of the effects associated with leaders' BLMs.

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Table 1

Descriptive statistics and inter-correlations of variables in Study 1

| Variables                              | <i>M</i> | <i>SD</i> | 1    | 2    | 3    | 4    | 5   | 6   |
|--|----------|-----------|------|------|------|------|-----|-----|
| 1. Age <sup>a</sup> (T1)               | 1.96     | 0.34      |      |      |      |      |     |     |
| 2. Gender <sup>b</sup> (T1)            | 0.58     | 0.49      | -.01 |      |      |      |     |     |
| 3. Tenure (T1)                         | 4.60     | 4.11      | .41  | -.03 |      |      |     |     |
| 4. Perceived TMBLM (T1)                | 3.37     | 1.10      | -.04 | -.04 | .06  |      |     |     |
| 5. Mental preoccupation with work (T2) | 3.57     | 0.99      | -.09 | .03  | .03  | .44  |     |     |
| 6. Customer civility (T3)              | 3.98     | 0.71      | -.10 | -.05 | -.10 | .07  | .27 |     |
| 7. Neuroticism (T1)                    | 2.93     | 1.01      | -.09 | -.03 | .05  | -.02 | .11 | .18 |

Note:  $N = 202$ . T = time period of data collection. TMBLM = Top management bottom-line mentality. Correlations greater than .17 are significant at  $p < .01$  and those greater than .15 are significant at  $p < .05$ , two-tailed. <sup>a</sup>1 = 20-29 years old, 2 = 30-39 years old, 3 = 40-49 years old. <sup>b</sup>0 = Female, 1 = Male.

Table 2

Descriptive statistics and inter-correlations of variables in Study 2

| Variables   | <i>M</i> | <i>SD</i> | 1    | 2    | 3    | 4   | 5    | 6    | 7    | 8    | 9    | 10  |
|---|----------|-----------|------|------|------|-----|------|------|------|------|------|-----|
| 1. Age (T1)   | 33.96    | 8.14      |      |      |      |     |      |      |      |      |      |     |
| 2. Gender <sup>a</sup> (T1)   | 0.58     | 0.50      | .12  |      |      |     |      |      |      |      |      |     |
| 3. Tenure (T1)  | 3.23     | 1.37      | -.11 | -.02 |      |     |      |      |      |      |      |     |
| 4. Percieved TMBLM (T1)   | 3.40     | 0.69      | -.12 | .06  | .04  |     |      |      |      |      |      |     |
| 5. Mental preoccupation with work (T2)                                  | 3.28     | 1.14      | -.06 | -.11 | .13  | .30 |      |      |      |      |      |     |
| 6. Self-serving cognitions (T2)   | 3.40     | 1.03      | .10  | .02  | .07  | .24 | .12  |      |      |      |      |     |
| 7. Customer civility <sup>b</sup> (T2 <sub>c</sub> )                    | 3.92     | 0.78      | -.08 | -.07 | .05  | .19 | .25  | .19  |      |      |      |     |
| 8. Customer service performance <sup>b</sup> (T2 <sub>c</sub> )         | 3.37     | 0.81      | .12  | -.10 | .18  | .11 | .29  | .21  | .18  |      |      |     |
| 9. Customer-directed unethical behavior <sup>b</sup> (T2 <sub>c</sub> ) | 2.64     | 0.75      | .08  | -.02 | -.05 | .09 | .21  | .26  | -.04 | .17  |      |     |
| 10. Conscientiousness (T1)  | 3.46     | 0.86      | -.07 | .02  | .09  | .12 | .14  | .06  | .19  | .24  | .07  |     |
| 11. Individualism–Collectivism <sup>d</sup> (T1)                        | 3.73     | 0.97      | -.06 | .08  | -.21 | .09 | -.10 | .004 | -.05 | -.04 | -.07 | .02 |

Note:  $N = 142$ . T = time period of data collection. T2<sub>c</sub> = Rated by customers at Time 2. TMBLM = Top management bottom-line mentality. Correlations greater than .21 are significant at  $p < .01$  and those greater than .17 are significant at  $p < .05$ , two-tailed. <sup>a</sup>0 = Female, 1 = Male. <sup>b</sup>Average of both customers' ratings of customer-directed outcomes. <sup>d</sup>Higher values indicate collectivistic tendencies.



Figure 1

Conceptual Model

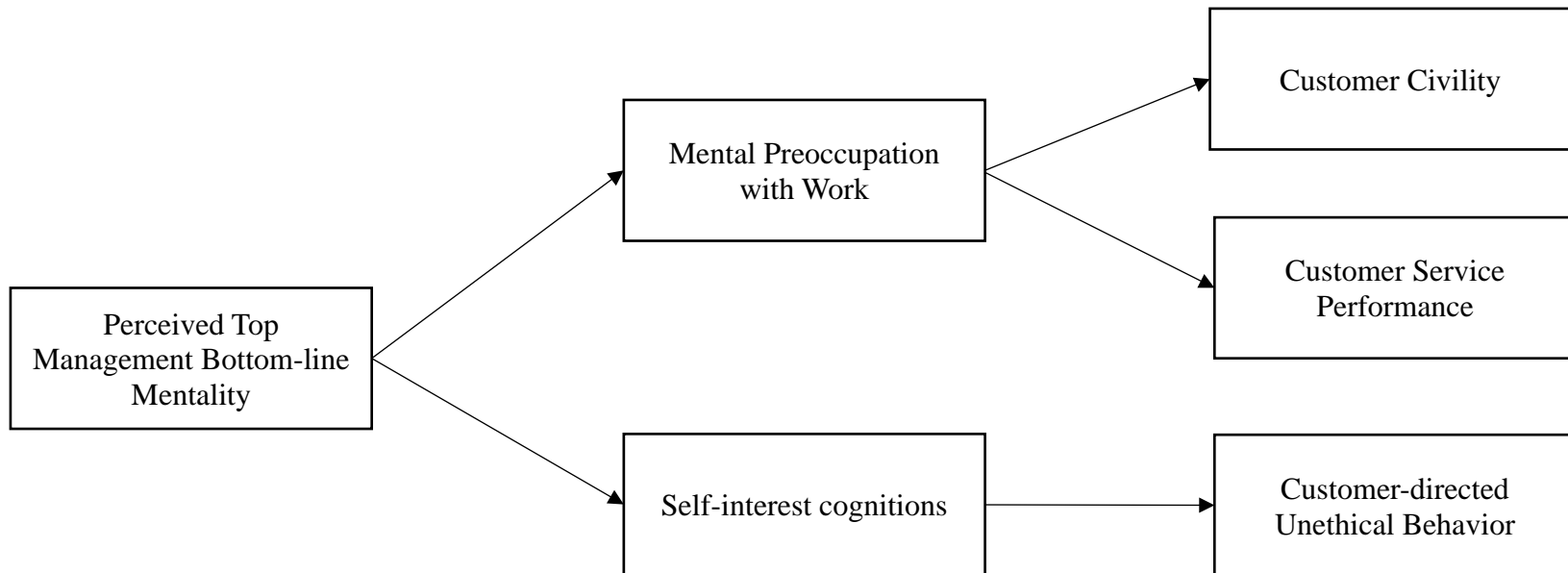


Figure 2

Study 1 Hypothesized Structural Equation Model Results

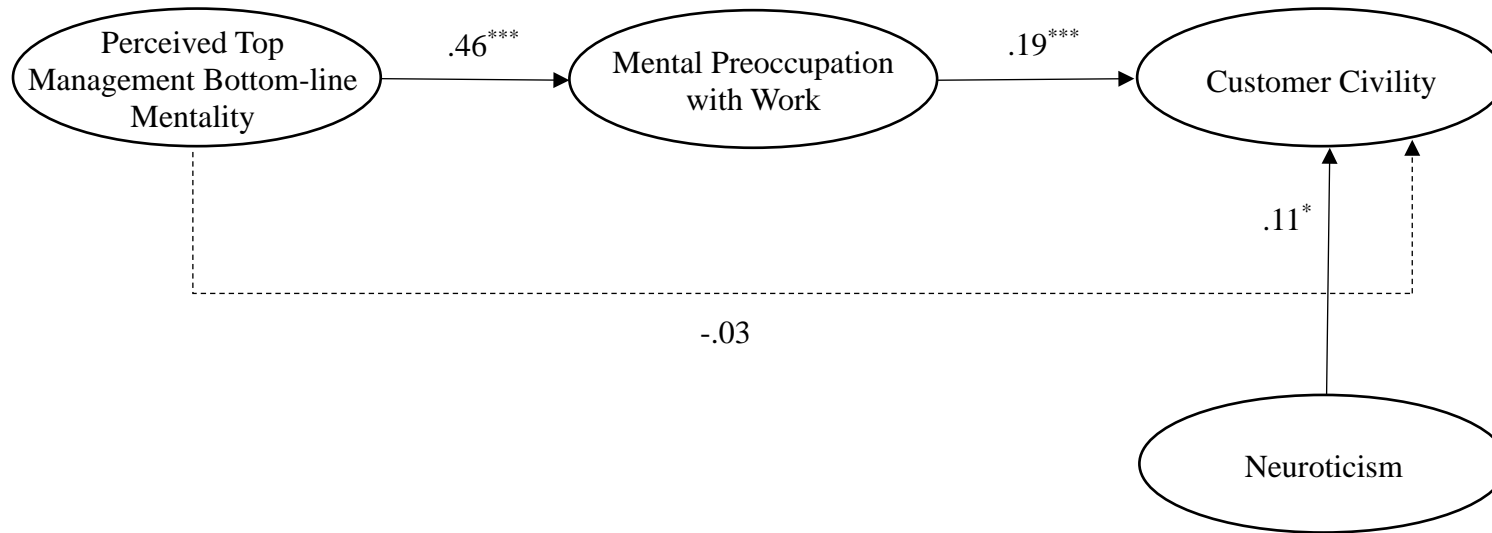


Figure 3

Study 2 Hypothesized Structural Equation Model Results

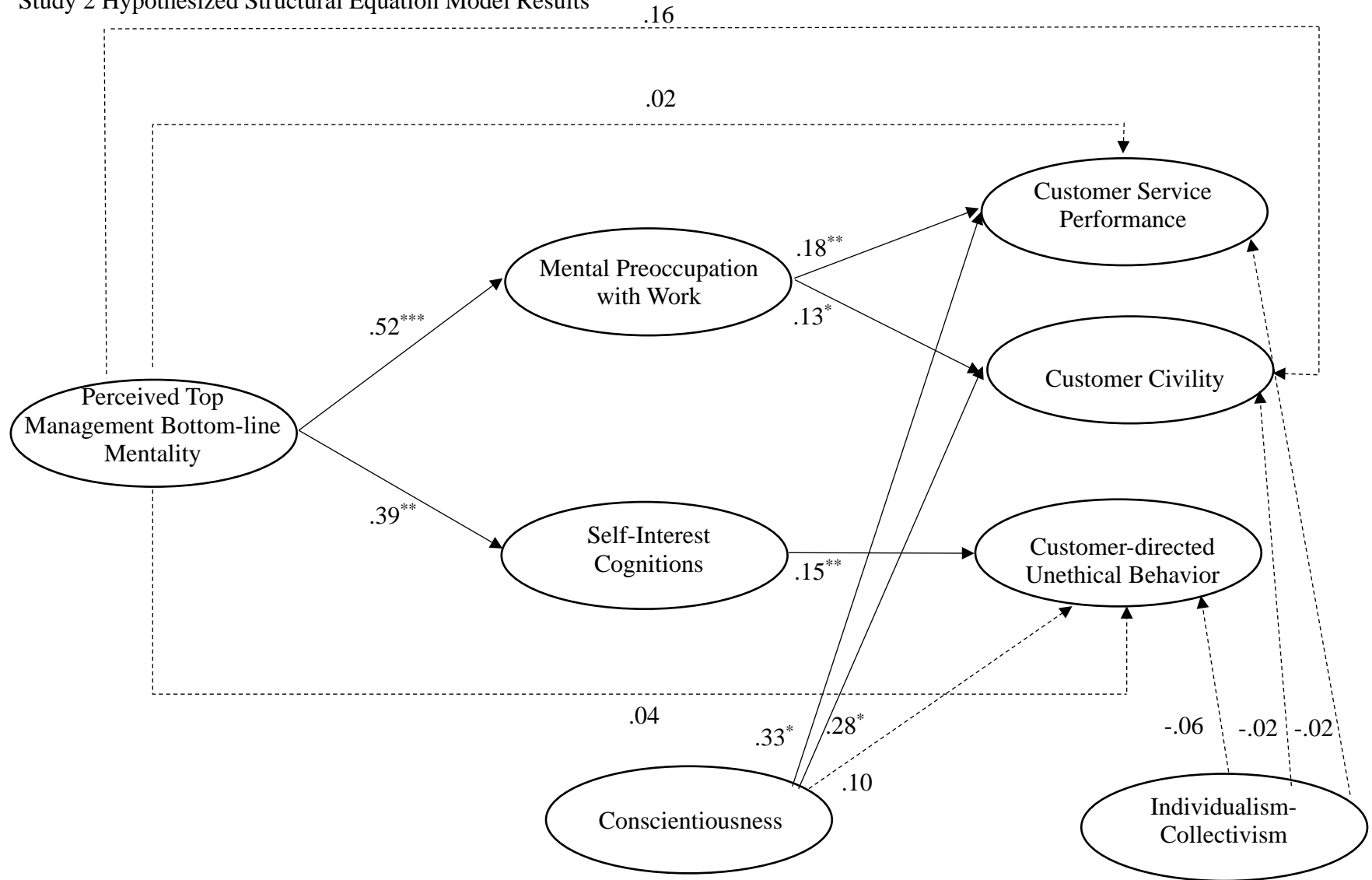


Figure 4

Study 2 Supplemental Analysis Results

